



# AGENDA

## BOARD OF SUPERVISORS, COUNTY OF MONO STATE OF CALIFORNIA

Regular Meetings: The First, Second, and Third Tuesday of each month. Location of meeting is specified just below.

MEETING LOCATION Board Chambers, 2nd Fl., County Courthouse, 278 Main St., Bridgeport, CA 93517

### Regular Meeting January 8, 2019

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#### TELECONFERENCE LOCATIONS:

1) First and Second Meetings of Each Month: Mammoth Lakes CAO Conference Room, 3rd Floor Sierra Center Mall, 452 Old Mammoth Road, Mammoth Lakes, California, 93546; 2) Third Meeting of Each Month: Mono County Courthouse, 278 Main, 2nd Floor Board Chambers, Bridgeport, CA 93517.

Board Members may participate from a teleconference location. Note: Members of the public may attend the open-session portion of the meeting from a teleconference location, and may address the board during any one of the opportunities provided on the agenda under Opportunity for the Public to Address the Board.

**NOTE:** In compliance with the Americans with Disabilities Act if you need special assistance to participate in this meeting, please contact Shannon Kendall, Clerk of the Board, at (760) 932-5533. Notification 48 hours prior to the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting (See 42 USCS 12132, 28CFR 35.130).

Full agenda packets are available for the public to review in the Office of the Clerk of the Board (Annex I - 74 North School Street, Bridgeport, CA 93517). Any writing distributed less than 72 hours prior to the meeting will be available for public inspection in the Office of the Clerk of the Board (Annex I - 74 North School Street, Bridgeport, CA 93517). **ON THE WEB:** You can view the upcoming agenda at <http://monocounty.ca.gov>. If you would like to receive an automatic copy of this agenda by email, please subscribe to the Board of Supervisors Agendas on our website at <http://monocounty.ca.gov/bos>.

**UNLESS OTHERWISE SPECIFIED BY TIME, ITEMS SCHEDULED FOR EITHER THE MORNING OR AFTERNOON SESSIONS WILL BE HEARD ACCORDING TO AVAILABLE TIME AND PRESENCE OF INTERESTED PERSONS. PUBLIC MAY COMMENT ON AGENDA ITEMS AT THE TIME THE ITEM IS HEARD.**

9:00 AM Call meeting to Order

Pledge of Allegiance

### **Ceremonial Swearing in of Newly-Elected Officials**

Judge Magit will administer the oath of office to District One Supervisor Jennifer Halferty, District Five Supervisor Stacy Corless, Assessor Barry Beck, District Attorney Tim Kendall, and Sheriff-Coroner Ingrid Braun.

#### **1. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

on items of public interest that are within the subject matter jurisdiction of the Board. (Speakers may be limited in speaking time dependent upon the press of business and number of persons wishing to address the Board.)

#### **2. RECOGNITIONS**

##### **A. Election of New 2019 Board Chair**

Departments: Clerk of the Board

(Outgoing Board Chair) - The outgoing Board Chair will call for nominations to elect the Chair of the Board for 2019.

**Recommended Action:** Elect the new Chair of the Board for 2019.

**Fiscal Impact:** None.

##### **B. Presentation to Outgoing Chair Gardner**

Departments: Clerk of the Board

(Board Chair) - Presentation to Chair Gardner by the newly elected Board Chair honoring Supervisor Gardner's service to the Board in 2018.

**Recommended Action:** None.

**Fiscal Impact:** None.

##### **C. Election of New 2019 Vice Chair to the Board**

Departments: Clerk of the Board

(Board Chair) - The newly elected Board Chair will call for nomination to elect the Vice Chair of the Board for 2019.

**Recommended Action:** Elect the new Vice Chair of the Board for 2019.

**Fiscal Impact:** None.

##### **D. Election of New 2019 Chair Pro-Tem**

Departments: Clerk of the Board

(x5538) - The newly elected Chair will call for nominations to elect the Chair Pro-Tem of the Board for 2019.

**Recommended Action:** Elect the new Chair Pro-Tem of the Board for 2019.

**Fiscal Impact:** None.

**3. COUNTY ADMINISTRATIVE OFFICE**

CAO Report regarding Board Assignments  
Receive brief oral report by County Administrative Officer (CAO) regarding work activities.

**4. DEPARTMENT/COMMISSION REPORTS**

**5. CONSENT AGENDA**

(All matters on the consent agenda are to be approved on one motion unless a board member requests separate action on a specific item.)

**A. Board Minutes**

Departments: Clerk of the Board

Approval of minutes of the regular Board of Supervisors meeting on December 4, 2018.

**Recommended Action:** Approve the minutes of the regular Board of Supervisors meeting on December 4, 2018.

**Fiscal Impact:** None.

**B. Second Amendment to Contract with Inyo County for Senior Services funds**

Departments: Social Services

Second Amendment to Contract with County of Inyo for a decrease of funds for FY 2018-19 pertaining to the Senior Services Program

**Recommended Action:** Approve the proposed contract Amendment #2 to the contract with Inyo County for senior services for the period July 1, 2016 through June 30, 2020 and authorize the Board Chair to execute such Amendment on behalf of the County.

**Fiscal Impact:** The proposed contract amendment will decrease Mono

County Senior Services anticipated revenue by \$374. Decrease in funding is offset by reducing program expenditures.

**C. Amendment to Fiscal Year 2017-2020 Substance Abuse Block Grant Agreement with Department of Health Care Services**

Departments: Behavioral Health

(Robin Roberts) - Proposed amendment to contract with California Department of Health Care Services pertaining to the Substance Abuse Prevention and Treatment Block Grant.

**Recommended Action:** Approve County entry into proposed contract amendment and authorize director of Behavioral Health to execute said amendment and related certifications and assurances on behalf of the County.

**Fiscal Impact:** The amendment increases the second-year allocation of the FY 2017-2020 funding agreement by \$880, for a new total of \$1,262,803.

**D. Resolution Delegating Investment Authority to the County Treasurer**

Departments: Finance

Resolution Delegating Investment Authority to the County Treasurer.

**Recommended Action:** Adopt Resolution R18-\_\_\_\_, Delegating Investment Authority to the County Treasurer.

**Fiscal Impact:** None.

**E. Monthly Treasury Transaction Report**

Departments: Finance

Treasury Transaction Report for the month ending 11/30/2018.

**Recommended Action:** Approve the Treasury Transaction Report for the month ending 11/30/2018.

**Fiscal Impact:** None

**F. HAVA Grant Approval**

Departments: Elections

The U.S. Elections Assistance Commission, through the State of

California, is offering Help America Vote Act (HAVA) federal reimbursement funding for County efforts to improve cyber security and infrastructure related to VoteCal.

**Recommended Action:** Approve and authorize the Mono County Clerk-Recorder-Registrar of Voters to sign Agreement #18G27126 with the California Secretary of State for receipt of up to \$10,000 to be used for HAVA Cyber Security and Infrastructure Improvement program.

**Fiscal Impact:** Up to \$10,000 in grant funded reimbursement.

**G. Contract with Willdan for Interim Assistant CAO Services**

Departments: CAO

(Leslie Chapman) - Contract with Willdan for Interim Assistant County Administrative Officer services to be provided by Kevin Carunchio.

**Recommended Action:** Approve contract with Wildan and authorize the CAO to execute said contract on behalf of the County.

**Fiscal Impact:** Contract is not to exceed \$100,000 and will be funded through salary savings in the CAO budget.

**6. CORRESPONDENCE RECEIVED**

All items listed are located in the Office of the Clerk of the Board, and are available for review. Direction may be given to staff regarding, and/or the Board may discuss, any item of correspondence listed on the agenda.

**A. Hemp Cultivation Letter**

Letter from Vanessa Arnold to the Board asking to codify hemp as a permitted agriculture crop.

**B. Invitation for a Meeting to Discuss the Inyo National Forest Land Management Plan Revision Objections**

An invitation from Bernie Gyant, Deputy Regional Forester and Objection Reviewing Officer, to a meeting to discuss potential resolutions to objections on January 15-17, 2019 at the Eastern Sierra Campus of Cerro Coso Community College. The meeting is open to the public.

**C. Liberty Utilities Rate Increase Request**

A notification of Liberty Utilities LLC request to increase rates - 2019-2021 General Rate Case application filing from November 30, 2018.

**D. Suddenlink Restructuring**

A letter from Davis Wright Tremaine LLP and Jenner & Block LLP, attorneys for Altice USA, to the Video Franchising and Broadband Deployment Group of the California Public Utilities Commission regarding a Pro forma restructuring of intermediate parent entity of Cequel III Communications I, LLC, Cebridge Acquisition, L.P., and NPG Cable, LLC (all d/b/a Suddenlink Communications).

**E. Agricultural Commissioner's Office Department Update January 2019**

January 2019 department update from the Counties of Inyo and Mono Agricultural Commissioner's office.

**7. REGULAR AGENDA - MORNING**

**A. Supervisors' Appointments to Boards, Commissions and Committees for 2019**

Departments: Clerk of the Board

30 minutes (5 minute presentation; 25 minute discussion)

(Shannon Kendall; Board Chair) - Mono County Supervisors serve on various board, commissions and committees for one-year terms that expire on December 31st. Each January, the Board of Supervisors makes appointments for the upcoming year.

**Recommended Action:** Appoint Supervisors to boards, commissions and committees for 2019.

**Fiscal Impact:** None.

**B. Mono County Statement of Investment Policy**

Departments: Finance

15 minutes (5 minute presentation; 10 minute discussion)

(Gerald Frank) - Annual renewal and approval of the Mono County Statement of Investment Policy pursuant to Section 27133 of the Government Code of the State of California.

**Recommended Action:** Approve the Mono County Statement of Investment Policy, as presented or amended.

**Fiscal Impact:** None.

**C. Criteria for Planning Commission Appointments**

Departments: CDD

20 minutes (5 minute presentation, 15 minute discussion)

(Wendy Sugimura on behalf of Supervisor Stump) - Discuss the duties of and criteria for appointment to the Mono County Planning Commission.

**Recommended Action:** Discuss duties and criteria for Planning Commissioner appointments and provide any direction to staff.

**Fiscal Impact:** No impact beyond budgeted expenses.

**8. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

on items of public interest that are within the subject matter jurisdiction of the Board. (Speakers may be limited in speaking time dependent upon the press of business and number of persons wishing to address the Board.)

**9. CLOSED SESSION**

**A. Closed Session - Human Resources**

CONFERENCE WITH LABOR NEGOTIATORS. Government Code Section 54957.6. Agency designated representative(s): Stacey Simon, Leslie Chapman, Dave Butters, Janet Dutcher, and Anne Larsen. Employee Organization(s): Mono County Sheriff's Officers Association (aka Deputy Sheriff's Association), Local 39 - majority representative of Mono County Public Employees (MCPE) and Deputy Probation Officers Unit (DPOU), Mono County Paramedic Rescue Association (PARA), Mono County Public Safety Officers Association (PSO), and Mono County Sheriff Department's Management Association (SO Mgmt). Unrepresented employees: All.

**10. BOARD MEMBER REPORTS**

The Board may, if time permits, take Board Reports at any time during the meeting and not at a specific time.

**ADJOURN**



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** January 8, 2019

**Departments: Clerk of the Board**

**TIME REQUIRED**

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

Outgoing Board Chair

**SUBJECT** Election of New 2019 Board Chair

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

The outgoing Board Chair will call for nominations to elect the Chair of the Board for 2019.

**RECOMMENDED ACTION:**

Elect the new Chair of the Board for 2019.

**FISCAL IMPACT:**

None.

**CONTACT NAME:** Scheereen Dedman

**PHONE/EMAIL:** x5538 / sdedman@mono.ca.gov

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

<p><a href="#">Click to download</a></p> <p>No Attachments Available</p>
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**History**

Time	Who	Approval
1/2/2019 4:17 PM	County Administrative Office	Yes
12/27/2018 11:51 AM	County Counsel	Yes
1/3/2019 9:20 AM	Finance	Yes





**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** January 8, 2019

**Departments: Clerk of the Board**

**TIME REQUIRED**

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

Board Chair

**SUBJECT** Presentation to Outgoing Chair  
Gardner

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Presentation to Chair Gardner by the newly elected Board Chair honoring Supervisor Gardner's service to the Board in 2018.

**RECOMMENDED ACTION:**

None.

**FISCAL IMPACT:**

None.

**CONTACT NAME:** Scheereen Dedman

**PHONE/EMAIL:** x5538 / sdedman@mono.ca.gov

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

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No Attachments Available

**History**

Time	Who	Approval
1/2/2019 4:19 PM	County Administrative Office	Yes
12/27/2018 12:09 PM	County Counsel	Yes
1/3/2019 9:21 AM	Finance	Yes



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** January 8, 2019

**Departments: Clerk of the Board**

**TIME REQUIRED**

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

Board Chair

**SUBJECT** Election of New 2019 Vice Chair to  
the Board

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

The newly elected Board Chair will call for nomination to elect the Vice Chair of the Board for 2019.

**RECOMMENDED ACTION:**

Elect the new Vice Chair of the Board for 2019.

**FISCAL IMPACT:**

None.

**CONTACT NAME:** Scheereen Dedman

**PHONE/EMAIL:** x5538 / sdedman@mono.ca.gov

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

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**History**

Time	Who	Approval
1/2/2019 4:18 PM	County Administrative Office	Yes
12/27/2018 11:52 AM	County Counsel	Yes
1/3/2019 9:21 AM	Finance	Yes



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** January 8, 2019

**Departments: Clerk of the Board**

**TIME REQUIRED**

**PERSONS** x5538

**SUBJECT** Election of New 2019 Chair Pro-Tem

**APPEARING  
BEFORE THE  
BOARD**

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### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

The newly elected Chair will call for nominations to elect the Chair Pro-Tem of the Board for 2019.

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### RECOMMENDED ACTION:

Elect the new Chair Pro-Tem of the Board for 2019.

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### FISCAL IMPACT:

None.

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**CONTACT NAME:** Scheereen Dedman

**PHONE/EMAIL:** x5538 / sdedman@mono.ca.gov

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### SEND COPIES TO:

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### MINUTE ORDER REQUESTED:

YES  NO

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### ATTACHMENTS:

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No Attachments Available

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### History

Time	Who	Approval
1/2/2019 4:18 PM	County Administrative Office	Yes
12/27/2018 11:51 AM	County Counsel	Yes
1/3/2019 9:21 AM	Finance	Yes



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** January 8, 2019

**Departments: Clerk of the Board**

**TIME REQUIRED**

**SUBJECT** Board Minutes

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

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### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Approval of minutes of the regular Board of Supervisors meeting on December 4, 2018.

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### RECOMMENDED ACTION:

Approve the minutes of the regular Board of Supervisors meeting on December 4, 2018.

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### FISCAL IMPACT:

None.

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**CONTACT NAME:** Scheereen Dedman

**PHONE/EMAIL:** x5538 / [sdedman@mono.ca.gov](mailto:sdedman@mono.ca.gov)

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### SEND COPIES TO:

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### MINUTE ORDER REQUESTED:

YES  NO

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### ATTACHMENTS:

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[12-4-18 Draft Minutes](#)

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### History

Time	Who	Approval
1/3/2019 8:57 AM	County Administrative Office	Yes
12/27/2018 1:14 PM	County Counsel	Yes
1/3/2019 9:20 AM	Finance	Yes



**DRAFT MEETING MINUTES  
BOARD OF SUPERVISORS, COUNTY OF MONO  
STATE OF CALIFORNIA**

Regular Meetings: The First, Second, and Third Tuesday of each month. Location of meeting is specified just below.

MEETING LOCATION Board Chambers, 2nd Fl., County Courthouse, 278 Main St., Bridgeport, CA 93517

**Regular Meeting  
December 4, 2018**

<b>Flash Drive</b>	<b>Board Room Recorder</b>
<b>Minute Orders</b>	<b>M18-255 – M18-260</b>
<b>Resolutions</b>	<b>R18-79</b>
<b>Ordinance</b>	<b>ORD18-16 Not Used</b>

9:02 AM Meeting called to order by Chair Gardner.

*Supervisors Present: Corless, Gardner, Halferty, Peters, and Stump.  
Supervisors Absent: None.*

The Mono County Board of Supervisors stream all of their meetings live on the internet and archives them afterward. To listen to any meetings from June 2, 2015 forward, please go to the following link: <http://www.monocounty.ca.gov/meetings>.

Pledge of Allegiance led by Supervisor Corless.

**1. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

No one spoke.

**2. RECOGNITIONS - NONE**

**3. COUNTY ADMINISTRATIVE OFFICE**

CAO Report regarding Board Assignments

Receive brief oral report by County Administrative Officer (CAO) regarding work activities.

**Leslie Chapman, CAO:**

- Read from a card addressed to her and the Board, from Caron Timpone in the Finance Department - demonstrates that the County has many people who appreciate working for the County.

**Note:**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

- California State Association of Counties (CSAC) meeting. Woman's leadership forum. Always find it to be very inspiring.
- Continuing to work on the COPs.
- Board schedule for January.
- Board Governance workshop in March – adopt Board rules and procedures then? Board consensus to wait.
- Legislative platform in January.
- Almost time to set strategic priorities. Mid-year budget after that.
- Present strategically balanced budget in June.
- Workshops – Assessment Appeals Board and County Service Areas.

#### **4. DEPARTMENT/COMMISSION REPORTS**

**Janet Dutcher, Finance Director:**

- Pre-pricing call with financing team about pricing our bonds.
- Taking pre orders, gauging interest, Thursday the bonds will be sold.

**Shannon Kendall, Clerk – Recorder – Registrar:**

- First meeting in January will be cancelled, then meetings the next three Tuesdays.
- First meeting will have changing over of new Board Chair, vice-chair, etc., legislative platform, appointments to commissions and committees, and the calendar for all Board meetings for the year.

**Tony Dublino, Public Works:**

- First weekend of Snow Removal. Normally there has been a presentation. No changes proposed, so doesn't believe it's necessary this year. Heavy equipment mechanic resigned.
- Hired a new FTS person – training right now.
- Road conditions webpage, still being updated. Snow priority removal map is on the website.
- If the department fails to secure a mechanic, the equipment is sent out to get repaired.

**Sheriff Braun:**

- This Saturday is the Shop with a Cop event.
- 60 children from throughout the eastern sierra – Death Valley to Topaz. Take to breakfast, ride code 3 to Kmart, get a gift card, and shop with a law enforcement partner.

**Stacey Simon:**

- Addressed the national day of mourning. Her preliminary analysis is that it does not apply to Mono County.

**Amanda Greenberg:**

- Actively pursuing a permanent supported housing, and affordable housing.
- RFQ (Request for Quotation) released several months ago. Several parties expressed interest, only one proposal from integrity housing, a non-profit in Irvine. RFQ Committee, reviewed and scored proposal, and interviewed Integrity Housing. January 7 – tour potential sites, discuss next steps and do planning.

**Robin Roberts, Behavioral Health Director:**

- Mono County is 24 hours a day / 7 days a week crisis response team for psychiatric emergencies. Team of 5.

**Note:**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

- Have had an uptick up people being assessed in the hospital.
- Partner at Mammoth Lakes Emergency Department and Paramedics have been exemplary in the process. Wanted to thank everyone publicly.

## 5. CONSENT AGENDA

(All matters on the consent agenda are to be approved on one motion unless a board member requests separate action on a specific item.)

### A. Amendment to Memorandum of Understanding with Blue Cross Partnership Plan, Inc.

Departments: Behavioral Health

Proposed Memorandum of Understanding Amendment between ANTHEM Blue Cross of California Partnership Plan, Inc. and Mono County Behavioral Health Plan pertaining to MOU amendments to implement certain provisions of Title 9 of the California Code of Regulations.

**Action:** Approve County entry into proposed contract and authorize the director of Mono County Behavioral Health to execute said contract on behalf of the County.

**Peters moved; Corless seconded**

**Vote: 5 yes; 0 no**

**M18-255**

### B. Monthly Treasury Transaction Report

Departments: Finance

Treasury Transaction Report for the month ending 10/31/2018.

**Action:** Approve the Treasury Transaction Report for the month ending 10/31/2018.

**Peters moved; Corless seconded**

**Vote: 5 yes; 0 no**

**M18-256**

### C. Authority to Hire Social Worker IV at Step E

Departments: Social Services

Grant the Director of Social Services the authority to hire Jayson Partridge at an E Step in the position of Social Worker IV. Mr. Partridge has been employed in the field of Child Protective Services for over 21 years and possesses exceptional qualifications for the position of Social Worker IV.

**Action:** Grant the Director of Social Services the authority to fill a Social Worker IV position at Step E.

**Note:**

These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors

**Peters moved; Corless seconded**  
**Vote: 5 yes; 0 no**  
**M18-257**

**D. Help America Voting Act Polling Place Accessibility Training Program**

Departments: Elections

Help America Vote Act (HAVA) agreement with the California Secretary of State for receipt of up to \$10,000 to be used for the Polling Place Accessibility Training Program,

**Action:** Approve entry into an agreement (#18G26126) with the California Secretary of State for receipt of up to \$10,000 to be used for the HAVA Polling Place Accessibility Training Program, and authorize the Mono County Registrar of Voters in consultation with County Counsel to sign said agreement, including future amendments, if any.

**Peters moved; Corless seconded**  
**Vote: 5 yes; 0 no**  
**M18-258**

**6. CORRESPONDENCE RECEIVED - NONE**

All items listed are located in the Office of the Clerk of the Board, and are available for review. Direction may be given to staff regarding, and/or the Board may discuss, any item of correspondence listed on the agenda.

**7. REGULAR AGENDA - MORNING**

**A. Review and Declaration of Election Results**

Departments: Elections

(Shannon Kendall, Registrar of Voters) -

Presentation of certified election results. Request for declaration of results. To view the complete Statement of Vote (that will be submitted to the Secretary of State electronically), visit the link below:

<https://monocounty.ca.gov/elections/page/2018-statewide-general-election-results>

All other pertinent documents are attached to this item.

**Action:** 1. Approve as correct the Statement of Votes for the November 6, 2018 Statewide General Election and Declare elected to office the following candidates who received the highest number of votes in each contest of the Election: Jake Suppa for Mono County Office of Education, Trustee Area #2; Greg Jennison and Sue Bouska for Mono County Office of Education, Trustee Area #3; Yuri Parisky and Joanne Hunt for Southern Mono Healthcare District Robert Creasy and Dennis Domaille for Mammoth Community Water District (4-year terms); Gary Thompson for Mammoth Community Water District (2-year

**Note:**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**



term); 2. Declare the following results of each measure voted on at the election: Measure "E": (Antelope Valley Fire Protection District Special Tax) received a 58.7% number of yes votes rather than the required 66.6% (2/3) and therefore did not pass (received 214 yes votes but needed approximately 240). 3. Pursuant to the Statement of Vote, approve as correct the total votes cast for the November 6, 2018 Statewide General Election and declare that the following individuals received the highest number of votes for Mono County (these are shared District races, Mono is not the lead on them, so we are not declaring these individuals as elected): Jack Connell for Kern Community College District (shared District with Inyo and Kern); Taylor Ludwick, Virginia Figueroa and Claudia Moya-Tanner for Bishop Unified School District (shared District with Inyo).

**Halferty moved; Peters seconded**

**Vote: 5 yes; 0 no**

**M18-259**

**Shannon Kendall:**

- Introduced item – it finalizes the November election.
- All the machines worked perfectly.
- Survey to voters at the poll place – didn't do it for the November election.
- Hoping to do more student outreach between now and 2020.

## **B. Rating Agency Presentation**

Departments: Finance, CAO

(Janet Dutcher) - Encore presentation for the Board of the ratings presentation delivered to S&P analyst on November 8, 2018, by County Staff and our municipal advisers.

**Action:** None. Presentation only.

**Janet Dutcher, Leslie Chapman:**

- Financial Management Assessment, copies of assessment tool given to Board (available in additional documents).
- Went through presentation.

**Supervisor Corless:**

- Asked that the reports be separated from the packet to make it easy to navigate to (available in additional documents).

*Break: 10:31 AM*

*Reconvene: 10:42 AM*

## **C. Civic Center Update**

Departments: Public Works

(Tony Dublino) - Receive information from the Public Works Director and project manager about the current status of the Mono County Civic Center Project.

**Action:** None. Information only.

**Note:**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

**Tony Dublino:**

- Financing piece a major component.
- Land transfer process has been at the forefront. Now resolved.
- Schematic design approval – major step taken in the last month.
- Provided additional updates regarding the Civic Center, as provided in the staff report.

**D. Appointment of 2019 RCRC Delegates**

Departments: Clerk of Board of Supervisors

(Chair Gardner) - Each year the Mono County Board of Supervisors appoints a Delegate and two alternates to serve on the RCRC board. The Delegate and first alternate (for RCRC and Golden State Finance Authority Boards) are Mono County Supervisors; the second alternate (which serves on the RCRC Environmental Services Joint Powers Authority) is typically the solid waste staff member. The time has come to appoint new delegates/alternates for the 2019 calendar year.

**Action:** Appoint Supervisor Stacy Corless as the 2019 RCRC delegate; appoint Supervisor John Peters as the first alternate; appoint Justin Nalder as the second alternate (to the RCRC ESJPA board in his capacity as Solid Waste manager). These appointments will expire in December 2019.

**Stump moved; Halferty seconded**

**Vote: 5 yes; 0 no**

**M18-260**

**Supervisor Gardner:**

- Introduced item.

**E. Temporary Cannabis Permit Processing Options**

Departments: CDD, County Counsel

(Wendy Sugimura, Christy Milovich) - Alternatives for processing cannabis use and operation permits under the State's deadline of Dec. 31, 2018, in order to respond to state inquiries regarding commercial cannabis operations in connection with state temporary licenses for commercial cannabis.

**Action:** Approve Resolution R18-79, Authorizing the Community Development Director to establish a conditional process for providing temporary local authorization to applicants who meet specified conditions for the sole purpose of responding to state inquiries regarding commercial cannabis operations in connection with state temporary licenses for commercial cannabis.

**Peters moved; Halferty seconded**

**Vote: 5 yes; 0 no**

**R18-79**

**Wendy Sugimura, Community Development Director:**

- Introduced item.
- Recognized Christy Milovich, Assistant County Counsel, for her heavy work on the research, and writing the staff report.

**Note:**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

- Explained her department's understanding of regulations at the state level, and the County's options in light of them.
- Clarified – this is not a temporary permit for the County, it is allowing people to apply for the State's provisional license. The County permitting process is still being determined.

**Stacey Simon, County Counsel:**

- Explained the resolution.
- This is not just medical, also recreational cannabis.

**Leslie Chapman:**

- CAO Recommendation:
- According to the County's strategic priority – the County has a priority to promote a fiscally healthy County and regional economy and under that is to monitor and expand successful economic development initiatives and diversifying the economic base with this business.
- If the County doesn't find a way to give some kind of temporary authorization for growers then they will miss the next growing season which could be detrimental to anyone who has already made an investment.

**Eric Edgerton, Tilth Farms:**

- At present time, Tilth farms has accomplished approvals from all state regulatory agencies.
- Asked the Board to consider option 1.

**Pam Hamic:**

- Thanked CAO Chapman and Supervisor Peters for their help during the Jamboree.
- Asked that a temporary permit be extended to Tilth Farms. It would create jobs and increase revenue to the County. Hospice could use the cannabis for the care of clients.

**Marty Federspiel:**

- (Along with his wife Marla), Equity owners of Tilth Farms.
- Would like the Board to get Eric (Edgerton) what he needs to keep going.

A letter from John DeCoster regarding this item can be found in additional documents.

## **8. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

No one spoke.

## **9. CLOSED SESSION at 11:57 AM**

### **A. Closed Session- Human Resources**

CONFERENCE WITH LABOR NEGOTIATORS. Government Code Section 54957.6. Agency designated representative(s): Stacey Simon, Leslie Chapman, Dave Butters, Janet Dutcher, and Anne Larsen. Employee Organization(s): Mono County Sheriff's Officers Association (aka Deputy Sheriff's Association), Local 39 - majority representative of Mono County Public Employees (MCPE) and Deputy Probation Officers Unit (DPOU), Mono County Paramedic Rescue Association (PARA), Mono County Public Safety Officers Association (PSO), and Mono County Sheriff Department's Management

**Note:**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

Association (SO Mgmt). Unrepresented employees: All.

## **B. Closed Session - Exposure to Litigation**

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9. Number of potential cases: one.

## **C. Closed Session - Initiation of Litigation**

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code section 54956.9. Number of potential cases: one.

*Reconvene: 12:31 PM*

Nothing to report out of Closed Session.

## **10. BOARD MEMBER REPORTS**

The Board may, if time permits, take Board Reports at any time during the meeting and not at a specific time.

### **Supervisor Corless:**

- Attended the CSAC annual meeting.
- Attended the Agriculture, Environment, and Natural Resources Committee meeting. Panel discussion with representatives from Scripps, a fire representative.
- Attended the Government Finance and Administration Policy Committee. Discussion from a representative from the Legislative Office. Believes the presentation will be posted and will make sure that she shares that with everyone.
- Yesterday, attended the Behavioral Health Advisory Board meeting. Approved the Mental Health Services Plan Annual Update and the Updated Reversion Expenditure Plan. Those will come to the Board in January. There will be a public hearing on Wednesday, December 19 at 5 pm in the Sierra Wellness center to talk about these updates. Director Robin Roberts attended the last Benton Social that had 45 people in attendance, great participation at those socials. Received an update on work to address - Opioid issues, medically assisted treatment in jails. Two members of Behavioral Health staff were recognized by the Toiyabe Indian Health Project - Sal Montanez and Sofia Flores. Also talked about needing to make reappointments to the Board, still looking for new members and representatives.
- Attended the Mammoth Lakes Housing (MLH) monthly meeting. MLH has hired a grants and financial associate Diane Doonan. Approved a recommendation to (Mammoth Lakes) Town Council to fund new Home Buyer Assistance programs to service middle income applicants. Approved MLH applying for an internship program. Approved participation in Mammoth Lakes Chamber of Commerce Housing Steering Committee. Staff reported they closed two home buyer assisted loans. Patricia mentioned the possibility of an SB2 planning grant that would be a joint application between the Town and County on strategies for accessory dwelling units and other creative housing ideas.

### **Supervisor Gardner:**

- Last week along with other county supervisors I attended the annual meeting of the California State Association of Counties (CSAC) in San Diego. The conference was

### **Note:**

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most useful in providing much information about current issues affecting Mono County, including housing and homelessness, forest health and wildfire management and prevention, budget and revenue trends, proposed legislation, and recreation and public lands. I want to highlight the fact that Supervisor Corless brought recognition and acclaim to Mono County with her outstanding performance on the annual County Clerks Quiz, earning one of the coveted top awards with her dazzling performance about California County information and knowledge.

**Supervisor Halferty:**

- On Sunday, November 25-27th I participated in the California State Association of Counties (CSAC) New Supervisors Institute. Then I went on to the Annual CSAC Conference. Couple of highlights I'd like for the Board to consider:
- Mariposa County performs surveys of their residents to measure how well they deliver services and are meeting the needs of the community and better understand public interests. The most comprehensive of these surveys was the 2018 National Citizen Survey, which measures resident perceptions of County governance and benchmarks those measures against other communities nationwide. This data is analyzed by third party statisticians to provide officials with a broad, objective and honest view of resident satisfaction. I think there could be a great tool for Mono County.
- Santa Cruz County is implementing some productive policies around Accessory Dwelling Units (ADUs). Opportunity under the SB2 Permanent Source for Affordable Housing planning grants to perform this work.
- Yesterday, I attended the Lands Technical Advisory Committee. Two separate interested Cannabis cultivators were on the agenda.
- Last night, December 3, I attended the Mammoth Lakes Housing Board meeting. Exciting actions coming out of that meeting including a request to the Town on new pilot programs & CCRH intern application.

**Supervisor Peters:**

- Attended the CSAC conference. Thought that it was a very productive few days.
- President - Virginia Bass, Humboldt. First Vice - Lisa Bartlett (Urban. James Gore 2<sup>nd</sup> vice suburban. Thinks it's a very good team and we are very well represented at CSAC.
- Issues other counties are having that accepted the jail grants, ongoing expenses cost for operation are pricing them out of the game. CSAC will be advocating at the state. There is close to being a \$15 billion surplus, so advocating to have state commit more funds to jails.
- Enjoyed the new supervisors' institute, to serve on the faculty. Glad that supervisor Halferty attended that.
- Attended several sessions – innovation summit. Highlighted state transportation trends, electric vehicles. Elated proposition 6 was defeated, lots of funds for new roads and bridge projects.
- Resiliency advisory board, participated.
- Looking at serving in an advisory capacity on the local hazard mitigation plan component. Proud to say that we have a current plan.
- Attended the HHS Policy Committee, Housing, Land, and Transportation Policy Committee, CSAC Roundtable Rural Caucus Board of Directors meeting.
- Town Hall in Bridgeport.

**Supervisor Stump:**

- 11-27: Attended the CSA 1 meeting - That Board looking forward to discussing issues with the full BOS

**Note:**

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- 11-28: Attended a Community meeting for Paradise, Swall Meadows, and the Crowley/Long Valley area. Topic receiving the most conversation was the DWP dewatering of Long Valley and the potential vegetation changes that would create a greater fire hazard for the area.
- 12-1: Attended the CSA 1 Craft Fair - Good turn out
- 12-2: Attended a Christmas Tree lighting for Crowley. Santa was there. Many Children were also there.

**ADJOURNED at 12:52 PM**

**ATTEST**

---

**BOB GARDNER  
CHAIR OF THE BOARD**

---

**SCHEEREN DEDMAN  
SR. DEPUTY CLERK**



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** January 8, 2019

**Departments: Social Services**

**TIME REQUIRED**

**SUBJECT** Second Amendment to Contract with Inyo County for Senior Services funds

**PERSONS APPEARING BEFORE THE BOARD**

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Second Amendment to Contract with County of Inyo for a decrease of funds for FY 2018-19 pertaining to the Senior Services Program

**RECOMMENDED ACTION:**

Approve the proposed contract Amendment #2 to the contract with Inyo County for senior services for the period July 1, 2016 through June 30, 2020 and authorize the Board Chair to execute such Amendment on behalf of the County.

**FISCAL IMPACT:**

The proposed contract amendment will decrease Mono County Senior Services anticipated revenue by \$374. Decrease in funding is offset by reducing program expenditures.

**CONTACT NAME:** Kathy Peterson

**PHONE/EMAIL:** 760-924-1763 / kpeterson@mono.ca.gov

**SEND COPIES TO:**

Kathy Peterson

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download
<input type="checkbox"/> <a href="#">staff report</a>
<input type="checkbox"/> <a href="#">Amendment #2</a>
<input type="checkbox"/> <a href="#">Amendment #1 and Back up</a>

History

<b>Time</b>	<b>Who</b>	<b>Approval</b>
1/2/2019 3:39 PM	County Administrative Office	Yes
12/21/2018 1:57 PM	County Counsel	Yes
12/20/2018 11:24 AM	Finance	Yes





Office of the ... DEPARTMENT OF SOCIAL SERVICES

# C O U N T Y O F M O N O

P. O. Box 2969 • Mammoth Lakes • California 93546

KATHRYN PETERSON, MPH  
*Director*

BRIDGEPORT OFFICE  
(760) 932-5600  
FAX (760) 932-5287

MAMMOTH LAKES OFFICE  
(760) 924-1770  
FAX (760) 924-5431



To: Mono County Board of Supervisors  
From: Kathy Peterson, Social Services Director  
Date: January 8, 2019  
Re: Amendment #2 to Contract between County of Inyo and County of Mono for a decrease in funds related to the Senior Services Program.

