

**INTERLOCAL AGREEMENT
FOR PROFESSIONAL SERVICES**

THIS Agreement is made and entered into pursuant to RCW 39.34.080 between ISLAND COUNTY (County), and NORTH SOUND BEHAVIORAL HEALTH ORGANIZATION, LLC (North Sound BHO).

WHEREAS, North Sound BHO desires to enter into an interlocal agreement with the County to perform certain services and/or tasks set forth below requiring specialized skills and other supportive capabilities; and

WHEREAS, North Sound BHO represents that the County is qualified and possesses sufficient skills and the necessary capabilities, including technical and professional expertise, where required, to perform the services and/or tasks set forth in this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, the parties hereto agree as follows:

1. SCOPE OF SERVICES

The County shall perform such services and accomplish such tasks, including the furnishing of all materials and equipment necessary, as are designated in the responsibilities of the County throughout this Agreement and as described in Exhibit A and incorporated herein.

2. TERM

The term of this agreement shall be December 1, 2016 - March 31, 2018.

3. METHOD OF PAYMENT

Invoices from the County shall include a document verifying payments made by the County. Payments for services provided shall be made following the performance of such services, unless otherwise permitted by law and approved in writing by North Sound BHO. No payment shall be made for any service rendered by the County except for services identified and set forth in this Agreement, including Exhibit A.

4. ADMINISTRATION.

This Agreement shall be administered by **Island County.**

5. INDEMNIFICATION.

Each party agrees to be responsible and assume tort liability for its own wrongful acts or omissions, or those of its officers, agents, or employees to the fullest extent required by law, and agrees to save, indemnify, defend and hold the other party harmless from any such tort liability. In the case of negligence or wrongful acts by both the County and North Sound BHO, any damages allowed shall be levied in proportion to the percentage of fault attributable to each party, and each party shall have the right to seek contribution from the other party in proportion of the percentage of negligence attributable to the other party.

The County shall also indemnify North Sound BHO against all liability and loss in connection with and shall assume full responsibility for, payment of all federal, state and local taxes or contributions imposed or required under unemployment insurance, workman's compensation, social security and income tax laws, for the County and any employees or volunteers of the County.

6. INSURANCE

A. The County will carry and maintain throughout the period of the Agreement at its own expense the following minimum insurance which must be primary and non-contributory:

1. Comprehensive commercial general liability insurance in the amount of no less than \$1,000,000 for combined, single-limit bodily injury, including wrongful death, or property damage to defend and indemnify all activities and services covered by this Agreement with a commercial insurance carrier protected under the State of Washington Guaranty Fund or with a risk pool approved by the Insurance Commissioner. Such insurance shall be endorsed to include North Sound BHO, its officers, elected officials, employees and agents as an additional insured, and shall not be reduced or cancelled without thirty (30) days prior written notice to North Sound BHO.

Each insurance shall be endorsed to include language containing a "cross liability" or "separation of insureds" indicating essentially that except with respect to the limits of insurance, and any rights or duties specifically assigned in the coverage part to the first named insured, this insurance applies as if each named insured were the only named insured, and separately to each insured against whom a claim is made or a suit is brought. Any payment of a deductible or self-insured retention shall be the sole responsibility of the County.

2. Auto liability insurance with limits of no less than \$1,000,000 for each person and/or \$1,000,000 for each occurrence for owned, hired and non-owned automobiles used for any activities and services covered by this Agreement. Such insurance shall be endorsed to include County Services, its officers, elected officials, employees and agents as an additional insured, and shall not be reduced or cancelled without thirty (30) days prior written notice to North Sound BHO.
3. Standard professional liability insurance covering damages resulting from errors or omissions of the County or his employees or agents. The limit of liability shall not be less than \$1,000,000 per claim and annual aggregate. Notwithstanding paragraph 5, professional liability insurance is not required to hold harmless or defend the County for any claim.

4. Statutory workers' compensation insurance and employer's liability insurance to cover employees and volunteers as required by state and federal law.
- B. The County shall provide North Sound BHO evidence of insurance in the form of a Certificate of Insurance satisfactory to North Sound BHO, executed by a duly authorized representative of each insurer showing compliance with the insurance requirements set forth above. Upon the request of North Sound BHO, the County shall also provide a duplicate (photocopy) of each insurance policy and endorsements noted above and the name, address and telephone number of the broker who issued each one as evidence of coverage. Approval of insurance is a condition precedent to full execution, including continued compensation, of this Agreement. The maintenance of said insurance will not in any manner affect the County's obligation to hold harmless and indemnify the North Sound BHO as provided in this Agreement.

7. MAINTENANCE AND INSPECTION OF RECORDS

- A. The County shall maintain books, records and documents, which sufficiently and properly reflect all work related to the performance of the Agreement. In addition, the County shall maintain all accounting records in a form necessary to assure proper accounting of all funds paid pursuant to this Agreement. All of the above shall be subject at all reasonable times to inspection, review, or audit by North Sound BHO, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this Agreement.
- B. The County shall retain all books, records, documents and other material relevant to this Agreement for six (6) years after its expiration. The County agrees that North Sound BHO or its designee shall have full access and right to examine any of said materials at all reasonable times during said period.

