

**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, 2018 – September 30, 2019 and the NCHD is amenable 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. 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 under this Agreement.
- 1.2.4 “Agreement Sum” means the amount of Six Million One Hundred Fifty-Six Thousand Five Hundred Eighty-Eight Dollars (**\$6,156,588**) paid by NCHD to NCMHID during the Agreement Term.
- 1.2.5 “Monthly Prorated Payment” means the Agreement Sum paid by NCHD to NCMHID on a prorated basis over the Agreement Term.
- 1.2.6 “Costs” means NCMHID costs that are completely attributable to and associated with NCMHID’s production of Services under this Agreement.
- 1.2.7 “Jail Diversion and Crisis Intervention Services Costs” means NCMHID’s Direct Cost of providing Jail Diversion, Crisis Intervention, and Expanded Mobile Crisis Outreach Services under this Agreement.
- 1.2.8 “Jail-Based Competency Restoration Services Costs” means NCMHID’s Direct Cost of providing Jail-Based Competency Restoration Services under this Agreement.
- 1.2.9 “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.

**SECTION II**  
**AGREEMENTS OF NUECES 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 Nueces County Sherriff's Department, the Nueces County Courts, the Nueces County District Attorney's Office, and other parties that NCMHID believes necessary for service provision.
- 2.3 Goals. Develop goals to be achieved by NCMHID for each of the Services during the Agreement Term. The goals shall include both operational and outcome objectives for each Service (the "County Goals").

**SECTION III**  
**AGREEMENTS OF**  
**NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES**

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 Sherriff's Department, 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 future Services.
- 3.6 Case Manager. In addition to other Services personnel, provide at least one trained and qualified bilingual (English/Spanish) case manager for each Service.

- 3.7 Coverage. Ensure professional personnel coverage of each Service.
- 3.8 Payment Request Submission. Not later than the fifth (5<sup>th</sup>) day of each month during the Agreement Term, submit a written request to NCHD requesting the Monthly Prorated Payment for each Service to be provided during that month (the “NCMHID Payment Request”).
- 3.9 Net Costs Schedule. Not later than forty-five (45) days after the Termination Date, provide NCHD a sufficiently itemized written schedule, in a form acceptable to NCHD, detailing the Costs of each Service during the Agreement Term (the “Cost Schedule”). The Cost Schedule shall include an adjustment offsetting the sum of the Costs by the sum of the Monthly Prorated Payments and clearly show the resulting difference. NCMHID shall provide detailed supplemental information about any Costs items shown in the Cost Schedule when requested by NCHD.
- 3.10 Repayment. In the event the Cost Schedule shows the sum of the Monthly Prorated Payments exceeds the sum of the Costs, NCMHID shall remit to NCHD the excess amount within forty-five (45) days (the “Repayment Amount”).
- 3.11 Disputed Cost Schedule Amounts. After receipt of a written disputed Cost Schedule amount(s) notice from NCHD, to meet in good-faith with NCHD to discuss and resolve any disputed Cost Schedule amount(s). In the event the disputed amount(s) cannot be resolved between the parties within thirty (30) days of NCHD’s disputed amount(s) notice to NCMHID, then NCMHID shall pay NCHD the Repayment Amount.

**SECTION IV**  
**AGREEMENTS OF NUECES COUNTY HOSPITAL DISTRICT**

NCHD agrees as follows:

- 4.1 Monthly Prorated Payments. After receipt of the NCMHID Payment Request, pay to NCMHID the Monthly Prorated Payment. The Monthly Prorated Payment shall be remitted to NCMHID on or before the fifteenth (15<sup>th</sup>) day of the month in which the NCMHID Payment Request was received.
- 4.2 Disputed Cost Schedule Amounts. Upon receipt of the Cost Schedule, send to NCMHID within thirty (30) days a written notice identifying any Cost Schedule amount(s) disputed by NCHD and to meet in good-faith with NCMHID to discuss and resolve any disputed Cost Schedule 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, 2018 at 12:01 a.m. (the “Effective Date”) and end September 30, 2019 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 “Agreement 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 shall approve the amount NCHD pays to NCMHID for Services during the Agreement 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. 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 by NCMHID; Binding Effect. NCMHID shall not subcontract or assign this Agreement to any other party or parties without the prior written consent of County and NCHD. 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 Expenditure. NCHD shall not pay NCMHID more than the Agreement Sum for NCMHID's provision of the Services under this Agreement during the Agreement Term. NCHD shall not have any additional payment obligations to NCMHID under this Agreement during the Agreement Term or thereafter. NCHD shall not have any expenditure obligations to County under this Agreement during the Agreement Term or thereafter.
- 5.14 NCHD Funds. NCHD's payment for NCMHID's performance of governmental services pursuant to this Agreement must be made from funds from non-tax sources.
- 5.15 Annual Appropriations. The Parties mutually agree and understand that NCHD's funding 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 Agreement 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 Agreement 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 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.

[THIS SPACE INTENTIONALLY LEFT BLANK]

**AGREED, SIGNED, and ENTERED** by the duly authorized officers of Nueces County, Nueces Center for Mental Health and Intellectual Disabilities, and Nueces County Hospital District on the dates hereinafter indicated.

**NUECES COUNTY**  
("County")

By: \_\_\_\_\_  
Samuel L. Neal, Jr.  
Nueces County Judge

Date: \_\_\_\_\_

\_\_\_\_\_  
Jim Kaelin  
Nueces County Sheriff

Date: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
Kara Sands  
Nueces County Clerk

**NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES**  
("NCMHID")

By: \_\_\_\_\_  
Mike Davis  
Chief Executive Officer

Date: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
\_\_\_\_\_

**NUECES COUNTY HOSPITAL DISTRICT**  
("NCHD")

By: \_\_\_\_\_  
Jonny F. Hipp  
Administrator/Chief Executive Officer

Date: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
\_\_\_\_\_