**Recommended Action:**

Approve the proposed contract Amendment #2 to the contract with Inyo County for senior services for the period July 1, 2016 through June 30, 2020 and authorize the Board Chair to execute such Amendment on behalf of the County. Provide any desired direction to staff.

**Fiscal Impact:**

The proposed contract amendment will decrease Mono County Senior Services anticipated revenue by \$374.

**Discussion:**

This Board approved a three-year contract between County of Inyo and County of Mono providing revenues for Mono County Senior Services for a contract period of July 1, 2016 through June 30, 2020. The total current contract amount is \$385,101. This amendment serves to update the FY 2018-19 allocation amount for Mono County.

Inyo County-ESAAA was informed of a reduction in the FY 2018-19 allocation due to reduction in overall state and federal funding for the program. The proposed contract amendment allows for a small decrease in revenue for Mono County Senior Services in the amount of \$374 for FY 2018-19.

The County of Inyo has forwarded to us for the Mono County Board of Supervisors' review and approval a contract amendment that achieves the following:

1. Decreases funding for the period July 1, 2018 through June 30, 2019 to \$94,812.
2. Sets the three-year contract limit to \$382,440.00.

The proposed County of Inyo Contract Amendment #2 evidencing this decrease is attached to this Board Agenda Item, as well as back up documents related to Contract Amendment #1.

**AMENDMENT NUMBER \_\_\_\_\_ TO  
AGREEMENT BETWEEN THE COUNTY OF INYO AND  
\_\_\_\_\_  
FOR THE PROVISION OF INDEPENDENT CONTRACTOR SERVICES**

WHEREAS, the County of Inyo (hereinafter referred to as "County") and \_\_\_\_\_, of \_\_\_\_\_ (hereinafter referred to as "Contractor"), have entered into an Agreement for the Provision of Independent Contractor Services dated \_\_\_\_\_, on County of Inyo Standard Contract No. \_\_\_\_\_, for the term from \_\_\_\_\_ to \_\_\_\_\_.

WHEREAS, County and Contractor do desire and consent to amend such Agreement as set forth below;

WHEREAS, such Agreement provides that it may be modified, amended, changed, added to, or subtracted from, by the mutual consent of the parties thereto, if such amendment or change is in written form, and executed with the same formalities as such Agreement, and attached to the original Agreement to maintain continuity.

County and Contractor hereby amend such Agreement as follows:

The effective date of this Amendment to the Agreement is \_\_\_\_\_.

All the other terms and conditions of the Agreement are unchanged and remain the same.

**AMENDMENT NUMBER \_\_\_\_\_ TO  
AGREEMENT BETWEEN THE COUNTY OF INYO AND**

**FOR THE PROVISION OF INDEPENDENT CONTRACTOR SERVICES**

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS  
\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_.

**COUNTY OF INYO**

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

Dated: \_\_\_\_\_

**CONTRACTOR**

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

Signature

\_\_\_\_\_  
Type or Print

Dated: \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
County Counsel

APPROVED AS TO ACCOUNTING FORM:

\_\_\_\_\_  
County Auditor

APPROVED AS TO PERSONNEL REQUIREMENTS:

\_\_\_\_\_  
Personnel Services

APPROVED AS TO RISK ASSESSMENT:

\_\_\_\_\_  
County Risk Manager

# *In the Rooms of the Board of Supervisors*

County of Inyo, State of California

I, HEREBY CERTIFY, that at a meeting of the Board of Supervisors of the County of Inyo, State of California, held in their rooms at the County Administrative Center in Independence on the 20<sup>th</sup> day of February 2018 an order was duly made and entered as follows:

*HHS-ESAAA – Ratify  
Mono County  
Agreement  
Amendment 1*

HHS Director Marilyn Mann presented for ratification and approval an amendment to the existing agreement between Inyo and Mono counties for aging services. Moved by Supervisor Griffiths and seconded by Supervisor Tillemans to ratify and approve Amendment No. 1 to the four-year agreement with the County of Mono for the provision of Eastern Sierra Area Agency on Aging services to Mono County eligible residents, in the total amount not to exceed \$88,696 for the period beginning July 1, 2017 through June 30, 2018 and not exceeding the total four-year amount of \$385,101 for the period of July 1, 2016 through June 30, 2020. Motion carried unanimously 4-0, with Supervisor Kingsley absent.

<b>Routing</b>
CC Purchasing Personnel Auditor CAO Other: HHS DATE: February 27, 2018

WITNESS my hand and the seal of said Board this 20<sup>th</sup>  
Day of February, 2018



KEVIN D. CARUNCHIO  
Clerk of the Board of Supervisor

A handwritten signature in blue ink, appearing to read "Kevin D. Carunchio".

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



**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only: AGENDA NUMBER  21
--------------------------------------------------

Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time for     Closed Session     Informational

**FROM:** HEALTH & HUMAN SERVICES – ESAAA

**FOR THE BOARD MEETING OF:** February 20, 2018

**SUBJECT:** Ratify Amendment #1 to the Contract with County of Mono for ESAAA Services to Seniors

**DEPARTMENTAL RECOMMENDATION:**

Request your Board ratify Amendment #1 to the four-year agreement with the County of Mono for the provision of Eastern Sierra Area Agency on Aging (ESAAA) services to Mono County eligible residents, in the total amount not to exceed \$88,696 for the period beginning July 1, 2017 through June 30, 2018 and not exceeding the total four-year amount of \$385,101 for the period of July 1, 2016 through June 30, 2020.

**CAO RECOMMENDATION:**

**SUMMARY DISCUSSION:**

The base allocations were approved in late June 2017 and One Time Only monies were allocated in October, 2017. This contract amendment was sent to Mono County at that time for processing. The signed agreement was returned to our office mid-December and routed through the approval process.

This amendment is coming before you in order to update the FY 17/18 allocation amount with Mono County by increasing the contract in the amount of \$548 of One Time Only Funds (unspent funds from the prior fiscal year as calculated by CDA), the Mono County portion of the \$6,186 funds received for FY 17/18. Each year the California Department of Aging (CDA) sends out allocations for each Planning and Service Area (PSA). After the allocation is received, Inyo County HHS Staff further breaks down the allocations into what is available for Inyo County and what is available for Mono County based on the percentages that were approved by the Governing Board for the four year plan that is currently in place. The Department used this calculation to determine the above referenced amount. This amendment allows Mono County to use the funds in the current fiscal year.

The funding amounts per year for Mono services with one time only adjustment are as follows:

<u>Fiscal Year</u>
2016/17 = \$101,459
2017/18 = \$88,696 (with OTO fund adjustment)
2018/19 = \$97,473
2019/20 = \$97,473

These amounts are contingent upon State allocations in future years and any One Time Only funds or Sequestration cuts/restoration, the above amounts could be lower or higher.

**ALTERNATIVES:**

Board could choose not to approve this request. This is not recommended as this could result in Mono




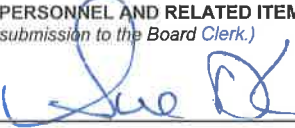
County invoicing for an amount that is higher than the actual allocation available.

**OTHER AGENCY INVOLVEMENT:**

California Department of Aging

**FINANCING:**

Funding for this contract comes from California Department of Aging State and Federal Funds. This is budgeted in the ESAAA Budgets (683000) in Other County Contributions (5539). No County General Funds.

<b><u>APPROVALS</u></b>	
<b>COUNTY COUNSEL:</b> 	<b>AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS</b> (Must be reviewed and approved by County Counsel prior to submission to the Board Clerk.) Approved: <u>YES</u> Date: <u>1/26/18</u>
<b>AUDITOR/CONTROLLER:</b> 	<b>ACCOUNTING/FINANCE AND RELATED ITEMS</b> (Must be reviewed and approved by the Auditor/Controller prior to submission to the Board Clerk.) Approved:  Date: <u>1/26/18</u>
<b>PERSONNEL DIRECTOR:</b>	<b>PERSONNEL AND RELATED ITEMS</b> (Must be reviewed and approved by the Director of Personnel Services prior to submission to the Board Clerk.)  Approved: <u>✓</u> Date: <u>1/30/18</u>
<b>BUDGET OFFICER:</b> <u>N/A</u>	<b>BUDGET AND RELATED ITEMS</b> (Must be reviewed and approved by the Budget Officer prior to submission to the Board Clerk.) Approved: <u>—</u> Date: <u>—</u>

**DEPARTMENT HEAD SIGNATURE:**

(Not to be signed until all approvals are received)



Date: 2/2/18

**BOARD OF SUPERVISORS  
COUNTY OF MONO  
P.O. BOX 715, BRIDGEPORT, CA 93517**

*Shannon Kendall  
760-932-5533  
skendall@mono.ca.gov  
Clerk of the Board*

**REGULAR MEETING of  
December 5, 2017**

*Helen Nunn  
760-932-5534  
hnunn@mono.ca.gov  
Assistant Clerk of the Board*

**MINUTE ORDER  
M17-231  
Agenda Item #5b**

**TO: Social Services**

**SUBJECT: Amendment #1 to Contract with Inyo County for Senior Services Funds**

Approve the proposed contract Amendment #1 to the contract with Inyo County for senior services for the period July 1, 2016 through June 30, 2020, and authorize the Board Chair to execute such Amendment on behalf of the County.

**Stump moved; Peters seconded**

**Vote: 4 yes; 0 no; 1 absent: Johnston**

**M17-231**

2017 DEC 21 PM 01:52

**AMENDMENT NUMBER 1 TO  
AGREEMENT BETWEEN THE COUNTY OF INYO AND  
County of Mono  
FOR THE PROVISION OF INDEPENDENT CONTRACTOR SERVICES**

WHEREAS, the County of Inyo (hereinafter referred to as "County") and Mono County Social Services, of County of Mono (hereinafter referred to as "Contractor"), have entered into an Agreement for the Provision of Independent Contractor Services dated February 7, 2017, on County of Inyo Standard Contract No. 116, for the term from July 1, 2016 to June 30, 2020.

WHEREAS, County and Contractor do desire and consent to amend such Agreement as set forth below;

WHEREAS, such Agreement provides that it may be modified, amended, changed, added to, or subtracted from, by the mutual consent of the parties thereto, if such amendment or change is in written form, and executed with the same formalities as such Agreement, and attached to the original Agreement to maintain continuity.

County and Contractor hereby amend such Agreement as follows:

The first sentence of Paragraph 3.D. Limit upon Amount Payable Under this Agreement, of the Agreement is amended to read as follows:

The total sum of all payments made by the County to Contractor for services and work performed under this Agreement shall not exceed \$385,101.00 (hereinafter referred to as "contract limit"). County expressly reserves the right to deny any payment or reimbursement requested by Contractor for services or work performed which is in excess of the contract limit.

SCHEDULE OF FEES:

3. The total contract amount for July 1, 2016 through June 30, 2020 is approximately \$385,101.00; the 2016/17 allocation and One Time Only funds are \$101,459.00; the 2017/18 allocation and One Time Only funds are \$88,696.00; and the allocation amount to be reimbursed will be approximately \$97,473.00 for each remaining fiscal year.

The effective date of this Amendment to the Agreement is July 1, 2017.

All the other terms and conditions of the Agreement are unchanged and remain the same.



AMENDMENT NUMBER 1 TO  
AGREEMENT BETWEEN THE COUNTY OF INYO AND  
County of Mono  
FOR THE PROVISION OF INDEPENDENT CONTRACTOR SERVICES

5 IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS  
DAY OF December, 2017.

COUNTY OF INYO

By: [Signature]  
Dated: 2-20-18

CONTRACTOR

By: [Signature: Stacy Corless]  
Signature  
Stacy Corless  
Type or Print  
Dated: December 5, 2017

APPROVED AS TO FORM AND LEGALITY:

[Signature]  
County Counsel

APPROVED AS TO ACCOUNTING FORM:

[Signature]  
County Auditor

APPROVED AS TO PERSONNEL REQUIREMENTS:

[Signature]  
Personnel Services

APPROVED AS TO RISK ASSESSMENT:

[Signature]  
County Risk Manager

Exhibit B - Budget Detail, Payment Provisions, and Closeout

**AREA PLAN  
Budget Display-Amendment 1  
Fiscal Year 2017/18**

**Eastern Sierra Area Agency on Aging**

	OTO-SN		Inyo County	Mono County	FY 16/17 Inyo Planning Allocations	FY 17/18 Inyo Difference	FY 16/17 Mono Planning Allocations	FY 17/18 Mono Difference	Net Change	
	Baseline	Total								
<b>Supportive Services</b>										
Legal	20,000	20,000	20,000	-	20,000	-	-	-	-	
0.2 I&A	15,413	74	15,487	-	16,016	(529)	-	-	(529)	
0.15 Transportation (77/23)	12,418	56	12,474	9,605	2,869	9,249	356	2,763	106	
0.6 Assisted Transportation (86/14)	49,672	223	49,895	42,910	6,985	41,322	1,588	6,727	258	
0.06 In Home	5,283	19	5,302	5,302	-	5,283	19	-	-	
Total Supportive Services	102,786	372	103,158	93,303	9,854	91,870	1,433	9,490	364	
<b>Ombudsman</b>										
Federal Title IIIB	15,065	413	15,478	15,478	-	15,075	403	-	-	
Federal Title VII Ombudsman	19,059	217	19,276	19,276	-	18,984	292	-	-	
General Fund IIIB	8,945		8,945	8,945		8,942	3		3	
Public Health L & C Program	3,578		3,578	3,578		3,577	1		1	
State Health Facilities Citation	1,214	1,110	2,324	2,324		1,212	1,112		-	
SNF Quality & Accountability	16,995		16,995	16,995		16,991	4		-	
Total Ombudsman	64,856	1,740	66,596	66,596	-	64,781	1,815	-	-	
<b>Congregate Nutrition (84/16)</b>										
Federal Title IIIC1	143,867	1,734	145,601	122,305	23,296	122,093	212	23,256	40	
General Fund C1	53,187		53,187	44,677	8,510	49,988	(5,311)	9,521	(1,011)	
NSIP C1	15,104	205	15,309	12,860	2,449	13,740	(880)	2,617	(168)	
Total Congregate Nutri	212,158	1,939	214,097	179,841	34,256	185,821	(5,980)	35,394	(1,138)	
<b>Home-Delivered Meals (83/17)</b>										
Federal Title IIIC2	72,406	624	73,030	60,615	12,415	61,686	(1,071)	12,634	(219)	
General Fund C2	156,945		156,945	130,264	26,681	160,861	(30,597)	32,948	(6,267)	
NSIP C2	31,781	517	32,298	26,807	5,491	34,210	(7,403)	7,007	(1,518)	
Total Home Delivered	261,132	1,141	262,273	217,687	44,586	256,757	(39,070)	52,589	(8,003)	
<b>Disease Prevention</b>										
Federal Title IIID	2,558	111	2,669	2,669	-	2,563	106	-	-	
Total Disease Preven	2,558	111	2,669	2,669	-	2,563	106	-	-	
<b>Family Caregiver</b>										
Federal Title IIIE	17,436	1,957	19,393	19,393	-	18,112	1,281	-	-	
Total Family Caregive	17,436	1,957	19,393	19,393	-	18,112	1,281	-	-	
<b>Elder Abuse</b>										
Federal Title VII Elder Abuse Pre	649	36	685	685	-	650	35	-	-	
Total Elder Abuse	649	36	685	685	-	650	35	-	-	
<b>Administration</b>										
Federal Title IIIB	18,553		18,553	18,553	-	18,123	430	-	-	
Federal Title IIIC1	23,233		23,233	23,233	-	23,542	(309)	-	-	
Federal Title IIIC2	11,693		11,693	11,693	-	12,037	(344)	-	-	
Federal Title IIIE	7,767		7,767	7,767	-	7,905	(138)	-	-	
General Fund C1	110		110	110		108	2		-	
General Fund C2	29		29	29		29	-		-	
Total Administration	61,385		61,385	61,385	-	61,744	(359)	-	-	
<b>Grand Total - All Funds</b>	<b>722,960</b>	<b>7,296</b>	<b>730,256</b>	<b>641,559</b>	<b>88,696</b>	<b>682,298</b>	<b>(40,739)</b>	<b>97,473</b>	<b>(8,777)</b>	<b>(49,516)</b>
<b>Funding Summary</b>										
Federal Funds	481,957	6,186	488,143	434,637	53,506	440,590	(5,953)	55,004	(1,498)	
General Fund	219,216	-	219,216	184,025	35,191	219,928	(35,903)	42,469	(7,278)	
Public Health L & C Program	3,578		3,578	3,578		3,577				
SNF Quality & Accountability	16,995		16,995	16,995		16,991	4		-	
State Health Facilities Citation Pe	1,214	1,110	2,324	2,324	-	1,212	1,112		-	
	722,960	7,296	730,256	641,559	88,696	682,298	(40,740)	97,473	(8,777)	

**AREA PLAN  
 Budget Display  
 Fiscal Year 2017-18 (Federal Funding Years 2017 & 2018)  
 County of Inyo**

**12 months (July 1, 2017 - June 30, 2018)**

	Project Number	Baseline	Baseline Adjustments	Cumulative Transfers	Updated Baseline	Total OTO	Updated Total	Net Change
<b>Supportive Services</b>								
Federal Title IIIB	3BSL17-17	25,697	(b) -	-	25,697	372	26,069	372
Federal Title IIIB	3BSL18-17	77,089	(c) -	-	77,089	-	77,089	-
<b>Total Supportive Services</b>		<b>102,786</b>	<b>-</b>	<b>-</b>	<b>102,786</b>	<b>372</b>	<b>103,158</b>	<b>372</b>
<b>Ombudsman</b>								
Federal Title IIIB	3BOL17-17	3,766	(b) -	-	3,766	413	4,179	413
Federal Title IIIB	3BOL18-17	11,299	(c) -	-	11,299	-	11,299	-
Federal Title VIIa	7OFL17-17	4,765	(b) -	-	4,765	217	4,982	217
Federal Title VIIa	7OFL18-17	14,294	(c) -	-	14,294	-	14,294	-
General Fund IIIB	B1GL	8,945	(a) -	-	8,945	-	8,945	-
Public Health L & C Program Fund	LCPF	3,578	(a) -	-	3,578	-	3,578	-
State Health Facilities Citation Penalties Account	SDFL	1,214	(a) 1,110	(a) -	2,324	-	2,324	1,110
SNF Quality & Accountability	SNFL	16,995	(a) -	-	16,995	-	16,995	-
<b>Total Ombudsman</b>		<b>64,856</b>	<b>1,110</b>	<b>-</b>	<b>65,966</b>	<b>630</b>	<b>66,596</b>	<b>1,740</b>
<b>Congregate Nutrition</b>								
Federal Title IIIC1	3C1L17-17	35,967	(b) -	-	35,967	1,734	37,701	1,734
Federal Title IIIC1	3C1L18-17	107,900	(c) -	-	107,900	-	107,900	-
General Fund C1	C1GL	53,187	(a) -	-	53,187	-	53,187	-
NSIP C1	NC1L17-17	3,776	(b) -	-	3,776	205	3,981	205
NSIP C1	NC1L18-17	11,328	(c) -	-	11,328	-	11,328	-
<b>Total Congregate Nutrition</b>		<b>212,158</b>	<b>-</b>	<b>-</b>	<b>212,158</b>	<b>1,939</b>	<b>214,097</b>	<b>1,939</b>
<b>Home-Delivered Meals</b>								
Federal Title IIIC2	3C2L17-17	18,102	(b) -	-	18,102	624	18,726	624
Federal Title IIIC2	3C2L18-17	54,304	(c) -	-	54,304	-	54,304	-
General Fund C2	C2GL	156,945	(a) -	-	156,945	-	156,945	-
NSIP C2	NC2L17-17	7,945	(b) -	-	7,945	517	8,462	517
NSIP C2	NC2L18-17	23,836	(c) -	-	23,836	-	23,836	-
<b>Total Home Delivered Meals</b>		<b>261,132</b>	<b>-</b>	<b>-</b>	<b>261,132</b>	<b>1,141</b>	<b>262,273</b>	<b>1,141</b>
<b>Disease Prevention</b>								
Federal Title IIID	3DFL17-17	640	(b) -	-	640	111	751	111
Federal Title IIID	3DFL18-17	1,918	(c) -	-	1,918	-	1,918	-
<b>Total Disease Prevention</b>		<b>2,558</b>	<b>-</b>	<b>-</b>	<b>2,558</b>	<b>111</b>	<b>2,669</b>	<b>111</b>
<b>Family Caregiver</b>								
Federal Title IIIE	3EFL17-17	4,359	(b) -	-	4,359	1,957	6,316	1,957
Federal Title IIIE	3EFL18-17	13,077	(c) -	-	13,077	-	13,077	-
<b>Total Title IIIE</b>		<b>17,436</b>	<b>-</b>	<b>-</b>	<b>17,436</b>	<b>1,957</b>	<b>19,393</b>	<b>1,957</b>
<b>Elder Abuse</b>								
Federal Title VII	7EFL17-17	162	(b) -	-	162	36	198	36
Federal Title VII	7EFL18-17	487	(c) -	-	487	-	487	-
<b>Total Elder Abuse</b>		<b>649</b>	<b>-</b>	<b>-</b>	<b>649</b>	<b>36</b>	<b>685</b>	<b>36</b>

**AREA PLAN  
 Budget Display  
 Fiscal Year 2017-18 (Federal Funding Years 2017 & 2018)  
 County of Inyo**

**12 months (July 1, 2017 - June 30, 2018)**

	Project Number	Baseline	Baseline Adjustments	Cumulative Transfers	Updated Baseline	Total OTO	Updated Total	Net Change
<b>Administration</b>								
	Federal Title IIIB	3BAL17-17	4,638 (b)	-	4,638	-	4,638	-
	Federal Title IIIB	3BAL18-17	13,915 (c)	-	13,915	-	13,915	-
	Federal Title IIIC1	C1AL17-17	5,808 (b)	-	5,808	-	5,808	-
	Federal Title IIIC1	C1AL18-17	17,425 (c)	-	17,425	-	17,425	-
	Federal Title IIIC2	C2AL17-17	2,923 (b)	-	2,923	-	2,923	-
	Federal Title IIIC2	C2AL18-17	8,770 (c)	-	8,770	-	8,770	-
	Federal Title IIIE	3EAL17-17	1,942 (b)	-	1,942	-	1,942	-
	Federal Title IIIE	3EAL18-17	5,825 (c)	-	5,825	-	5,825	-
	General Fund C1	1GAL	110 (a)	-	110	-	110	-
	General Fund C2	2GAL	29 (a)	-	29	-	29	-
	<b>Total Administration</b>		<b>61,385</b>	<b>-</b>	<b>61,385</b>	<b>-</b>	<b>61,385</b>	<b>-</b>
<b>Funding Summary</b>								
	Federal Funds	481,957	-	-	481,957	6,186	488,143	6,186
	General Fund	219,216	-	-	219,216	-	219,216	-
	Public Health L & C Program Fund	3,578	-	-	3,578	-	3,578	-
	SNF Quality & Accountability State Health Facilities Citation Penalties Account	16,995	-	-	16,995	-	16,995	-
		1,214	1,110	-	2,324	-	2,324	1,110
	<b>Grand Total - All Funds</b>	<b>722,960</b>	<b>1,110</b>	<b>-</b>	<b>724,070</b>	<b>6,186</b>	<b>730,256</b>	<b>7,296</b>

**Comments:**

The maximum amount of Title IIIE expenditures allowable for supplemental services is: 6,721  
 The maximum amount of Title IIIE expenditures allowable for Grandparents is: 3,360  
 The minimum General Fund to be expended for State Match in Title III is: 18,919

CFDA NUMBER	Year	Award #	Award Name
93.041	2017	17AACAT7EA	Older Americans Act Title VII-Allotments For Vulnerable Elder Rights Protection Activities
93.041	2018	TBD	Older Americans Act Title VII-Allotments For Vulnerable Elder Rights Protection Activities
93.042	2017	17AACAT7OM	Older Americans Act Title VII-Allotments For Vulnerable Elder Rights Protection Activities
93.042	2018	TBD	Older Americans Act Title VII-Allotments For Vulnerable Elder Rights Protection Activities
93.043	2017	17AACAT3PH	Older Americans Act Title III-Grants for State & Community Programs on Aging
93.043	2018	TBD	Older Americans Act Title III-Grants for State & Community Programs on Aging
93.044	2017	17AACAT3SS	Older Americans Act Title III-Grants for State & Community Programs on Aging
93.044	2018	TBD	Older Americans Act Title III-Grants for State & Community Programs on Aging
93.045	2017	17AACAT3CM	Older Americans Act Title III-Grants for State & Community Programs on Aging
93.045	2018	TBD	Older Americans Act Title III-Grants for State & Community Programs on Aging
93.045	2017	17AACAT3HD	Older Americans Act Title III-Grants for State & Community Programs on Aging
93.045	2018	TBD	Older Americans Act Title III-Grants for State & Community Programs on Aging
93.052	2017	17AACAT3FC	Older Americans Act Title III-Grants for State & Community Programs on Aging
93.052	2018	TBD	Older Americans Act Title III-Grants for State & Community Programs on Aging
93.053	2017	17AACANSIP	Older Americans Act Section 311-Nutrition Services Incentive Program
93.053	2018	TBD	Older Americans Act Section 311-Nutrition Services Incentive Program

(a) Funds must be expended by 6/30/18 and final expenditures reported in closeout by 7/31/18.

(b) Funds must be obligated by 9/30/17 and final expenditures reported in closeout by 6/30/18. The baseline request to be transferred for the project (7/1/17-9/30/17) is due 5/1/17. These funds may not be carried over into a following year contract.

(c) Funds must be reported in closeout by 7/31/18 and may be carried over into the following year contract. The baseline request to be transferred for the project (10/1/17-6/30/18) is due 5/1/18.



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** January 8, 2019

**Departments: Behavioral Health**

**TIME REQUIRED**

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

Robin Roberts

**SUBJECT** Amendment to Fiscal Year 2017-  
2020 Substance Abuse Block Grant  
Agreement with Department of Health  
Care Services

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Proposed amendment to contract with California Department of Health Care Services pertaining to the Substance Abuse Prevention and Treatment Block Grant.

### RECOMMENDED ACTION:

Approve County entry into proposed contract amendment and authorize director of Behavioral Health to execute said amendment and related certifications and assurances on behalf of the County.

### FISCAL IMPACT:

The amendment increases the second-year allocation of the FY 2017-2020 funding agreement by \$880, for a new total of \$1,262,803.

**CONTACT NAME:** Robin Roberts

**PHONE/EMAIL:** 760-924-1740 / rroberts@mono.ca.gov

### SEND COPIES TO:

### MINUTE ORDER REQUESTED:

YES  NO

### ATTACHMENTS:

Click to download
<a href="#">Staff Report</a>
<a href="#">SABG Transmittal Letter</a>
<a href="#">SABG FY 2017-2020 A01 213A I A 1</a>
<a href="#">SABG FY 2017-2020 Exhibit A Attachment I A 1</a>
<a href="#">SABG FY 2017-2020 A01 Exhibit B A 1</a>
<a href="#">SABG FY 2017-2020 Exhibit B, Attachment I</a>

[SABGFY 2017-2020 Exhibit F A1](#)

[SABG Civil Rights FY 2017-2020](#)

[SABGFY 2017-2020 CCC](#)

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**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
1/2/2019 3:36 PM	County Administrative Office	Yes
12/21/2018 1:58 PM	County Counsel	Yes
12/20/2018 11:20 AM	Finance	Yes



MONO COUNTY BEHAVIORAL HEALTH DEPARTMENT

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**COUNTY OF MONO**

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P. O. BOX 2619 MAMMOTH LAKES, CA 93546 (760) 924-1740 FAX: (760) 924-1741

TO: Mono County Board of Supervisors  
FROM: Robin K. Roberts, Behavioral Health Director  
DATE: December 19, 2018

**SUBJECT:**

Approve County entry into proposed contract amendment and authorize director of Behavioral Health to execute said amendment and related certifications and assurances on behalf of the County.

This contract is for Fiscal Years 2017-2018 through 2019-2020.

**RECOMMENDATION:**

Approve entry into proposed contract and authorize Behavioral Health Director to execute said contract on behalf of the County.

**DISCUSSION:**

This is the standard contract for Substance Use Services.

**FISCAL IMPACT:**

This amendment will increase the amount of funding, for the Multi-Year Contract by \$880.

There is no fiscal impact to the Mono County General Fund.

**SUBMITTED BY:**

Robin K. Roberts, Director of Behavioral Health, Contact: 760.924.1740



JENNIFER KENT  
DIRECTOR

State of California—Health and Human Services Agency  
Department of Health Care Services



EDMUND G. BROWN JR.  
GOVERNOR

DATE: November 16, 2018

TO: Mono County Behavioral Health and Recovery Services  
Contract # 17-94143 A01

SUBJECT: Transmittal of the Multi-Year Contract for Substance Use Disorder Services for  
Fiscal Years 2017-18 through 2019-20

Enclosed for signature is the multi-year Contract for Substance Use Disorder (SUD) services for Fiscal Year (FY) 2017-18 through FY 2019-20.

The Contract must be signed by the Contractor's appropriate designee and returned to the Department of Health Care Services (DHCS) by close of business February 15, 2018.

The requirements for processing the enclosed multi-year Contract amendment include the following:

- Obtain a resolution, approved board minutes, order, motion, or ordinance from your County Board of Supervisors (BOS), which specifically approves and authorizes execution of this Contract.
- The individual authorized by the County BOS must sign four (4) Standard Agreement Amendments (Form STD 213A). Please ensure that the printed name, title, and address are correct. If they are not correct, please cross out and replace to the right side of the name and/or address (ensuring all written information is legible).
- Return the following to DHCS: **\*\*Please do not staple any documents.\*\***
  - Four original signed STD 213A's. Only an original wet signature will be accepted; signature stamps or seals are **not** an acceptable form of signature.
  - Four copies of each of the following exhibits:
    - Exhibit A, Attachment I A1 – Program Specifications
    - Exhibit B A1 – Budget Detail and Payment Provisions
    - Exhibit B, Attachment I A1 – Funding Amounts
    - Exhibit F A1 – Privacy and Information Security Provisions
  - One original signed CCC 04/2017 (Contractor Certification Clauses)
  - One original signed California Civil Rights Laws Certification



November 15, 2019

- Send to either:

<b>Regular Mail</b>	<b>Overnight Mail</b>
Department of Health Care Services ATTN: Nancy Shinn SUD Program, Policy and Fiscal Division P.O. Box 997413, MS 2624 Sacramento, CA 95899-7413	Department of Health Care Services ATTN: Nancy Shinn SUD Program, Policy and Fiscal Division 1500 Capitol Avenue, MS 2624 Sacramento, CA 95814

- Please retain a copy of the signed Standard Agreement Amendment and the documents, as outlined in the Standard Agreement Amendment (copies enclosed), as a temporary record until such time you receive a copy of the executed Contract.

Upon DHCS' receipt of the signed Standard Agreement Amendments and authority documentation (including all enclosed exhibits), the Contract will be processed and an original signed copy will be returned for your records with all related contractual documents.

This Contract will be valid and enforceable subject to authorization and appropriation of sufficient funds to DHCS' budget authority. If sufficient authorization and appropriation of funds to DHCS' budget authority is denied, a reduction of funds will be made to your Contract.

We appreciate working with you. If you have any questions, please contact Nancy Shinn at (916) 713-8556, or Robert Strom at (916) 713-8553.

Sincerely,

*Nancy Shinn*

Nancy Shinn, AGPA  
Program Support and Grants Management Branch  
SUD Program, Policy and Fiscal Division

Enclosures:

- Standard Agreement Amendment (Form STD 213A)
- Exhibit A, Attachment I A1 – Program Specifications
- Exhibit B A1 – Budget Detail and Payment Provisions
- Exhibit B, Attachment I A1 – Funding Amounts
- Exhibit F A1 – Privacy and Information Security Provisions
- CCC 04/2017 (Contractor Certification Clauses)
- California Civil Rights Laws Certification

STATE OF CALIFORNIA  
**STANDARD AGREEMENT AMENDMENT**  
 STD. 213A\_DHCS (Rev. 03/18)

Check here if additional pages are added: 72 Page(s)

Agreement Number <b>17-94143</b>	Amendment Number <b>A01</b>
Registration Number:	

1. This Agreement is entered into between the State Agency and Contractor named below:  



State Agency's Name <b>Department of Health Care Services</b>	(Also known as DHCS, CDHS, DHS or the State)
Contractor's Name <b>County of Mono</b>	(Also referred to as Contractor)
2. The term of this Agreement is: **July 1, 2017**  
 through **June 30, 2020**
3. The maximum amount of this **\$ 1,262,803**  
 Agreement after this amendment is: **One Million, Two Hundred Sixty-Two Thousand, Eight Hundred Three Dollars**
4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

- I. The effective date of this amendment is the date approved by DHCS.
- II. **Purpose of amendment:** This amendment modifies the terms and conditions as outlined in the original contract and increases budget year 2.
- III. Certain changes made in this amendment are shown as: Text additions are displayed in **bold and underline**. Text deletions are displayed as strike through text (i.e., ~~Strike~~).
- IV. Paragraph 3 (maximum amount payable) on the face of the original STD 213 is increased by \$880 and is amended to read: ~~\$1,261,923 (One Million, Two Hundred Sixty One Thousand, Nine Hundred Twenty-Three Dollars)~~ **\$1,262,803 (One Million, Two Hundred Sixty-Two Thousand, Eight Hundred Three Dollars)**.

(Continued on next page)

All other terms and conditions shall remain the same.

**IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.**

<b>CONTRACTOR</b>		<b>CALIFORNIA</b> Department of General Services Use Only
Contractor's Name (If other than an individual, state whether a corporation, partnership, etc.) <b>County of Mono</b>		
By (Authorized Signature) 	Date Signed (Do not type)	
Printed Name and Title of Person Signing <b>Robin K. Roberts, MFT, Director Mono County Behavioral Health</b>		
Address <b>P.O. Box 2619 Mammoth Lakes, CA 93546</b>		
<b>STATE OF CALIFORNIA</b>		
Agency Name <b>Department of Health Care Services</b>		<input checked="" type="checkbox"/> Exempt per: <b>W&amp;I Code 14087.4</b>
By (Authorized Signature) 	Date Signed (Do not type)	
Printed Name and Title of Person Signing <b>Carrie Talbot, Chief, Contract Management Unit</b>		
Address <b>1501 Capitol Avenue, Suite 71.2048, MS 1400, P.O. Box 997413, Sacramento, CA 95899-7413</b>		

- V. Paragraph 4 (incorporated exhibits) on the face of the original STD 213 is amended to add the following revised exhibit:

Exhibit A, Attachment I A1 – Program Specifications (25 pages)

All references to Exhibit A, Attachment I – Program Specifications, in any exhibit incorporated into this agreement, shall hereinafter be deemed to read Exhibit A, Attachment I A1 – Program Specifications. Exhibit A, Attachment I – Program Specifications is hereby replaced in its entirety by the revised exhibit.

