

**INTERLOCAL AGREEMENT
BETWEEN
NUECES COUNTY,
NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES,
AND NUECES COUNTY HOSPITAL DISTRICT**

This Interlocal Agreement (the "Agreement") is made and entered into on the Effective Date by and between Nueces County (the "County"), the Nueces Center for Mental Health and Intellectual Disabilities (the "NCMHID"), and the Nueces County Hospital District (the "NCHD") all whose principal offices are located in Corpus Christi, Nueces County, Texas. County, NCMHID, and NCHD may be referred to herein individually as "Party" and collectively as "Parties."

WITNESSETH

WHEREAS, the County is a political subdivision of the State of Texas with police protection and detention powers as well as public welfare programs;

WHEREAS, the NCMHID is an agency of the State of Texas whose primary purpose is to provide mental health services in the community and the NCMHID has previously organized, operated, or directed local programs relating to the diversion of persons from jails or other detention facilities for the purpose of providing mental health services, including services for associated substance abuse issues, to those persons and such programs included crisis services and jail diversion, magistrate courts orders and pre-trial diversion, local competency restoration, and other similar and related programs; although such programs were generally considered successful by parties associated with them then, said programs were eventually ended due to loss of funding;

WHEREAS, the NCHD is a political subdivision of the State of Texas whose duty is to furnish medical aid and hospital care to indigent and needy persons residing within the NCHD's boundaries and the NCHD may use funds from non-tax sources to fund health care services, including mental health services with Commissioners Court approval;

WHEREAS, the County requested that the NCHD fund certain mental health-related programs to be provided by or through the NCMHID relating to diversion of persons from jails or other detention facilities, including Crisis Intervention Teams, Jail Diversion, expansion of mobile crisis outreach, and development of jail-based competency restoration for the purpose of providing mental health services, including services for associated substance abuse issues, to those persons during the period October 1, 2019 – September 30, 2020 and the NCHD is agreeable to undertaking the County's request, subject to the availability of sufficient non-tax funds during that period; and

WHEREAS, Texas Government Code, Chapter 791, as amended, authorizes contracts between local governmental agencies to perform governmental functions, inclusive of §791.025, Texas Government Code which permits agreements (interlocal agreement) between local governments for the purchase of goods and services and satisfies the requirement of local governments to seek competitive bids for the purchase of goods and services.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and undertakings herein contained, the Parties agree as follows:

SECTION I
DEFINITION OF TERMS

- 1.1 Terms Stated Above. For the purposes of the Agreement, the terms “Agreement,” “County,” “NCMHID,” and “NCHD” shall have the meanings indicated above.
- 1.2 Additional Terms. In addition to Section 1.1 above and for purposes of this Agreement, the following terms shall have the meanings assigned below:
- 1.2.1 “Jail Diversion and Crisis Intervention Services” individually, the terms “Jail Diversion” and “Crisis Intervention Services” mean as follows: (a) the term “Jail Diversion Services” means pre and post-booking services that identify individuals with serious mental illness and/or a substance abuse/dependence disorder in contact with the justice system and redirect them from incarceration to community-based mental health and/or substance abuse treatment and support services as appropriate; and (b) the term “Crisis Intervention Services” means a pre-booking assessment and Jail Diversion service providing a specialized mental health response to law enforcement requests for assistance involving individuals with mental health and/or substance abuse issues, including a specialized mental health response using law enforcement Crisis Intervention Services officers. The aggregate term “Jail Diversion and Crisis Intervention” means Jail Diversion Services that includes Crisis Intervention Teams and Expanded Mobile Crisis Outreach Services.
- 1.2.2 “Jail-Based Competency Restoration Services” means services to restore the competency to stand trial to an individual found by a court to be incompetent to do so due to an active mental illness or an intellectual disability.
- 1.2.3 “Services” means the Jail Diversion, Crisis Intervention, Expanded Mobile Crisis Outreach, and Jail-Based Competency Restoration Services provided by NCMHID and the production of law enforcement Crisis Intervention Services by law enforcement agencies.
- 1.2.4 “Agreement Sum” means the amount of Two Million Five Hundred Thousand Dollars (**\$2,500,000.00**) paid by NCHD to NCMHID and County during the Term.
- 1.2.5 “NCMHID Cost or Costs” means the cost or costs incurred by NCMHID that are completely attributable to and associated with NCMHID’s production of Services under this Agreement.
- 1.2.6 “Monthly NCMHID Expense Reimbursement” means the monthly amount paid by NCHD to NCMHID as reimbursement for monthly NCMHID Costs over the Term, subject to the limitation set forth in Section 5.13
- 1.2.7 “County Cost or Costs” means the cost or costs incurred by County that are completely attributable to and associated with NCMHID’s production of law enforcement Crisis Intervention Services by the Sheriff under this Agreement, which shall be limited to one (1) new and fully-equipped Sheriff’s law enforcement vehicle and two (2) full-time Sheriff’s deputies for the Term.
- 1.2.8 “Monthly County Expense Reimbursement” means the monthly amount paid by NCHD to County as reimbursement for monthly County Costs over the Term, subject to the limitation set forth in Section 5.13.

