

Memorandum

To: Board of Managers
From: Jonny F. Hipp, Administrator
Date: February 20, 2025
Re: Authorization to Enter into an Interlocal Cooperation Agreement with Nueces Center for Mental Health & Intellectual Disabilities for Opioid Crisis Remediation Services

Purpose:

The purpose of this memorandum is to seek authorization for the Administrator to enter into an Interlocal Cooperation Agreement with the Nueces Center for Mental Health & Intellectual Disabilities (“NCMHID”) to provide opioid crisis remediation services in one or more categories approved by Texas Opioid Abatement Fund Council (“O AFC”). This agreement will support compliance with payment requirements and ensure effective allocation of funds for opioid-related initiatives.

Background:

The O AFC has approved strategies for opioid crisis remediation services as published in 34 Texas Administrative Code §16.201. Published regulations in 34 Texas Administrative Code §16.222 require hospital district recipients of money from the Texas Comptroller to spend it in one or more categories approved by the O AFC. The Hospital District received **\$2,277,014.24** of related funds from the Comptroller in August 2024.

The Hospital District does not provide clinical services. NCMHID is the best situated governmental entity within Nueces County to provide the opioid crisis remediation services in one or more categories approved by O AFC for opioid crisis remediation. Use of NCMHID affords use of the Interlocal Cooperation Act thereby avoiding the procuring the services through competitive processes. The Texas Comptroller’s office has advised that the Hospital District may contract with other entities to provide the services.

Justification:

Entering into this agreement with NCMHID will provide the following benefits:

1. **Compliance with Funding Requirements:** Participation in approved remediation categories ensures compliance with state and federal funding stipulations.
 2. **Cost-Effectiveness:** Collaborative service delivery will lead to more efficient use of funds while addressing community needs through the provision of services in one or more categories approved by the Texas Opioid Abatement Fund Council.
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Recommendation:

It is recommended that the Administrator be authorized to negotiate and execute the Interlocal Cooperation Agreement with NCMHID. The agreement will be subject to review by legal counsel to ensure compliance with all relevant laws and regulations.

This authorization will enable timely implementation of opioid crisis remediation services, ensuring that the community receives necessary support while satisfying funding and payment requirements.

Action Requested:

Approval is requested by the Administrator to:

1. Enter into an Interlocal Cooperation Agreement with NCMHID to provide the opioid crisis remediation services on behalf of the Hospital District.
 2. Ensure that services provided align with one or more categories approved by the OAFD.
 3. Work with legal counsel to finalize the agreement and address compliance measures.
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Please let me know if additional information or further clarification is required.

Gary F. Wipp