- VI. Paragraph 4 (incorporated exhibits) on the face of the original STD 213 is amended to add the following revised exhibit:

Exhibit B A1 – Budget Detail and Payment Provisions (13 pages)

All references to Exhibit B – Budget Detail and Payment Provisions, in any exhibit incorporated into this agreement, shall hereinafter be deemed to read Exhibit B A1 – Budget Detail and Payment Provisions. Exhibit B – Budget Detail and Payment Provisions is hereby replaced in its entirety by the revised exhibit.

- VII. Paragraph 4 (incorporated exhibits) on the face of the original STD 213 is amended to add the following revised exhibit:

Exhibit B, Attachment I A1 – Funding Amounts (1 page)

All references to Exhibit B Attachment I – Funding Amounts, in any exhibit incorporated into this agreement, shall hereinafter be deemed to read Exhibit B Attachment I A1 – Funding Amounts. Exhibit B Attachment I – Funding Amounts is hereby replaced in its entirety by the attached revised exhibit.

- VIII. Paragraph 4 (incorporated exhibits) on the face of the original STD 213 is amended to add the following revised exhibit:

Exhibit F A1 – Privacy and Informational Security Provisions (32 pages)

All references to Exhibit F – Privacy and Information Security Provisions, in any exhibit incorporated into this agreement, in any exhibit incorporated into this agreement, shall hereinafter be deemed to read Exhibit F A1 – Privacy and Informational Security Provisions. Exhibit F – Privacy and Information Security Provisions is hereby replaced in its entirety by the attached revised exhibit.

- IX. All other terms and conditions shall remain the same.

**Exhibit A, Attachment I A1  
Program Specifications**

**Part I - Substance Use Disorder Prevention and Treatment Block Grant Services**

**Section 1 - Formation and Purpose**

A. Authority

1. This Exhibit A, Attachment I, Part I of the Contract is entered into by and between the Department of Health Care Services (DHCS) and the Contractor, under the authority of Chapter 3 of Part 1, Division 10.5 of the Health and Safety Code (HSC), and with the approval of Contractor's County Board of Supervisors (or designee), for the purpose of providing alcohol and drug services, and shall be reimbursed pursuant to Exhibit A, Attachment I. DHCS and the Contractor identified in the Standard Agreement are the sole parties to this Contract. This Contract is not intended, nor shall it be construed, to confer rights on any third party.

B. Federal Award Subrecipient

1. The Substance Abuse Prevention and Treatment Block Grant (SABG) is a federal award within the meaning of Title 45, Code of Federal Regulations (CFR), Part 75. This Contract is a subaward of the federal award to DHCS.
2. Contractor is a subrecipient and subject to all applicable administrative requirements, cost principles, and audit requirements that govern federal monies associated with the SABG set forth in the Uniform Guidance 2 CFR Part 200, as codified by **the U.S. Department of Health and Human Services (HHS)** at 45 CFR Part 75.
3. As a subrecipient, the Contractor shall:
  - a) Maintain effective internal control over the SABG funds.
  - b) Comply with federal statutes, regulations, including 45 CFR Part 75, and terms and conditions of the SABG grant.
  - c) Evaluate and monitor its activities and the activities of all subcontractors for compliance with applicable statutes, regulations, and terms and conditions of the subaward.
  - d) Address any instances of noncompliance promptly, including noncompliance identified in audit findings.
4. The Contractor shall disclose, in writing to DHCS, any potential conflict of interest in accordance with ~~Health and Human Services' (HHS')~~ grant policy. (See, <https://www.hhs.gov/sites/default/files/grants/grants/policies-regulations/hhsqps107.pdf>).
5. The Contractor shall timely disclose, in writing to DHCS, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the grant. If the Contractor fails to make a required disclosure, DHCS may seek those remedies described in 45 CFR Section 75.371.
6. The Contractor shall have a single audit performed in accordance with the audit requirements set forth in 45 CFR Part 75, Subpart F.

**Exhibit A, Attachment I A1  
Program Specifications**

C. Control Requirements

1. Performance under the terms of this Exhibit A, Attachment I, Part I, is subject to all applicable federal and state laws, regulations, and standards. In accepting DHCS drug and alcohol SABG allocation pursuant to HSC Sections 11814(a) and (b), Contractor shall: (i) establish, and shall require its subcontractors to establish, written policies and procedures consistent with the control requirements set forth below; (ii) monitor for compliance with the written procedures; and (iii) be accountable for audit exceptions taken by DHCS against the Contractor and its subcontractors for any failure to comply with these requirements:
  - a) HSC, Division 10.5, Part 2 commencing with Section 11760.
  - b) Title 9, California Code of Regulations (CCR) (herein referred to as Title 9), Division 4, commencing with Section 9000.
  - c) Government Code, Title 2, Division 4, Part 2, Chapter 2, Article 1.7.
  - d) Government Code, Article 7, Federally Mandated Audits of Block Grant Funds Allocated to Local Agencies, Chapter 1, Part 1, Division 2, Title 5, commencing at Section 53130.
  - e) Title 42 United State Code (USC), Sections 300x-21 through 300x-31, 300x-34, 300x-53, 300x-57, and 330x-64 through 66.
  - f) Title 2, CFR 200 -The Uniform Administration Requirements, Cost Principles and Audit Requirements for Federal Awards.
  - g) Title 45, Code of Federal Regulations (CFR), Sections 96.30 through 96.33 and Sections 96.120 through 96.137.
  - h) Title 42, CFR, Sections 8.1 through 8.6.
  - i) Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).
  - j) Title 21, CFR, Sections 1301.01 through 1301.93, Department of Justice, Controlled Substances.
  - k) State Administrative Manual (SAM), Chapter 7200 (General Outline of Procedures).

Contractor shall be familiar with the above laws, regulations, and guidelines and shall assure that its subcontractors are also familiar with such requirements.

2. The provisions of this Exhibit A, Attachment I, Part I, are not intended to abrogate any provisions of law or regulation, or any standards existing or enacted during the term of this Contract.
3. Contractor shall adhere to the applicable provisions of Title 45, CFR, Part 96, Subparts C and L, as applicable, in the expenditure of SABG funds. Document 1A, 45 CFR 96, Subparts C and L, is incorporated by reference.

**Exhibit A, Attachment I A1  
Program Specifications**

4. Driving-Under-the-Influence Program Requirements (Documents 1C) contains additional requirements that shall be adhered to by the Contractor.
5. Contractor and all its subcontractors shall comply with the Minimum Quality Drug Treatment Standards for SABG for all Substance Use Disorder (SUD) treatment programs either partially or fully funded by SABG. The Minimum Quality Drug Treatment Standards for SABG are attached to this Contract as Document 2F(b), incorporated by reference. The incorporation of any new Minimum Quality Drug Treatment Standards into this Contract shall not require a formal amendment.

**Section 2 – General Provisions**

A. Restrictions on Salaries

Contractor agrees that no part of any federal funds provided under this Contract shall be used by the Contractor or its subcontractors to pay the salary and wages of an individual at a rate in excess of Level I of the Executive Schedule. Salary and wages schedules may be found at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/17Tables/exec/html/EX.aspx> [https://grants.nih.gov/grants/policy/salcap\\_summary.htm](https://grants.nih.gov/grants/policy/salcap_summary.htm). SABG funds used to pay a salary in excess of the rate of basic pay for Level I of the Executive Schedule shall be subject to disallowance. The amount disallowed shall be determined by subtracting the individual's actual salary from the Level I rate of basic pay and multiplying the result by the percentage of the individual's salary that was paid with SABG funds (Reference: Terms and Conditions of the SABG award).

B. Primary Prevention

1. The SABG regulation defines "Primary Prevention Programs" as those programs "directed at individuals who have not been determined to require treatment for substance abuse" (45 CFR 96.121), and "a comprehensive prevention program which includes a broad array of prevention strategies directed at individuals not identified to be in need of better treatment" (45 CFR 96.125). Primary prevention includes strategies, programs, and initiatives which reduce both direct and indirect adverse personal, social, health, and economic consequences resulting from problematic Alcohol and Other Drug (AOD) availability, manufacture, distribution, promotion, sales, and use. The desired result of primary prevention is to promote safe and healthy behaviors and environments for individuals, families, and communities. The Contractor shall expend not less than its allocated amount of the SABG Primary Prevention Set-Aside funds on primary prevention as described in the SABG requirements (45 CFR 96.124).
2. Contractor is required to have a current and DHCS approved County Strategic Prevention Plan (SPP). The SPP must demonstrate that the County utilized the Substance Abuse and Mental Health Services Administration's Strategic Prevention Framework (SPF) in developing the plan as described at <http://www.samhsa.gov/capt/applying-strategic-prevention-framework>. DHCS will only approve SPP's that demonstrate that the Contractor utilized the SPF. Contractor shall:
  - a) Follow DHCS guidelines provided in the ~~SPP Guide (Document 1N, incorporated by~~

## Exhibit A, Attachment I A1 Program Specifications

reference) and the Strategic Prevention Plan **SPP** Workbook for Counties Utilizing **utilizing** the Strategic Prevention Framework **SPF** ([http://www.dhcs.ca.gov/provgovpart/Documents/Substance%20Use%20Disorder-PPFD/SPP\\_Workbook.pdf](http://www.dhcs.ca.gov/provgovpart/Documents/Substance%20Use%20Disorder-PPFD/SPP_Workbook.pdf) Document 10, incorporated by reference).

- b) **Begin** Prepare ~~preparing~~ a new SPP by October 1 of the year prior to the expiration date of the current SPP.
  - c) Submit a timeline, no later than October 1 of the year prior to the expiration date of the current SPP, for approval to DHCS **Prevention Analyst** that includes proposed dates for submitting each section ~~chapter~~ of the SPP (outlined in the SPP Guide and the SPP Workbook).
  - d) Submit drafts of each SPP section **chapter** to DHCS **Prevention Analyst** for review and approval according to the approved timeline.
  - e) Submit a completed draft of the SPP to DHCS **Prevention Analyst** no later than May 31<sup>st</sup> that includes the previously approved section **chapters** for final review and approval.
  - f) Provide an electronic copy of the final SPP to DHCS **Prevention Analyst** within 10 business days of approval and input planning data from the approved SPP into the ~~prevention data collection service~~ **Primary Prevention Substance Use Disorder Data Service (PPSDS)** as requested **according to the PPSDS Data Quality Standards** ([http://www.dhcs.ca.gov/provgovpart/Documents/Substance%20Use%20Disorder-PPFD/PPSDS\\_Data\\_Quality\\_Standards.pdf](http://www.dhcs.ca.gov/provgovpart/Documents/Substance%20Use%20Disorder-PPFD/PPSDS_Data_Quality_Standards.pdf)).
3. ~~Contractor shall submit a Prevention Mid-Year Budget to DHCS by January 31 of each fiscal year. The budget shall forecast how the SABG Primary Prevention Set-Aside funds will be expended for the fiscal year.~~

### C. Friday Night Live

Contractors and subcontractors receiving SABG Friday Night Live (FNL) funding must:

1. Engage in programming that meets the FNL Youth Development Standards of Practice, Operating Principles and Core Components outlined at <http://fridaynightlive.org/about-us/cfnlp-overview/>.
2. Use the prevention data collection and reporting service for all FNL reporting including profiles and chapter activity.
3. Follow the FNL Data Entry Instructions for the ~~prevention data collection and reporting service~~ **PPSDS** as provided by DHCS.
4. Meet the Member in Good Standing (MIGS) requirements, as determined by DHCS in conjunction with the California Friday Night Live Collaborative and the California Friday Night Live Partnership. Contractors that do not meet the MIGS requirements shall obtain technical assistance and training services from the California Friday Night Live Partnership

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and develop a technical assistance plan detailing how the Contractor intends to ensure satisfaction of the MIGS requirements for the next review.

D. ~~Perinatal Services Network~~**Practice** Guidelines

Contractor shall comply with the perinatal program requirements as outlined in the Perinatal ~~Services Network~~**Practice** Guidelines. The Perinatal ~~Services Network~~**Practice** Guidelines 2016-17 ~~FY 2018-19~~ are attached to this Contract as Document 1G, incorporated by reference. The Contractor shall comply with the current version of these guidelines until new Perinatal ~~Services Network~~**Practice** Guidelines are established and adopted. The incorporation of any new Perinatal ~~Services Network~~**Practice** Guidelines into this Contract shall not require a formal amendment. Contractor receiving SABG funds must adhere to the Perinatal ~~Services Network~~**Practice** Guidelines, regardless of whether the Contractor exchanges perinatal funds for additional discretionary funds.

E. Funds identified in this Contract shall be used exclusively for county alcohol and drug abuse services to the extent activities meet the requirements for receipt of federal block grant funds for prevention and treatment of substance abuse described in subchapter XVII of Chapter 6A of Title 42, the USC.

F. Room and Board for Transitional Housing, **Recovery Residences, and Drug Medi-Cal Organized Delivery System (DMC-ODS) Residential Treatment**

~~Contractor may use SABG discretionary funds to cover the cost of room and board of residents living in temporary, drug and alcohol-free, transitional housing if the resident is actively engaged in treatment for a medically necessary SUD provided to the resident off-site. Contractor shall develop guidelines for contracted housing providers and provide monitoring and oversight and fulfill all SABG reporting requirements. Contractors and subcontractors using SABG discretionary funds to cover the cost of room and board for transitional housing shall:~~

- ~~1. Facilitate the beneficiary's movement in recovery from a SUD to independent living and integration into post-treatment return or re-entry into the community.~~
- ~~2. Require that all individuals in the transitional housing be engaged in SUD treatment, off-site, at all times during the individual's stay.~~
- ~~3. Ensure payment of room and board expenses for a residential stay be limited to short term (up to 24 months).~~
- ~~4. Ensure the transitional housing be secure, safe, and alcohol and drug free.~~

**1. Contractor may use SABG discretionary funds, or SABG perinatal funds (for perinatal beneficiaries only), to cover the cost of room and board of residents in short term (up to 24 months) transitional housing and recovery residences. SABG discretionary funds, or SABG perinatal funds (for perinatal beneficiaries only), may also be used to cover the cost of room and board of residents in DMC-ODS residential treatment facilities. For specific guidelines on the use of SABG funds for room and board, please refer to the SABG Policy Manual.**



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**G. Restrictions on Use of SABG Funds to Pay for Services Reimbursable by Medi-Cal**

- 1. Contractor shall not utilize SABG funds to pay for a service that is reimbursable by Medi-Cal.**
- 2. The Contractor may utilize SABG funds to pay for a service included in the California State Plan or the Drug Medi-Cal Organized Delivery System (DMC-ODS), but which is not reimbursable by Medi-Cal.**
- 3. If the Contractor utilizes SABG funds to pay for a service that is included in the California State Plan or the DMC-ODS, the Contractor shall maintain documentation sufficient to demonstrate that Medi-Cal reimbursement was not available.**

**Section 3 - Performance Provisions**

**A. Monitoring**

1. Contractor's performance under this Exhibit A, Attachment I, Part I, shall be monitored by DHCS during the term of this Contract. Monitoring criteria shall include, but not be limited to:
  - a) Whether the quantity of work or services being performed conforms to Exhibit B.
  - b) Whether the Contractor has established and is monitoring appropriate quality standards.
  - c) Whether the Contractor is abiding by all the terms and requirements of this Contract.
  - d) Whether the Contractor is abiding by the terms of the Perinatal ~~Services Network~~ **Practice** Guidelines (Document 1G).
  - e) Whether the Contractor conducted annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements. Contractor shall submit copy of its monitoring and audit reports to DHCS within two weeks of issuance. Reports ~~should~~ **shall** be sent by secure, encrypted e-mail to:

[SUDCountyReports@dhcs.ca.gov](mailto:SUDCountyReports@dhcs.ca.gov) or

Substance Use Disorder – Program, Policy, and Fiscal Division  
Performance ~~Management~~ **and Integrity** Branch  
Department of Health Care Services  
PO Box 997413, MS-2627  
Sacramento, CA 95899-7413

2. Failure to comply with the above provisions shall constitute grounds for DHCS to suspend or recover payments, subject to the Contractor's right of appeal, or may result in termination of the Contract, or both.

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B. Performance Requirements

1. Contractor shall provide services based on funding set forth in Exhibit B, Attachment I and under the terms of this Contract.
2. Contractor shall provide services to all eligible persons in accordance with federal and state statutes and regulations. Contractor shall assure that in planning for the provision of services, the following barriers to services are considered and addressed:
  - a) Lack of educational materials or other resources for the provision of services.
  - b) Geographic isolation and transportation needs of persons seeking services or remoteness of services.
  - c) Institutional, cultural, and/or ethnicity barriers.
  - d) Language differences.
  - e) Lack of service advocates.
  - f) Failure to survey or otherwise identify the barriers to service accessibility.
  - g) Needs of persons with a disability.
3. Contractor shall comply with any additional requirements of the documents that have been incorporated herein by reference, including, but not limited to, those on the "List of Exhibit A, Attachment I Documents incorporate by Reference for Fiscal Year 2017-18" which is attached to Exhibit A, Attachment I.
4. The funds described in Exhibit A, Attachment I shall be used exclusively for providing alcohol and/or drug program services.
5. DHCS shall issue a report to Contractor after conducting monitoring, utilization, or auditing reviews of the county or county subcontracted providers. When the DHCS report identifies non-compliant services or processes, it shall require a Corrective Action Plan (CAP). The Contractor in coordination with its subcontracted provider shall submit a CAP to DHCS within the designated timeframe specified by DHCS. The CAP ~~should~~**shall** be sent by secure, encrypted e-mail to: [SUDCountyReports@dhcs.ca.gov](mailto:SUDCountyReports@dhcs.ca.gov) or

Substance Use Disorder - Program, Policy, and Fiscal Division  
Performance Management ~~and Integrity~~ Branch  
Department of Health Care Services  
PO Box 997413, MS-2621  
Sacramento, CA 95899-7413

6. The CAP shall ~~include~~:
  - a) **Restate each** A-statement of the deficiency.
  - b) A ~~list~~ **all** of the actions ~~steps~~ to be taken to correct ~~the~~**each** deficiency.

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- c) **Identify the** ~~A date~~ **by which each deficiency shall be** ~~of completion for each deficiency corrected.~~
  - d) **Identify the individual who** ~~Who~~ will be responsible for correction and ongoing compliance.
7. DHCS will provide written approval of the CAP to the Contractor within 30 calendar days. If DHCS does not approve the CAP submitted by the Contractor, DHCS will provide guidance on the deficient areas and request an updated CAP from the Contractor with a new deadline for submission.
8. If the Contractor does not submit a CAP, or, does not implement the approved CAP provisions within the designated timeline, then DHCS may withhold funds until the Contractor is in compliance. DHCS shall inform the Contractor when funds will be withheld.
- C. Sub-recipient Pre-Award Risk Assessment

Contractor shall comply with the sub-recipient pre-award risk assessment requirements contained in 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. Contractor, ~~as the SABG first tier sub-recipient,~~ shall review the merit and risk associated with all potential ~~grant second tier sub-recipients (subcontractors)~~ annually prior to making an award. Contractor shall perform and document annual sub-recipient pre-award risk assessments for each subcontractor and retain documentation for audit purposes.

**Section 4 - Investigations and Confidentiality of Administrative Actions**

- A. Contractor shall execute the Confidentiality Agreement, attached as Document 5A. The Confidentiality Agreement permits DHCS to communicate with Contractor concerning subcontracted providers that are subject to administrative sanctions.

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**Part II – General**

A. Additional Contract Restrictions

This Contract is subject to any additional restrictions, limitations, or conditions enacted by the Congress, or any statute enacted by the Congress, which may affect the provisions, terms, or funding of this Contract in any manner.

B. Hatch Act

Contractor agrees to comply with the provisions of the Hatch Act (Title 5 USC, Sections 1501-1508), which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

C. No Unlawful Use or Unlawful Use Messages Regarding Drugs

Contractor agrees that information produced through these funds, and which pertains to drugs and alcohol-related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug or alcohol-related program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (HSC Section 11999-11999.3). By signing this Contract, Contractor agrees that it will enforce, and will require its subcontractors to enforce, these requirements.

D. Noncompliance with Reporting Requirements

Contractor agrees that DHCS has the right to withhold payments until Contractor has submitted any required data and reports to DHCS, as identified in Exhibit A, Attachment I, Part III - Reporting Requirements, or as identified in Document 1F(a), Reporting Requirements Matrix for Counties.

E. Limitation on Use of Funds for Promotion of Legalization of Controlled Substances

None of the funds made available through this Contract may be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled Substances Act (21 USC 812).

F. Debarment and Suspension

Contractor shall not subcontract with **or employ** any party listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp. p. 189) and 12689 (3 CFR part 1989., p. 235), "Debarment and Suspension." SAM exclusions contain the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

The Contractor shall advise all subcontractors of their obligation to comply with applicable federal debarment and suspension regulations, in addition to the requirements set forth in 42 CFR Part 1001.

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**If a Contractor subcontracts or employs an excluded party DHCS has the right to withhold payments, disallow costs, or issue a CAP, as appropriate, pursuant to HSC Code 11817.8(h).**

G. Restriction on Distribution of Sterile Needles

No SABG funds made available through this Contract shall be used to carry out any program that includes the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug unless DHCS chooses to implement a demonstration syringe services program for injecting drug users.

H. Health Insurance Portability and Accountability Act (HIPAA) of 1996

All work performed under this Contract is subject to HIPAA, Contractor shall perform the work in compliance with all applicable provisions of HIPAA. As identified in Exhibit F, DHCS and County shall cooperate to assure mutual agreement as to those transactions between them, to which this provision applies. Refer to Exhibit F for additional information.

1. Trading Partner Requirements

- a) No Changes. Contractor hereby agrees that for the personal health information (Information), it will not change any definition, data condition or use of a data element or segment as proscribed in the Federal Health and Human Services (HHS) Transaction Standard Regulation (45 CFR 162.915 (a)).
- b) No Additions. Contractor hereby agrees that for the Information, it will not add any data elements or segments to the maximum data set as proscribed in the HHS Transaction Standard Regulation (45 CFR 162.915 (b)).
- c) No Unauthorized Uses. Contractor hereby agrees that for the Information, it will not use any code or data elements that either are marked "not used" in the HHS Transaction's Implementation specification or are not in the HHS Transaction Standard's implementation specifications (45 CFR 162.915 (c)).
- d) No Changes to Meaning or Intent. Contractor hereby agrees that for the Information, it will not change the meaning or intent of any of the HHS Transaction Standard's implementation specification (45 CFR 162.915 (d)).

2. Concurrence for Test Modifications to HHS Transaction Standards

Contractor agrees and understands that there exists the possibility that DHCS or others may request an extension from the uses of a standard in the HHS Transaction Standards. If this occurs, Contractor agrees that it will participate in such test modifications.

3. Adequate Testing

Contractor is responsible to adequately test all business rules appropriate to their types and specialties. If the Contractor is acting as a clearinghouse for enrolled providers, Contractor has obligations to adequately test all business rules appropriate to each and every provider type and specialty for which they provide clearinghouse services.

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4. Deficiencies

Contractor agrees to correct transactions, errors, or deficiencies identified by DHCS, and transactions errors or deficiencies identified by an enrolled provider if the Contractor is acting as a clearinghouse for that provider. When County is a clearinghouse, Contractor agrees to properly communicate deficiencies and other pertinent information regarding electronic transactions to enrolled providers for which they provide clearinghouse services.

5. Code Set Retention

Both parties understand and agree to keep open code sets being processed or used in this Contract for at least the current billing period or any appeal period, whichever is longer.

6. Data Transmission Log

Both parties shall establish and maintain a Data Transmission Log which shall record any and all Data Transmissions taking place between the Parties during the term of this Contract. Each party will take necessary and reasonable steps to ensure that such Data Transmission Logs constitute a current, accurate, complete, and unaltered record of any and all Data Transmissions between the parties, and shall be retained by each Party for no less than twenty-four (24) months following the date of the Data Transmission. The Data Transmission Log may be maintained on computer media or other suitable means provided that, if it is necessary to do so, the information contained in the Data Transmission Log may be retrieved in a timely manner and presented in readable form.

I. Nondiscrimination and Institutional Safeguards for Religious Providers

Contractor shall establish such processes and procedures as necessary to comply with the provisions of Title 42, USC, Section 300x-65 and Title 42, CFR, Part 54, (Reference Document 1B).

J. Counselor Certification

Any counselor or registrant providing intake, assessment of need for services, treatment or recovery planning, individual or group counseling to participants, patients, or residents in a DHCS licensed or certified program is required to be registered or certified as defined in Title 9, CCR, Division 4, Chapter 8, (Document 3H).

K. Cultural and Linguistic Proficiency

To ensure equal access to quality care by diverse populations, each service provider receiving funds from this Contract shall adopt the Federal Office of Minority Health Culturally and Linguistically Appropriate Service (CLAS) national standards (Document 3V).

L. Intravenous Drug Use (IVDU) Treatment

Contractor shall ensure that individuals in need of IVDU treatment shall be encouraged to undergo AOD treatment (42 USC 300x-23 (45 CFR 96.126(e))).

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M. Tuberculosis Treatment

Contractor shall ensure the following related to Tuberculosis (TB):

1. Routinely make available TB services to each individual receiving treatment for AOD use and/or abuse.
2. Reduce barriers to patients' accepting TB treatment.
3. Develop strategies to improve follow-up monitoring, particularly after patients leave treatment, by disseminating information through educational bulletins and technical assistance.

N. Trafficking Victims Protection Act of 2000

Contractor and its subcontractors that provide services covered by this Contract shall comply with the Trafficking Victims Protection Act of 2000 (22 United States Code (USC) 7104(g)) as amended by section 1702 of Pub. L. 112-239.

O. Tribal Communities and Organizations

Contractor shall regularly assess (e.g. review population information available through Census, compare to information obtained in the California Outcome Measurement System for Treatment (CalOMS-Tx) to determine whether the population is being reached, survey Tribal representatives for insight in potential barriers), the substance use service needs of the American Indian/Alaskan Native (AI/AN) population within the County geographic area, and shall engage in regular and meaningful consultation and collaboration with elected officials of the tribe, Rancheria, or their designee for the purpose of identifying issues/barriers to service delivery and improvement of the quality, effectiveness, and accessibility of services available to AI/NA communities within the County.

P. Participation of County Behavioral Health Director's Association of California.

The County AOD Program Administrator shall participate and represent the County in meetings of the County Behavioral Health Director's Association of California for the purposes of representing the counties in their relationship with DHCS with respect to policies, standards, and administration for AOD abuse services.

The County AOD Program Administrator shall attend any special meetings called by the Director of DHCS. Participation and representation shall also be provided by the County Behavioral Health Director's Association of California.

Q. Youth Treatment Guidelines

Contractor must comply with the guidelines in Document 1V, incorporated by this reference, "Youth Treatment Guidelines," in developing and implementing youth treatment programs funded under this Exhibit, until new Youth Treatment Guidelines are established and adopted. No formal amendment of this contract is required for new guidelines to be incorporated into this Contract.

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R. Perinatal ~~Services Network~~ **Practice** Guidelines

Contractor must comply with the perinatal program requirements as outlined in the Perinatal ~~Services Network~~ **Practice** Guidelines. The Perinatal ~~Services Network~~ **Practice** Guidelines are attached to this contract as Document 1G, incorporated by reference. The Contractor must comply with the current version of these guidelines until new Perinatal ~~Services Network~~ **Practice** Guidelines are established and adopted. The incorporation of any new Perinatal ~~Services Network~~ **Practice** Guidelines into this Contract shall not require a formal amendment.

Contractor receiving SABG funds must adhere to the Perinatal ~~Services Network~~ **Practice** Guidelines, regardless of whether the Contractor exchanges perinatal funds for additional discretionary funds.

S. Byrd Anti-Lobbying Amendment (31 USC 1352)

Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. Contractor shall also disclose to DHCS any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

T. Nondiscrimination in Employment and Services

By signing this Contract, Contractor certifies that under the laws of the United States and the State of California, incorporated into this Contract by reference and made a part hereof as if set forth in full, Contractor will not unlawfully discriminate against any person.

U. Federal Law Requirements:

1. Title VI of the Civil Rights Act of 1964, Section 2000d, as amended, prohibiting discrimination based on race, color, or national origin in federally-funded programs.
2. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of housing.
3. Age Discrimination Act of 1975 (45 CFR Part 90), as amended 42 USC Sections 6101 – 6107), which prohibits discrimination on the basis of age.
4. Age Discrimination in Employment Act (29 CFR Part 1625).
5. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment.
6. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities.
7. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.



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8. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), prohibiting discrimination on the basis of individuals with disabilities.
9. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000 funded by federal financial assistance.
10. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency.
11. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse.
12. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).

V. State Law Requirements:

1. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (2 CCR 7285.0 et seq.).
2. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.
3. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 13000.
4. No state or federal funds shall be used by the Contractor or its subcontractors for sectarian worship, instruction, or proselytization. No state funds shall be used by the Contractor or its subcontractors to provide direct, immediate, or substantial support to any religious activity.
5. Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for DHCS to withhold payments under this Contract or terminate all, or any type, of funding provided hereunder.

W. Additional Contract Restrictions

1. This Contract is subject to any additional restrictions, limitations, or conditions enacted by the federal or state governments that affect the provisions, terms, or funding of this Contract in any manner.

X. Information Access for Individuals with Limited English Proficiency

1. Contractor shall comply with all applicable provisions of the Dymally-Alatorre Bilingual Services Act (Government Code sections 7290-7299.8) regarding access to materials that explain services available to the public as well as providing language interpretation services.
2. Contractor shall comply with the applicable provisions of Section 1557 of the Affordable Care Act (45 CFR Part 92), including, but not limited to, 45 CFR 92.201, when providing access to: (a) materials explaining services available to the public, (b) language assistance,

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(c) language interpreter and translation services, and (d) video remote language interpreting services.

Y. Subcontract Provisions

Contractor shall include all of the foregoing Part II general provisions in all of its subcontracts.

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**Part III – Reporting Requirements**

Contractor agrees that DHCS has the right to withhold payments until Contractor has submitted any required data and reports to DHCS, as identified in this Exhibit A, Attachment I or as identified in Document 1F (a), Reporting Requirement Matrix for Counties.

**A. The Contractor shall complete the following:**

- 1. Quarterly Federal Financial Management Report (QFFMR)**
  - a) The Contractor shall submit the QFFMR Form 5089 located: [http://www.dhcs.ca.gov/provgovpart/Pages/SUD\\_Forms.aspx](http://www.dhcs.ca.gov/provgovpart/Pages/SUD_Forms.aspx). The Contractor shall submit the QFFMR describing the preceding quarter's SABG expenditure by March 1, June 1, September 1, and December 1 of each year.**
- 2. SABG Quarterly Ledger Detail**
  - a) The Contractor shall submit Form 5117 located: [http://www.dhcs.ca.gov/provgovpart/Pages/SUD\\_Forms.aspx](http://www.dhcs.ca.gov/provgovpart/Pages/SUD_Forms.aspx). This form shall serve as backup detail for the QFFMR. The Contractor shall submit Form 5117 by March 1, June 1, September 1, and December 1 of each year.**
- 3. Budget Plan Report**
  - a) The Contractor shall submit Form 5116 located: [http://www.dhcs.ca.gov/provgovpart/Pages/SUD\\_Forms.aspx](http://www.dhcs.ca.gov/provgovpart/Pages/SUD_Forms.aspx). This form shall set forth the budget for all funds from all sources that the Contractor intends to use to provide alcohol and other drug abuse services. The Contractor shall submit the form annually by May 15.**

~~Quarterly Federal Financial Management Report (QFFMR) – Quarterly Invoicing~~

~~Quarterly invoices serve as the Quarterly Federal Financial Management Report (QFFMR). The Contractor shall submit the QFFMR quarterly to reflect cumulative SABG expenditures.~~

~~For the beginning of each federal award year, the due dates are:~~

~~December 1 – 1<sup>st</sup> Quarterly Expenditures~~

~~March 1 – 1<sup>st</sup> and 2<sup>nd</sup> Quarterly Expenditures~~

~~June 1 – 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> Cumulative Expenditures~~

~~September 1 – Total Fiscal Year Expenditures~~

**B. California Outcomes Measurement System for Treatment (CalOMS-Tx)**

The CalOMS-Tx business rules and requirements are:

1. Contractor shall internally comply with the CalOMS-Tx data collection system requirements for submission of CalOMS-Tx data or contract with a software vendor that does. If applicable, a Business Associate Agreement (BAA) shall be established between the Contractor and the software vendor, and the BAA shall state that DHCS is allowed to return the processed CalOMS-Tx data to the vendor that supplied the data to DHCS.

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2. Contractor shall conduct information technology (IT) systems testing and pass State certification testing before commencing submission of CalOMS-Tx data. If the Contractor subcontracts with a vendor for IT services, Contractor is responsible for ensuring that the subcontracted IT system is tested and certified by the DHCS prior to submitting CalOMS-Tx data. If Contractor changes or modifies the CalOMS-Tx IT system, then Contractor shall re-test and pass state re-certification prior to submitting data from the new or modified system.
3. Electronic submission of CalOMS-Tx data shall be submitted by Contractor within 45 days from the end of the last day of the report month.
4. Contractor shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (Document 3J) and all former Department of Alcohol and Drug Programs Bulletins and DHCS Information Notices relevant to CalOMS-Tx data collection.
5. Contractor shall submit CalOMS-Tx admission, discharge, annual update, resubmissions of records containing errors or in need of correction, and "provider no activity" report records in an electronic format approved by DHCS.
6. Contractor shall comply with the CalOMS-Tx Data Compliance Standards established by DHCS identified in Document 3S for reporting data content, data quality, data completeness, reporting frequency, reporting deadlines, and reporting method.
7. Contractor shall participate in CalOMS-Tx informational meetings, trainings, and conference calls. Contractor staff responsible for CalOMS-Tx data entry must have sufficient knowledge of the CalOMS-Tx Data Quality Standards. ~~All~~ **All** new CalOMS-Tx users, whether employed by the Contractor or its subcontractors, shall participate in CalOMS-Tx trainings prior to inputting data into the system.
8. Contractor shall implement and maintain a system that complies with the CalOMS-Tx data collection system requirement for electronic submission of CalOMS-Tx data.
9. Contractor shall meet the requirements as identified in Exhibit F, Privacy and Information Security Provisions and Exhibit F, Attachment I - Social Security Administration Agreement.

C. ~~Prevention Data Collection and Reporting Service~~ **Primary Prevention Substance Use Disorder Data Service**

The **Primary Prevention Substance Use Disorder Data Service (PPSDS)** ~~Collection and Reporting Service~~ business rules and requirements are:

1. Contractors and/or subcontractors receiving SABG Primary Prevention Set-Aside funding shall input planning, service/activity and evaluation data into the service. When submitting data, Contractor shall comply with the ~~Prevention~~ **PPSDS** Data Quality Standards (Document #1T [http://www.dhcs.ca.gov/provgovpart/Documents/Substance%20Use%20Disorder-PPFD/PPSDS\\_Data\\_Quality\\_Standards.pdf](http://www.dhcs.ca.gov/provgovpart/Documents/Substance%20Use%20Disorder-PPFD/PPSDS_Data_Quality_Standards.pdf) ).
2. Contractor shall report services/activities by the date of occurrence on an ongoing basis throughout each month. Contractor shall submit all data for each month no later than the

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10<sup>th</sup> day of the following month.