- 1.2.9 “Jail Diversion and Crisis Intervention Services Costs” means the direct cost or costs incurred by NCMHID in its provision of Jail Diversion, Crisis Intervention, and Expanded Mobile Crisis Outreach Services under this Agreement. For purposes of this Subsection, “Crisis Intervention Services Costs includes law enforcement officers and/or law enforcement vehicles related to and associated with NCMHID’s production of law enforcement Crisis Intervention Services by law enforcement agencies.
- 1.2.10 “Jail-Based Competency Restoration Services Costs” means the direct cost or costs incurred by NCMHID in its provision of Jail-Based Competency Restoration Services under this Agreement.
- 1.2.11 “Participant” means an individual in contact with the justice or law enforcement systems that has consented to and is enrolled in one or more of the Services.
- 1.2.12 “Sheriff” means the Nueces County Sheriff.

SECTION II AGREEMENTS OF COUNTY

County agrees as follows:

- 2.1 Provision of Work Spaces and Facilities. To provide, at its sole cost and expense, the necessary work spaces, physical facilities (including a space suitable for a mock-court) and all related public utilities required by NCMHID to provide the Services.
- 2.2 Facilitation and Coordination of Services. To facilitate and coordinate NCMHID’s provision of Services with the Corpus Christi Police Department, Nueces County Sheriff’s Department, Nueces County Constables, the Nueces County Courts, the Nueces County District Attorney’s Office, and other parties that are necessary for service provision. The Sheriff maintains security protocols for the Nueces County Jail(s) and the Sheriff may deny access to such jail(s) in his sole discretion should he determine the access to be a security risk.
- 2.3 Goals. Develop goals to be achieved by NCMHID for each of the Services during the Term. The goals shall include both operational and outcome objectives for each Service (the “County Goals”).
- 2.4 Provision of Vehicle and Personnel. To supply one (1) new and fully-equipped Sheriff’s law enforcement vehicle (the “County CIT Vehicle”) and two (2) full-time Sheriff’s deputies during the Term to provide law enforcement Crisis Intervention Services in connection with NCMHID’s production of said Services by the Sheriff under this Agreement.
- 2.5 Operation and Maintenance of Vehicle. The County agrees as follows relating to the County CIT Vehicle:
- (a) Upon delivery to formally notify NCHD in writing of the vehicle’s make, model, and identification number;
 - (b) Maintain insurance coverage on the vehicle consistent with other County-owned law enforcement vehicles utilized by the Sheriff;
 - (c) Maintain the vehicle in good operating condition and repair; and
 - (d) Provide NCHD with a monthly mileage log detailing the vehicle’s use during the prior month.

