

**INTERLOCAL AGREEMENT
for the
SALISH BEHAVIORAL HEALTH ORGANIZATION**

ARTICLE I. PURPOSE OF AGREEMENT

The undersigned parties hereby establish a Behavioral Health Organization (“BHO”) for the purpose of planning, establishing and operating a comprehensive Behavioral Health system pursuant to chapters 70.96A, 71.24, 71.34, 71.05 RCW, and 2SSB 6312 of the 2014 Legislative Session and related regulations.

ARTICLE II. MEMBERSHIP

This organization shall be named the Salish Behavioral Health Organization and shall consist of the following parties:

KITSAP COUNTY
Kitsap County Courthouse
614 Division Street
Port Orchard, Washington 98366

CLALLAM COUNTY
Clallam County Courthouse
223 East Fourth Street
Port Angeles, Washington 98362

JEFFERSON COUNTY
Jefferson County Courthouse
Jefferson and Cass Streets
Port Townsend, Washington 98368

JAMESTOWN S'KLALLAM TRIBE
1033 Old Blyn Hwy.
Sequim, WA 98382

ARTICLE III. AREA TO BE SERVED

The geographical area shall consist of:

- A.** Kitsap County – 392.70 square miles
- B.** Clallam County – 1,752.50 square miles
- C.** Jefferson County – 1,805.20 square miles

ARTICLE IV. CERTIFICATION OF AUTHORITY

Parties, by signatures, certify that they possess full legal authority, as provided by federal, state, tribal and local statutes, charters, codes or ordinances, to enter into this agreement and to provide services pursuant to RCW 71.24, 71.34, 70.96A, and 71.05.

ARTICLE V. POWERS, FUNCTIONS AND RESPONSIBILITIES OF BEHAVIORAL HEALTH ORGANIZATION

The BHO shall exercise such powers, functions, and responsibilities as necessary for the planning, establishing and operating of a comprehensive behavioral health system in accordance with chapters 71.24, 71.34, 70.96A, and 71.05 RCW, and related regulations.

ARTICLE VI. BEHAVIORAL HEALTH ORGANIZATION BOARD

There shall be a BHO Board ("Board"), which shall constitute the executive body of the Salish BHO. The Board shall exercise all executive powers, functions, and responsibilities necessary for conducting the BHO, except those expressly delegated by the Board to their contractors, subcontractors, grantees, subgrantees, agencies, organizations, or individuals, for all activities established pursuant to chapter 71.24 RCW and regulations promulgated thereto. The Board may establish bylaws as necessary for conducting its meetings.

- A. **Membership:** The Board shall be composed of one elected commissioner from each of the three aforementioned counties (with a specific commissioner as alternate member for each county), one elected tribal official representing the various tribes in the three counties and one non-voting representative from the Salish Behavioral Health Organization Advisory Board. There shall be a total of four voting members.
- B. **Voting:** Each voting member of the Board shall have one vote. All decisions of the Board shall be made by no less than a majority vote at a meeting where a quorum is present.
- C. **Quorum:** A quorum shall consist of a total of not less than three members representing three of the four voting parties to this Agreement.
- D. **Chair, Vice-Chair, Second Vice-Chair and Third Vice-Chair:** Annually, the Board shall elect a Chair, a Vice-Chair, a Second Vice-Chair and a Third Vice-Chair by majority vote. Officers of the Board shall be composed of one elected member from each county and from the tribe serving as the Tribal Liaison, and officers shall rotate annually through ascension unless otherwise agreed.
- E. **Quality Assurance:** Members of the Board may attend the Quality Improvement Committee of the Salish BHO Advisory Board. A member of the Quality Improvement Committee shall report to the Board at each of the

Board's regular meetings and Quality Improvement Committee agenda notices shall be forwarded to the Board.