3. Contractor shall review all data input into the prevention data collection service on a quarterly basis. Contractor shall verify that the data meets the ~~Prevention~~ **PPSDS** Data Quality Standards. Certification is due by the last day of the month following the end of the quarter.
  4. ~~Contractor shall report progress to DHCS on the goals and objectives in the County SPP (as described in Exhibit A, Attachment I, Part I, Section 2 (B) (2)) on an annual basis by September 30<sup>th</sup> of each fiscal year.~~
  - 4.** If Contractor cannot meet the established due dates, a written request for an extension shall be submitted to DHCS **Prevention Analyst** 10 calendar days prior to the due date **and must identify the proposed new due date. Note that extensions will only be granted due to system or service failure or other extraordinary circumstances.**
  - 5.** In order to ensure that all persons responsible for prevention data entry have sufficient knowledge of the ~~Prevention~~ **PPSDS** Data Quality Standards, all new users of the service, whether employed by the Contractor or its subcontractors, shall participate in ~~prevention data collection and reporting~~ **PPSDS** training prior to inputting any data.
- D. **System Failures and Contractor Obligations Regarding** CalOMS-Tx and **PPSDS** ~~Prevention Data Collection and Reporting~~ **Requirements** ~~General Information~~
1. If the Contractor experiences system or service failure or other extraordinary circumstances **of CalOMS Tx** that affects its ability to ~~timely~~ submit **timely** CalOMS-Tx and/or prevention data, and/or meet other CalOMS-Tx and/or prevention data compliance requirements, Contractor shall report the problem in writing by secure, encrypted e-mail to DHCS by e-mail at: [ITServiceDesk@dhcs.ca.gov](mailto:ITServiceDesk@dhcs.ca.gov), before the established data submission deadlines. The written notice shall include a remediation plan that is subject to review and approval by DHCS. A grace period of up to 60 days may be granted, at the State's sole discretion, for the Contractor to resolve the problem before SABG payments are withheld.
  2. **If the Contractor is unable to submit CalOMS Tx data due to system or service failure or other extraordinary circumstance, a written notice shall be submitted prior to the data submission deadline at: [SUDCalomssupport@dhcs.ca.gov](mailto:SUDCalomssupport@dhcs.ca.gov). The written notice shall include a remediation plan that is subject to review and approval by DHCS. A grace period of up to 60 days may be granted, at the State's sole discretion, for the Contractor to resolve the problem before SABG payments are withheld.**
  3. **If the Contractor experiences system or service failure or other extraordinary circumstances of PPSDS that affects its ability to submit timely PPSDS data, Contractor shall report the problem to the PPSDS Help Desk at (916) 552-8933 or [PrimaryPvSUDData@dhcs.ca.gov](mailto:PrimaryPvSUDData@dhcs.ca.gov).**
  4. **If the Contractor is unable to submit PPSDS data due to system or service failure or other extraordinary circumstance, a written notice shall be submitted to the assigned DHCS Prevention Analyst prior to the data submission deadline and must identify the proposed new due date.**

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5. If DHCS experiences system or service failure, no penalties will be assessed to the Contractor for late data submission.
6. Contractor shall comply with the treatment and prevention data quality standards established by DHCS. Failure to meet these standards on an ongoing basis may result in withholding SABG funds.
7. If the Contractor submits data after the established deadlines, due to a delay or problem, Contractor is still responsible for collecting and reporting data from time of delay or problem.

E. Drug and Alcohol Treatment Access Report (DATAR)

The DATAR business rules and requirements are:

- 1.** The Contractor shall be responsible for ensuring that the Contractor-operated treatment services and all treatment providers, with whom Contractor makes a contract or otherwise pays for the services, submit a monthly DATAR report in an electronic copy format as provided by DHCS.

~~In those instances, where the Contractor maintains, either directly or indirectly, a central intake unit or equivalent which provides intake services including a waiting list, the Contractor shall identify and begin submitting monthly DATAR reports for the central intake unit by a date to be specified by DHCS.~~

- 2.** **The Contractor shall ensure that treatment providers who reach or exceed 90 percent of their dedicated capacity, report this information to [DHCSOWPS@dhcs.ca.gov](mailto:DHCSOWPS@dhcs.ca.gov) within seven days of reaching capacity.**
- 3.** The Contractor shall ensure that all DATAR reports are submitted by either Contractor-operated treatment services and by each subcontracted treatment provider to DHCS by the 10<sup>th</sup> of the month following the report activity month.
- 4.** The Contractor shall ensure that all applicable providers are enrolled in DHCS' web-based DATARWeb program for submission of data, accessible on the DHCS website when executing the subcontract.
- 5.** If the Contractor or its subcontractor experiences system or service failure or other extraordinary circumstances that affect its ability to timely submit a monthly DATAR report, and/or to meet data compliance requirements, the Contractor shall report the problem in writing by secure, encrypted e-mail to: DHCS ~~by e-mail:~~ [ITServiceDesk@dhcs.ca.gov](mailto:ITServiceDesk@dhcs.ca.gov) before the established data submission deadlines. The written notice shall include a ~~corrective action plan~~ **CAP** that is subject to review and approval by DHCS. A grace period of up to 60 days may be granted, at DHCS' sole discretion, for the Contractor to resolve the problem before SABG payments are withheld pursuant to 45 CFR Section 75.371 and HSC Section 11817.8. (See Exhibit B, Part II, Section (2)(A)(6)).
- 6.** If DHCS experiences system or service failure, no penalties will be assessed to Contractor for late data submission.

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**7.** The Contractor shall be considered compliant if a minimum of 95% of required DATAR reports from the Contractor's treatment providers are received by the due date.

**F. Charitable Choice**

Contractor shall document the total number of referrals necessitated by religious objection to other alternative SUD providers. The Contractor shall annually submit this information to DHCS' Program Support and Grants Management Branch by e-mail at [DHCS.SUD.CharitableChoice@dhcs.ca.gov](mailto:DHCS.SUD.CharitableChoice@dhcs.ca.gov) by October 1<sup>st</sup>. The annual submission shall contain all substantive information required by DHCS and be formatted in a manner prescribed by DHCS.

**G. Master Provider File (MPF) Documentation Requirements ~~Subcontractor Documentation~~**

~~Contractor shall require its subcontractors that are not licensed or certified by DHCS to complete and submit non-drug Medi-Cal organizational forms within 30 days of the execution of an initial subcontract, within 90 days of the renewal or continuation of an existing subcontract or when there has been a change in subcontractor name or ownership. Non-Drug Medi-Cal Organizational forms shall be submitted through <http://www.dhcs.ca.gov/provgovpart/Pages/Master-Provider-File-Database-Resources.aspx>. Organizational documents shall include the subcontractor's Articles of Incorporation or Partnership Agreements (as applicable), business licenses, fictitious name permits, and such other information and documentation as may be requested by DHCS.~~

**The Department shall generate a County MPF Report for the Contractor on the last day of each month and shall send the report to the Contractor. The Contractor shall review the County MPF Report and confirm whether the information, including the contract status and identification information for each provider listed in the County MPF Report, is accurate and up to date.**

**If any information contained in the County MPF Report is inaccurate or has changed, Contractor shall send a written notification to the MPF mailbox at [DHCSMPF@dhcs.ca.gov](mailto:DHCSMPF@dhcs.ca.gov) within five business days of the Department's issuance of the County MPF report. If a Non-DMC provider's information is not accurate or has changed, the Contractor shall submit the "Existing Provider Information Update/Change Form" to the MPF mailbox at [DHCSMPF@dhcs.ca.gov](mailto:DHCSMPF@dhcs.ca.gov) within five business days of the Department's issuance of the County MPF report. If the contract status has changed for either a DMC or Non-DMC provider, the Contractor shall submit the "Existing Provider Information Update/Change Form" to the MPF mailbox at [DHCSMPF@dhcs.ca.gov](mailto:DHCSMPF@dhcs.ca.gov) within five business days of the Department's issuance of the County MPF report. Specific types of changes and/or inaccuracies include, but are not limited to, a change in an existing provider's contract status with the County, a change in scope of services, remodeling of the provider's facility, relocation or facility expansion, or closing of a facility site.**

**When establishing a new subcontractor relationship, the Contractor shall submit the "New Provider Information Form (Non-DMC) Form" to request a new record be created in the MPF database to identify the new subcontractor. A new CalOMS Data Reporting Number (DRN) will be assigned to the facility. The Contractor's obligation to review the accuracy of the records of their sub-contracted provider(s) extends to all county and out-of-county SUD providers, regardless of the funding source or DHCS licensing and/or**

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**certification status.**

**All SUD Provider Information forms can be requested from the MPF Team through the electronic mail address: [DHCSMPF@dhcs.ca.gov](mailto:DHCSMPF@dhcs.ca.gov)**

H. Failure to meet required reporting requirements shall result in:

1. ~~DHCS will issue a~~ **A** Notice of Deficiency (Deficiencies) **issued** to Contractor regarding specified providers with a deadline to submit the required data and a request for a CAP to ensure timely reporting in the future. DHCS will approve or reject the CAP or request revisions to the CAP, which shall be resubmitted to the DHCS within 30 days.
2. If the Contractor has not ensured compliance with the data submission or CAP request within the designated timeline, then DHCS shall withhold funds until all data is submitted. DHCS shall inform the Contractor when funds will be withheld.



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**Part IV – Definitions**

**Section 1 - General Definitions**

The words and terms of this Contract are intended to have their usual meanings unless a particular or more limited meaning is associated with their usage pursuant to Division 10.5 of HSC, Section 11750 et seq., and Title 9, CCR, Section 9000 et seq.

- A.** **"Available Capacity"** means the total number of units of service (bed days, hours, slots, etc.) that a Contractor actually makes available in the current fiscal year.
- B.** **"Contractor"** means the county identified in the Standard Agreement or the department authorized by the County Board of Supervisors to administer substance use disorder programs.
- C.** **"Corrective Action Plan (CAP)"** means the written plan of action document which the Contractor or its subcontracted service provider develops and submits to DHCS to address or correct a deficiency or process that is non-compliant with laws, regulations or standards.
- D.** **"County"** means the county in which the Contractor physically provides covered substance use treatment services.
- E.** **"Days"** means calendar days, unless otherwise specified.
- F.** **"Dedicated Capacity"** means the historically calculated service capacity, by modality, adjusted for the projected expansion or reduction in services, which the Contractor agrees to make available to provide SABG services to persons eligible for Contractor's services.
- G.** **"First-Tier Sub-recipient"** means the "Contractor" identified in the Standard Agreement or the department authorized by the County Board of Supervisors to administer substance use disorder programs funded by the SABG.
- G.** **"Final Allocation"** means the amount of funds identified in the last allocation letter issued by DHCS for the current fiscal year.
- H.** **"Final Settlement"** means permanent settlement of the Contractor's actual allowable costs or expenditures as determined at the time of audit, which shall be completed within three years of the date the year-end cost settlement report was accepted for interim settlement by DHCS. If the audit is not completed within three years, the interim settlement shall be considered as the final settlement.
- I.** **"Interim Settlement"** means temporary settlement of actual allowable costs or expenditures reflected in the Contractor's year-end cost settlement report.
- J.** **"Key points of contact"** means common points of access to substance use treatment services from the county, including but not limited to the county's beneficiary problem resolution process, county owned or operated or contract hospitals, and any other central access locations established by the county.
- K.** **"Maximum Payable"** means the encumbered amount reflected on the Standard Agreement of this Contract and supported by Exhibit B, Attachment I.

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- L.** "Modality" means those necessary overall general service activities to provide substance use disorder services as described in Division 10.5 of the HSC.
- M.** "SABG Amount" means the contracted amount of SABG funds for services agreed to by DHCS and the Contractor.
- N.** "Performance" means providing the dedicated capacity in accordance with Exhibit B, Attachment I, and abiding by the terms of this Exhibit, including all applicable state and federal statutes, regulations, and standards, including Alcohol and/or Other Drug Certification Standards (Document 1P), in expending funds for the provision of substance use disorder services hereunder.
- O.** "Preliminary Settlement" means the settlement of only SABG funding for counties that do include DMC funding.
- P.** "Revenue" means Contractor's income from sources other than DHCS allocation.
- Q.** **"Room and board" means payment of the cost of the lodging (or a room) and food.**
- R.** ~~"Second-Tier Subrecipient" means an entity that has entered into an agreement with the Contractor to be a provider of substance use disorder services funded by the SABG.~~
- R.** "Service Area" means the geographical area under Contractor's jurisdiction.
- S.** "Service Element" is the specific type of service performed within the more general service modalities. A list of the service modalities and service elements and service elements codes is incorporated into this Contract as Document 1H(a) "Service Code Descriptions".
- T.** "State" means the Department of Health Care Services or DHCS.
- U.** "Sub-recipient Pre-Award Risk Assessment" means the Contractor's responsibility to review the merit and risk associated with all potential grant recipients prior to making an award as described in 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, commonly referred to as the Uniform Guidance.
- V.** "Utilization" means the total actual units of service used by clients and participants further defined as the count of persons with initial admissions and subsequent admission(s) to an episode of care.

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**DOCUMENTS INCORPORATED BY REFERENCE**

The following documents are hereby incorporated by reference into the County contract though they may not be physically attached to the contract but will be issued in a CD under separate cover:

Document 1A: Title 45, Code of Federal Regulations 96, Subparts C and L, Substance Abuse Prevention and Treatment Block Grant Requirements

<https://www.gpo.gov/fdsys/granule/CFR-2005-title45-vol1/CFR-2005-title45-vol1-part96>

Document 1B: Title 42, Code of Federal Regulations, Charitable Choice Regulations

<https://www.law.cornell.edu/cfr/text/42/part-54>

Document 1C: Driving-Under-the-Influence Program Requirements

Document 1F(a): Reporting Requirement Matrix - County Submission Requirements for the Department of Health Care Services

Document 1G: Perinatal ~~Services Network~~ **Practice** Guidelines 2016-17 **FY 2018-19**

<http://www.dhcs.ca.gov/services/adp/Documents/psng%20FY%202016-17.pdf>  
[https://www.dhcs.ca.gov/individuals/Documents/Perinatal\\_Practice\\_Guidelines\\_FY1819.pdf](https://www.dhcs.ca.gov/individuals/Documents/Perinatal_Practice_Guidelines_FY1819.pdf)

Document 1K: Drug and Alcohol Treatment Access Report (DATAR) User Manual

<http://www.dhcs.ca.gov/provgovpart/Pages/DATAR.aspx>

~~Document 1N: Guide to Writing a Strategic Prevention Plan~~

~~Document 1O: Strategic Prevention Plan Workbook for Counties~~

Document 1P: Alcohol and/or Other Drug Program Certification Standards (May 1, 2017)

[http://www.dhcs.ca.gov/Documents/DHCS\\_AOD\\_Certification\\_Standards.pdf](http://www.dhcs.ca.gov/Documents/DHCS_AOD_Certification_Standards.pdf)

~~Document 1T: CalOMS Prevention Data Quality Standards~~

Document 1V: Youth Treatment Guidelines

[http://www.dhcs.ca.gov/individuals/Documents/Youth\\_Treatment\\_Guidelines.pdf](http://www.dhcs.ca.gov/individuals/Documents/Youth_Treatment_Guidelines.pdf)

Document 2F(b): Minimum Quality Drug Treatment Standards for SABG

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- Document 2P: County Certification - Cost Report Year-End Claim For Reimbursement
- Document 3G: California Code of Regulations, Title 9 - Rehabilitation and Developmental Services, Division 4 - Department of Alcohol and Drug Programs, Chapter 4 - Narcotic Treatment Programs  
<http://www.calregs.com> <https://govt.westlaw.com/calregs/Search/Index>
- Document 3H: California Code of Regulations, Title 9 - Rehabilitation and Developmental Services, Division 4 - Department of Alcohol and Drug Programs, Chapter 8 - Certification of Alcohol and Other Drug Counselors  
<http://www.calregs.com> <https://govt.westlaw.com/calregs/Search/Index>
- Document 3J: CalOMS Treatment Data Collection Guide  
[http://www.dhcs.ca.gov/provgovpart/Documents/CalOMS\\_Tx\\_Data\\_Collection\\_Guide\\_JAN%202014.pdf](http://www.dhcs.ca.gov/provgovpart/Documents/CalOMS_Tx_Data_Collection_Guide_JAN%202014.pdf)
- ~~Document 3O: Quarterly Federal Financial Management Report (QFFMR)  
[http://www.dhcs.ca.gov/provgovpart/Pages/SUD\\_Forms.aspx](http://www.dhcs.ca.gov/provgovpart/Pages/SUD_Forms.aspx)~~
- Document 3S: CalOMS Treatment Data Compliance Standards  
[http://www.dhcs.ca.gov/provgovpart/Documents/CalOMS\\_data\\_cmpliance%20standards%202014.pdf](http://www.dhcs.ca.gov/provgovpart/Documents/CalOMS_data_cmpliance%20standards%202014.pdf)
- Document 3T: Non-Drug Medi-Cal and Drug Medi-Cal DHCS Local Assistance Funding Matrix
- Document 3T(a): SAPT Authorized and Restricted Expenditures Information (April 2017)
- Document 3V : Culturally and Linguistically Appropriate Services (CLAS) National Standards  
<https://www.minorityhealth.hhs.gov/omh/browse.aspx?lvl=2&lvlid=53>
- Document 5A : Confidentiality Agreement

**Exhibit B A1**  
Budget Detail and Payment Provisions

**Part I – General Fiscal Provisions**

**Section 1 – General Fiscal Provisions**

A. Fiscal Provisions

For services satisfactorily rendered, and upon receipt and approval of documentation as identified in Exhibit A, Attachment I, Part III, the Department of Health Care Services (DHCS) agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates and/or allowable costs specified herein.

B. Funding Authorization

Contractor shall bear the financial risk in providing any substance use disorder services covered by this Contract.

C. Availability of Funds

It is understood that, for the mutual benefit of both parties, this Contract may have been written before ascertaining the availability of congressional appropriation of funds in order to avoid program and fiscal delays that would occur if this Contract were not executed until after that determination. If so, DHCS may amend the amount of funding provided for in this Contract based on the actual congressional appropriation.

D. Budget Contingency Clause

It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Contract does not appropriate sufficient funds for the program, this Contract shall be of no further force and effect. In this event, DHCS shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Contract and Contractor shall not be obligated to perform any provisions of this Contract.

If the funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, DHCS shall solely have the option to either cancel this Contract with no liability occurring to DHCS, or offer an amended agreement to Contractor to reflect the reduced amount.

E. Expense Allowability / Fiscal Documentation

1. Invoices, received from a Contractor and accepted and/or submitted for payment by DHCS, shall not be deemed evidence of allowable agreement costs.
2. Contractor shall maintain for review, audit, and supply to DHCS upon request, adequate documentation of all expenses claimed pursuant to this Contract to permit a determination of expense allowability.
3. If the allowability or appropriateness of an expense cannot be determined by DHCS because invoice detail, fiscal records, or backup documentation is nonexistent or inadequate according to generally accepted accounting principles, and generally accepted governmental audit standards, all questionable costs may be disallowed and payment may

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be withheld by DHCS. Upon receipt of adequate documentation supporting a disallowed or questionable expense, reimbursement may resume for the amount substantiated and deemed allowable.

4. Costs and/or expenses deemed unallowable shall not be reimbursed or, if mistakenly reimbursed, those costs and/or expenses shall be subject to recovery by DHCS pursuant to HSC Code 11817.8(e).

F. Maintenance of Effort for the Substance Abuse Prevention and Treatment Block Grant

1. Notwithstanding any other provision in this Contract, the Director of DHCS may reduce federal funding allocations, on a dollar-for-dollar basis, to a county that has a reduced or anticipates reduced expenditures in a way that would result in a decrease in California's receipt of Federal Substance Abuse Prevention and Treatment Block Grant (SABG) funds (42 United States Code (U.S.C.) Sect 300x-30).
2. Prior to making any reductions pursuant to this subdivision, the Director shall notify all counties that county underspending will reduce the Federal SABG Maintenance Of Effort (MOE). Upon receipt of notification, a county may submit a revision to the county budget initially submitted pursuant to HSC Section 11798 subdivision(a) in an effort to maintain the statewide SABG MOE.
3. Pursuant to HSC Section 11814(d)(3), a county shall notify DHCS in writing of proposed local changes to the county's expenditure of funds. DHCS shall review and may approve the proposed local changes depending on the level of expenditures needed to maintain DHCS wide SABG MOE.

G. SABG Primary Prevention Services Expenditure Requirement

Pursuant to Title 42, U.S.C. Section 300x-22(a), the Contractor shall expend a minimum of 20 percent of SABG funds for primary prevention services. The Contractor shall expend primary prevention funds for strategies, programs, and services directed at individuals who have not been determined to require treatment for a substance use disorder. These programs shall educate and counsel individuals on substance abuse and provide for activities to reduce the risk of such abuse by the individuals. The Contractor shall give priority to programs for populations that are at risk of developing a pattern of substance abuse and ensure that those programs develop community-based prevention strategies.

H. SABG Women Services Expenditure Requirement

Pursuant to Title 42, U.S.C. 5 Section 300x-22(b) and 45 Code of Federal Regulations (CFR) 96.124(c), for each state fiscal year (SFY) the Contractor shall expend an amount of SABG funds not less than the amount expended by the Contractor in fiscal year 1994 on perinatal services, pregnant women, and women with dependent children. The Contractor shall expend that percentage either by establishing new programs or expanding the capacity of existing programs in the manner described in Exhibit G of the annual SABG allocation, "County Share of SABG Women Services Expenditure Requirements" (found at [http://www.dhcs.ca.gov/formsandpubs/Documents/Info%20Notice%202015/11-Exhibit\\_G.pdf](http://www.dhcs.ca.gov/formsandpubs/Documents/Info%20Notice%202015/11-Exhibit_G.pdf)).

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Budget Detail and Payment Provisions

**Section 2 – General Fiscal Provisions – SABG**

A. Revenue Collection

Contractor shall conform to revenue collection requirements in HSC Sections 11841, by raising revenues in addition to the funds allocated by DHCS. These revenues include, but are not limited to, fees for services, private contributions, grants, or other governmental funds. These revenues shall be used in support of additional alcohol and other drug services or facilities. Each alcohol and drug program shall set and collect client fees based on the client's ability to pay. The fee requirement shall not apply to prevention and early intervention services. Contractor shall identify in its annual cost report the types and amounts of revenues collected.

B. Cost Efficiencies

It is intended that the cost to the Contractor in maintaining the dedicated capacity and units of service shall be met by the SABG funds allocated to the Contractor and other Contractor or subcontractor revenues. Amounts awarded pursuant to Exhibit A, Attachment I, Part I, shall not be used for services where payment has been made, or can reasonably be expected to be made under any other state or federal compensation or benefits program, or where services can be paid for from revenues.

**Exhibit B A1**  
Budget Detail and Payment Provisions

**Part II – Reimbursements**

**Section 1 - General Reimbursement**

A. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

B. Amounts Payable

1. The amount payable under this Contract shall not exceed the amount identified on the State of California Standard Agreement form STD 213 DHCS.
2. Reimbursement shall be made for allowable expenses up to the amount annually encumbered commensurate with the state fiscal year in which services are performed and/or goods are received.
3. The funds identified for the fiscal years covered by this Section, within this Exhibit, are subject to change depending on the availability and amount of funds appropriated by the Legislature and the Federal Government. The amount of funds available for expenditure by the Contractor shall be limited to the amount identified in the final allocations issued by DHCS for that fiscal year or the SABG amount, whichever is less. Changes to allocated funds will require a written amendment to the Contract.
4. For each fiscal year, DHCS may settle costs for services based on the year-end cost settlement report. The year-end cost settlement shall be the final amendment for the state fiscal year.

**Section 2 - Substance Abuse Prevention and Treatment Block Grant (SABG)**

A. Amounts Payable for SABG

1. DHCS shall reimburse the Contractor ~~monthly in arrears~~ **based upon quarterly invoicing**, ~~an amount equal to one-twelfth of the maximum amount allowed pursuant to Exhibit B of the Contract or the most recent allocation based on the Budget Act Allocation, whichever is less. Final allocations will reflect any increases or reductions in the appropriations as reflected in DHCS Budget Act allocation and any subsequent allocation revisions.~~
2. Quarterly Invoicing-Quarterly Federal Financial Management Report (QFFMR)
  - a) ~~Chapter 8760 of the State Administrative Manual requires DHCS to establish control mechanisms to ensure that the Contractor does not spend beyond its allocation and that DHCS does not reimburse beyond the Contractor's allocation. The Contractor shall complete QFFMRs invoices as prescribed in Exhibit A, Attachment I, Part III, Section A, Subsection 1, by DHCS that serve as expenditure reports during the fiscal year. These quarterly QFFMRs serve as expenditure reports and invoices for payment.~~ The Contractor shall incur expenditures before receiving payment from its allocation. ~~These expenditures are documented as totals in aggregate. Quarterly invoices are due:~~



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Budget Detail and Payment Provisions

- ~~December 1-1<sup>st</sup> Quarter~~
- ~~March 1-2<sup>nd</sup> Quarter~~
- ~~June 1-3<sup>rd</sup> Quarter~~
- ~~September 1-4<sup>th</sup> Quarter~~

~~These invoices serve as payment authorizations. Payment authorizations are analyzed by DHCS to ensure that costs are reasonable and do not exceed the Contractor's allocation. Inaccuracies in the report shall be resolved by the Contractor prior to receiving payment. These quarterly invoices serve as the Quarterly Federal Financial Management Report (QFFMR).~~

- ~~b) **The Contractor shall submit the QFFMR describing the preceding quarter's SABG expenditure by March 1, June 1, September 1, and December 1 of each year.**~~
- ~~c) **DHCS shall review QFFMR reports to ensure that costs are reasonable and do not exceed the Contractor's allocation. Inaccuracies in the report shall be resolved by the Contractor prior to receiving payment.**~~
- ~~3. Monthly disbursements to the Contractor at the beginning of each fiscal year of the Contract shall be based on the preliminary allocation of funds, as detailed in Section 2 of this Exhibit.~~
- ~~4. Based on the expenditure information submitted by the counties in the QFFMR (Document 30), DHCS may adjust monthly payments of encumbered block grant federal funds to extend the length of time (not to exceed 24 months) over which payments of federal funds will be made.~~
- 3.** Pursuant to 45 CFR Section 75.371 and HSC Section 11817.8, DHCS may withhold monthly SABG payments if the Contractor fails to:
  - a) ~~Submit timely reports and data required by~~ **any forms and reports to DHCS by each due date**, including but not limited to, ~~forms~~ reports required pursuant to Exhibit A, Attachment I, Part III.
  - b) Submit a Contract amendment within 90 days from issuance from DHCS to the Contractor.
  - c) Submit monitoring reports and attest **to** the completion of ~~Corrective Action Plans (CAPs)~~ for services provided pursuant to this Contract.
  - d) Monitor its subcontractors ~~annually~~ pursuant to Exhibit A, Attachment I, Part I.
- 4.** In the event DHCS withholds SABG payment, the Contractor's payment shall commence with the next scheduled ~~monthly~~ payment following DHCS' receipt and acceptance of complete and accurate reports, data, or executed Contract. The payment shall include any funds withheld pursuant to Section 2(A)(5).
- 5.** Adjustments may be made to the total Contract amount and funds may be withheld from payments otherwise due to the Contractor hereunder, for nonperformance to the extent that

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Budget Detail and Payment Provisions

nonperformance involves fraud, abuse, or failure to achieve the objectives of the provisions of Exhibit A, Attachment I, Part I.

**B. Payment Provisions**

For each fiscal year, the total amount payable by DHCS to the Contractor for services provided under Exhibit A, Attachment I, Part I, shall not exceed the encumbered amount. The funds identified for the fiscal years covered by Exhibit A, Attachment I, Part I, are subject to change depending on the availability and amount of funds appropriated by the Legislature and the Federal Government. Changes to encumbered funds require a written amendment to the Contract. DHCS may settle costs for SABG services based on the year-end cost settlement report as the final amendment to the approved single state/county Contract.

C. In the event of a Contract amendment, as required by the preceding paragraph, the Contractor shall submit to DHCS the information identified in Exhibit E, Section (1)(B). To the extent the Contractor is notified of the State Budget Act allocation prior to the execution of the Contract, DHCS and the Contractor may agree to amend the Contract after the issuance of the first Budget Act allocation.

**D. Accrual of Interest**

Any interest accrued from state-allocated funds and retained by the Contractor shall be used for the same purpose as DHCS-allocated funds from which the interest was accrued.

**E. Expenditure Period**

SABG funds are allocated based upon the Federal Grant award period. These funds must be expended for activities authorized pursuant to 42 USC Sections 300x-21 through 300x-66, and Title 45 CFR 96.120 et seq., within the availability period of the grant award. Any SABG funds that have not been expended by the Contractor at the end of the expenditure period identified below shall be returned to DHCS for subsequent return to the Federal Government.

1. The expenditure period of the FFY 2015 award is October 1, 2015 through June 30, 2017.
2. The expenditure period of the FFY 2016 award is October 1, 2016 through June 30, 2018.
3. The expenditure period of the FFY 2017 award is October 1, 2017 through June 30, 2019.
4. The expenditure period of the FFY 2018 award is October 1, 2018 through June 30, 2020.
5. The expenditure period of the FFY 2019 award is October 1, 2019 through June 30, 2021.

F. Contractors receiving SABG funds shall comply with the financial management standards contained in 45 CFR Sections 75.302(b)(1) through (6), and 45 CFR Section 96.30.

G. Non-profit subcontractors receiving SABG funds shall comply with the financial management standards contained in 45 CFR Section 75.302(b)(1) through (4) and (b)(7), and 45 CFR Section 96.30.

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Budget Detail and Payment Provisions

H. Contractors receiving SABG funds shall track obligations and expenditures by individual SABG award, including, but not limited to, obligations and expenditures for primary prevention, services to pregnant women and women with dependent children. "Obligation" shall have the same meaning as used in 45 CFR Section 75.2.

I. Restrictions on the Use of SABG Funds

~~Pursuant to 42 USC 300x-31~~, Contractor shall not use SABG funds provided by the Contract on the following activities:

1. Provide inpatient services.
2. Make cash paymentss to intended recipients of health services.
3. Purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment.
4. Satisfy any requirement for the expenditure of SABG funds as a condition for the receipt of federal funds.
5. Provide financial assistance to any entity other than a public or nonprofit private entity.
6. Pay the salary of an individual through a grant or other extramural mechanism at a rate in excess of level I of the Executive Salary Schedule for the award year: see [http://grants.nih.gov/grants/policy/salcap\\_summary.htm](http://grants.nih.gov/grants/policy/salcap_summary.htm).
7. Purchase treatment services in penal or correctional institutions of ~~this~~the State of California.
8. Supplant state funding of programs to prevent and treat substance abuse and related activities.
9. Carry out any program prohibited by 42 USC 300x-21 and 42 USC 300ee-5 such that none of the funds provided under this Act or an amendment made by this Act shall be used to provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs, unless the Surgeon General of the United States Public Health Service determines that a demonstration needle exchange program would be effective in reducing drug abuse and the risk that the public will become infected with the etiologic agent for acquired immune deficiency syndrome.

10. Exception regarding inpatient hospital services:

- a) Medical necessity as precondition: With respect to compliance with the agreement made under this Exhibit, Part II, Section 2(I), a State may expend a grant under 42 USC 300x-21 to provide inpatient hospital services as treatment for substance abuse only if it has been determined, in accordance with guidelines issued by the Secretary, that such treatment is a medical necessity for the individual involved, and that the individual cannot be effectively treated in a community-based, nonhospital, residential program of treatment.

**Exhibit B A1**  
Budget Detail and Payment Provisions

- b) Rate of payment: In the case of an individual for whom a grant under section 300x–21 of this title is expended to provide inpatient hospital services described in paragraph (4a), a funding agreement for the grant for the State involved is that the daily rate of payment provided to the hospital for providing the services to the individual will not exceed the comparable daily rate provided for community-based, non-hospital, residential programs of treatment for substance abuse.

11. Waiver regarding construction of facilities:

- a) In general: The Secretary may provide to any State a waiver of the restriction established in 42 USC 300x–31, subsection (a)(1)(C), for the purpose of authorizing DHCS to expend a grant under section 42 USC 300x–21 for the construction of a new facility or rehabilitation of an existing facility, but not for land acquisition.
- b) Standard regarding need for waiver: The Secretary may approve a waiver under 42 USC 300x–31(c), only if DHCS demonstrates to the Secretary that adequate treatment cannot be provided through the use of existing facilities and that alternative facilities in existing suitable buildings are not available.
- c) Amount: In granting a waiver under 42 USC 300x–31(c), the Secretary shall allow the use of a specified amount of funds to construct or rehabilitate a specified number of beds for residential treatment and a specified number of slots for outpatient treatment, based on reasonable estimates by DHCS of the costs of construction or rehabilitation. In considering waiver applications, the Secretary shall ensure that DHCS has carefully designed a program that will minimize the costs of additional beds.
- d) Matching funds: The Secretary may grant a waiver under 42 USC 300x–31 (c), only if DHCS agrees, with respect to the costs to be incurred by DHCS in carrying out the purpose of the waiver, to make available non-federal contributions in cash toward such costs in an amount equal to not less than \$1 for each \$1 of federal funds provided under 42 USC 300x–21.
- e) Date certain for acting upon request: The Secretary shall act upon a request for a waiver under 42 USC 300x–31 (c), not later than 120 days after the date on which the request is made.

12. **Provide services reimbursable by Medi-Cal:**

- a) **Contractor shall not utilize SABG funds to pay for a service that is reimbursable by Medi-Cal.**
- b) **The Contractor may utilize SABG funds to pay for a service included in the California State Plan or the Drug Medi-Cal Organized Delivery System (DMC-ODS), but which is not reimbursable by Medi-Cal.**
- c) **If the Contractor utilizes SABG funds to pay for a service that is included in the California State Plan or the DMC-ODS, the Contractor shall maintain documentation sufficient to demonstrate that Medi-Cal reimbursement was not available.**

**Exhibit B A1**

Budget Detail and Payment Provisions

**Part III - Financial Audit Requirements**

**Section 1 - General Fiscal Audit Requirements**

- A. In addition to the requirements identified below, the Contractor and its subcontractors are required to meet the audit requirements as delineated in Exhibit C, General Terms and Conditions, and Exhibit D(F), Special Terms and Conditions, of this Contract.
- B. All expenditures of county realignment funds, state and federal funds furnished to the Contractor and its subcontractors pursuant to this Contract are subject to audit by DHCS. Such audits shall consider and build upon external independent audits performed pursuant to audit requirements of 45 CFR, Part 75, Subpart F and/or any independent Contractor audits or reviews. Objectives of such audits may include, but are not limited to, the following:
  - 1. To determine whether units of service claimed/reported are properly documented by service records and accurately accumulated for claiming/reporting.
  - 2. To validate data reported by the Contractor for prospective contract negotiations.
  - 3. To provide technical assistance in addressing current year activities and providing recommendations on internal controls, accounting procedures, financial records, and compliance with laws and regulations.
  - 4. To determine the cost of services, net of related patient and participant fees, third party payments, and other related revenues and funds.
  - 5. To determine that expenditures are made in accordance with applicable state and federal laws and regulations and contract requirements.
  - 6. To determine the facts in relation to analysis of data, complaints, or allegations, which may be indicative of fraud, abuse, willful misrepresentation, or failure to achieve the Contract objectives.
- C. Unannounced visits to the Contractor and/or its subcontractors may be made at the discretion of DHCS.
- D. The refusal of the Contractor or its subcontractors to permit access to and inspection of electronic or print books and records, physical facilities, and/or refusal to permit interviews with employees, as described in this part constitutes an express and immediate material breach of this Contract and will be sufficient basis to terminate the Contract for cause or default.
- E. Reports of audits conducted by DHCS shall reflect all findings, recommendations, adjustments, and corrective actions as a result of its finding in any areas.