- 2.6 Expense Reimbursement Request Submission. Not later than the tenth (10th) day of each month during the Term, submit a sufficiently itemized written request to NCHD requesting Monthly County Expense Reimbursement for law enforcement Crisis Intervention Services provided during the preceding month by the Sheriff in connection with NCMHID's production of said Services under this Agreement (the "County Payment Request").
- 2.7 Disputed County Payment Request Amounts. After receipt of a written notice from NCHD disputing any County Payment Request amount(s), to meet in good-faith with NCHD to discuss and resolve any disputed amount(s). In the event the disputed amount(s) cannot be resolved between the two parties within thirty (30) days of NCHD's disputed amount(s) notice to County, then County shall remove the disputed amount(s) from the Request.
- 2.8 Disposition of County CIT Vehicle. The County agrees that upon the Sheriff ceasing to provide law enforcement Crisis Intervention Services in connection with NCMHID's production of said Services by the Sheriff under this Agreement for any reason, the County will execute a transfer of title of the County CIT Vehicle to NCHD, subject to and in accordance with any applicable laws regarding disposition of property. This Section shall survive termination of this Agreement.
- 2.9 Provision of Service Utilization Information. To submit to NCMHID and NCHD monthly person-specific encounter information for the preceding month for law enforcement Crisis Intervention Services provided by the Sheriff in connection with NCMHID's production of said Services under this Agreement.
- 2.10 Cooperation. Sheriff agrees to fully consult, assist, and cooperate with County and NCHD third-party consultants as requested by them concerning their review of the production of law enforcement Crisis Intervention Services by the Sheriff as described in this Agreement. Sheriff will act in good faith when consulting, assisting, and cooperating with these consultants.

SECTION III AGREEMENTS OF NCMHID

NCMHID agrees as follows:

- 3.1 Jail Diversion, Crisis Intervention, and Expanded Mobile Crisis Outreach Services. To provide Jail Diversion, Crisis Intervention, and Expanded Mobile Crisis Outreach Services as requested and defined utilizing all available resources described herein. NCMHID will provide data as requested regarding the number of Participants per month, and utilization of resources dedicated to diversionary and crisis intervention services as facilitated and coordinated by County with the Corpus Christi Police Department, Nueces County Sheriff's Department, Nueces County Constables, Nueces County Courts, Nueces County District Attorney's Office, City Detention Center, Municipal Courts, Charlie's Place Recovery Center, and NCMHID.
- 3.2 Jail-Based Competency Restoration Services. To provide Jail-Based Competency Restoration Services as defined herein utilizing all available resources to treat all individuals eligible while in Nueces County Jail. NCMHID will provide data as requested regarding the number of Participants per month, and utilization of resources dedicated to Jail Based Competency Restoration Services as facilitated and coordinated by the County.
- 3.3 Progress Reports. Submit quarterly reports to County and NCHD describing NCMHID's progress toward accomplishment of the County Goals during the preceding quarter.