- F. Meetings:** The Board shall meet at such times and places as determined by the Board. In the absence of the Chair, the Vice-Chair shall preside over meetings. In the absence of the Chair and Vice-Chair, the Second Vice-Chair shall preside over meetings. In the absence of the Chair, Vice-Chair, and Second Vice-Chair, the Third Vice-Chair shall preside over meetings. In the absence of the Chairman, Vice-Chair, Second Vice-Chair and Third Vice-Chair, a Chair pro tem shall be elected by a majority of the members present to preside for that meeting only.
- G. Powers, Functions, and Responsibilities:** The Board's powers, functions, and responsibilities (either jointly with the counties and participating tribes or independently) include, but are not limited to:
- (1) Establishing, policies, priorities, goals, and objectives of the BHO and the programs and services to be operated by the BHO in cooperation with the agencies, entities or individuals providing or implementing the programs and services.
 - (2) Establishing and implementing policies and procedures for planning, administering, monitoring, and evaluating programs and services.
 - (3) Overseeing the implementation and enforcement of quality assurance policies.
 - (4) Establishing and overseeing financial management policies and procedures in order to prevent financial harm to the BHO and its constituent entities – for example, insolvent contractors and cost-overruns.
 - (5) Reviewing and approving comprehensive plans and modifications thereto.
 - (6) Approving applications for funds to be submitted and all contracts and agreements related thereto with the Washington State Department of Social and Health Services and other departments and agencies of state, local or participating tribal governments, as may be required.
 - (7) Undertaking such other functions as may be deemed appropriate for the discharge of the BHO's duties and responsibilities under law and regulations.
 - (8) Delegating such functions and responsibilities, along with adequate funding, to agencies, individuals or committees, as deemed appropriate for effective administration.
 - (9) Approving all BHO-wide grants, subgrants, contracts and agreements relating to the expenditure of behavioral health services funding received from the state.

- (10) Appointing all advisory board members pursuant to a nomination and appointment process established by the BHO. The advisory board shall be composed of equal numbers of individuals from each of the three counties, and two additional at-large tribal representatives, and at least 51% of its membership shall be made up of consumers or parents or legal guardians of individuals with lived experience with a behavioral health disorder.
- (11) Taking no action that would in any way limit service agencies from applying for and receiving grants from outside sources which are designed to enhance their ability to provide local services, except to the extent required or authorized by law or contract.

H. Conflicts of Interest:

- (1) Each member of the Board must be free from conflicts of interest and from any appearance of conflicts of interest between personal, professional and fiduciary interests. Members of the Board must act within the best interests of the BHO and the consumers served.
- (2) If a conflict of interest, or the appearance of a conflict of interest, becomes evident, the Board member shall announce the conflict and refrain from discussion and voting on that issue.
- (3) If a conflict of interest, or the appearance of a conflict of interest, becomes evident, the Board may assign the matter to others, such as an alternate commissioner from his or her jurisdiction who does not have a conflict of interest.

ARTICLE VII. GRANT RECIPIENT AND ADMINISTRATIVE ENTITY

The Kitsap County Board of Commissioners is designated as the grant recipient and administrative entity of the BHO, and shall exercise such duties and responsibilities as set forth in this Agreement, chapter 71.24 RCW, and other applicable law and rules. This includes authority to:

- A.** Receive and disburse funds in accordance with grant agreements and contracts with the State of Washington, to include the execution of all contracts. Funds shall be administered in adherence with applicable law and any policies or regulations established by the financial administrator (Kitsap County) for the BHO.
- B.** Carry out all necessary functions for operation of the program including, but not limited to:
 - (1) Executing grants, subgrants, contracts, and other necessary agreements as authorized by the Board, as necessary to carry out BHO functions.

- (2) Employing administrative staff to assist in administering the programs authorized by the Board.
- (3) Organizing staffing and hiring qualified persons for that staffing, as authorized by the Board.
- (4) Developing procedures for program planning, operating, assessment and fiscal management, evaluating program performance, initiating any necessary corrective action for subgrantees and subcontractors, determining whether there is a need to reallocate resources, as directed by the Board, and modifying grants, consistent with goals and policies developed by the Board.

C. Subcontract to the signatory parties such functions as may be deemed appropriate by the Board. This may include planning and providing services directly or subcontracting for local services within the parties' funding allocations.

ARTICLE VIII. ALLOCATION OF FUNDS

All funds granted to the BHO pursuant to chapter 71.24 RCW or other provision of law shall be allocated and expended among participating counties and tribes for programs and services for which they are intended, according to federal, state, and tribal formulas, approved plans, grants, and all pertinent laws and rules.

Funds currently received by each county, or providers located in each county, shall be allocated by the BHO for services within that county. Millage, mental health sales tax, current expense contributions to mental health programs by county government, and the Involuntary Treatment Act ("ITA") maintenance of effort funds shall be retained by each county and dispensed by the Board of Commissioners thereof; provided, however, that current ITA maintenance of effort funds must continue to be appropriated for ITA services.