**Section 2. SABG Financial Audits**

- A. Contractor shall monitor the activities of all of its subcontractors to ensure that the SABG funds are used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the grant, and that performance goals are achieved.

**Exhibit B A1**  
Budget Detail and Payment Provisions

- B. Contractor may use a variety of monitoring mechanisms, including limited scope audits, on-site visits, progress reports, financial reports, and review of documentation support requests for reimbursement, to meet the Contractor's monitoring objectives. Contractor may charge federal awards for the cost of these monitoring procedures if permitted under 45 CFR 75.425.
- C. Contractor shall submit to DHCS a copy of the procedures and any other monitoring mechanism used to monitor non-profit Subcontracts at the time of the County's annual desk review or site visit or within 60 days thereafter. Contractor shall state the frequency that non-profit Subcontracts are monitored.
- D. On-site visits focus on compliance and controls over compliance areas. The DHCS County Monitoring Unit analyst shall make site visits to the subcontractor location(s), and can use a variety of monitoring mechanisms to document compliance requirements. The Contractor shall follow-up on any findings and the corrective actions. ~~42 USC 300x-31 subsection (a)(1)(C)~~
  - 1. Contractor shall be responsible for any disallowance taken by the Federal Government, DHCS, or the California State Auditor, as a result of any audit exception that is related to the Contractor's responsibilities herein. Contractor shall not use funds administered by DHCS to repay one federal funding source with funds provided by another federal funding source, to repay federal funds with state funds, or to repay state funds with federal funds. DHCS shall invoice Contractor 60 days after issuing the final audit report or upon resolution of an audit appeal. Contractor agrees to develop and implement any CAP in a manner acceptable to DHCS in order to comply with recommendations contained in any audit report. Such CAP plans shall include time-specific objectives to allow for measurement of progress and are subject to verification by DHCS within one year from the date of the plan.
- E. Contractors that conduct financial audits of subcontractors, other than a subcontractor whose funding consists entirely of non-Department funds, shall develop a process to resolve disputed financial findings and notify subcontractors of their appeal rights pursuant to that process. If any fiscal adjustments remain after the Contractor and subcontractor have exhausted the internal appeals process, any SABG funds outstanding shall be returned to DHCS. This section shall not apply to those grievances or compliances arising from the financial findings of an audit or examination made by or on behalf of DHCS pursuant to Part III of this Exhibit.
- F. If the Contractor fails to comply with ~~F~~ederal statues, regulations, or the terms and conditions of the grant, DHCS may impose additional conditions on the subaward, including:
  - 1. Requiring additional or more detailed financial reports.
  - 2. Requiring technical or management assistance.
  - 3. Establishing additional prior approvals.
- G. If DHCS determines that the Contractor's noncompliance cannot be remedied by imposing additional conditions, DHCS may take one or more of the following actions:
  - 1. Temporarily withhold cash payment pending correction of the deficiency by the Contractor.
  - 2. Disallow all or part of the cost of the activity or action not in compliance.

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Budget Detail and Payment Provisions

3. Wholly or partly suspend the award activities or terminate the Contractor's subaward.
4. Recommend that the suspension or debarment proceedings be initiated by the Ffederal awarding agency.
5. Withhold further Ffederal awards.
6. Take other remedies that may be legally available.

**Exhibit B A1**  
Budget Detail and Payment Provisions

**Part IV – Records**

**Section 1 - General Provisions**

A. Maintenance of Records

Contractor shall maintain sufficient books, records, documents, and other evidence necessary for DHCS to audit contract performance and contract compliance. Contractor shall make these records available to SAMHSA, Inspectors General, the Comptroller General, DHCS, or any of their authorized representatives upon request, to evaluate the quality and quantity of services, accessibility and appropriateness of services, and to ensure fiscal accountability. Regardless of the location or ownership of such records, they shall be sufficient to determine if costs incurred by Contractor are reasonable, allowable, and allocated appropriately. All records must be capable of verification by qualified auditors.

1. Contractor and subcontractors shall include in any contract with an audit firm a clause to permit access by DHCS to the working papers of the external independent auditor, and require that copies of the working papers shall be made for DHCS at its request.
2. Contractor and subcontractors shall keep adequate and sufficient financial records and statistical data to support the year-end documents filed with DHCS. All records must be capable of verification by qualified auditors.
3. Accounting records and supporting documents shall be retained for a three-year period from the date the year-end cost settlement report was approved by DHCS for interim settlement. When an audit by the Federal Government, DHCS, or the California State Auditor has been started before the expiration of the three-year period, the records shall be retained until completion of the audit and final resolution of all issues that arise in the audit. Final settlement shall be made at the end of the audit and appeal process. If an audit has not been completed within three years, the interim settlement shall be considered as the final settlement.
4. Financial records shall be kept so that they clearly reflect the source of funding for each type of service for which reimbursement is claimed. These documents include, but are not limited to, all ledgers, books, vouchers, time sheets, payrolls, appointment schedules, client data cards, and schedules for allocating costs. All records must be capable of verification by qualified auditors.
5. Contractor's subcontracts shall require that all subcontractors comply with the requirements of Exhibit A, Attachment I, Part I, Section 3.
6. Should a subcontractor discontinue its contractual agreement with the Contractor, or cease to conduct business in its entirety, Contractor shall be responsible for retaining the subcontractor's fiscal and program records for the required retention period. The State Administrative Manual (SAM) contains statutory requirements governing the retention, storage, and disposal of records pertaining to state funds. Contractor shall follow SAM requirements located at <http://sam.dgs.ca.gov/TOC/1600.aspx>.
7. The Contractor shall retain all records in accordance with the time periods outlined in 45 CFR Section 75.361.



**Exhibit B A1**  
Budget Detail and Payment Provisions

8. In the expenditure of funds hereunder, and as required by 45 CFR Part 96, Contractor shall comply with the requirements of SAM and the laws and procedures applicable to the obligation and expenditure of federal and state funds.

B. Dispute Resolution Process

1. In the event of a dispute under this Exhibit A, Attachment I, Part ~~I~~<sup>B</sup>, other than an audit dispute, Contractor shall provide written notice of the particulars of the dispute to DHCS before exercising any other available remedy. Written notice shall include the contract number. The Director (or designee) of DHCS and the County Drug or Alcohol Program Administrator (or designee) shall meet to discuss the means by which they can effect an equitable resolution to the dispute. Contractor shall receive a written response from DHCS within 60 days of the notice of dispute. The written response shall reflect the issues discussed at the meeting and state how the dispute will be resolved.
- ~~1. Contractors that conduct financial audits of subcontractors, other than a subcontractor whose funding consists entirely of non-Department funds, shall develop a process to resolve disputed financial findings and notify subcontractors of their appeal rights pursuant to that process. If any fiscal adjustments remain after the Contractor and subcontractor have exhausted the internal appeals process, any SABG funds outstanding must be returned to DHCS. This section shall not apply to those grievances or compliances arising from the financial findings of an audit or examination made by or on behalf of DHCS pursuant to Part III of this Exhibit.~~
2. To ensure that necessary corrective actions are taken, financial audit findings that are either uncontested or upheld after appeal may be used by DHCS during prospective contract negotiations.

**Exhibit B, Attachment I A1  
Funding Amounts**

Fiscal Year 2017-18	Funding Amount
	Original
<b>SAPT Block Grant - FFY 2018 Award (10/1/17 to 6/30/19)</b>	
Duns #: 086128832 Federal Grant #: 2B08TI010062-18	
CFDA: 93.959 FAIN: T110062-18	
- Discretionary	347,456
- Prevention Set-Aside	73,185
- Friday Night Live/Club Live	0
- Perinatal	0
- Adolescent/Youth	0
<b>TOTAL</b>	<b>420,641</b>
<b>ORIGINAL THREE-YEAR TOTAL</b>	<b>1,261,923</b>
<b>A01 THREE-YEAR TOTAL</b>	<b>1,262,803</b>

Fiscal Year 2018-19	Funding Amount	
	Original	A01
<b>SAPT Block Grant - FFY 2019 Award (10/1/18 to 6/30/20)</b>		
Duns #: 086128832 Federal Grant #: 2B08TI010062-19		
CFDA: 93.959 FAIN: T110062-19		
- Discretionary	347,456	348,336
- Prevention Set-Aside	73,185	73,185
- Friday Night Live/Club Live	0	0
- Perinatal	0	0
- Adolescent/Youth	0	0
<b>TOTAL</b>	<b>420,641</b>	<b>421,521</b>

Fiscal Year 2019-20	Funding Amount
	Original
<b>SAPT Block Grant - FFY 2020 Award (10/1/19 to 6/30/21)</b>	
Duns #: 086128832 Federal Grant #: 2B08TI010062-20	
CFDA: 93.959 FAIN: T110062-20	
- Discretionary	347,456
- Prevention Set-Aside	73,185
- Friday Night Live/Club Live	0
- Perinatal	0
- Adolescent/Youth	0
<b>TOTAL</b>	<b>420,641</b>

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**Exhibit F A1**  
**Privacy and Information Security Provisions**

This Exhibit F is intended to protect the privacy and security of specified Department information that the Contractor may access, receive, or transmit under this Agreement. The Department information covered under this Exhibit F consists of: (1) Protected Health Information (PHI) as defined under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA") and (2) Personal Information (PI) as defined under the California Information Practices Act (CIPA), at California Civil Code Section 1798.3.

Exhibit F consists of the following parts:

1. Exhibit F-1, HIPAA Business Associate Addendum, which provides for the privacy and security of PHI.
2. Exhibit F-2 provides for the privacy and security of PI under Civil Code Section 1798.3(a) and 1798.29.
3. Exhibit F-3, Miscellaneous Provision, sets forth additional terms and conditions that extend to the provisions of Exhibit F in its entirety.

**Exhibit F A1**  
**Privacy and Information Security Provisions**

**F-1**  
**HIPAA Business Associate Addendum**

**1. Recitals.**

- A. A business associate relationship under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the HITECH Act"), 42 U.S.C. Section 17921 et seq., and their implementing privacy and security regulations at 45 CFR Parts 160 and 164 ("the HIPAA regulations") and the Final Omnibus Rule of 2013 between Department and Contractor arises only to the extent that Contractor creates, receives, maintains, transmits, uses or discloses PHI or ePHI on the Department's behalf, or provides services, arranges, performs, or assists in the performance of functions or activities on behalf of the Department that are included in the definition of "business associate" in 45 CFR. 160.103 where the provision of the service involves the disclosure of PHI or ePHI from the Department, including but not limited to, utilization review, quality assurance, or benefit management. To the extent Contractor performs these services, functions, and activities on behalf of Department, Contractor is the Business Associate of the Department, acting on the Department's behalf. The Department and Contractor are each a party to this Agreement and are collectively referred to as the "parties." A business associate is also directly liable and subject to civil penalties for failing to safeguard electronic protected health information in accordance with the HIPAA Security Rule. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits protected health information on behalf of another business associate. Business Associate shall incorporate, when applicable, the relevant provisions of this Addendum into each subcontract or sub-award to such agents, subcontractors and vendors, including the requirement that any security incidents or breaches of unsecured PHI or PI be reported to Business Associate.

**Exhibit F A1**  
**Privacy and Information Security Provisions**

- B. The Department wishes to disclose to Contractor certain information pursuant to the terms of this Agreement, some of which may constitute Protected Health Information (“PHI”), including protected health information in electronic media (“ePHI”), under Federal law, to be used or disclosed in the course of providing services and activities as set forth in Section 1.A. of Exhibit F-1 of this Agreement. This information is hereafter referred to as “Department PHI”.
- C. The purpose of this Exhibit F-1 is to protect the privacy and security of the PHI and ePHI that may be created, received, maintained, transmitted, used or disclosed pursuant to this Agreement, and to comply with certain standards and requirements of HIPAA, the HITECH Act, and the HIPAA regulations and the Final Omnibus Rule of 2013, including, but not limited to, the requirement that the Department must enter into a contract containing specific requirements with the Contractor prior to the disclosure of PHI to Contractor, as set forth in 45 CFR Parts 160 and 164 and the HITECH Act and the Final Omnibus Rule of 2013. To the extent that data is both PHI or ePHI and Personally Identifying Information, both Exhibit F-2 and this Exhibit F-1 shall apply.
- D. The terms used in this Exhibit F-1, but not otherwise defined, shall have the same meanings as those terms have in the HIPAA regulations. Any reference to statutory or regulatory language shall be to such language as in effect or as amended.

**2. Definitions.**

- A. Breach shall have the meaning given to such term under HIPAA, the HITECH Act, the HIPAA regulations and the Final Omnibus Rule of 2013.
- B. Business Associate shall have the meaning given to such term under HIPAA, the HITECH Act, the HIPAA regulations and the Final Omnibus Rule of 2013.
- C. Department PHI shall mean Protected Health Information or Electronic Protected Health Information, as defined below, accessed by Contractor in a database maintained by the Department, received by Contractor from the Department or acquired or created by Contractor in connection with performing the functions, activities and services on behalf of the Department as specified in Section 1.A. of Exhibit F-1 of this Agreement. The terms PHI as used in this document shall mean Department PHI.

**Exhibit F A1**  
**Privacy and Information Security Provisions**

- D. Electronic Health Records shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C. Section 17921 and implementing regulations.
- E. Electronic Protected Health Information (ePHI) means individually identifiable health information transmitted by electronic media or maintained in electronic media, including but not limited to electronic media as set forth under 45 CFR section 160.103.
- F. Individually Identifiable Health Information means health information, including demographic information collected from an individual, that is created or received by a health care provider, health plan, employer, or health care clearinghouse, and relates to the past, present, or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual, that identifies the individual or where there is a reasonable basis to believe the information can be used to identify the individual, as set forth under 45 CFR Section 160.103.
- G. Privacy Rule shall mean the HIPAA Regulations that are found at 45 CFR Parts 160 and 164, subparts A and E.
- H. Protected Health Information (PHI) means individually identifiable health information that is transmitted by electronic media, maintained in electronic media, or is transmitted or maintained in any other form or medium, as set forth under 45 CFR Section 160.103 and as defined under HIPAA.
- I. Required by law means a mandate contained in law that compels an entity to make a use or disclosure of PHI that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information, and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.

**Exhibit F A1**  
**Privacy and Information Security Provisions**

- J. Secretary means the Secretary of the U.S. Department of Health and Human Services ("HHS") or the Secretary's designee.
- K. Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of Department PHI, or confidential data utilized by Contractor to perform the services, functions and activities on behalf of Department as set forth in Section 1.A. of Exhibit F-1 of this Agreement; or interference with system operations in an information system that processes, maintains or stores Department PHI.
- L. Security Rule shall mean the HIPAA regulations that are found at 45 CFR Parts 160 and 164.
- M. Unsecured PHI shall have the meaning given to such term under the HITECH Act, 42 U.S.C. Section 17932(h), any guidance issued by the Secretary pursuant to such Act and the HIPAA regulations.

**3. Terms of Agreement.**

**A. Permitted Uses and Disclosures of Department PHI by Contractor.**

Except as otherwise indicated in this Exhibit F-1, Contractor may use or disclose Department PHI only to perform functions, activities, or services specified in Section 1.A of Exhibit F-1 of this Agreement, for, or on behalf of the Department, provided that such use or disclosure would not violate the HIPAA regulations or the limitations set forth in 42 CFR Part 2, or any other applicable law, if done by the Department. Any such use or disclosure, if not for purposes of treatment activities of a health care provider as defined by the Privacy Rule, must, to the extent practicable, be limited to the limited data set, as defined in 45 CFR Section 164.514(e)(2), or, if needed, to the minimum necessary to accomplish the intended purpose of such use or disclosure, in compliance with the HITECH Act and any guidance issued pursuant to such Act, and the HIPAA regulations.

**B. Specific Use and Disclosure Provisions.** Except as otherwise indicated in this Exhibit F-1, Contractor may:

- 1) **Use and Disclose for Management and Administration.** Use and disclose Department PHI for the proper management and administration of the Contractor's business, provided that such disclosures are required by law, or the Contractor obtains

**Exhibit F A1**  
**Privacy and Information Security Provisions**

reasonable assurances from the person to whom the information is disclosed, in accordance with section D(7) of this Exhibit F-1, that it will remain confidential and will be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Contractor of any instances of which it is aware that the confidentiality of the information has been breached.

- 2) **Provision of Data Aggregation Services.** Use Department PHI to provide data aggregation services to the Department to the extent requested by the Department and agreed to by Contractor. Data aggregation means the combining of PHI created or received by the Contractor, as the Business Associate, on behalf of the Department with PHI received by the Business Associate in its capacity as the Business Associate of another covered entity, to permit data analyses that relate to the health care operations of the Department

**C. Prohibited Uses and Disclosures.**

- 1) Contractor shall not disclose Department PHI about an individual to a health plan for payment or health care operations purposes if the Department PHI pertains solely to a health care item or service for which the health care provider involved has been paid out of pocket in full and the individual requests such restriction, in accordance with 42 U.S.C. Section 17935(a) and 45 CFR Section 164.522(a).
- 2) Contractor shall not directly or indirectly receive remuneration in exchange for Department PHI.

**D. Responsibilities of Contractor.**

Contractor agrees:

- 1) **Nondisclosure.** Not to use or disclose Department PHI other than as permitted or required by this Agreement or as required by law, including but not limited to 42 CFR Part 2.
- 2) **Compliance with the HIPAA Security Rule.** To implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the Department PHI, including electronic PHI, that it creates, receives, maintains, uses or transmits on behalf of the



**Exhibit F A1**  
**Privacy and Information Security Provisions**

Department, in compliance with 45 CFR Sections 164.308, 164.310 and 164.312, and to prevent use or disclosure of Department PHI other than as provided for by this Agreement. Contractor shall implement reasonable and appropriate policies and procedures to comply with the standards, implementation specifications and other requirements of 45 CFR Section 164, subpart C, in compliance with 45 CFR Section 164.316. Contractor shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Contractor's operations and the nature and scope of its activities, and which incorporates the requirements of section 3, Security, below. Contractor will provide the Department with its current and updated policies upon request.

- 3) **Security.** Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:
  - a. Complying with all of the data system security precautions listed in Attachment A, Data Security Requirements.
  - b. Achieving and maintaining compliance with the HIPAA Security Rule (45 CFR Parts 160 and 164), as necessary in conducting operations on behalf of DHCS under this Agreement.
  - c. Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III - Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies.
- 4) **Security Officer.** Contractor shall designate a Security Officer to oversee its data security program who shall be responsible for carrying out the requirements of this section and for communicating on security matters with the Department.
- 5) **Mitigation of Harmful Effects.** To mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of Department PHI by Contractor or its subcontractors in violation of the requirements of this Exhibit F.

**Exhibit F A1**  
**Privacy and Information Security Provisions**

- 6) **Reporting Unauthorized Use or Disclosure.** To report to Department any use or disclosure of Department PHI not provided for by this Exhibit F of which it becomes aware.
  
- 7) **Contractor's Agents and Subcontractors.**
  - a. To enter into written agreements with any agents, including subcontractors and vendors to whom Contractor provides Department PHI, that impose the same restrictions and conditions on such agents, subcontractors and vendors that apply to Contractor with respect to such Department PHI under this Exhibit F, and that require compliance with all applicable provisions of HIPAA, the HITECH Act the HIPAA regulations, and the Final Omnibus Rule of 2013 including the requirement that any agents, subcontractors or vendors implement reasonable and appropriate administrative, physical, and technical safeguards to protect such PHI. As required by HIPAA, the HITECH Act, the HIPAA regulations and the Final Omnibus Rule of 2013, including 45 CFR Sections 164.308 and 164.314, Contractor shall incorporate, when applicable, the relevant provisions of this Exhibit F-1 into each subcontract or sub-award to such agents, subcontractors and vendors, including the requirement that any security incidents or breaches of unsecured PHI be reported to Contractor.
  
  - b. In accordance with 45 CFR Section 164.504(e)(1)(ii), upon Contractor's knowledge of a material breach or violation by its subcontractor of the agreement between Contractor and the subcontractor, Contractor shall:
    - i) Provide an opportunity for the subcontractor to cure the breach or end the violation and terminate the agreement if the subcontractor does not cure the breach or end the violation within the time specified by the Department; or
    - ii) Immediately terminate the agreement if the subcontractor has breached a material term of the agreement and cure is not possible.
  
- 8) **Availability of Information to the Department and Individuals to Provide Access and Information:**

**Exhibit F A1**  
**Privacy and Information Security Provisions**

- a. To provide access as the Department may require, and in the time and manner designated by the Department (upon reasonable notice and during Contractor's normal business hours) to Department PHI in a Designated Record Set, to the Department (or, as directed by the Department), to an Individual, in accordance with 45 CFR Section 164.524. Designated Record Set means the group of records maintained for the Department health plan under this Agreement that includes medical, dental and billing records about individuals; enrollment, payment, claims adjudication, and case or medical management systems maintained for the Department health plan for which Contractor is providing services under this Agreement; or those records used to make decisions about individuals on behalf of the Department. Contractor shall use the forms and processes developed by the Department for this purpose and shall respond to requests for access to records transmitted by the Department within fifteen (15) calendar days of receipt of the request by producing the records or verifying that there are none.
  - b. If Contractor maintains an Electronic Health Record with PHI, and an individual requests a copy of such information in an electronic format, Contractor shall provide such information in an electronic format to enable the Department to fulfill its obligations under the HITECH Act, including but not limited to, 42 U.S.C. Section 17935(e) and the HIPAA regulations.
- 9) **Confidentiality of Alcohol and Drug Abuse Patient Records.** Contractor agrees to comply with all confidentiality requirements set forth in Title 42 Code of Federal Regulations, Chapter I, Subchapter A, Part 2. Contractor is aware that criminal penalties may be imposed for a violation of these confidentiality requirements.
- 10) **Amendment of Department PHI.** To make any amendment(s) to Department PHI that were requested by a patient and that the Department directs or agrees should be made to assure compliance with 45 CFR Section 164.526, in the time and manner designated by the Department, with the Contractor being given a minimum of twenty days within which to make the amendment.

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- 11) **Internal Practices.** To make Contractor's internal practices, books, and records relating to the use and disclosure of Department PHI available to the Department or to the Secretary, for purposes of determining the Department's compliance with the HIPAA regulations. If any information needed for this purpose is in the exclusive possession of any other entity or person and the other entity or person fails or refuses to furnish the information to Contractor, Contractor shall provide written notification to the Department and shall set forth the efforts it made to obtain the information.
  
- 12) **Documentation of Disclosures.** To document and make available to the Department or (at the direction of the Department) to an individual such disclosures of Department PHI, and information related to such disclosures, necessary to respond to a proper request by the subject Individual for an accounting of disclosures of such PHI, in accordance with the HITECH Act and its implementing regulations, including but not limited to 45 CFR Section 164.528 and 42 U.S.C. Section 17935(c). If Contractor maintains electronic health records for the Department as of January 1, 2009 and later, Contractor must provide an accounting of disclosures, including those disclosures for treatment, payment or health care operations. The electronic accounting of disclosures shall be for disclosures during the three years prior to the request for an accounting.
  
- 13) **Breaches and Security Incidents.** During the term of this Agreement, Contractor agrees to implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and to take the following steps:
  - a. **Initial Notice to the Department.** (1) To notify the Department **immediately by telephone call or email or fax** upon the discovery of a breach of unsecured PHI in electronic media or in any other media if the PHI was, or is reasonably believed to have been, accessed or acquired by an unauthorized person. (2) To notify the Department **within 24 hours by email or fax** of the discovery of any suspected security incident, intrusion or unauthorized access, use or disclosure of PHI in violation of this Agreement or this Exhibit F-1 or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by Contractor as of the first day on

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which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach) who is an employee, officer or other agent of Contractor.

Notice shall be provided to the Information Protection Unit, Office of HIPAA Compliance. If the incident occurs after business hours or on a weekend or holiday and involves electronic PHI, notice shall be provided by calling the Information Protection Unit (916) 445-4646, (866) 866-0602 or by emailing [privacyofficer@dhcs.ca.gov](mailto:privacyofficer@dhcs.ca.gov). Notice shall be made using the DHCS "Privacy Incident Report" form, including all information known at the time.

Contractor shall use the most current version of this form, which is posted on the DHCS Information Security Officer website ([www.dhcs.ca.gov](http://www.dhcs.ca.gov), then select "Privacy" in the left column and then "Business Partner" near the middle of the page) or use this link:

<http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/DHCSBusinessAssociatesOnly.aspx>

Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of Department PHI, Contractor shall take:

- i) Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment.
  - ii) Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
- b. **Investigation and Investigation Report.** To immediately investigate such suspected security incident, security incident, breach, or unauthorized access, use or disclosure of PHI. Within 72 hours of the discovery, Contractor shall submit an updated "Privacy Incident Report" containing the information marked with an asterisk and all other applicable information listed on the form, to the extent known at that time, to the Information Protection Unit.

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- c. **Complete Report.** To provide a complete report of the investigation to the Department Program Contract Manager and the Information Protection Unit within ten working days of the discovery of the breach or unauthorized use or disclosure. The report shall be submitted on the "Privacy Incident Report" form and shall include an assessment of all known factors relevant to a determination of whether a breach occurred under applicable provisions of HIPAA, the HITECH Act, and the HIPAA regulations. The report shall also include a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If the Department requests information in addition to that listed on the "Privacy Incident Report" form, Contractor shall make reasonable efforts to provide the Department with such information. If, because of the circumstances of the incident, Contractor needs more than ten working days from the discovery to submit a complete report, the Department may grant a reasonable extension of time, in which case Contractor shall submit periodic updates until the complete report is submitted. If necessary, a Supplemental Report may be used to submit revised or additional information after the completed report is submitted, by submitting the revised or additional information on an updated "Privacy Incident Report" form. The Department will review and approve the determination of whether a breach occurred and whether individual notifications and a corrective action plan are required.
- d. **Responsibility for Reporting of Breaches.** If the cause of a breach of Department PHI is attributable to Contractor or its agents, subcontractors or vendors, Contractor is responsible for all required reporting of the breach as specified in 42 U.S.C. section 17932 and its implementing regulations, including notification to media outlets and to the Secretary (after obtaining prior written approval of DHCS). If a breach of unsecured Department PHI involves more than 500 residents of the State of California or under its jurisdiction, Contractor shall first notify DHCS, then the Secretary of the breach immediately upon discovery of the breach. If a breach involves more than 500 California residents, Contractor shall also provide, after obtaining written prior approval of DHCS, notice to the Attorney General for the State of California, Privacy Enforcement Section. If Contractor has reason to

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believe that duplicate reporting of the same breach or incident may occur because its subcontractors, agents, or vendors may report the breach or incident to the Department in addition to Contractor, Contractor shall notify the Department, and the Department and Contractor may take appropriate action to prevent duplicate reporting.

- e. **Responsibility for Notification of Affected Individuals.** If the cause of a breach of Department PHI is attributable to Contractor or its agents, subcontractors or vendors and notification of the affected individuals is required under state or Federal law, Contractor shall bear all costs of such notifications as well as any costs associated with the breach. In addition, the Department reserves the right to require Contractor to notify such affected individuals, which notifications shall comply with the requirements set forth in 42U.S.C. section 17932 and its implementing regulations, including, but not limited to, the requirement that the notifications be made without unreasonable delay and in no event later than 60 calendar days after discovery of the breach. The Department Privacy Officer shall approve the time, manner and content of any such notifications and their review and approval must be obtained before the notifications are made. The Department will provide its review and approval expeditiously and without unreasonable delay.
  
- f. **Department Contact Information.** To direct communications to the above referenced Department staff, the Contractor shall initiate contact as indicated herein. The Department reserves the right to make changes to the contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Addendum or the Agreement to which it is incorporated.

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<b>Department Program Contract Manager</b>	<b>DHCS Privacy Officer</b>	<b>DHCS Information Security Officer</b>
See the Exhibit A, Scope of Work for Program Contract Manager information	Information Protection Unit c/o: Office of HIPAA Compliance Department of Health Care Services P.O. Box 997413, MS 4722 Sacramento, CA 95899-7413 (916) 445-4646; (866) 866-0602  Email: <a href="mailto:privacyofficer@dhcs.ca.gov">privacyofficer@dhcs.ca.gov</a>  Fax: (916) 440-7680	Information Security Officer DHCS Information Security Office P.O. Box 997413, MS 6400 Sacramento, CA 95899-7413  Email: <a href="mailto:iso@dhcs.ca.gov">iso@dhcs.ca.gov</a>  Telephone: ITSD Service Desk (916) 440-7000; (800) 579-0874  Fax: (916) 440-5537

- 14) **Termination of Agreement.** In accordance with Section 13404(b) of the HITECH Act and to the extent required by the HIPAA regulations, if Contractor knows of a material breach or violation by the Department of this Exhibit F-1, it shall take the following steps:
- a. Provide an opportunity for the Department to cure the breach or end the violation and terminate the Agreement if the Department does not cure the breach or end the violation within the time specified by Contractor or
  - b. Immediately terminate the Agreement if the Department has breached a material term of the Exhibit F-1 and cure is not possible.
- 15) **Sanctions and/or Penalties.** Contractor understands that a failure to comply with the provisions of HIPAA, the HITECH Act and the HIPAA regulations that are applicable to Contractors may result in the imposition of sanctions and/or penalties on Contractor under HIPAA, the HITECH Act and the HIPAA regulations.

**E. Obligations of the Department.**

The Department agrees to:



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- 1) **Permission by Individuals for Use and Disclosure of PHI.** Provide the Contractor with any changes in, or revocation of, permission by an Individual to use or disclose Department PHI, if such changes affect the Contractor's permitted or required uses and disclosures.
- 2) **Notification of Restrictions.** Notify the Contractor of any restriction to the use or disclosure of Department PHI that the Department has agreed to in accordance with 45 CFR Section 164.522, to the extent that such restriction may affect the Contractor's use or disclosure of PHI.
- 3) **Requests Conflicting with HIPAA Rules.** Not request the Contractor to use or disclose Department PHI in any manner that would not be permissible under the HIPAA regulations if done by the Department.
- 4) **Notice of Privacy Practices.** Provide Contractor with the web link to the Notice of Privacy Practices that DHCS produces in accordance with 45 CFR Section 164.520, as well as any changes to such notice. Visit the DHCS website to view the most current Notice of Privacy Practices at: <http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/NoticeofPrivacyPractices.aspx> or the DHCS website at [www.dhcs.ca.gov](http://www.dhcs.ca.gov) (select "Privacy in the right column and "Notice of Privacy Practices" on the right side of the page).

**F. Audits, Inspection and Enforcement.**

If Contractor is the subject of an audit, compliance review, or complaint investigation by the Secretary or the Office for Civil Rights, U.S. Department of Health and Human Services, that is related to the performance of its obligations pursuant to this HIPAA Business Associate Exhibit F-1, Contractor shall immediately notify the Department. Upon request from the Department, Contractor shall provide the Department with a copy of any Department PHI that Contractor, as the Business Associate, provides to the Secretary or the Office of Civil Rights concurrently with providing such PHI to the Secretary. Contractor is responsible for any civil penalties assessed due to an audit or investigation of Contractor, in accordance with 42 U.S.C. Section 17934(c).

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**G. Termination.**

- 1) **Term.** The Term of this Exhibit F-1 shall extend beyond the termination of the Agreement and shall terminate when all Department PHI is destroyed or returned to the Department, in accordance with 45 CFR Section 164.504(e)(2)(ii)(J).
  
- 2) **Termination for Cause.** In accordance with 45 CFR Section 164.504(e)(1)(iii), upon the Department's knowledge of a material breach or violation of this Exhibit F-1 by Contractor, the Department shall:
  - a. Provide an opportunity for Contractor to cure the breach or end the violation and terminate this Agreement if Contractor does not cure the breach or end the violation within the time specified by the Department or
  
  - b. Immediately terminate this Agreement if Contractor has breached a material term of this Exhibit F-1 and cure is not possible.

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**F-2**  
**Privacy and Security of Personal Information and Personally Identifiable  
Information Not Subject to HIPAA**

**1. Recitals.**

- A. In addition to the Privacy and Security Rules under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) the Department is subject to various other legal and contractual requirements with respect to the personal information (PI) and personally identifiable information (PII) it maintains. These include:
  - 1) The California Information Practices Act of 1977 (California Civil Code §§1798 et seq.).
  - 2) Title 42 CFR, Chapter I, Subchapter A, Part 2.
- B. The purpose of this Exhibit F-2 is to set forth Contractor's privacy and security obligations with respect to PI and PII that Contractor may create, receive, maintain, use, or disclose for, or on behalf of Department, pursuant to this Agreement. Specifically this Exhibit applies to PI and PII which is not Protected Health Information (PHI) as defined by HIPAA and therefore is not addressed in Exhibit F-1 of this Agreement, the HIPAA Business Associate Addendum; however, to the extent that data is both PHI or ePHI and PII, both Exhibit F-1 and this Exhibit F-2 shall apply.
- C. The terms used in this Exhibit F-2, but not otherwise defined, shall have the same meanings as those terms have in the above referenced statute and Agreement. Any reference to statutory, regulatory, or contractual language shall be to such language as in effect or as amended.

**2. Definitions.**

- A. Breach shall have the meaning given to such term under HIPAA, the HITECH Act, the HIPAA regulations, and the Final Omnibus Rule.
- B. Business Associate shall have the meaning given to such term under HIPAA, the HITECH Act, the HIPAA regulations, and the final Omnibus Rule.
- C. Electronic Health Record shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C Section 17921 and implementing regulations.
- D. Electronic Protected Health Information (ePHI) means individually identifiable health information transmitted by electronic media or

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maintained in electronic media, including but not limited to electronic media as set forth under 45 CFR section 160.103.

- E. Individually Identifiable Health Information means health information, including demographic information collected from an individual, that is created or received by a health care provider, health plan, employer or health care clearinghouse, and relates to the past, present or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual, that identifies the individual or where there is a reasonable basis to believe the information can be used to identify the individual, as set forth under 45 CFR section 160.103.
- F. Privacy Rule shall mean the HIPAA Regulation that is found at 45 CFR Parts 160 and 164.
- G. Personal Information (PI) shall have the meaning given to such term in California Civil Code section 1798.29.
- H. Protected Health Information (PHI) means individually identifiable health information that is transmitted by electronic media, maintained in electronic media, or is transmitted or maintained in any other form or medium, as set forth under 45 CFR section 160.103.
- I. Required by law means a mandate contained in law that compels an entity to make a use or disclosure of PHI that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information, and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.
- J. Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI or PI, or confidential data that is essential to the ongoing operation of the Business Associate's organization and intended for internal use; or interference with system operations in an information system.
- K. Security Rule shall mean the HIPAA regulation that is found at 45 CFR Parts 160 and 164.