- 3.4 Service Utilization Information. Submit quarterly Participant-specific information to County and NCHD on each Participant's utilization of each Service during the preceding quarter.
- 3.5 Sustainable Funding. Undertake reasonable efforts to identify and obtain sustainable funding, including private and public grants, for current and future Services ("Sustainable Funding").
- 3.6 Coverage. Ensure professional personnel coverage of each Service.
- 3.7 Expense Reimbursement Request Submission. Not later than the tenth (10th) day of each month during the Term, submit a written request to NCHD requesting Monthly NCMHID Expense Reimbursement for each Service provided during the preceding month (the "NCMHID Payment Request"). The NCMHID Payment Requests shall include a Net NCMHID Costs Schedule as described in Section 3.8 below.
- 3.8 Net NCMHID Costs Schedule. As a part of the NCMHID Payment Request, provide NCHD a sufficiently itemized written schedule, in a form acceptable to NCHD, detailing the monthly NCMHID Costs of each Service; the Schedule shall be net of all associated revenue received by NCMHID for the Services, including the Advance (see Section 4.1 below) and any Sustainable Funding received by NCMHID (see Section 3.5 above), and clearly show the resulting difference (the "Net NCMHID Cost Schedule"). When requested by NCHD, NCMHID shall provide detailed supplemental information about any revenues and NCMHID Costs items shown in the Net NCMHID Cost Schedule.
- 3.9 Repayment. In the event the Net NCMHID Cost Schedule shows that the sum of the revenue received by NCMHID for the Services, including the Advance and any Sustainable Funding received by NCMHID, exceeds the sum of the NCMHID Costs, NCMHID shall remit to NCHD the excess amount within thirty (30) days (the "NCMHID Repayment Amount").
- 3.10 Disputed Net NCMHID Cost Schedule Amounts. After receipt of a written notice from NCHD disputing any Net NCMHID Cost Schedule amount(s), to meet in good-faith with NCHD to discuss and resolve any disputed amount(s). In the event the disputed amount(s) cannot be resolved between the two parties within thirty (30) days of NCHD's disputed amount(s) notice to NCMHID, then NCMHID shall pay NCHD the NCMHID Repayment Amount and/or remove the disputed amounts, as applicable.
- 3.11 County Jail Access. NCMHID agrees to abide by any security protocols required by the Sheriff when working in the Nueces County Jail(s). The Sheriff may deny access to such jail(s) in his sole discretion should he determine the access to be a security risk.
- 3.12 Cooperation. NCMHID agrees to fully consult, assist, and cooperate with County and NCHD third-party consultants as requested by them concerning their review of the Services. NCMHID will act in good faith when consulting, assisting, and cooperating with these consultants.

SECTION IV
AGREEMENTS OF NCHD

NCHD agrees as follows:

- 4.1 Advance. Pay to NCMHID a one-time amount estimated by NCHD to cover NCMHID Costs for the initial month of the Term (the "Advance"). The Advance shall be remitted to NCMHID not later than the tenth (10th) day of the first month of the Term.
- 4.2 NCMHID Expense Reimbursement. After receipt of a NCMHID Payment Request, NCHD shall review the Net NCMHID Cost Schedule and reimburse NCMHID, subject to Section 4.3 below, the amount of the Request; the reimbursement shall be remitted to NCMHID not later than the thirtieth (30th) day following receipt of the Request.
- 4.3 Disputed Net NCMHID Cost Schedule Amounts. Upon receipt of the Net NCMHID Cost Schedule, send to NCMHID within fifteen (15) days following receipt of said Schedule a written notice identifying any associated amount(s) disputed by NCHD and to meet in good-faith with NCMHID to discuss and resolve any disputed amount(s).
- 4.4 County Costs Reimbursement. After receipt of a County Payment Request, NCHD shall review the Request and reimburse the County, subject to Section 4.5 below, the amount of the Request; the reimbursement shall be remitted to County not later than the thirtieth (30th) day following receipt of the Request.
- 4.5 Disputed County Costs Invoice Amounts. Upon receipt of a County Payment Request, send to County within fifteen (15) days following receipt of the Request a written notice identifying any associated amount(s) disputed by NCHD and to meet in good-faith with County to discuss and resolve any disputed amount(s).

SECTION V
AGREEMENTS BY ALL PARTIES

County, NCMHID, and NCHD agree as follows:

- 5.1 Effective Date, Termination Date, and Term. This Agreement shall begin on October 1, 2019 at 12:01 a.m. (the "Effective Date") and end September 30, 2020 at 11:59 p.m. (the "Termination Date"). The term of this Agreement shall be interval between the Effective Date and Termination Date, inclusive of said Dates (the "Term").
- 5.2 Mutual Agreements. The Parties agree to the respective agreements of each Party and Party combinations set forth herein wherever same may be expressed in this Agreement.
- 5.3 County Control. County exercises no control over NCMHID, or its respective agents, employees, or contractors in carrying out its provisions of this Agreement, except that County shall facilitate and coordinate NCMHID's provision of Services with the relevant personnel of and within the work spaces and facilities of the County's judicial, law enforcement, and jail systems. County exercises no control over NCHD, or its respective agents, employees, or contractors in carrying out its provisions of this Agreement, except that Nueces County Commissioners Court is statutorily required to approve the annual amount NCHD reimburses NCMHID and County for Services during the Term. This Agreement shall not be construed as creating an employer/employee relationship between County and NCMHID or between County and NCHD.