New funds which become available as a result of attaining BHO status shall, after review of state guidelines, be allocated by the Board to fund programs in each of the three counties, including those of participating tribes. However, by majority vote, the Board may redirect funds for region-wide services, to fund particular programs in individual counties, or to prioritize access to behavioral health services for citizens residing within the Salish BHO.

ARTICLE IX. LIABILITY, INDEMNIFICATION AND INSURANCE

A. **Sovereign Immunity:** Each party to this Agreement consents to a limited waiver of sovereign immunity for enforcement of the provisions of this Agreement, and this Agreement only, against it by any other party or parties to this Agreement. For this purpose only, each party consents to the personal jurisdiction of the Tribal Courts and the courts of competent subject matter jurisdiction of the State of Washington.

- B. Joint and Several Liability for Contract Oversight:** Each party to this Agreement is responsible for overseeing the operations of the BHO to provide services under chapter 71.24 RCW and other applicable law and rules. The parties shall be jointly and severally liable for debts, liabilities and obligations incurred by the BHO which arise under chapter 71.24 RCW and other applicable law and rules, and with respect to the grants, contracts, or agreements administered pursuant hereto.
- C. Indemnification:** Each party to this Agreement agrees to defend and indemnify the other parties and their elected and appointed officials, officers and employees against all claims, losses, damages, suits, and expenses, including reasonable attorneys' fees and costs, to the extent they arise out of, or result from, the negligent performance of this Agreement by the indemnitor or its elected or appointed officials, officers and employees. The indemnitor waives its immunity under Title 51 (Industrial Insurance) of the Revised Code of Washington solely for the purposes of this provision and acknowledges that this waiver was mutually negotiated. This provision shall survive the expiration or termination of this Agreement.
- D. Purchase of Independent Insurance:** Kitsap County, as the administrative entity, shall obtain and maintain throughout the term of this Agreement, general liability and professional liability or malpractice (errors and omissions) insurance coverage in the total amount of not less than \$20,000,000 per occurrence for any acts or omissions occurring in behalf of, or related to, the member or BHO's actions or responsibilities relating to the provision of services under this Agreement. Each party to this Agreement shall be a named insured under the policy. This coverage shall be the primary coverage in order to shield the individual interests of each party to this Agreement related to the provision of services, whether administrative or contractual, covered by this Agreement.
- E. Extended Coverage:** If the professional liability insurance policy to be purchased and maintained by Kitsap County and described above is issued on a "Claims-Made" basis, then each policy must have a Retroactive Date of, or prior to, the effective date of this Agreement. Furthermore, for each such "Claims-Made" policy purchased and maintained by Kitsap County, a Supplemental Extended Reporting Period ("SERP") shall be purchased, with an Extended Reporting Period of not less than three years. In the event the Claims-Made policy is cancelled, non-renewed, switched to an Occurrence form, retroactive date advanced or there is any other event triggering the right to purchase a SERP policy during the term of this Agreement, then Kitsap County agrees its insurance obligation shall survive the completion or termination of the term of this Agreement for a minimum of three years.

- F. **Miscellaneous:** The BHO shall assure the coverage applies to claims after termination or expiration of the Agreement that relate to services pursuant to this Agreement and any other agreements of the BHO. The BHO shall be solely responsible for any premiums or deductible amounts required under such policies; such costs or normal business expenses are to be paid out of BHO funds. Evidence of such insurance shall be promptly provided to any member upon its written request. BHO shall not permit any such policy to lapse without first providing each member at least thirty calendar days' written notice of its intention to allow the policy to lapse. Each Board member shall be a covered insured for any and all official acts performed by such individual under this Agreement.
- G. **Other Insurance Non-Contributory:** Any coverage for third party liability provided by any Memorandum of Coverage or program of joint self-insurance provided to Jefferson and/or Clallam counties by a chapter 48.62 RCW Risk Pool shall be non-contributory to the insurance otherwise mandated by this section and the insurance otherwise mandated by this section shall be deemed primary for all claims, demands, actions, or lawsuits generated against the BHO or the parties to this Agreement.

ARTICLE X. EFFECTIVE DATE AND DURATION, AMENDMENT AND SUPERSEDING NATURE

- A. **Effective Date and Duration:** This Agreement shall take effect upon the date of its full execution and shall expire December 31, 2018, unless extended in writing by the parties hereto.
- B. **Amendment:** This Agreement may be amended from time to time in accordance with the written agreement of all of the parties hereto.
- C. **Superseding Nature:** As of its effective date, this Agreement supersedes the Restated Interlocal Agreement for the Peninsula Regional Support Network, which took effect February 28, 2011.