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**Privacy and Information Security Provisions**

**3. Terms of Agreement.**

**A. Permitted Uses and Disclosures of Department PI and PII by Contractor**

Except as otherwise indicated in this Exhibit F-2, Contractor may use or disclose Department PI only to perform functions, activities or services for or on behalf of the Department pursuant to the terms of this Agreement provided that such use or disclosure would not violate the California Information Practices Act (CIPA) if done by the Department.

**B. Responsibilities of Contractor**

Contractor agrees:

- 1) Nondisclosure.** Not to use or disclose Department PI or PII other than as permitted or required by this Agreement or as required by applicable state and Federal law.
- 2) Safeguards.** To implement appropriate and reasonable administrative, technical, and physical safeguards to protect the security, confidentiality and integrity of Department PI and PII, to protect against anticipated threats or hazards to the security or integrity of Department PI and PII, and to prevent use or disclosure of Department PI or PII other than as provided for by this Agreement. Contractor shall develop and maintain a written information privacy and security program that include administrative, technical and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities, which incorporate the requirements of section 3, Security, below. Contractor will provide DHCS with its current policies upon request.
- 3) Security.** Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:
  - a. Complying with all of the data system security precautions listed in Attachment A, Business Associate Data Security Requirements;
  - b. Providing a level and scope of security that is at least comparable to the level and scope of security established by

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the Office of Management and Budget in OMB Circular No. A-130, Appendix III- Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies.

- 4) **Mitigation of Harmful Effects.** To mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of Department PI or PII by Contractor or its subcontractors in violation of this Exhibit F-2.
- 5) **Contractor's Agents and Subcontractors.** To impose the same restrictions and conditions set forth in this Exhibit F-2 on any subcontractors or other agents with whom Contractor subcontracts any activities under this Agreement that involve the disclosure of Department PI or PII to the subcontractor.
- 6) **Availability of Information to DHCS.** To make Department PI and PII available to the Department for purposes of oversight, inspection, amendment, and response to requests for records, injunctions, judgments, and orders for production of Department PI and PII. If Contractor receives Department PII, upon request by DHCS, Contractor shall provide DHCS with a list of all employees, contractors and agents who have access to Department PII, including employees, contractors and agents of its subcontractors and agents.
- 7) **Cooperation with DHCS.** With respect to Department PI, to cooperate with and assist the Department to the extent necessary to ensure the Department's compliance with the applicable terms of the CIPA including, but not limited to, accounting of disclosures of Department PI, correction of errors in Department PI, production of Department PI, disclosure of a security breach involving Department PI and notice of such breach to the affected individual(s).
- 8) **Confidentiality of Alcohol and Drug Abuse Patient Records.** Contractor agrees to comply with all confidentiality requirements set forth in Title 42 Code of Federal Regulations, Chapter I, Subchapter A, Part 2. Contractor is aware that criminal penalties may be imposed for a violation of these confidentiality requirements.
- 9) **Breaches and Security Incidents.** During the term of this Agreement, Contractor agrees to implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and to take the following steps:

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- a. Initial Notice to the Department. (1) To notify the Department **immediately by telephone call or email or fax** upon the discovery of a breach of unsecured Department PI or PII in electronic media or in any other media if the PI or PII was, or is reasonably believed to have been, accessed or acquired by an unauthorized person, or upon discovery of a suspected security incident involving Department PII. (2) To notify the Department **within 24 hours by email or fax** of the discovery of any suspected security incident, intrusion or unauthorized access, use or disclosure of Department PI or PII in violation of this Agreement or this Exhibit F-1 or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by Contractor as of the first day on which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach) who is an employee, officer or other agent of Contractor.
- b. Notice shall be provided to the Information Protection Unit, Office of HIPAA Compliance. If the incident occurs after business hours or on a weekend or holiday and involves electronic Department PI or PII, notice shall be provided by calling the Department Information Security Officer. Notice shall be made using the DHCS “Privacy Incident Report” form, including all information known at the time. Contractor shall use the most current version of this form, which is posted on the DHCS Information Security Officer website ([www.dhcs.ca.gov](http://www.dhcs.ca.gov), then select “Privacy” in the left column and then “Business Partner” near the middle of the page) or use this link:  
<http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/DHCSBusinessAssociatesOnly.aspx> .
- c. Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of Department PI or PII, Contractor shall take:
  - i. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and

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- ii. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
  
- d. **Investigation and Investigation Report.** To immediately investigate such suspected security incident, security incident, breach, or unauthorized access, use or disclosure of PHI. Within 72 hours of the discovery, Contractor shall submit an updated "Privacy Incident Report" containing the information marked with an asterisk and all other applicable information listed on the form, to the extent known at that time, to the Department Information Security Officer.
  
- e. **Complete Report.** To provide a complete report of the investigation to the Department Program Contract Manager and the Information Protection Unit within ten working days of the discovery of the breach or unauthorized use or disclosure. The report shall be submitted on the "Privacy Incident Report" form and shall include an assessment of all known factors relevant to a determination of whether a breach occurred. The report shall also include a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If the Department requests information in addition to that listed on the "Privacy Incident Report" form, Contractor shall make reasonable efforts to provide the Department with such information. If, because of the circumstances of the incident, Contractor needs more than ten working days from the discovery to submit a complete report, the Department may grant a reasonable extension of time, in which case Contractor shall submit periodic updates until the complete report is submitted. If necessary, a Supplemental Report may be used to submit revised or additional information after the completed report is submitted, by submitting the revised or additional information on an updated "Privacy Incident Report" form. The Department will review and approve the determination of whether a breach occurred and whether individual notifications and a corrective action plan are required.
  
- f. **Responsibility for Reporting of Breaches.** If the cause of a breach of Department PI or PII is attributable to Contractor or its agents, subcontractors or vendors, Contractor is



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responsible for all required reporting of the breach as specified in CIPA, section 1798.29. Contractor shall bear all costs of required notifications to individuals as well as any costs associated with the breach. The Privacy Officer shall approve the time, manner and content of any such notifications and their review and approval must be obtained before the notifications are made. The Department will provide its review and approval expeditiously and without unreasonable delay.

- g.** If Contractor has reason to believe that duplicate reporting of the same breach or incident may occur because its subcontractors, agents or vendors may report the breach or incident to the Department in addition to Contractor, Contractor shall notify the Department, and the Department and Contractor may take appropriate action to prevent duplicate reporting.
  
- h. Department Contact Information.** To direct communications to the above referenced Department staff, the Contractor shall initiate contact as indicated herein. The Department reserves the right to make changes to the contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Addendum or the Agreement to which it is incorporated.

<b>Department Program Contract Manager</b>	<b>DHCS Privacy Officer</b>	<b>DHCS Information Security Officer</b>
See the Exhibit A, Scope of Work for Program Contract Manager information	Information Protection Unit c/o: Office of HIPAA Compliance Department of Health Care Services P.O. Box 997413, MS 4722 Sacramento, CA 95899-7413 (916) 445-4646 Email: <a href="mailto:privacyofficer@dhcs.ca.gov">privacyofficer@dhcs.ca.gov</a> Telephone:(916) 445-4646 Fax: (916) 440-7680	Information Security Officer DHCS Information Security Office P.O. Box 997413, MS 6400 Sacramento, CA 95899-7413 Email: <a href="mailto:iso@dhcs.ca.gov">iso@dhcs.ca.gov</a> Telephone: ITSD Service Desk (916) 440-7000 or (800) 579-0874 Fax: (916) 440-5537

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**10) Designation of Individual Responsible for Security.**

Contractor shall designate an individual, (e.g., Security Officer), to oversee its data security program who shall be responsible for carrying out the requirements of this Exhibit F-2 and for communicating on security matters with the Department.

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**F-3**  
**Miscellaneous Terms and Conditions**  
**Applicable to Exhibit F**

- 1) **Confidentiality of Alcohol and Drug Abuse Patient Records.** Contractor agrees to comply with all confidentiality requirements set forth in Title 42 Code of Federal Regulations, Chapter I, Subchapter A, Part 2. Contractor is aware that criminal penalties may be imposed for a violation of these confidentiality requirements.
- 2) **Disclaimer.** The Department makes no warranty or representation that compliance by Contractor with this Exhibit F, HIPAA or the HIPAA regulations will be adequate or satisfactory for Contractor's own purposes or that any information in Contractor's possession or control, or transmitted or received by Contractor, is or will be secure from unauthorized use or disclosure. Contractor is solely responsible for all decisions made by Contractor regarding the safeguarding of the Department PHI, PI and PII.
- 3) **Amendment.** The parties acknowledge that federal and state laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Exhibit F may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, and the HIPAA regulations, and other applicable state and Federal laws. Upon either party's request, the other party agrees to promptly enter into negotiations concerning an amendment to this Exhibit F embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, and the HIPAA regulations, and other applicable state and Federal laws. The Department may terminate this Agreement upon thirty (30) days written notice in the event:
  - A) Contractor does not promptly enter into negotiations to amend this Exhibit F when requested by the Department pursuant to this section; or
  - B) Contractor does not enter into an amendment providing assurances regarding the safeguarding of Department PHI that the Department deems is necessary to satisfy the standards and requirements of HIPAA and the HIPAA regulations.
- 4) **Judicial or Administrative Proceedings.** Contractor will notify the Department if it is named as a defendant in a criminal proceeding for a violation of HIPAA or other security or privacy law. The Department may terminate this Agreement if Contractor is found guilty of a criminal violation of HIPAA. The Department may terminate this Agreement if a finding or stipulation that the Contractor has violated any standard or requirement of

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HIPAA, or other security or privacy laws is made in any administrative or civil proceeding in which the Contractor is a party or has been joined. DHCS will consider the nature and seriousness of the violation in deciding whether or not to terminate the Agreement.

- 5) **Assistance in Litigation or Administrative Proceedings.** Contractor shall make itself and any subcontractors, employees, or agents assisting Contractor in the performance of its obligations under this Agreement, available to the Department at no cost to the Department to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against the Department, its directors, officers or employees based upon claimed violation of HIPAA, or the HIPAA regulations, which involves inactions or actions by the Contractor, except where Contractor or its subcontractor, employee or agent is a named adverse party.
- 6) **No Third-Party Beneficiaries.** Nothing expressed or implied in the terms and conditions of this Exhibit F is intended to confer, nor shall anything herein confer, upon any person other than the Department or Contractor and their respective successors or assignees, any rights, remedies, obligations or liabilities whatsoever.
- 7) **Interpretation.** The terms and conditions in this Exhibit F shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, and the HIPAA regulations. The parties agree that any ambiguity in the terms and conditions of this Exhibit F shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act and the HIPAA regulations, and, if applicable, any other relevant state and Federal laws.
- 8) **Conflict.** In case of a conflict between any applicable privacy or security rules, laws, regulations or standards the most stringent shall apply. The most stringent means that safeguard which provides the highest level of protection to PHI, PI and PII from unauthorized disclosure. Further, Contractor must comply within a reasonable period of time with changes to these standards that occur after the effective date of this Agreement.
- 9) **Regulatory References.** A reference in the terms and conditions of this Exhibit F to a section in the HIPAA regulations means the section as in effect or as amended.
- 10) **Survival.** The respective rights and obligations of Contractor under Section 3, Item D of Exhibit F-1, and Section 3, Item B of Exhibit F-2, Responsibilities of Contractor, shall survive the termination or expiration of this Agreement.

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- 11) **No Waiver of Obligations.** No change, waiver, or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.
- 12) **Audits, Inspection and Enforcement.** From time to time, and subject to all applicable Federal and state privacy and security laws and regulations, the Department may conduct a reasonable inspection of the facilities, systems, books and records of Contractor to monitor compliance with this Exhibit F. Contractor shall promptly remedy any violation of any provision of this Exhibit F. The fact that the Department inspects, or fails to inspect, or has the right to inspect, Contractor's facilities, systems and procedures does not relieve Contractor of its responsibility to comply with this Exhibit F. The Department's failure to detect a non-compliant practice, or a failure to report a detected non-compliant practice to Contractor does not constitute acceptance of such practice or a waiver of the Department's enforcement rights under this Agreement, including this Exhibit F.
- 13) **Due Diligence.** Contractor shall exercise due diligence and shall take reasonable steps to ensure that it remains in compliance with this Exhibit F and is in compliance with applicable provisions of HIPAA, the HITECH Act and the HIPAA regulations, and other applicable state and Federal law, and that its agents, subcontractors and vendors are in compliance with their obligations as required by this Exhibit F.
- 14) **Term.** The Term of this Exhibit F-1 shall extend beyond the termination of the Agreement and shall terminate when all Department PHI is destroyed or returned to the Department, in accordance with 45 CFR Section 164.504(e)(2)(ii)(I), and when all Department PI and PII is destroyed in accordance with Attachment A.
- 15) **Effect of Termination.** Upon termination or expiration of this Agreement for any reason, Contractor shall return or destroy all Department PHI, PI and PII that Contractor still maintains in any form, and shall retain no copies of such PHI, PI or PII. If return or destruction is not feasible, Contractor shall notify the Department of the conditions that make the return or destruction infeasible, and the Department and Contractor shall determine the terms and conditions under which Contractor may retain the PHI, PI or PII. Contractor shall continue to extend the protections of this Exhibit F to such Department PHI, PI and PII, and shall limit further use of such data to those purposes that make the return or destruction of such data infeasible. This provision shall apply to Department PHI, PI and PII that is in the possession of subcontractors or agents of Contractor.

**Exhibit F A1**  
**Privacy and Information Security Provisions**

**Attachment I**  
**Business Associate Data Security Requirements**

**I. Personnel Controls.**

- A. *Employee Training.*** All workforce members who assist in the performance of functions or activities on behalf of DHCS, or access or disclose DHCS PHI or PI must complete information privacy and security training, at least annually, at Business Associate's expense. Each workforce member who receives information privacy and security training must sign a certification, indicating the member's name and the date on which the training was completed. These certifications must be retained for a period of six (6) years following contract termination.
- B. *Employee Discipline.*** Appropriate sanctions must be applied against workforce members who fail to comply with privacy policies and procedures or any provisions of these requirements, including termination of employment where appropriate.
- C. *Confidentiality Statement.*** All persons that will be working with DHCS PHI or PI must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the workforce member prior to access to DHCS PHI or PI. The statement must be renewed annually. The Contractor shall retain each person's written confidentiality statement for DHCS inspection for a period of six (6) years following contract termination.
- D. *Background Check.*** Before a member of the workforce may access DHCS PHI or PI, a thorough background check of that worker must be conducted, with evaluation of the results to assure that there is no indication that the worker may present a risk to the security or integrity of confidential data or a risk for theft or misuse of confidential data. The Contractor shall retain each workforce member's background check documentation for a period of three (3) years following contract termination.

**II. Technical Security Controls.**

- A. *Workstation/Laptop encryption.*** All workstations and laptops that process and/or store DHCS PHI or PI must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as Advanced

**Exhibit F A1**  
**Privacy and Information Security Provisions**

Encryption Standard (AES). The encryption solution must be full disk unless approved by the DHCS Information Security Office.

- B. *Server Security.*** Servers containing unencrypted DHCS PHI or PI must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.
- C. *Minimum Necessary.*** Only the minimum necessary amount of DHCS PHI or PI required to perform necessary business functions may be copied, downloaded, or exported.
- D. *Removable media devices.*** All electronic files that contain DHCS PHI or PI data must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, smartphones, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES.
- E. *Antivirus software.*** All workstations, laptops and other systems that process and/or store DHCS PHI or PI must install and actively use comprehensive anti-virus software solution with automatic updates scheduled at least daily.
- F. *Patch Management.*** All workstations, laptops and other systems that process and/or store DHCS PHI or PI must have critical security patches applied, with system reboot if necessary. There must be a documented patch management process which determines installation timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable patches must be installed within 30 days of vendor release.
- G. *User IDs and Password Controls.*** All users must be issued a unique user name for accessing DHCS PHI or PI. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password, at maximum within 24 hours. Passwords are not to be shared. Passwords must be at least eight characters and must be a non-dictionary word. Passwords must not be stored in readable format on the computer. Passwords must be changed every 90 days, preferably every 60 days. Passwords must be changed if revealed or compromised. Passwords must be composed of characters from at least three of the following four groups from the standard keyboard:
- Upper case letters (A-Z)
  - Lower case letters (a-z)

**Exhibit F A1**  
**Privacy and Information Security Provisions**

- Arabic numerals (0-9)
  - Non-alphanumeric characters (punctuation symbols)
- H. *Data Destruction.*** When no longer needed, all DHCS PHI or PI must be cleared, purged, or destroyed consistent with NIST Special Publication 800-88, Guidelines for Media Sanitization such that the PHI or PI cannot be retrieved.
- I. *System Timeout.*** The system providing access to DHCS PHI or PI must provide an automatic timeout, requiring re-authentication of the user session after no more than 20 minutes of inactivity.
- J. *Warning Banners.*** All systems providing access to DHCS PHI or PI must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only by authorized users. User must be directed to log off the system if they do not agree with these requirements.
- K. *System Logging.*** The system must maintain an automated audit trail which can identify the user or system process which initiates a request for DHCS PHI or PI, or which alters DHCS PHI or PI. The audit trail must be date and time stamped, must log both successful and failed accesses, must be read only, and must be restricted to authorized users. If DHCS PHI or PI is stored in a database, database logging functionality must be enabled. Audit trail data must be archived for at least 3 years after occurrence.
- L. *Access Controls.*** The system providing access to DHCS PHI or PI must use role based access controls for all user authentications, enforcing the principle of least privilege.
- M. *Transmission encryption.*** All data transmissions of DHCS PHI or PI outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files containing PHI can be encrypted. This requirement pertains to any type of PHI or PI in motion such as website access, file transfer, and E-Mail.
- N. *Intrusion Detection.*** All systems involved in accessing, holding, transporting, and protecting DHCS PHI or PI that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.



**Exhibit F A1**  
**Privacy and Information Security Provisions**

**III. Audit Controls.**

- A. *System Security Review.*** All systems processing and/or storing DHCS PHI or PI must have at least an annual system risk assessment/security review which provides assurance that administrative, physical, and technical controls are functioning effectively and providing adequate levels of protection. Reviews should include vulnerability scanning tools.
- B. *Log Reviews.*** All systems processing and/or storing DHCS PHI or PI must have a routine procedure in place to review system logs for unauthorized access.
- C. *Change Control.*** All systems processing and/or storing DHCS PHI or PI must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

**IV. Business Continuity / Disaster Recovery Controls**

- A. *Emergency Mode Operation Plan.*** Contractor must establish a documented plan to enable continuation of critical business processes and protection of the security of electronic DHCS PHI or PI in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than 24 hours.
- B. *Data Backup Plan.*** Contractor must have established documented procedures to backup DHCS PHI to maintain retrievable exact copies of DHCS PHI or PI. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and an estimate of the amount of time needed to restore DHCS PHI or PI should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of DHCS data.

**V. Paper Document Controls.**

- A. *Supervision of Data.*** DHCS PHI or PI in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. DHCS PHI or PI in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.

**Exhibit F A1**  
**Privacy and Information Security Provisions**

- B. *Escorting Visitors.*** Visitors to areas where DHCS PHI or PI is contained shall be escorted and DHCS PHI or PI shall be kept out of sight while visitors are in the area.
- C. *Confidential Destruction.*** DHCS PHI or PI must be disposed of through confidential means, such as cross cut shredding and pulverizing.
- D. *Removal of Data.*** DHCS PHI or PI must not be removed from the premises of the Contractor except with express written permission of DHCS.
- E. *Faxing.*** Faxes containing DHCS PHI or PI shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending the fax.
- F. *Mailing.*** Mailings of DHCS PHI or PI shall be sealed and secured from damage or inappropriate viewing of PHI or PI to the extent possible. Mailings which include 500 or more individually identifiable records of DHCS PHI or PI in a single package shall be sent using a tracked mailing method which includes verification of delivery and receipt, unless the prior written permission of DHCS to use another method is obtained.

## CALIFORNIA CIVIL RIGHTS LAWS CERTIFICATION

Pursuant to Public Contract Code section 2010, if a bidder or proposer executes or renews a contract over \$100,000 on or after January 1, 2017, the bidder or proposer hereby certifies compliance with the following:

1. **CALIFORNIA CIVIL RIGHTS LAWS**: For contracts over \$100,000 executed or renewed after January 1, 2017, the contractor certifies compliance with the Unruh Civil Rights Act (Section 51 of the Civil Code) and the Fair Employment and Housing Act (Section 12960 of the Government Code); and
  
2. **EMPLOYER DISCRIMINATORY POLICIES**: For contracts over \$100,000 executed or renewed after January 1, 2017, if a Contractor has an internal policy against a sovereign nation or peoples recognized by the United States government, the Contractor certifies that such policies are not used in violation of the Unruh Civil Rights Act (Section 51 of the Civil Code) or the Fair Employment and Housing Act (Section 12960 of the Government Code).

### CERTIFICATION

I, the official named below, certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.  <i>Proposer/Bidder Firm Name (Printed)</i>  County of Mono	<i>Federal ID Number</i>  95-6005661
<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i> Robin K. Roberts, MFT, Director, Mono County Behavioral Health	
<i>Date Executed</i>	<i>Executed in the County and State of</i>  Mono, California

**CCC 04/2017**

**CERTIFICATION**

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i> <i>County of Mono</i>		<i>Federal ID Number</i> <i>95-6005661</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i> <i>Robin K. Roberts, MFT, Director, Mono County Behavioral Health</i>		
<i>Date Executed</i>	<i>Executed in the County of</i> <i>Mono</i>	

**CONTRACTOR CERTIFICATION CLAUSES**

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
  - 1) the dangers of drug abuse in the workplace;
  - 2) the person's or organization's policy of maintaining a drug-free workplace;
  - 3) any available counseling, rehabilitation and employee assistance programs; and,
  - 4) penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement will:
  - 1) receive a copy of the company's drug-free workplace policy statement; and,
  - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the

certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that Contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at [www.dir.ca.gov](http://www.dir.ca.gov), and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations,

or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

8. GENDER IDENTITY: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

## **DOING BUSINESS WITH THE STATE OF CALIFORNIA**

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** January 8, 2019

**Departments: Finance**

**TIME REQUIRED**

**SUBJECT** Resolution Delegating Investment Authority to the County Treasurer

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Resolution Delegating Investment Authority to the County Treasurer.

**RECOMMENDED ACTION:**

Adopt Resolution R18-\_\_\_, Delegating Investment Authority to the County Treasurer.

**FISCAL IMPACT:**

None.

**CONTACT NAME:** Gerald Frank

**PHONE/EMAIL:** 7609325483 / gfrank@mono.ca.gov

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download
<input type="checkbox"/> <a href="#">Staff Report</a>
<input type="checkbox"/> <a href="#">Resolution Delegating Investment Authority to the County Treasurer</a>
<input type="checkbox"/> <a href="#">Ordinance 18-08</a>

**History**

Time	Who	Approval
1/2/2019 3:46 PM	County Administrative Office	Yes
12/26/2018 11:54 AM	County Counsel	Yes



12/20/2018 11:15 AM

Finance

Yes



# DEPARTMENT OF FINANCE

## COUNTY OF MONO

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Gerald A. Frank  
Assistant Finance Director  
Treasurer-Tax Collector

Janet Dutcher, CPA, CGFM  
Finance Director

Stephanie Butters  
Assistant Finance Director  
Auditor-Controller

P.O. Box 495  
Bridgeport, California 93517  
(760) 932-5480  
Fax (760) 932-5481

P.O. Box 556  
Bridgeport, California 93517  
(760) 932-5490  
Fax (760) 932-5491

**Date:** January 8, 2019

**To:** Honorable Board of Supervisors

**From:** Finance: Janet Dutcher, Gerald Frank

**Subject:**

Resolution Delegating Investment Authority to the County Treasurer

**Action Requested:**

1. Adopt resolution delegating investment authority to the County Treasurer.

**Discussion:**

This resolution renews the delegation of authority to the County Treasurer established in Ordinance 18-08.

Pursuant to Government Code §53607, "The authority of the legislative body to invest or to reinvest funds of a local agency, or to sell or exchange securities so purchased, may be delegated for a one-year period by the legislative body to the treasurer of the local agency, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires, and shall make a monthly report of those transactions to the legislative body. Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year."

Pursuant to Government Code §27000.1, "Subject to Section 53607, the board of supervisors may, by ordinance, delegate to the county treasurer the authority to invest or reinvest the funds of the county and the funds of other depositors in the county treasury, pursuant to Chapter 4 (commencing with Section 53600) of Part 1 of Division 2 of Title 5. The county treasurer shall thereafter assume full responsibility for those transactions until the board of supervisors either revokes its delegation of authority, by ordinance, or decides not to renew the annual delegation, as provided in Section 53607. Nothing in this section shall limit the county treasurer's authority pursuant to Section 53635 or 53684.

Pursuant to Government Code §26980, Mono County has created the office of Director of Finance, which is consolidated with the office of County Treasurer (see Mono County Code Chapter 2.14). Accordingly, such delegation would in effect be to the Director of Finance, as County Treasurer.

**Fiscal Impact:**

None



RESOLUTION NO. R19-\_\_

**A RESOLUTION OF THE MONO COUNTY BOARD OF SUPERVISORS  
DELEGATING INVESTMENT AUTHORITY TO THE COUNTY TREASURER**

**WHEREAS**, Government Code §§ 53607 and 27000.1 authorize the Board of Supervisors to delegate to the County Treasurer the authority to invest or reinvest the funds of the County and the funds of other depositors in the county treasury (hereinafter “investment powers”), and provide that this delegation be carried out by ordinance and subject to annual renewal by the Board; and

**WHEREAS**, pursuant to Government Code § 26980, Mono County has created the office of Director of Finance, which office is consolidated with the office of County Treasurer (see Mono County Code 2.14) and accordingly, delegation of investment powers to the County Treasurer is a delegation of those powers to the Director of Finance, as County Treasurer; and

**WHEREAS**, pursuant to Government Code § 24100 et seq., any deputy of the Finance Director has all the power and duties of the Finance Director and any deputized Assistant Finance Director would have investment powers if such powers were delegated by the Finance Director; and

**WHEREAS**, pursuant to 79 Ops. Cal. Atty. Gen. 88, once delegated, such authority includes the ability of the County Treasurer to contract with an investment manager further delegating discretionary authority to invest funds on deposit with the Treasurer; and

**WHEREAS**, on June 5, 2018, the Mono County Board of Supervisors adopted Ordinance No. ORD18-08, delegating investment authority to the County Treasurer and authorizing the annual renewals of the delegation of investment authority to the County Treasurer to be accomplished by resolution; and

**WHEREAS**, the Board now desires to renew its delegation of investment authority to the County Treasurer pursuant to Government Code §§ 53607 and 27000.1 for the entirety of 2019.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** by the Mono County Board of Supervisors as follows:

1. Pursuant to Government Code §§ 53607 and 27000.1, the authority to invest or reinvest funds of the County and the funds of other depositors in the county treasury, is hereby delegated to the County Treasurer, who is the County Finance Director, for the entirety of 2019.





ORDINANCE NO. ORD18- 08

**AN ORDINANCE OF THE MONO COUNTY BOARD OF SUPERVISORS DELEGATING  
INVESTMENT AUTHORITY TO THE COUNTY TREASURER AND  
AUTHORIZING ANNUAL RENEWALS OF SUCH DELEGATION  
IN SUBSEQUENT YEARS BY RESOLUTION**

**WHEREAS**, Government Code sections 53607 and 27000.1 authorize the Board of Supervisors to delegate to the County Treasurer the authority to invest or reinvest the funds of the County and the funds of other depositors in the County treasury (hereinafter "investment powers"), and provide that this delegation be carried out by ordinance and subject to annual renewal by the Board; and

**WHEREAS**, pursuant to Government Code section 26980, Mono County has created the office of Director of Finance, which office is consolidated with the office of County Treasurer (see Mono County Code Chapter 2.14); and

**WHEREAS**, accordingly, delegation of investment powers to the County Treasurer is a delegation of those powers to the Director of Finance, as County Treasurer; and

**WHEREAS**, further, pursuant to Government Code section 24100 et seq., any deputy of the Finance Director has all of the power and duties of the Finance Director; and

**WHEREAS**, accordingly any deputized Assistant Finance Director would have investment powers if such powers were delegated to the Finance Director; and

**WHEREAS**, once delegated, such authority includes the ability of the County Treasurer to contract with an investment manager further delegating discretionary authority to invest funds on deposit with the Treasurer pursuant to 79 Ops. Cal. Atty. Gen. 88; and

**WHEREAS**, on February 14, 2017, the Board passed ordinance 17-03, delegating investment authority to the County Treasurer; and

**WHEREAS**, the Board now desires to renew its delegation of investment authority to the County Treasurer under Government Code sections 53607 and 27000.1 for the entirety of 2018, and to further allow for annual renewals of such delegation in subsequent years by resolution.

**NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF MONO  
ORDAINS** as follows:

**SECTION ONE:** Pursuant to Government Code sections 53607 and 27000.1, the authority to invest or reinvest funds of the County and the funds of other depositors in the County treasury, is hereby delegated to the County Treasurer, who is the County Finance Director, for the entirety of 2018.

**SECTION TWO:** Annual renewals of the delegation of investment authority to the County Treasurer by the Mono County Board of Supervisors, made pursuant Government Code sections 53607 and 27000.1 and this Ordinance, may be accomplished by resolution.

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**SECTION THREE:** This ordinance shall become effective 30 days from the date of its adoption and final passage, which appears immediately below. The Clerk of the Board of Supervisors shall post this ordinance and also publish the ordinance in the manner prescribed by Government Code section 25124 no later than 15 days after the date of this ordinance's adoption and final passage. If the Clerk fails to so publish this ordinance within said 15-day period, then the ordinance shall not take effect until 30 days after the date of publication.

**PASSED, APPROVED and ADOPTED** this 5th day of June, 2018, by the following vote, to wit:

AYES: Supervisors Corless, Gardner, Peters, and Stump.  
NOES: None.  
ABSTAIN: None.  
ABSENT: None.

  
Bob Gardner, Chair  
Mono County Board of Supervisors

ATTEST:  
  
Clerk of the Board

APPROVED AS TO FORM:  
  
County Counsel

**BOARD OF SUPERVISORS  
COUNTY OF MONO  
P.O. BOX 715, BRIDGEPORT, CA 93517**

*Shannon Kendall*  
760-932-5533  
skendall@mono.ca.gov  
Clerk of the Board

**REGULAR MEETING of  
January 09, 2018**

*Helen Nunn*  
760-932-5534  
hnunn@mono.ca.gov  
Assistant Clerk of the Board

**MINUTE ORDER  
M18-17  
Agenda Item #7a**

**TO: Finance**

**SUBJECT: Investment Policy and Delegation of Investment  
Authority**

1. Approve the Mono County Statement of Investment Policy as presented or amended.
2. Introduce, read title, and waive further reading of proposed ordinance delegating investment authority to the County Treasurer.

**Corless moved; Stump seconded**

**Vote: 4 yes; 0 no; 1 absent: Johnston**

**M18-17**



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**ORDINANCE NO. ORD17-03**

**AN ORDINANCE OF THE MONO COUNTY  
BOARD OF SUPERVISORS  
DELEGATING INVESTMENT AUTHORITY  
TO THE COUNTY TREASURER**

**WHEREAS**, Government Code Sections 53607 and 27000.1 authorize the Board of Supervisors to delegate to the County Treasurer the authority to invest or reinvest the funds of the County and the funds of other depositors in the County treasury (hereinafter "investment powers"); and

**WHEREAS**, Pursuant to Government Code §26980, Mono County has created the office of Director of Finance, which office is consolidated with the office of County Treasurer (see Mono County Code Chapter 2.14); and

**WHEREAS**, accordingly, delegation of investment powers to the County Treasurer is a delegation of those powers to the Director of Finance, as County Treasurer; and

**WHEREAS**, further, pursuant to Government Code section 24100 et seq., any deputy of the Finance Director has all of the powers and duties of the Finance Director; and

**WHEREAS**, accordingly, any deputized Assistant Finance Director would have investment powers if such powers were delegated to the Finance Director; and

**WHEREAS**, once delegated, such authority includes the ability of the County Treasurer to contract with an investment manager further delegating discretionary authority to invest funds on deposit with the Treasurer pursuant to 79 Ops. Cal. Atty. Gen. 88;

**WHEREAS**, the Board of Supervisors desires to renew the delegation of authority to the County Treasurer under Government Code Sections 53607 and 27000.1.

**NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF MONO ORDAINS** that:

**SECTION ONE:** Pursuant to Government Code Sections 53607 and 27000.1, the authority to invest or reinvest funds of the County and the funds of other depositors in the County treasury, is hereby delegated to the County Treasurer, who is the County Finance Director.




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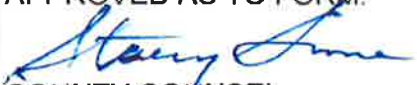
**SECTION TWO:** This ordinance shall become effective 30 days from the date of its adoption and final passage, which appears immediately below. The Clerk of the Board of Supervisors shall post this ordinance and also publish the ordinance in the manner prescribed by Government Code section 25124 no later than 15 days after the date of its adoption and final passage. If the Clerk fails to publish this ordinance within said 15 day-period, then the ordinance shall not take effect until 30 days after the date of publication.

PASSED AND ADOPTED this 14th day of February, 2017, by the following vote:

AYES : Supervisors Corless, Gardner, Johnston, Peters, and Stump  
NOES : None.  
ABSTAIN : None.  
ABSENT : None.

ATTEST:   
Clerk of the Board,  
Sr. Deputy

  
\_\_\_\_\_  
John Peters  
Board of Supervisors  
(for Chairwoman Corless)

APPROVED AS TO FORM:  
  
COUNTY COUNSEL



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** January 8, 2019

**Departments: Finance**

**TIME REQUIRED**

**SUBJECT** Monthly Treasury Transaction Report

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

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### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Treasury Transaction Report for the month ending 11/30/2018.

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### RECOMMENDED ACTION:

Approve the Treasury Transaction Report for the month ending 11/30/2018.