- 5.4 NCMHID Control. NCMHID exercises no control over County or NCHD, or their respective agents, employees, or contractors in carrying out their provisions of this Agreement. This Agreement shall not be construed as creating an employer/employee relationship between NCMHID and County or between NCMHID and NCHD.
- 5.5 NCHD Control. NCHD exercises no control over County or NCMHID, or their respective agents, employees, or contractors in carrying out their provisions of this Agreement, except that NCHD's Board of Managers is statutorily required to budget and approve the aggregate annual amount NCHD reimburses NCMHID and County for Services during the Term. This Agreement shall not be construed as creating an employer/employee relationship between NCHD and County or between NCHD and NCMHID.
- 5.6 Captions and Headings. The captions and headings used in this Agreement are for convenience only and do not limit the contents of the Agreement.
- 5.7 Privacy/Confidentiality/Use of Medical Information. The Parties agree that certain information, reports, and data created under this Agreement may be subject to applicable privacy and confidentiality of medical information and medical record laws, and the Parties agree to comply in all material respects with such laws. The Parties also agree to take any and all reasonable precautions to prevent disclosure or misuse of any and all medical information, records, reports, and data resulting from this Agreement for any purpose unrelated to providing the Services and which are unrelated to the administration of this Agreement.
- 5.8 Entire Agreement. This Agreement, including any schedules, exhibits, or amendments shall constitute the entire agreement of the Parties concerning the provision of services and supersedes all prior and contemporaneous representations, statements, understandings, negotiations, and agreements, either oral or in writing, between the Parties hereto with respect to the subject matter herein and all such prior or contemporaneous representations, statements, understandings, negotiations, and agreements, both oral and written, are hereby terminated upon the Effective Date.
- 5.9 No Subcontracting or Assignment; Binding Effect. No Party shall subcontract or assign their duties, obligations, or responsibilities under this Agreement to any other party or parties without the prior written consent of each other Party. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.
- 5.10 Liability. Each Party to this Agreement will be responsible for its own actions in providing services under this Agreement and shall not be liable for any civil liability that may arise from the provision of services by any other Party.
- 5.11 Insurance Coverage. Each Party providing a service under this Agreement shall provide, at its sole cost and expense, commercial or other similarly performing insurance providing general liability, worker's compensation, and professional liability coverages for its employees and/or contractors providing services under this Agreement.
- 5.12 Notices. Any requests, replies, notices, or demands for or permitted by a Party under this Agreement must be in writing and shall be sent by registered or certified United States mail or by a recognized commercial carrier or delivery services as follows:

County: Nueces County Judge
901 Leopard St., Room 303
Corpus Christi, Texas 78401-3697

With a copy to:
Nueces County Attorney
901 Leopard St., Room 207
Corpus Christi, Texas 78401-3680

NCMHID: Nueces Center for Mental Health and Intellectual Disabilities
Attn: Chief Executive Officer
1630 S. Brownlee Blvd.
Corpus Christi, Texas 78404-3134

NCHD: Nueces County Hospital District
Attn: Administrator/Chief Executive Officer
555 N. Carancahua St., Suite 950
Corpus Christi, Texas 78401-0835