8. OWNERSHIP OF WORK PRODUCTS

All data, materials, reports, memoranda, and other documents developed under this Agreement, whether finished or not, shall become the property of North Sound BHO, shall be forwarded to the North Sound BHO at its request, and may be used by North Sound BHO as it sees fit.

9. TERMINATION

- A. Termination for Convenience. North Sound BHO may terminate this Agreement, in whole or in part, at any time, by at least thirty (30) days written notice to the County. The County shall be paid for work performed and expenses incurred to the date of termination. Within thirty (30) days, North Sound BHO shall submit a termination claim to the County. If the County has any property in its possession belonging to North Sound BHO, the County will account for the same, and dispose of it in the manner directed by North Sound BHO.

- B. Termination for Cause. If the County fails to perform in the manner called for in this Agreement, or if the County fails to comply with any other provisions of the Agreement and fails to correct such noncompliance within five (5) days written notice thereof, North Sound BHO may terminate this Agreement for cause. Termination shall be effected by serving a notice of termination on the County setting forth the manner in which the County is in default. The County will only be paid for services performed in accordance with the manner of performance set forth in this Agreement.

10. MEDIATION

The parties shall attempt to resolve any controversies or disputes arising out of or relating to this Agreement through a good faith attempt at mediation. Each party will pay its own attorneys' fees and costs.

11. ARBITRATION

A. Resolution of Disputes:

1. The parties wish to provide for prompt, efficient, final and binding resolution of disputes or controversies, which may arise under this Agreement and therefore establish this dispute resolution procedure.
2. All claims, disputes and other matters in question between the parties arising out of, or relating to this Agreement shall be resolved exclusively by the following dispute resolution procedure unless the parties mutually agree in writing otherwise:
 - a. The parties shall use their best efforts to resolve issues prior to giving written Notice of Dispute.
 - b. Within 10 working days of receipt of the written Notice of Dispute, the parties (or their designated representatives) shall meet, confer and attempt to resolve the claim within the next 5 working days.
 - c. The terms of the resolution of all claims concluded in meetings shall be memorialized in writing and signed by each party.
 - d. Arbitration: If the claim is not resolved within 24 days of the initial notice, the parties shall proceed to arbitration as follows:
 - i. Demand for arbitration shall be made in writing to the other party. The parties shall select one person as arbitrator.
 - ii. If there is a delay of more than 10 days in the naming of the arbitrator, either party can ask the presiding judge of Island County to name the arbitrator.

- iii. The professional fees and administrative costs of the arbitrator shall be paid 50/50 by the parties; the prevailing party shall be entitled to recover from the other party all costs and expenses, including reasonable attorney fees. The arbitrators shall determine which party, if any, is the prevailing party.
- iv. The parties agree that the arbitrators' decision shall be binding, final and enforceable subject to timely appeal to Island County Superior Court only as provided in Chapter 7.04A RCW.
- v. Unless the parties agree in writing otherwise, the unresolved claims in each notice of dispute shall be considered at an arbitration session which shall occur in Island County no later than 60 days after the close of the meeting described in paragraph (b) above.
- vi. The Provisions of this section shall, with respect to any controversy or claim, survive the termination or expiration of this Agreement.
- vii. Nothing contained in this Agreement shall be deemed to give the arbitrator the power to change any of the terms and conditions of this Agreement in any way.
- viii. The prevailing party in any action to compel arbitration or to enforce an arbitration award shall be awarded its costs, including attorney fees. Venue for any such action is exclusively Island County Superior Court.
- ix. This Agreement shall be governed by laws of the State of Washington, both as to interpretation and performance.

12. WAIVER

The waiver by, or the failure to take action with respect to, breach of any term, covenant or condition of the Agreement shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach. All remedies afforded in this Agreement shall be taken as cumulative; that is, in addition to every other remedy provided herein or by law.

13. SEVERABILITY

It is understood and agreed by the parties that if any term or provision of this Agreement is held by any COURT to be illegal or in conflict with any law of the state of Washington, the validity of the remaining portions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term, part or provision held to be invalid.

14. ENTIRE AGREEMENT

This instrument contains the entire Agreement between the parties and statements, promises, or inducements made by any party or agent of that party that are not contained in this Agreement shall not be valid or binding. This Agreement may not be enlarged, modified, or altered except in writing signed by all parties.

15. NOTICE

Notice provided for in this Agreement shall be sent by certified mail to the following addresses designated for the parties.

**Jackie Henderson
Island County
Human Services Administration
PO Box 5000
Coupeville, WA 98239**

**Joe Valentine
North Sound Behavioral Health Organization
301 Valley Mall Way
Suite 110
Mount Vernon, WA 98273**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of this _____ day of _____ 2017.

NORTH SOUND BHO

**BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON**

Joe Valentine Date
Executive Director

Richard M. Hannold Date
Chair

Approved as to Form for N. Sound BHO

Basic Form approved by Brad Furlong 10/1/01
Name & Title Date