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### FISCAL IMPACT:

None

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**CONTACT NAME:** Gerald Frank

**PHONE/EMAIL:** 7609325483 / gfrank@mono.ca.gov

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### SEND COPIES TO:

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### MINUTE ORDER REQUESTED:

YES  NO

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### ATTACHMENTS:

Click to download

[Treasury Transaction Report for the month ending 10/31/2018](#)

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### History

Time	Who	Approval
1/2/2019 3:49 PM	County Administrative Office	Yes
12/21/2018 2:03 PM	County Counsel	Yes
12/20/2018 11:17 AM	Finance	Yes



## Mono County Transaction Summary by Action Investment Portfolio

Begin Date: 10/31/2018, End Date: 11/30/2018

Action	Settlement Date	CUSIP	Face Amount / Shares	Description	Purchase Price	Principal	Interest / Dividends	YTM @ Cost	Total
<b>Buy Transactions</b>									
Buy	11/2/2018	3130A8DB6	1,000,000.00	FHLB 1.125 6/21/2019	99.08	990,820.00	4,093.75	2.59	994,913.75
Buy	11/5/2018	3136G34X0	750,000.00	FNMA 1.15 9/13/2019	98.69	740,205.00	1,245.83	2.70	741,450.83
Buy	11/5/2018	9128283N8	1,000,000.00	T-Note 1.875 12/31/2019	99.00	990,000.18	6,521.74	2.76	996,521.92
Buy	11/5/2018	31926GAL4	246,000.00	First Bank of Greenwich 3 11/8/2020	100.00	246,000.00	0.00	3.00	246,000.00
Buy	11/8/2018	3133EJN62	1,000,000.00	FFCB 2.8 3/30/2020	99.88	998,770.00	622.22	2.89	999,392.22
Buy	11/8/2018	912828XY1	1,500,000.00	T-Note 2.5 6/30/2020	99.34	1,490,156.25	13,349.18	2.91	1,503,505.43
Buy	11/8/2018	61760ARS0	245,000.00	Morgan Stanley Private Bank 3.55 11/8/2023	100.00	245,000.00	0.00	3.55	245,000.00
Buy	11/9/2018	59452WAE8	249,000.00	Michigan Legacy Credit Union 3.45 11/9/2023	100.00	249,000.00	0.00	3.45	249,000.00
Buy	11/13/2018	68389XBB0	500,000.00	Oracle Corp 2.5 5/15/2022-15	96.70	483,495.00	6,180.56	3.51	489,675.56
Buy	11/13/2018	037833BF6	500,000.00	Apple Inc 2.7 5/13/2022-15	97.74	488,676.62	0.00	3.39	488,676.62
Buy	11/14/2018	88563LAG2	249,000.00	Three Rivers Federal Credit Union 2.8 11/14/2019	100.00	249,000.00	0.00	2.80	249,000.00
Buy	11/14/2018	06251AV31	245,000.00	Bank Hapoalim B.M. 3.5 11/14/2023	100.00	245,000.00	0.00	3.50	245,000.00
Buy	11/15/2018	20143PDV9	249,000.00	Commercial Bank Harrogate 3.4 11/15/2023	100.00	249,000.00	0.00	3.40	249,000.00
Buy	11/16/2018	33640VCF3	249,000.00	First Service Bank 3.3 5/16/2023	100.00	249,000.00	0.00	3.30	249,000.00
Buy	11/19/2018	06062R4E9	245,000.00	Bank of Baroda New York 3.3 9/28/2023	99.45	243,652.50	1,151.84	3.42	244,804.34
Buy	11/20/2018	50625LAK9	249,000.00	Lafayette Federal Credit Union 3.5 11/20/2023	100.00	249,000.00	0.00	3.50	249,000.00
Buy	11/28/2018	84485EAE7	249,000.00	Southwest Financial Federal CU 3.15 2/26/2021	100.00	249,000.00	0.00	3.15	249,000.00
Buy	11/28/2018	20451PVY9	246,000.00	Compass Bank 3.1 11/30/2020	100.00	246,000.00	0.00	3.10	246,000.00
Buy	11/28/2018	59828PCA6	249,000.00	Midwest Bank of West IL 3.3 8/29/2022	100.00	249,000.00	0.00	3.30	249,000.00
Buy	11/29/2018	856283G59	245,000.00	State Bank of India-Chicago IL 3.6 11/29/2023	100.00	245,000.00	0.00	3.60	245,000.00
Buy	11/30/2018	20369AAG5	246,000.00	Community Credit Union of Lynn 3.1 11/30/2020	100.00	246,000.00	0.00	3.10	246,000.00
<b>Subtotal</b>			<b>9,711,000.00</b>			<b>9,641,775.55</b>	<b>33,165.12</b>		<b>9,674,940.67</b>
Deposit	11/7/2018	LAIF6000Q	8,000,000.00	Local Agency Investment Fund LGIP	100.00	8,000,000.00	0.00	0.00	8,000,000.00
Deposit	11/21/2018	CAMP60481	1,500,000.00	California Asset Management Program LGIP	100.00	1,500,000.00	0.00	0.00	1,500,000.00
Deposit	11/27/2018	CAMP60481	1,500,000.00	California Asset Management Program LGIP	100.00	1,500,000.00	0.00	0.00	1,500,000.00



## Mono County Transaction Summary by Action Investment Portfolio

Begin Date: 10/31/2018, End Date: 11/30/2018

Action	Settlement Date	CUSIP	Face Amount / Shares	Description	Purchase Price	Principal	Interest / Dividends	YTM @ Cost	Total
Deposit	11/30/2018	CAMP60481	12,392.25	California Asset Management Program LGIP	100.00	12,392.25	0.00	0.00	12,392.25
Deposit	11/30/2018	OAKVALLEY0670	9,256.73	Oak Valley Bank Cash	100.00	9,256.73	0.00	0.00	9,256.73
Deposit	11/30/2018	OAKVALLEY0670	29,533,848.80	Oak Valley Bank Cash	100.00	29,533,848.80	0.00	0.00	29,533,848.80
<b>Subtotal</b>			<b>40,555,497.78</b>			<b>40,555,497.78</b>	<b>0.00</b>		<b>40,555,497.78</b>
<b>Total Buy Transactions</b>			<b>50,266,497.78</b>			<b>50,197,273.33</b>	<b>33,165.12</b>		<b>50,230,438.45</b>
<b>Interest/Dividends</b>									
Interest	11/1/2018	56117PDQ6	0.00	MALIBU CA COPS (MALCTF) 1.6 11/1/2018		0.00	2,000.00	0.00	2,000.00
Interest	11/1/2018	369674AX4	0.00	GE Credit Union 3 8/31/2020		0.00	634.44	0.00	634.44
Interest	11/1/2018	54245HAJ3	0.00	Long Beach CA Tidelands 1.794 11/1/2018		0.00	6,279.00	0.00	6,279.00
Interest	11/1/2018	611583CP8	0.00	Monrovia CA Redev Agy 2 5/1/2019		0.00	1,500.00	0.00	1,500.00
Interest	11/1/2018	3133EHM91	0.00	FFCB 2.08 11/1/2022		0.00	10,400.00	0.00	10,400.00
Interest	11/1/2018	91435LAB3	0.00	University of Iowa Community Credit Union 3 4/28/2		0.00	624.25	0.00	624.25
Interest	11/1/2018	499724AD4	0.00	Knox TVA Employee Credit Union 3.25 8/30/2023		0.00	676.27	0.00	676.27
Interest	11/3/2018	594918BG8	0.00	Microsoft Corp 2 11/3/2020-20		0.00	5,000.00	0.00	5,000.00
Interest	11/3/2018	594918BH6	0.00	Microsoft Corp 2.65 11/3/2022-22		0.00	6,625.00	0.00	6,625.00
Interest	11/3/2018	3133EGC78	0.00	FFCB 1.49 5/3/2021-17		0.00	7,450.00	0.00	7,450.00
Interest	11/3/2018	02587CEM8	0.00	American Express Bank, FSB 2.35 5/3/2022		0.00	2,902.41	0.00	2,902.41
Interest	11/3/2018	9497486Z5	0.00	WELLS FARGO BK NA SIOUXFALLS SD 1.6 8/3/2021		0.00	332.93	0.00	332.93
Interest	11/4/2018	29976DW48	0.00	EVERBANK 1.3 11/4/2019		0.00	1,605.59	0.00	1,605.59
Interest	11/5/2018	981571CE0	0.00	Worlds Foremost Bk Sidney NE 1.75 5/5/2021		0.00	297.26	0.00	297.26
Interest	11/6/2018	254672NC8	0.00	DISCOVER BK GREENWOOD DEL 1.9 5/6/2020		0.00	2,346.63	0.00	2,346.63
Interest	11/6/2018	3135G0K69	0.00	FNMA 1.25 5/6/2021		0.00	4,687.50	0.00	4,687.50
Interest	11/10/2018	59013JZP7	0.00	Merrick Bank 2.05 8/10/2022		0.00	426.57	0.00	426.57
Interest	11/11/2018	20033APV2	0.00	COMENITY CAP BK SALT LAKE CITY UTAH 1.6 4/12/2021		0.00	332.93	0.00	332.93
Interest	11/14/2018	45581EAR2	0.00	Industrial and Commercial Bank of China USA, NA 2.		0.00	551.42	0.00	551.42
Interest	11/15/2018	717081DL4	0.00	Pfizer Corp 2.1 5/15/2019-14		0.00	5,250.00	0.00	5,250.00



## Mono County Transaction Summary by Action Investment Portfolio

Begin Date: 10/31/2018, End Date: 11/30/2018

Action	Settlement Date	CUSIP	Face Amount / Shares	Description	Purchase Price	Principal	Interest / Dividends	YTM @ Cost	Total
Interest	11/15/2018	06406HBM0	0.00	Bank of New York Mellon 5.45 5/15/2019		0.00	13,625.00	0.00	13,625.00
Interest	11/15/2018	55266CQE9	0.00	MB FINANCIAL BANK, NATIONAL ASSN 1.8 1/15/2021		0.00	374.55	0.00	374.55
Interest	11/15/2018	68389XBB0	0.00	Oracle Corp 2.5 5/15/2022-15		0.00	6,250.00	0.00	6,250.00
Interest	11/15/2018	34387ABA6	0.00	FLUSHING BANK N Y 1.8 12/10/2018		0.00	374.55	0.00	374.55
Interest	11/15/2018	91412HDG5	0.00	University of California 2.836 5/15/2020-18		0.00	3,025.07	0.00	3,025.07
Interest	11/15/2018	62384RAF3	0.00	Mountain America Federal Credit Union 3 3/27/2023		0.00	624.25	0.00	624.25
Interest	11/15/2018	19416QEL0	0.00	Colgate-Palmolive 2.25 11/15/2022-17		0.00	5,625.00	0.00	5,625.00
Interest	11/17/2018	855736DA9	0.00	STATE BK & TR CO DEFIANCE OHIO 1.6 2/17/2021		0.00	332.93	0.00	332.93
Interest	11/17/2018	50116CBE8	0.00	KS Statebank Manhattan KS 2.1 5/17/2022		0.00	436.97	0.00	436.97
Interest	11/18/2018	22766ABN4	0.00	Crossfirst Bank 2.05 8/18/2022		0.00	426.57	0.00	426.57
Interest	11/19/2018	3133EGBE4	0.00	FFCB 1.06 11/19/2018-16		0.00	5,300.00	0.00	5,300.00
Interest	11/19/2018	560507AJ4	0.00	Maine Savings Federal Credit Union 3.3 5/19/2023		0.00	697.88	0.00	697.88
Interest	11/19/2018	310567AB8	0.00	Farmers State Bank 2.35 9/19/2022		0.00	488.99	0.00	488.99
Interest	11/22/2018	90352RAC9	0.00	USAlliance Federal Credit Union 3 8/20/2021		0.00	624.25	0.00	624.25
Interest	11/23/2018	33715LBE9	0.00	First Technology Federal Credit Union 2.3 8/23/201		0.00	478.59	0.00	478.59
Interest	11/24/2018	03753XBD1	0.00	Apex Bank 3.1 8/24/2023		0.00	645.05	0.00	645.05
Interest	11/24/2018	90348JEV8	0.00	UBS Bank USA 3.45 10/24/2023		0.00	729.60	0.00	729.60
Interest	11/25/2018	330459BY3	0.00	FNB BANK INC 2 2/25/2022		0.00	416.16	0.00	416.16
Interest	11/25/2018	3136G4GG2	0.00	FNMA 1.5 5/25/2021-17		0.00	7,500.00	0.00	7,500.00
Interest	11/26/2018	20070PHK6	0.00	COMMERCE ST BK WEST BEND WIS 1.65 9/26/2019		0.00	343.34	0.00	343.34
Interest	11/26/2018	17284C4F8	0.00	CIT BK SALT LAKE CITY 2.25 11/26/2019		0.00	2,778.90	0.00	2,778.90
Interest	11/26/2018	91330ABA4	0.00	UNITY BK CLINTON NJ 1.5 9/26/2019		0.00	312.12	0.00	312.12
Interest	11/27/2018	3136G32J3	0.00	FNMA 1.25 11/27/2019-17		0.00	7,812.50	0.00	7,812.50
Interest	11/27/2018	35637RCQ8	0.00	FREEDOM FIN BK W DES MOINES 1.5 7/26/2019		0.00	312.12	0.00	312.12
Interest	11/27/2018	596689EC9	0.00	MIDDLETON COMMUNITY BANK 1.4 11/27/2018		0.00	291.32	0.00	291.32
Interest	11/28/2018	080515CH0	0.00	Belmont Savings Bank 2.7 2/28/2023		0.00	561.82	0.00	561.82



## Mono County Transaction Summary by Action Investment Portfolio

Begin Date: 10/31/2018, End Date: 11/30/2018

Action	Settlement Date	CUSIP	Face Amount / Shares	Description	Purchase Price	Principal	Interest / Dividends	YTM @ Cost	Total
Interest	11/28/2018	20786ABA2	0.00	CONNECTONE BK ENGLEWOOD 1.55 7/29/2019		0.00	322.53	0.00	322.53
Interest	11/28/2018	85916VBY0	0.00	STERLING BANK 1.7 7/26/2019		0.00	353.74	0.00	353.74
Interest	11/28/2018	3136G33W3	0.00	FNMA 1.5 5/28/2021-17		0.00	7,500.00	0.00	7,500.00
Interest	11/29/2018	72247PAC0	0.00	Pine Bluff Cotton Belt FCU 2.8 8/31/2020		0.00	582.63	0.00	582.63
Interest	11/29/2018	01748DAX4	0.00	ALLEGIANCE BK TEX HOUSTON 2.15 9/29/2022		0.00	447.38	0.00	447.38
Interest	11/30/2018	CAMP60481	0.00	California Asset Management Program LGIP		0.00	12,392.25	0.00	12,392.25
Interest	11/30/2018	3135G0F73	0.00	FNMA 1.5 11/30/2020		0.00	7,500.00	0.00	7,500.00
Interest	11/30/2018	17286TAC9	0.00	Citadel Federal Credit Union 3 10/30/2020		0.00	634.44	0.00	634.44
Interest	11/30/2018	29278TCP3	0.00	Enerbank USA 3.2 8/30/2023		0.00	665.86	0.00	665.86
Interest	11/30/2018	67054NAM5	0.00	Numerica Credit Union 3.4 10/31/2023		0.00	695.84	0.00	695.84
Interest	11/30/2018	06426KAM0	0.00	Bank of New England 3.2 7/31/2023		0.00	649.64	0.00	649.64
Interest	11/30/2018	812541AA8	0.00	Seasons Federal Credit Union 3 10/30/2020		0.00	634.44	0.00	634.44
Interest	11/30/2018	3137EADG1	0.00	FHLMC 1.75 5/30/2019		0.00	8,750.00	0.00	8,750.00
Interest	11/30/2018	OAKVALLEY0670	0.00	Oak Valley Bank Cash		0.00	9,256.73	0.00	9,256.73
<b>Subtotal</b>			<b>0.00</b>			<b>0.00</b>	<b>170,695.21</b>		<b>170,695.21</b>
<b>Total Interest/Dividends</b>			<b>0.00</b>			<b>0.00</b>	<b>170,695.21</b>		<b>170,695.21</b>
<b>Sell Transactions</b>									
Matured	11/1/2018	56117PDQ6	250,000.00	MALIBU CA COPS (MALCTF) 1.6 11/1/2018	0.00	250,000.00	0.00	0.00	250,000.00
Matured	11/1/2018	54245HAJ3	700,000.00	Long Beach CA Tidelands 1.794 11/1/2018	0.00	700,000.00	0.00	0.00	700,000.00
Matured	11/19/2018	3133EGBE4	1,000,000.00	FFCB 1.06 11/19/2018-16	0.00	1,000,000.00	0.00	0.00	1,000,000.00
Matured	11/27/2018	596689EC9	245,000.00	MIDDLETON COMMUNITY BANK 1.4 11/27/2018	0.00	245,000.00	0.00	0.00	245,000.00
<b>Subtotal</b>			<b>2,195,000.00</b>			<b>2,195,000.00</b>	<b>0.00</b>		<b>2,195,000.00</b>
Sell	11/1/2018	61760AKS7	245,000.00	Morgan Stanley Private Bank 2.7 5/4/2020	0.00	244,389.95	3,298.44	0.00	247,688.39
<b>Subtotal</b>			<b>245,000.00</b>			<b>244,389.95</b>	<b>3,298.44</b>		<b>247,688.39</b>
Withdraw	11/30/2018	OAKVALLEY0670	28,304,479.53	Oak Valley Bank Cash	0.00	28,304,479.53	0.00	0.00	28,304,479.53
<b>Subtotal</b>			<b>28,304,479.53</b>			<b>28,304,479.53</b>	<b>0.00</b>		<b>28,304,479.53</b>
<b>Total Sell Transactions</b>			<b>30,744,479.53</b>			<b>30,743,869.48</b>	<b>3,298.44</b>		<b>30,747,167.92</b>



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** January 8, 2019

**Departments: Elections**

**TIME REQUIRED**

**SUBJECT** HAVA Grant Approval

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

The U.S. Elections Assistance Commission, through the State of California, is offering Help America Vote Act (HAVA) federal reimbursement funding for County efforts to improve cyber security and infrastructure related to VoteCal.

**RECOMMENDED ACTION:**

Approve and authorize the Mono County Clerk-Recorder-Registrar of Voters to sign Agreement #18G27126 with the California Secretary of State for receipt of up to \$10,000 to be used for HAVA Cyber Security and Infrastructure Improvement program.

**FISCAL IMPACT:**

Up to \$10,000 in grant funded reimbursement.

**CONTACT NAME:** Helen Nunn

**PHONE/EMAIL:** 7609325534 / hnunn@mono.ca.gov

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download
<a href="#">Staff report (rev'd)</a>
<a href="#">Agreement</a>

**History**

Time	Who	Approval
1/2/2019 4:12 PM	County Administrative Office	Yes

12/27/2018 11:58 AM

County Counsel

Yes

1/3/2019 9:37 AM

Finance

Yes





# COUNTY OF MONO

P.O. Box 237, Bridgeport, California 93517 Phone: 760-932-5530 Fax: 760-932-5531

Shannon Kendall  
County Clerk *and* Recorder *and* Registrar  
Clerk of the Board of Supervisors

Helen Nunn  
Assistant County Clerk *and* Recorder *and* Registrar  
Assistant Clerk of the Board of Supervisors

TO: Honorable Board of Supervisors

FROM: Helen Nunn, Assistant Clerk-Recorder-Registrar

DATE: January 8, 2019

## **Recommendation**

Approve, and authorize the Mono County Clerk-Recorder-Registrar of Voters to sign Agreement #18G27126 with the California Secretary of State for receipt of up to \$10,000 to be used for HAVA (Help America Vote Act) Cyber Security and Infrastructure Improvement program.

## **Discussion**

The U.S. Elections Assistance Commission, through the State of California, is offering HAVA federal reimbursement funding for County efforts to improve cyber security and infrastructure related to VoteCal. This funding will cover costs incurred while conducting security assessments, third party software and/or hardware in support of improving the county's cyber security capabilities related to VoteCal, privacy and security awareness training to staff using the county voter registration and election information systems, and other related, reimbursable activities.

## **Fiscal Impact**

Up to \$10,000 in grant funded reimbursement.

**STANDARD AGREEMENT**

STD 213 (Rev. 10/2018)

AGREEMENT NUMBER

18G27126

PURCHASING AUTHORITY NUMBER (if applicable)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

Secretary of State

CONTRACTOR NAME

Mono County

2. The term of this Agreement is:

START DATE

January 2, 2019 or upon approval by Dept. of General Services, if required, whichever is later

THROUGH END DATE

June 30, 2021

3. The maximum amount of this Agreement is:

\$ 10,000.00

Ten thousand Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made part of the Agreement.

EXHIBITS	TITLE	PAGES
Exhibit A	Scope of Work	2 pages
Exhibit B	Budget Detail and Payment Provisions	3 pages
Exhibit C *	General Terms and Conditions	GTC 04/2017
Exhibit D	Special Terms and Conditions (Attached hereto as part of this Agreement)	3 pages
Exhibit E	Additional Provisions	2 pages
Exhibit F	County Resolution	pages
Exhibit G	Contractor HAVA Activity Report	1 pages

*Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.**These documents can be viewed at [www.dgs.ca.gov/ols/resources/standardcontractlanguage.aspx](http://www.dgs.ca.gov/ols/resources/standardcontractlanguage.aspx)*

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Mono County

CONTRACTOR BUSINESS ADDRESS

P.O. Box 237

CITY

Bridgeport

STATE

CA

ZIP

93517

PRINTED NAME OF PERSON SIGNING

TITLE

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

**STATE OF CALIFORNIA**

CONTRACTING AGENCY NAME

Secretary of State

CONTRACTING AGENCY ADDRESS

1500 11<sup>th</sup> Street

CITY

Sacramento

STATE

CA

ZIP

95814

PRINTED NAME OF PERSON SIGNING

Shannon Kauffman

TITLE

Business Operations Manager

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION, IF APPLICABLE

Gov Code § 14616

**EXHIBIT A**  
**(Standard Agreement)**

**SCOPE OF WORK**

**A. PURPOSE OF AGREEMENT**

The purpose of this Agreement is to provide the County of **Mono** (County) with Help America Vote Act (HAVA) Federal funds provided by the U.S. Election Assistance Commission (EAC) for county efforts to improve cyber security and infrastructure related to VoteCal.

1. The program representatives during the term of this Agreement will be:

County: **Shannon Kendall (760) 932-5537**  
SOS: **Harjit Basi (916) 695-1627**

**B. APPROPRIATE USES OF HAVA FUNDS**

HAVA funds received pursuant to this contract shall be used for reimbursement for costs reasonably incurred for:

1. Conducting security assessments, such as: penetration testing, scanning, phishing testing, red team exercises, social engineering, and wireless access discovery. An assessment should, at a minimum, include a review of:
  - o Critical, high risk technology systems.
  - o User access controls and passwords.
  - o Internet facing systems to identify public facing vulnerabilities and configuration errors.
  - o Applicable regulations and standards.
  - o Multiprotocol Label Switching network access points between VoteCal and the county.
  - o Patch management strategy.
  - o All sensitive data that is maintained and its protection.
  - o Incident response plans.
2. Third party software and/or hardware in support of improving the county's cyber security capabilities related to VoteCal. All hardware and/or third-party software must be in support of VoteCal infrastructure related to cyber security.
3. Software, hardware or consulting services and/or any associated IT installation directly related to cyber security risks.
4. Privacy and security awareness training to all staff utilizing the county voter registration and election information systems in accordance with State Administrative Manual (SAM) Sections 5320 – 5320.2 and the Information Practices Act of 1977 (California Civil Code §§1798 et seq). Training shall include cyber security best practices, including how to recognize a phishing email, creating and maintaining strong passwords, utilizing multi-factor authentication, and avoiding dangerous applications.

**EXHIBIT A**  
**(Standard Agreement)**

5. Physically securing servers hosting county voter registration and election information systems including the county's Election Management System (EMS) and county EMS databases as well as any Secretary of State property.
6. Properly updating and hardening servers hosting the county voter registration and election information systems including the county's EMS and county EMS databases as well as any Secretary of State property.
7. Establishing, maintaining and participating in the dedicated VoteCal County Test Environment (CTE).
8. Services to improve security practices and documentation, including drafting and documenting information security policies and procedures, an incident response plan to handle a security or data breach, or other critical documents related to security.
9. Monitoring systems and applications to prevent and detect data breaches or fraud including interconnected systems.

Items presumed to not be reimbursable:

The following is a partial list of items presumed to not be reimbursable and not inclusive of all items that are not reimbursable. The list is provided only for the purpose of providing guidance. The Secretary of State shall be the sole determiner if an expenditure is reimbursable.

1. Costs not directly related to VoteCal infrastructure security.
2. Overhead costs.
3. Computers/Laptops/Tablets.
4. Blackberries/Smartphones (hand held computers).
5. Other office equipment, including but not limited to fax machines, copiers and scanners, unless prior approval has been obtained from the granting agency.
6. Office supplies, including but not limited to paper, pens and post-it notes.
7. Travel costs.

**C. CONDITION FOR RECEIVING FUNDS**

The County may seek reimbursement for the activities identified above, provided that the County has done both of the following within the six months preceding the claim for reimbursement:

1. Conducted an assessment identified in B(1) above.
2. Conducted privacy and security awareness training for all staff utilizing the county voter registration and election information systems including cyber security best practices identified in B(4) above.
3. Invoices must include itemized list of costs prior to reimbursement.

**EXHIBIT B  
(Standard Agreement)**

**BUDGET DETAIL AND PAYMENT PROVISIONS**

**1. Invoicing and Payment**

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices submitted with supporting documentation, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- B. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than monthly in arrears to:

Office of Secretary of State  
Attention: Accounts Payable  
P.O. Box 944260  
Sacramento, CA 94244-2600

Invoices may be submitted via email to [AccountsPayable@sos.ca.gov](mailto:AccountsPayable@sos.ca.gov). Please contact Accounts Payable at (916) 653-9165 for any further questions regarding invoices.

- C. VoteCal will reimburse County as specified in Exhibit A 'Scope of Work', Section B 'Appropriate Uses of HAVA Funds'.

**2. Budget Contingency Clause**

- A. It is mutually agreed that if the Budget Act, or a HAVA Spending Plan or Spending Plan amendment, of the current year and/or subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act, or by a HAVA Spending Plan or Spending Plan amendment, for purposes of this program, the State shall have the option to either cancel the Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

**3. Federal Funds**

- A. It is mutually understood between the parties that this contract may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds, to avoid program and fiscal delays that would occur if the contract were executed after that determination was made.
- B. This contract is valid and enforceable only if the United State Government for the fiscal year 2018/19, for the purpose of this program, makes sufficient funds available to the state. In addition, this contract is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this contract in any manner.
- C. The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this contract shall be amended to reflect any reduction in funds.

**EXHIBIT B  
(Standard Agreement)**

D. The department has the option to **invalidate** the contract under the 30-day cancellation clause or to amend the contract to reflect any reduction in funds.

**4. Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in Government Code Chapter 4.5, commencing with Section 927.

**5. Maximum Amount of HAVA Funds to be Provided to County Under this Program**

County shall not receive, pursuant to Agreement, more than \$ **10,000.00**.

**6. Failure to Properly Claim Maximum Amount of HAVA Funds**

Notwithstanding any provision of Agreement, County shall be entitled to receive only those amounts for fully supported and appropriate claims which are properly submitted, pursuant to the provisions of Agreement and all applicable state and federal laws, regulations, and procedures.

**7. Basis of Claims**

Subject to the provisions of Paragraph 9, below related to the applicability of OMB Circular A-87, all claims for HAVA funds under this program must be based on invoices submitted by County. All invoices or agreements that are the subject of any claims must relate directly to expenditures authorized pursuant to Exhibit A 'Scope of Work', Section B 'Appropriate Uses of HAVA Funds'.

**8. Processing of Claims**

The Secretary of State shall establish the criteria and processes for submitting claims under this program. Such criteria shall include requirements that all claims:

- A. Contain a face sheet that summarizes each expenditure made as set forth in Exhibit A 'Scope of Work';
- B. Include the total amount of the claim;
- C. Include the agreement number on the face sheet;
- D. Identify whether additional claims are expected to be submitted;
- E. Include the hourly charge of any county staff for which a claim is made for their time;
- F. Include the hourly wage or monthly salary of any employee for which a claim is made for their salaries;
- G. Include signed County staff HAVA Activity Reports, please see sample which is Exhibit G, for each employee and County's employee for whom reimbursement for time is being claimed. (Vendors who receive payment from HAVA funds are required to submit timesheets for any work paid for as time and materials); and
- H. Include a copy of the contract if the County's invoice does not describe the activities undertaken in such a manner that the State can determine whether the activities comply with the provisions of this Agreement.

**EXHIBIT B  
(Standard Agreement)**

**9. Application of OMB Circular A-87**

OMB Circular A-87 ("Cost Principles for State, Local and Indian Tribal Governments"), incorporated herein by reference, to the extent applicable, shall govern with respect to all aspects of this program. The provisions of OMB Circular A-87 may be found at <http://www.whitehouse.gov/omb/circulars>.

**10. Retroactive Payments**

Counties may claim reimbursement for expenses and activities permissible under the terms of this Agreement that occur after April 1, 2018 and before June 30, 2021.

**11. Payments of Claims**

Payments made by the State with respect to any claim shall be sent directly by the State Controller's office to the County.

**12. Deadline for Submitting Claims**

The deadline for submitting any claim under this program is September 30, 2021, which is 60 days after the expiration date of this agreement.

**13. Multiple Claims**

County can submit multiple claims for HAVA funds authorized above, within the aggregate limit established for County.

**14. Documentation to be Submitted**

Each claim shall include a cover page that identifies the activity or service in Exhibit A and the dollar amount associated with each activity or service for which funds are being sought. Each claim shall also include originals or true copies of all invoices, agreements, or other documentation that support the claim, including all documentation required by OMB Circular A-87. The provisions of OMB Circular A-87 may be found at <http://www.whitehouse.gov/omb/circulars>.

**15. Order of Processing**

Claims shall be processed by the Secretary of State in order of receipt.

**EXHIBIT C  
(Standard Agreement)**

**GENERAL TERMS AND CONDITIONS**

PLEASE NOTE: This page will not be included with the final agreement. The General Terms and Conditions (GTC 04/2017) will be included in the agreement by reference to Internet site: [www.dgs.ca.gov/ols/resources/standardcontractlanguage.aspx](http://www.dgs.ca.gov/ols/resources/standardcontractlanguage.aspx)



**EXHIBIT D**  
**(Standard Agreement)**

**SPECIAL TERMS AND CONDITIONS**

**A. AUDITING**

1. Receipt of HAVA funds by a county indicates agreement to establish a dedicated HAVA account for these funds. Therefore, any payment received by County pursuant to this program shall be deposited in a separate, segregated account and any payment made by County related to this program shall be paid from that account whether or not the County has paid the vendors for services rendered before submitting invoices to the State.
2. Any recipient of federal funds to meet the Help America Vote Act requirements agrees to be audited pursuant to federal and state law. Accordingly, all documents and electronic files must be produced upon request by the auditors. CFDA Number for this contract is 39.011. The audit may include a review of all books, papers, accounts, documents, or other records of County as they relate to any HAVA funds. County shall also provide access to all employees having knowledge of the HAVA funds program to assist the auditor. County shall provide a copy of any document, paper, or electronic record requested by the auditor;
3. OMB Circular A-133 ("Audits of States, Local Governments, and Non-Profit Organizations"), and OMB Circular A-87, incorporated herein by reference, shall govern with respect to all aspects of this program. The provisions of these circulars may be found at <http://www.whitehouse.gov/omb/circulars>;
4. County shall maintain records in a manner that:
  - a. Accurately reflects fiscal transactions with necessary controls and safeguards;
  - b. Provides complete audit trails, based whenever possible on original documents (purchase orders, receipts, progress payments, invoices, timesheets, cancelled warrants, warrant numbers, etc.);
  - c. Provides accounting data so the costs can readily be determined throughout Agreement period.
5. Records shall be maintained for three years after expiration of Agreement and for at least one year following any audit or final disposition of any disputed audit finding;
6. If the final disposition of any disputed audit finding is determined to be a disallowed cost that the Secretary of State has paid the County, the County shall return to the Secretary of State an amount equal to the disallowance.
7. County shall permit periodic site visits by the Secretary of State or the Secretary of State's designee or designees to determine if any HAVA funds are being used or have been used in compliance with Agreement and all applicable laws;
8. Upon request, county shall report to the Secretary of State at least once every 90 (ninety) days until all funds received have been expended, on the status of HAVA funds received, in a manner determined by the Secretary of State.

**EXHIBIT D  
(Standard Agreement)**

**B. GENERAL PROVISIONS**

1. The program is conditioned on State receiving reimbursement from the federal government pursuant to HAVA Section 101.
2. HAVA funds can only be used for the purposes for which the HAVA funds are made;
3. No portion of any HAVA funds shall be used for partisan political purposes. All contractors providing services are required to sign an agreement, please see Exhibit E Item 1, to abide by the Secretary of States' policy to refrain from engaging in political activities that call into question the impartiality of the Secretary of State's Office. County is to submit agreement signed by each employee of contractor's firm who worked for County pursuant to this Agreement with the County's first invoice.
4. The provisions of the federal *Hatch Act* shall apply to employees working for state and local entities receiving HAVA funds. The *Hatch Act* may be reviewed at [http://www.osc.gov/documents/hatchact/ha\\_sta.pdf](http://www.osc.gov/documents/hatchact/ha_sta.pdf);
5. Any interest earned by County on money received pursuant to this Agreement must be reported in writing to the Secretary of State within 30 days of expiration of this Agreement. All interest must be used by the County for the purposes of implementing activities allowable under this Agreement;
6. Failure by any eligible County to execute a contract within 90 days of the date on which this contract is made available shall constitute an express desire to forego funds;
7. Funds not claimed by County within 90 days of the end date of this contract, or any funds claimed by a county that are not approved for county use by the Secretary of State within 180 days of the end date of this contract, shall be reallocated and may only be used to meet Section 101 of HAVA;
8. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel Agreement with no liability occurring to the State, or offer an Agreement amendment to County to reflect any reduced amount;
9. Agreement is subject to any restrictions, limitations or conditions enacted or promulgated by the United States Government, or any agency thereof, that may affect the provisions, terms or funding of Agreement in any manner;
10. Pursuant to federal policy, Agreement may be terminated by the State with 30-day written notice to County;
11. County warrants by execution of Agreement, that no person or selling agency has been employed or retained to solicit or secure this contract upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by County for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this contract without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee;

**EXHIBIT D  
(Standard Agreement)**

12. Nothing contained in Agreement or otherwise, shall create any contractual relation between the State and any subcontractor or vendor, and no subcontractor shall relieve County of its responsibilities and obligations hereunder. County agrees to be as fully responsible to State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by County. County's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to County. As a result, State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor or vendor of County;
13. Pursuant to federal law, by signing this agreement or execution of this purchase order the Contractor certifies under the penalty of perjury that the contracting entity is not excluded or ineligible from federal assistance programs and thereby is not on the federal government's list of suspended or debarred entities.

Pursuant to federal law, as a component of the procurement process, the Contractor must review the federal government's list of debarred and suspended vendors and ensure no contract award is provided to a vendor on this list. This list may be viewed at [www.epls.gov](http://www.epls.gov)

14. Upon request, county agrees to provide the Secretary of State with a summary report on its activities under this agreement following each election for which funds are expended that includes: the method used to determine the need for funding an eligible activity, including the reliance on an advisory committee or advisory groups, surveys or any other methodology used to assess the need for the eligible activity; the activity performed and funded; the amount of funding expended; the category or categories of need being met; and any performance metric or assessment of the quality of the activity, including unsolicited public comment, advisory committee or advisory group comment, public comment solicited through surveys and on-site assessments conducted by the County, its agents or others.