ARTICLE XI. PARTY'S RIGHT TO WITHDRAW FROM BHO

- A. **Right to Withdraw; Prior Notice Required:** Any party to this Agreement may withdraw from the BHO and terminate its participation under this Agreement at any time, subject to the survival of any duty, obligation or liability it incurred prior to the effective date of termination; and provided that (a) the terminating party provides written notification to each of the other parties of the terminating party's intention to withdraw at least 120 days prior to the proposed effective date of such termination and (b) such notification is received at least 120 days prior to the expiration of the current fiscal grant year period.

- B. Return of Funds:** In the event that a party withdraws from the BHO, such funds which are budgeted for services in that party's jurisdiction shall be deleted from the BHO budget through contract amendment. These funds shall be returned to the Washington State Department of Social and Health Services, which shall then become responsible for service delivery in that jurisdiction.
- C. Access to Services:** If a party withdraws from the BHO after a BHO-wide service is established within that party's jurisdiction, such service shall be made available to the remaining parties on a contractual basis. If such service is located within the jurisdiction of remaining parties, it shall be made available to the withdrawn party on a contractual basis.
- D. Disposal of Fixed Assets:** If a party withdraws from the BHO, such fixed assets of the BHO as may be located within that jurisdiction shall be returned to the BHO for use, while fixed assets not purchased with BHO funds shall vest with the withdrawing party.

ARTICLE XII. DISPOSITION OF ASSETS UPON DISSOLUTION OF BHO

In the event of dissolution of the entire BHO, ownership of such fixed assets as may have been purchased with State funds shall revert to the State.

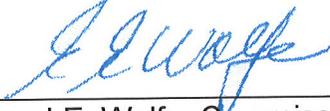
We, the undersigned, do hereby approve this Agreement and the terms and conditions contained herein, represent that we have the authority to enter into this Agreement and to perform all activities and functions contemplated herein, and do hereby undertake to conduct this BHO for providing community behavioral health services in Kitsap, Clallam, and Jefferson counties and in tribal jurisdictions within those counties, all in accordance with applicable law and rules.

KITSAP COUNTY BOARD OF COMMISSIONERS

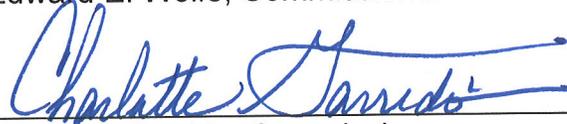
Approved this 14 day of DEC, 2015



Robert Gelder, Chair



Edward E. Wolfe, Commissioner



Charlotte Garrido, Commissioner



ATTEST:



Dana Daniels, Clerk of the Board

CLALLAM COUNTY BOARD OF COMMISSIONERS

Approved this 24th day of November, 2015



Jim McEntire, Chair



Mike Chapman, Commissioner



Bill Peach, Commissioner

ATTEST:



Trish Holden, CMC, Clerk of the Board

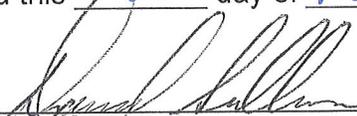
Approved as to form by:



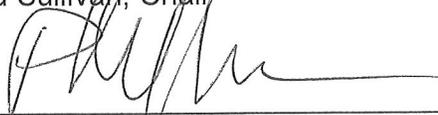
Brian Wendt
Deputy Prosecuting Attorney
Clallam County

JEFFERSON COUNTY BOARD OF COMMISSIONERS

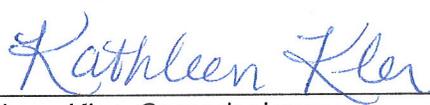
Approved this 23rd day of November, 2015



David Sullivan, Chair



Phil Johnson, Commissioner



Kathleen Kler, Commissioner

ATTEST:

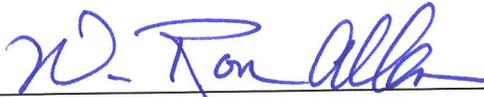


Carolyn Avery, Deputy Clerk of the Board

APPROVED AS TO FORM
Dana Albany 11/17/15
CHIEF CIVIL DPA

JAMESTOWN S'KLALLAM TRIBE

Approved this 23 day of Nov., 2015



W. Ron Allen, Tribal Chair/CEO