- 5.13 NCHD Maximum Annual Reimbursement. NCHD shall not reimburse more than the Agreement Sum for the annual aggregate amount of Monthly NCMHID Expense Reimbursement and Monthly County Expense Reimbursement during the Term. NCHD shall not have any additional reimbursement obligations in excess of the Agreement Sum to NCMHID and County under this Agreement during the Term or thereafter.
- 5.14 NCHD Funds. NCHD's reimbursement for NCMHID Costs and County Costs pursuant to this Agreement shall be made from current revenue funds from non-tax sources.
- 5.15 Annual Appropriations. The Parties mutually agree and understand that NCHD's reimbursement under this Agreement is subject to annual appropriations by NCHD and that each fiscal year's funding, if applicable, must be included in the budget for that year and is not effective until approved by NCHD's Board of Managers and then Nueces County Commissioners Court.
- 5.16 Compliance with Laws. All parties agree to comply with all applicable city, state, and federal laws, regulations, and rules that may pertain to each Party's performance under this Agreement.
- 5.17 Acknowledgment of Federal HIPAA Obligations. The Parties acknowledge their mutual responsibilities as covered entities under the federal Health Insurance Portability and Accountability Act of 1996, P. L. 104-191 (the "HIPAA"). The Parties acknowledge that federal regulations relating to the privacy of individually identifiable health information require covered entities to comply with the privacy standards adopted by the United States Department of Health and Human Services, as they may be amended from time to time, 65 Fed. Reg. 82462-82829 (Dec. 28, 2000) and as modified by amendments adopted on August 14, 2002, 67 Fed. Reg. 53264 (the "Privacy Standards"). The Privacy Standards require covered entities to ensure that business associates who receive confidential information in the course of providing services to or on behalf of a covered entity comply with certain obligations regarding the privacy of health information. However, the Parties further understand that the Privacy Standards specifically state that a business associate relationship is not established when a health care provider discloses administrative information. Accordingly, the Parties agree that language sufficient to satisfy the business associate requirements set forth in the Privacy Standards is not required in this

Agreement; however, the Parties shall agree to take any other further actions that are necessary from time to time to ensure the parties' mutual compliance with the Privacy Standards.

- 5.18 Amendment. This Agreement may be amended only by written agreement approved by each respective governing body at a publically noticed meeting and signed by the duly authorized representative of the governing body.
- 5.19 Governing Law. This Agreement has been executed and delivered and shall be interpreted and enforced in accordance with the laws of the State of Texas.
- 5.20 Venue. Venue for resolution by a court of competent jurisdiction of any dispute arising under terms of this Agreement, or for enforcement of the provisions of this Agreement, shall be in Nueces County, Texas, pursuant to Texas Civil Practice and Remedies Code, §15.015.
- 5.21 Severability. If any term(s) or provision(s) contained in this Agreement is or are determined by a court of competent jurisdiction to be void, illegal, or unenforceable, in whole or in part, then the other term(s) and provision(s) contained herein shall remain in full force and effect as if the term(s) and provision(s) which was determined to be void, illegal, or unenforceable had not been contained herein.
- 5.22 Records and Access. Upon written request of County, or any of their duly authorized agents or representatives, NCMHID shall make available to County those records, books, and documents necessary to verify the status, nature, extent, and amount of any and all Services provided by NCMHID during the Term. Upon written request of NCHD, or any of its duly authorized agents or representatives, NCMHID shall make available to NCHD those records, books, and documents necessary to verify the nature and extent of costs, expenses, and services provided during the Term.
- 5.23 Officer's Authority. Each of the officers who have executed this Agreement on behalf of their respective Party and hereto warrants that she or he has the power and authority to execute this Agreement on behalf of such Party and to bind such Party to the terms and provisions of this Agreement.

AGREED, SIGNED, and ENTERED by the duly authorized officers of the Parties on the dates hereinafter indicated.

NUECES COUNTY
("County")

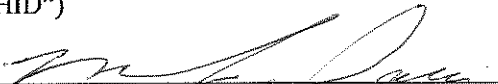
By: _____
Barbara Canales
Nueces County Judge

Date: _____

J. C. Hooper
Nueces County Sheriff

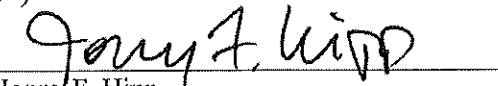
Date: _____

NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES
(“NCMHID”)

By: 
Mike Davis
Chief Executive Officer

Date: 9/23/2019

NUECES COUNTY HOSPITAL DISTRICT
(“NCHD”)

By: 
Jonny F. Hipp
Administrator/Chief Executive Officer

Date: 9/19/2019

Interlocal Agreement NC-NCMHID-NCHD Oct 19-Sept 20 (2.1).docx