**EXHIBIT E**  
**(Standard Agreement)**

**ADDITIONAL PROVISIONS**

**Secretary of State Policy Regarding Political Activity in the Workplace**

**SECRETARY OF STATE POLICY REGARDING POLITICAL ACTIVITY IN THE WORKPLACE**

The Secretary of State is the state's chief elections officer. It is, therefore, imperative that staff in the Secretary of State's Office, and those who contract with the Secretary of State's Office, refrain from engaging in any political activity that might call into question the office's impartiality with respect to handling election issues. Accordingly, the policy of the Secretary of State's Office with respect to political activity in the workplace, a copy of which will be given to every employee in the Secretary of State's office and incorporated as an attachment to contracts with the Secretary of State's Office, is as follows:

- 1) No employee of or contractor with the Secretary of State's Office shall engage in political campaign-related activities on state-compensated or federal-compensated time, except as required by official duties, such as answering inquiries from the public. In those cases where the contractor with the Secretary of State's Office is a county, the term "contractor" shall apply only to county elections office employees, county employees redirected to work temporarily for the county elections office, or any person, firm, company or business that provides reimbursable election-related services to a county elections office in furtherance of a contract. This prohibition shall not apply while an employee is on approved vacation or approved annual leave. This prohibition shall not apply to activities engaged in during the personal time of an employee.
- 2) No employee of or contractor with the Secretary of State's Office shall use any state property in connection with political campaign activities. It is strictly prohibited to schedule political campaign-related meetings or to conduct political campaign-related meetings in state office space, even if after normal working hours.
- 3) No employee of or contractor with the Secretary of State's Office shall use his or her official status with the Secretary of State's Office to influence political campaign-related activities or to confer support for or indicate opposition to a candidate or measure at any level of government.
- 4) No employee of or contractor with the Secretary of State's Office may be involved with political campaign-related telephone calls, letters, meetings or other political campaign-related activities on state-compensated or federal-compensated time. Requests by employees to switch to alternative work schedules, such as 4-10-40 or 9-8-80 work weeks, or to take vacation in order to accommodate political campaign-related activities or to attend political campaign functions, will be judged in the same manner and on the same basis as any other requests of this nature (i.e., existing needs of the office and discretion of the division chiefs).
- 5) The receipt or delivery of political campaign contributions or photocopies thereof on state property is strictly prohibited, as is the use of office time or state resources (e.g., intra-office mail or fax machines) to solicit or transmit political campaign contributions.
- 6) No employee of or contractor with the Secretary of State's Office may authorize any person to use his or her affiliation with the Secretary of State's Office in an attempt to suggest that the employee's or contractor's support or opposition to a nomination or an election for office or a ballot measure is of an "official," as distinguished from private, character.
- 7) No employee of or contractor with the Secretary of State's Office may display political campaign-related buttons, posters, or similar materials in areas visible to individuals who are in public areas of the Secretary of State's Office; nor may an employee of or contractor with the Secretary of State's Office display political campaign-related posters or other materials on windows facing out of the state office building.

**EXHIBIT E  
(Standard Agreement)**

- 8) No employee of or contractor with the Secretary of State's Office may use official authority or influence for the purpose of interfering with or attempting to affect the results of an election or a nomination for any public office.
- 9) No employee of or contractor with the Secretary of State's Office may directly or indirectly coerce or solicit contributions from subordinates in support of or in opposition to an election or nomination for office or a ballot measure.
- 10) An employee who is paid either partially or fully with federal funds, including the Help America Vote Act of 2002 (HAVA), is subject to the provisions of the federal Hatch Act, and is, therefore, prohibited from being a candidate for public office in a partisan election, as defined in the federal Hatch Act. However, any employee who is to be paid either partially or fully with funds pursuant to HAVA, shall first be consulted about the proposed funding and be informed about the prohibitions of the federal Hatch Act. The employee, whenever possible, shall be given the opportunity to engage in employment that does not involve HAVA funding.
- 11) Provisions limiting participation in political campaign-related activities as provided for in this policy statement shall be included in every contract with the Secretary of State's Office.

If you have questions concerning these restrictions, please refer them to the Secretary of State Office contact person listed on the contract in Exhibit A 'Scope of Work'.





**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** January 8, 2019

**Departments: CAO**

**TIME REQUIRED**

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

Leslie Chapman

**SUBJECT** Contract with Willdan for Interim  
Assistant CAO Services

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Contract with Willdan for Interim Assistant County Administrative Officer services to be provided by Kevin Carunchio.

**RECOMMENDED ACTION:**

Approve contract with Willdan and authorize the CAO to execute said contract on behalf of the County.

**FISCAL IMPACT:**

Contract is not to exceed \$100,000 and will be funded through salary savings in the CAO budget.

**CONTACT NAME:** Leslie Chapman

**PHONE/EMAIL:** 760.932.5414 / lchapman@mono.ca.gov

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download
<a href="#">Staff Report</a>
<a href="#">Willdan Contract</a>

**History**

Time	Who	Approval
1/3/2019 12:04 PM	County Administrative Office	Yes
1/3/2019 1:30 PM	County Counsel	Yes
1/3/2019 1:28 PM	Finance	Yes



# County of Mono

## County Administrative Office

**Dave Butters**  
Human Resources Director

**Leslie L. Chapman**  
County Administrative Officer

**Jay Sloane**  
Risk Manager

**Date:** January 8, 2019

**To:** Honorable Board of Supervisors

**From:** Leslie Chapman, CAO

**Re:** Contract with Willdan for Kevin Carunchio to perform Interim Assistant County Administrative Officer services.

**Recommended Action:** Approve contract with Willdan and authorize the CAO to sign.

**Discussion:** As of October 17, 2018, Assistant CAO, Tony Dublino was appointed Public Works Director leaving a vacancy in the County Administration office. Consequently, there is an immediate need to assure that projects continue to move forward in accordance with the Board's strategic priorities. Mr. Carrunchio, Inyo County's former CAO, has contracted with Willdan to provide temporary professional services to clients, and Mono County staff wishes to take advantage of Mr. Carunchio's many years of experience and unique knowledge of the Eastern Sierra.

It is anticipated that projects might include researching, recommending, and helping to implement solutions for safety issues in the Devil's Postpile area of Madera County; compiling specific information regarding County owned property that might be utilized as part of the solution for the lack of affordable housing; serving as an advisor to the CAO on County policy direction from the Board and executing specific tasks as assigned; providing advice regarding the County's issues with Los Angeles Department of Water and Power; and other duties as determined by the CAO and based on Board priorities.

To manage costs and focus efforts on completing specific projects, Mr. Carunchio will work from a remote office and will not be involved in daily operations or overseeing personnel. Upon CAO request, he will be available in County offices or at Board meetings. Staff recommends this interim solution to provide continuity of work product and increase staff capacity as we continue to work on solving long-term staffing needs.

**Fiscal Impact:** The cost of this contract, which will not exceed \$100,000, will be covered by salary savings resulting from Tony Dublino vacating the position.



**AGREEMENT BETWEEN THE COUNTY OF MONO AND  
WILLDAN ENGINEERING FOR THE PROVISION OF  
INTERIM ASSISTANT COUNTY ADMINISTRATIVE OFFICER SERVICES  
AS NEEDED BY THE COUNTY ADMINISTRATIVE OFFICER**

**INTRODUCTION**

WHEREAS, the County of Mono, a political subdivision of the State of California (hereinafter referred to as "County"), may have the need for the Interim Assistant County Administrative Officer services of Kevin Carunchio of Willdan Engineering (hereinafter referred to as "Contractor"), and in consideration of the mutual promises, covenants, terms and conditions hereinafter contained, the parties hereby agree as follows:

**TERMS AND CONDITIONS**

**1. SCOPE OF WORK**

Contractor shall furnish the services, perform the work, and provide the associated materials and equipment for the County described in the Scope of Work attached hereto as Attachment A and incorporated by this reference. Requests for work or services pursuant to this Agreement shall be made by the County Administrative Officer.

The County makes no guarantee or warranty, of any nature, concerning the minimum level or amount of services or work that will be requested of Contractor by the County under this Agreement. The County by this Agreement incurs no obligation or requirement to request from Contractor the performance of any services or work at all, even if the County should have some need for such services or work during the term of this Agreement.

Services and work provided at the County's request by Contractor under this Agreement will be performed in a manner consistent with the requirements and standards established by applicable federal, state, and County laws, ordinances, regulations, and resolutions. Such laws, ordinances, regulations, and resolutions include, but are not limited to, those to which reference is made in this Agreement.

This Agreement is subject to the following Exhibits (as noted) which are attached hereto, following all referenced Attachments, and incorporated by this reference. In the event of a conflict between the terms of an attached Exhibit and this Agreement, the terms of the Exhibit shall govern:

- Exhibit 1:** General Conditions (Construction)
- Exhibit 2:** Prevailing Wages
- Exhibit 3:** Bond Requirements
- Exhibit 4:** Invoicing, Payment, and Retention
- Exhibit 5:** Trenching Requirements
- Exhibit 6:** FHWA Requirements
- Exhibit 7:** CDBG Requirements
- Exhibit 8:** HIPAA Business Associate Agreement
- Exhibit 9:** Other \_\_\_\_\_

**2. TERM**

The term of this Agreement shall be from January 1, 2019 through December 31, 2019 unless sooner terminated as provided below.

### 3. CONSIDERATION

A. Compensation. The County shall pay Contractor in accordance with the "Schedule of Fees" (set forth in Attachment B, attached hereto and by reference incorporated herein) for the services and work described in any Scope of Work Letter issued pursuant to this Agreement.

B. Travel and Per Diem. Except as otherwise set forth in Attachment B, Contractor will not be paid or reimbursed for travel expenses or per diem which Contractor incurs in providing services and work requested by the County under this Agreement.

C. No Additional Consideration. Except as expressly provided in this Agreement, Contractor shall not be entitled to, nor receive, from the County any additional consideration, compensation, salary, wages, or other type of remuneration for services or work rendered under this Agreement. Specifically, Contractor shall not be entitled, by virtue of this Agreement, to consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays, or other paid leaves of absence of any type or kind whatsoever.

D. Limit Upon Amount Payable Under Agreement. The total sum of all payments made by the County to Contractor for services and work performed under this Agreement, shall not exceed \$100,000 (hereinafter referred to as "Contract Limit"). The County expressly reserves the right to deny any payment or reimbursement requested by Contractor for services or work performed which is in excess of the Contract Limit.

E. Billing and Payment. Contractor shall submit to the County, on a monthly basis, an itemized statement of all services and work described in this Agreement, which were done at the County's request. The statement to be submitted will cover the period from the first day of the preceding month through and including the last day of the preceding month. Alternatively, Contractor may submit a single request for payment corresponding to a single incident of service or work performed at the County's request. All statements submitted in request for payment shall identify the date on which the services and work were performed and describe the nature of the services and work which were performed on each day. Invoicing shall be informative but concise regarding services and work performed during that billing period. Upon finding that Contractor has satisfactorily completed the work and performed the services as requested, the County shall make payment to Contractor within 30 days of its receipt of the itemized statement. Should the County determine the services or work have not been completed or performed as requested and/or should Contractor produce an incorrect statement, the County shall withhold payment until the services and work are satisfactorily completed or performed and/or the statement is corrected and resubmitted.

F. Federal and State Taxes.

(1) Except as provided in subparagraph (2) below, the County will not withhold any federal or state income taxes or social security from any payments made by the County to Contractor under the terms and conditions of this Agreement.

(2) The County shall withhold California State income taxes from payments made under this Agreement to non-California resident independent contractors when it is anticipated that total annual payments to Contractor under this Agreement will exceed one-thousand fifteen hundred dollars (\$1,500.00).

(3) Except as set forth above, the County has no obligation to withhold any taxes or payments from sums paid by the County to Contractor under this Agreement. Payment of all taxes and other assessments on such sums is the sole responsibility of Contractor. The County has no responsibility or liability for payment of Contractor's taxes or assessments.

(4) The total amounts paid by the County to Contractor, and taxes withheld from payments to non-California residents, if any, will be reported annually to the Internal Revenue Service and the State Franchise Tax Board.

#### **4. WORK SCHEDULE**

Contractor's obligation is to perform, in a timely manner, the services and work identified in this Agreement. It is understood by Contractor that its performance of those services and work will require a varied schedule. Contractor, in arranging its own schedule, will coordinate with the County to ensure that all services and work requested by the County will be performed within a time frame mutually agreeable to Contractor and the County Administrative Officer, unless circumstances outside Contractor's control cause delay and contractor provides timely notice of such circumstances.

#### **5. REQUIRED LICENSES, CERTIFICATES, AND PERMITS**

Any licenses, certificates, or permits required by the federal, state, County, or municipal governments for Contractor to provide the services and work described in Attachment A must be procured by Contractor and be valid at the time Contractor enters into this Agreement. Further, during the term of this Agreement, Contractor must maintain such licenses, certificates, and permits in full force and effect. Licenses, certificates, and permits may include, but are not limited to, driver's licenses, professional licenses or certificates, contractor's licenses, and business licenses. Such licenses, certificates, and permits will be procured and maintained in force by Contractor at no expense to the County. Contractor will provide the County, upon request, with evidence of current and valid licenses, certificates and permits which are required to perform the services identified in Attachment A. Where there is a dispute between Contractor and the County as to what licenses, certificates, and permits are required to perform the services identified in Attachment A, the County reserves the right to make such determinations for purposes of this Agreement.

#### **6. OFFICE SPACE, SUPPLIES, EQUIPMENT, ETC.**

Contractor shall provide such office space, supplies, equipment, vehicles, reference materials, support services, and telephone service as is necessary for Contractor to provide the services and work identified in Attachment A to this Agreement. The County is not obligated to reimburse or pay Contractor for any expense or cost incurred by Contractor in procuring or maintaining such items. The costs and expenses incurred by Contractor in providing and maintaining such items is the sole responsibility and obligation of Contractor.

#### **7. COUNTY PROPERTY**

A. Personal Property of the County. Any personal property such as, but not limited to, protective or safety devices, badges, identification cards, keys, uniforms, etc., provided to Contractor by the County pursuant to this Agreement are, and at the termination of this Agreement remain, the sole and exclusive property of the County. Contractor will use reasonable care to protect, safeguard, and maintain such items while they are in Contractor's possession. Contractor will be financially responsible for any loss or damage to such items, partial or total, which is the result of Contractor's negligence.

B. Products of Contractor's Work and Services. Any and all compositions, publications, plans, designs, specifications, blueprints, maps, formulas, processes, photographs, slides, video tapes, computer programs, computer disks, computer tapes, memory chips, soundtracks, audio recordings, films, audio-visual presentations, exhibits, reports, studies, works of art, inventions, patents, trademarks, copyrights, or intellectual properties of any kind which are created, produced, assembled, compiled by, or are the result, product, or manifestation of, Contractor's services or work under this Agreement are, and at the termination of this Agreement remain, the sole and exclusive property of the County. At the termination of the Agreement, Contractor will convey possession and title to all such properties to the County.

#### **8. WORKERS' COMPENSATION**

Contractor shall provide Statutory Workers' Compensation insurance coverage and Employer's Liability coverage for not less than \$1 million (\$1,000,000.00) per occurrence for all employees engaged in services or operations under this Agreement. Any insurance policy limits in excess of the specified minimum limits and coverage shall be made available to County as an additional insured. The Workers' Compensation policy shall

be endorsed with a waiver of subrogation in favor of County for all work performed by Contractor, its employees, agents, and subcontractors.

## 9. INSURANCE

A. Contractor shall procure and maintain, during the entire term of this Agreement or, if work or services do not begin as of the effective date of this Agreement, commencing at such other time as may be authorized in writing by the County Risk Manager, the following insurance (as noted) against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by Contractor, its agents, representatives, employees, or subcontractors:

- General Liability. A policy of Comprehensive General Liability Insurance which covers all the work and services to be performed by Contractor under this Agreement, including operations, products and completed operations, property damage, bodily injury (including death) and personal and advertising injury. Such policy shall provide limits of not less than \$1,000,000.00 per claim or occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project or the general aggregate limit shall be twice the required occurrence limit.
- Automobile/Aircraft/Watercraft Liability Insurance. A policy of Comprehensive Automobile/Aircraft/Watercraft Liability Insurance for bodily injury (including death) and property damage which provides total limits of not less than \$1,000,000.00 per claim or occurrence applicable to all owned, non-owned and hired vehicles/aircraft/watercraft. If the services provided under this Agreement include the transportation of hazardous materials/wastes, then the Automobile Liability policy shall be endorsed to include Transportation Pollution Liability insurance covering materials/wastes to be transported by Contractor pursuant to this Agreement. Alternatively, such coverage may be provided in Contractor's Pollution Liability policy.
- Professional Errors and Omissions Liability Insurance. A policy of Professional Errors and Omissions Liability Insurance appropriate to Contractor's profession in an amount of not less than \$1,000,000.00 per claim or occurrence/ \$2,000,000.00 general aggregate. If coverage is written on a claims-made form then: (1) the "retro date" must be shown, and must be before the beginning of contract work; (2) insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the contract work; and (3) if coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a "retro date" prior to the contract effective date, then Contractor must purchase "extended reporting" coverage for a minimum of five years after completion of contract work.
- Pollution Liability Insurance. A policy of Comprehensive Contractors Pollution Liability coverage applicable to the work being performed and covering Contractor's liability for bodily injury (including death), property damage, and environmental damage resulting from "sudden accidental" or "gradual" pollution and related cleanup costs arising out of the work or services to be performed under this Agreement. Coverage shall provide a limit no less than \$1,000,000.00 per claim or occurrence/ \$2,000,000.00 general aggregate. If the services provided involve lead-based paint or asbestos identification/remediation, the Pollution Liability policy shall not contain lead-based paint or asbestos exclusions.

B. Coverage and Provider Requirements. Insurance policies shall not exclude or except from coverage any of the services and work required to be performed by Contractor under this Agreement. The required polic(ies) of insurance shall be issued by an insurer authorized to sell such insurance by the State of California and have at least a "Best's" policyholder's rating of "A" or "A+". Prior to commencing any work under this agreement, Contractor shall provide County: (1) a certificate of insurance evidencing the coverage required; (2) except for Professional Errors and Omissions liability insurance, an additional insured endorsement applying to the County of Mono, its agents, officers and employees; and (3) a notice of cancellation or change of coverage endorsement indicating that the policy will not be modified, terminated, or canceled without thirty (30) days written notice to

the County. If this Agreement contains an automatic annual renewal provision, then the Contractor shall provide County with an updated certificate of insurance and additional insured endorsement meeting the above requirements and applicable to the renewal term, by no later than June 30 of the then-current term, or this Agreement will automatically terminate on June 30 and shall not renew for the subsequent term.

C. Deductible, Self-Insured Retentions, and Excess Coverage. Any deductibles or self-insured retentions must be declared and approved by Mono County. If possible, the Insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to Mono County, its officials, officers, employees, and volunteers; or the Contractor shall provide evidence satisfactory to Mono County guaranteeing payment of losses and related investigations, claim administration, and defense expenses. Any insurance policy limits in excess of the specified minimum limits and coverage shall be made available to County as an additional insured.

D. Waiver of Subrogation. Contractor hereby grants to County a waiver of any right to subrogation which any insurer of Contractor may acquire against County by virtue of the payment of any loss under such insurance. Contractor shall obtain any endorsement necessary to effectuate this waiver, but this provision applies regardless of whether or not County has received a waiver of subrogation endorsement from the insurer.

E. Subcontractors. Contractor shall require and verify that all subcontractors maintain insurance (including Workers' Compensation) meeting all the requirements stated herein and that County is an additional insured on insurance required of subcontractors.

F. Requirements Based on Scope of Work. County reserves the right to add to or modify these requirements, including limits, based on the nature of the risk or other special circumstances associated with any individual Scope of Work Letter issued under this Agreement.

## **10. STATUS OF CONTRACTOR**

All acts of Contractor, its agents, officers, and employees, relating to the performance of this Agreement, shall be performed as an independent contractor, and not as an agent, officer, or employee of the County. Contractor, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of, or exercise any right or power vested in, the County, except as expressly provided by law or set forth in Attachment A of this Agreement. No agent, officer, or employee of the County is to be considered an employee of Contractor. It is understood by both Contractor and the County that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture. As an independent contractor:

A. Contractor (unless otherwise specified herein) shall determine the method, details, and means of performing the work and services to be provided by Contractor under this Agreement.

B. Contractor shall be responsible to the County only for the requirements and results specified in this Agreement, and except as expressly provided in this Agreement, shall not be subjected to the County's control with respect to the physical action or activities of Contractor in fulfillment of this Agreement.

C. Contractor, its agents, officers and employees are, and at all times during the term of this Agreement shall, represent and conduct themselves as independent contractors, and not as employees of the County.

## **11. DEFENSE AND INDEMNIFICATION**

Contractor shall defend, indemnify, and hold harmless County, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, including reasonable litigation costs and attorney's fees, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Contractor, or Contractor's agents, officers, employees. Contractor's obligation to defend, indemnify, and hold the County, its agents, officers, and employees harmless applies to any actual or alleged personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use that arise out of the negligence, reckless or willful misconduct of the Contractor.

Contractor's obligation to defend, indemnify, and hold the County, its agents, officers, and employees harmless under the provisions of this paragraph is not limited to, or restricted by, any requirement in this Agreement for Contractor to procure and maintain a policy of insurance.

## **12. RECORDS AND AUDIT**

A. Records. Contractor shall prepare and maintain all records required by the various provisions of this Agreement, and federal, state, County, and municipal law, ordinances, regulations, and directions. Contractor shall maintain these records for a minimum of four years from the termination or completion of this Agreement. Contractor may fulfill its obligation to maintain records as required by this paragraph by substitute photographs, micrographs, or other authentic reproduction of such records.

B. Inspections and Audits. Any authorized representative of the County shall have access to any books, documents, papers, records, including, but not limited to, financial records of Contractor, which the County determines to be pertinent to this Agreement, for the purposes of making audit, evaluation, examination, excerpts, and transcripts during the period such records are to be maintained by Contractor. Further, the County has the right, at all reasonable times, to audit, inspect, or otherwise evaluate the work performed or being performed under this Agreement.

## **13. NON-DISCRIMINATION**

During the performance of this Agreement, Contractor, its agents, officers, and employees shall not unlawfully discriminate in violation of any federal, state, or local law, against any employee, or applicant for employment, or person receiving services under this Agreement, because of race, religion, color, ancestry, national origin, physical handicap, medical condition, marital status, age, sexual orientation, or sex. Contractor and its agents, officers, and employees shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900, et seq.), and the applicable regulations promulgated thereunder in the California Code of Regulations. Contractor shall also abide by the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said act.

## **14. TERMINATION**

This Agreement may be terminated by the County without cause, and at will, for any reason by giving to Contractor thirty (30) calendar days' written notice of such intent to cancel. In the event of such termination, the County shall pay Contractor for services and work satisfactorily performed by Contractor before delivery of the County's cancellation notice. Contractor may cancel this Agreement without cause, and at will, for any reason whatsoever by giving thirty (30) calendar days' written notice of such intent to cancel to the County.

## **15. ASSIGNMENT**

This is an agreement for the services of Contractor. The County has relied upon the skills, knowledge, experience, and training of Contractor as an inducement to enter into this Agreement. Contractor shall not assign or subcontract this Agreement, or any part of it, without the express written consent of the County. Further, Contractor shall not assign any monies due or to become due under this Agreement without the prior written consent of the County.

## **16. DEFAULT**

If Contractor abandons the work, or fails to proceed with the work and services requested by the County in a timely manner, or fails in any way as required to conduct the work and services as required by the County, the County may declare Contractor in default and terminate this Agreement upon five days' written notice to Contractor. Upon such termination by default, the County will pay to Contractor all amounts owing to Contractor for services and work satisfactorily performed to the date of termination.

## **17. WAIVER OF DEFAULT**

Waiver of any default by either party to this Agreement shall not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided in paragraph 24 below.

## **18. CONFIDENTIALITY**

Contractor agrees to comply with various provisions of the federal, state, and County laws, regulations, and ordinances providing that information and records kept, maintained, or accessible by Contractor in the course of providing services and work under this Agreement, shall be privileged, restricted, or confidential. Contractor agrees to keep confidential all such privileged, restricted or confidential information and records. Disclosure of such information or records shall be made by Contractor only with the express written consent of the County.

## **19. CONFLICTS**

Contractor agrees that it has no interest, and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the work and services under this Agreement. Contractor agrees to complete and file a conflict of interest statement.

## **20. POST-AGREEMENT COVENANT**

Contractor agrees not to use any confidential, protected, or privileged information which is gained from the County in the course of providing services and work under this Agreement, for any personal benefit, gain, or enhancement. Further, Contractor agrees for a period of two years after the termination of this Agreement, not to seek or accept any employment with any entity, association, corporation, or person who, during the term of this Agreement, has had an adverse or conflicting interest with the County, or who has been an adverse party in litigation with the County, and concerning such, Contractor by virtue of this Agreement has gained access to the County's confidential, privileged, protected, or proprietary information.

## **21. SEVERABILITY**

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction, or if it is found in contravention of any federal, state, or County statute, ordinance, or regulation, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated thereby, and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

## **22. FUNDING LIMITATION**

The ability of the County to enter into this Agreement is based upon available funding from various sources. In the event that such funding fails, is reduced, or is modified, from one or more sources, the County has the option to terminate, reduce, or modify this Agreement, or any of its terms within 10 days of its notifying Contractor of the termination, reduction, or modification of available funding. Any reduction or modification of this Agreement made pursuant to this provision must comply with the requirements (except the requirement of mutual consent) of paragraph 24 below.

## **23. VENUE**

This Agreement shall be governed under the laws of the State of California and venue for any litigation under this Agreement shall be the County of Mono, State of California.

## **24. AMENDMENT**

This Agreement may be extended, modified, amended, changed, added to, or subtracted from, by the mutual consent of the parties hereto, if such amendment or change is in written form, and executed with the same

formalities as this Agreement or in accordance with delegated authority therefor, and attached to the original Agreement to maintain continuity.

**25. NOTICE**

Any notice, communication, amendments, additions, or deletions to this Agreement, including change of address of either party during the term of this Agreement, which Contractor or the County shall be required, or may desire, to make, shall be in writing and may be personally served, or sent by prepaid first class mail or email (if provided below), to the respective parties as follows:

County of Mono:  
County Administrative Officer  
County of Mono  
PO 696  
Bridgeport, CA 93517

Contractor:  
Willdan Engineering  
c/o Doug Wilson  
2014 Tulare Street, Suite 515  
Fresno, CA 93721

**26. ENTIRE AGREEMENT**

This Agreement contains the entire agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated herein by reference, shall be of any force or effect. Further, no term or provision hereof may be changed, waived, discharged, or terminated, unless the same be in writing executed by the parties hereto.

**IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS AS SET FORTH BELOW.**

**COUNTY OF MONO:**

By: \_\_\_\_\_  
Name: Leslie L. Chapman  
Title: CAO  
Date: \_\_\_\_\_

**CONTRACTOR:**

By:  \_\_\_\_\_  
Name: Adel Freij  
Title: Deputy Director  
Firm: Willdan Consulting  
Date: 12.28.2018

**APPROVED AS TO FORM:**

\_\_\_\_\_  
County Counsel Date

**APPROVED BY RISK MANAGEMENT:**

\_\_\_\_\_  
Risk Management Date



# ATTACHMENT A

## AGREEMENT BETWEEN THE COUNTY OF MONO AND WILLDAN ENGINEERING FOR THE PROVISION OF INTERIM ASSISTANT COUNTY ADMINISTRATIVE OFFICER SERVICES AS NEEDED BY THE COUNTY ADMINISTRATIVE OFFICER

### TERM:

**FROM:** January 1, 2019

**TO:** December 31, 2019

During the term of this Agreement, Mr. Kevin D. Carunchio, a Willdan employee, is hereby designated as the Mono County Interim Assistant County Administrative Officer. Mr. Carunchio will provide requested services in accordance with the duties detailed below. Willdan, through Mr. Carunchio, will generally provide services remotely, but will provide services in Mono County as requested by the County Administrative Officer.

### SCOPE OF WORK:

At the request of and under the direction of the Mono County Administrative Officer (“CAO”) the Consultant will perform a variety of non-operational and non-supervisory tasks typically associated with the duties and responsibilities of the Interim Assistant County Administrative Officer. Examples of such work include, but are not limited to conducting high-level analyses; evaluating, developing, and recommending policies and programs; preparing written reports, memoranda, Requests For Proposals, presentations, and similar instruments for general as well as specific audiences; advising the CAO, when requested, on issues of importance to the CAO, Board of Supervisors or the County as a whole; reviewing or otherwise administering consulting contracts and similar agreements; attending meetings and negotiations when requested by and with the CAO; and, representing the County, when specifically authorized to do so, to other government agencies, organizations and individuals.

It is understood that the services of the ACAO services will generally be provided remotely but will require services be provided within Mono County from time to time. Services from within Mono County will be provided only upon request and approval of the County Administrative Officer (CAO).

###

## **ATTACHMENT B**

### **AGREEMENT BETWEEN THE COUNTY OF MONO AND WILLDAN CONSULTING FOR THE PROVISION OF INTERIM ASSISTANT COUNTY ADMINISTRATIVE OFFICER SERVICES AS NEEDED BY THE COUNTY ADMINISTRATIVE OFFICER**

#### **TERM:**

**FROM:** January 1, 2019

**TO:** December 31, 2019

#### **SCHEDULE OF FEES:**

Consultant's time will be invoiced monthly at a rate of \$160 per hour.

The invoice will include a per diem amount at the GSA rate for meals and incidentals (M&IE Total), and mileage at the IRS approved rate, for any travel requested and approved by the CAO.



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** January 8, 2019

**TIME REQUIRED**

**SUBJECT** Hemp Cultivation Letter

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

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### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Letter from Vanessa Arnold to the Board asking to codify hemp as a permitted agriculture crop.

---

### RECOMMENDED ACTION:

---

### FISCAL IMPACT:

---

### CONTACT NAME:

**PHONE/EMAIL:** /

---

### SEND COPIES TO:

---

### MINUTE ORDER REQUESTED:

YES  NO

---

### ATTACHMENTS:

Click to download

[Letter](#)

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### History

Time	Who	Approval
1/2/2019 4:08 PM	County Administrative Office	Yes
12/21/2018 1:58 PM	County Counsel	Yes
1/3/2019 9:20 AM	Finance	Yes

To Mono County Board of Supervisors and Agriculture Commissioner:

Assumptions were made in the analogy of pesticide drift and organics; though industry solutions for pesticide drift include space buffers, hedge-rows, appropriate timing with weather conditions, reduction of spray diameter, etc. In contrast to pesticide drift, there are many more variables to pollen drift.

The anatomy of the different cannabis species plays a vital role in understanding the dynamic of pollen drift. The production of CBD or THC essentially determines the classification of hemp or marijuana (as both are technically cannabis, I will reference the two distinct species as either hemp or marijuana), hemp contains <0.3% THC and 10% CBD, or greater; marijuana essentially has a flip of these ratios, though many strains now contain upwards of 20-30% THC. The genetics of the cultivar (hemp) or strain (marijuana) affect the qualities of the chemical contents based on the capability of the enzyme CBG to replicate either CBD or THC into the genetic template. An interesting notion, CBD binds to the CBD-2 receptor, which neurologically prevents THC from binding and transmitting; so hemp actually counters the THC high. Cannabis can further be separated into either monoecious (self-pollinating) or dioecious (male/female). Like the marijuana industry, many industrial hemp farmers mirror the cultivation techniques and now use only dioecious, feminized plants; some farmers even keep clones. Hence, no pollen! However, hemp has many seed cultivars, just as marijuana has many strains. Further, hemp has many uses: fiber/textile, food grain/fodder, CBD oil, milk, hempcrete, plastics, cosmetics, biofuel, etc. etc. Though marijuana does have many different health qualities, the general use is usually for psychotropic affects. Based on the different uses of hemp, there are specific cultivars for each of these uses, and some produce pollen. In this case, there is also a solution available.

Further, biology works against the worries of cross pollination. Hemp plants that do create pollen are large haploid cells, so much of the plant's projections are only 3 feet. However, in practicality, wind or insects could carry pollen 100 yards to 3 miles. It is an industry standard in Oregon, Colorado, and Canada that there is a buffer distance of 3 feet to 3 miles (5k) from an already existing cannabis operation based on hemp cultivar used. The IHAB and CDFA have produced a preliminary list of cultivars and the spacing requirements from other crops. And in addition to a spatial buffer, just as organic and conventional farmers can use hedges, so too can industrial hemp. A perimeter planting of tall plants, such as sunflowers, are very efficient in the capturing of pollen. Fencing is also another great option- and since most marijuana security plans include a perimeter fence, the chance of pollen drift continues to decline.

Also, there is a general assumption that if there is pollen drift that the gene flow would inherently produce a diluted marijuana strain. However, this doesn't seem to be the case in recent research. Though these plants can cross pollinate, there is either no or relatively little seed produced when this occurrence has happened. And generally, many commercial marijuana growers are not as worried about protecting the genetics of the field plant (the mother for clones are usually kept separate) as they are the loss of THC when energy is placed on producing seed. Further, this is already a problem that marijuana cultivators are prone to experience with any stress the plant has from varied light or temperature changes- the female plant will shift into a hermaphrodite to produce seed to ensure genetic flow. Essentially, a seedy flower could be as much from the marijuana as from the hemp. In addition, if a dioecious planting of seed were to generate males, a marijuana cultivator usually has a couple of weeks to cull these plants before female flowers can collect the pollen. Unfortunately, current California hemp regulations would prohibit any pruning or culling of hemp plants, but I hope it has been

seen there are many demonstratable solutions past extraction of males. This also emphasizes the need for local control of the process to provide practical solutions to the industry.

There are already industry standards in place. Both Oregon and Colorado have experimented with the two plants. Kentucky has championed the movement (and though there is no legal framework for marijuana, it is a plentiful illegal crop), but the most solid example is the Canadian market. Most all of hemp imports come from Canada. Further, Canada is also the first first-world country to legalize marijuana. This dynamic has not disrupted production. In fact, corporations such as Aurora and Canopy Growth (the largest cultivators in the world) have thrived alongside their industrial hemp counter parts. A big part of this also has to do with growing methodologies- much of Canada has a short growing season, and greenhouses are the industry standard. De facto, these enclosures restrict the flow of pollen from entering or leaving a facility. There is a common theme in Mono County in relation to climate, and I am sure all of the applicants that are/will be submitting for recreational/medicinal marijuana will have a hoop house, greenhouse, or warehouse option included; many of these will also have carbon filtration systems, HEPA filters, or fog machines which all reduce pollen drift. This methodology can also be applied for oil producing hemp cultivars.

I hope that the County Board of Supervisors provides direction to codify hemp as a permitted agriculture crop. With the recent passing of the Farm Bill, the industrial components of hemp are now Federally legal; this includes the oil production of CBD. Unlike its counter-part marijuana, hemp now has the backing of both Federal and State regulations; as long as local authorities permit the usage. Though Agricultural Research Centers are exempt, there is currently a loose framework for hemp farming. Initially, County Agriculture Commissioners to collect a \$500 application fee for the time spent processing and an annual \$900 registration fee. This is a reasonable entry to a unique crop, similar to aquaculture or fallow deer permit fees. Current California regulations include a declaration of the hemp cultivar, required testing of THC, no pruning, and no culling- this likely to deter illegal cultivation of "marijuana", though biologically unfeasible and further stymied by having to use registered hemp cultivars, which genetically produce CBD. There must also be GPS points recorded of the fields, and signage indicating "Industrial Hemp"; as well as the name and address of the farmer. I hope this crop is seen as a commodity crop like cotton, corn, or alfalfa. Thereby, a permitted use within agriculture designations and subject to the oversight of the Agriculture Commissioner based on a drafted ordinance, which could include needed conditions ie buffer distances from established marijuana grows. Industrial hemp should be given full consideration under Mono County General Plan Chapter 24, Right to Farm. This would further avoid the costly and timely process of CEQA, and enable a new crop to establish in the limited agricultural sector. The social and environmental improvements given by hemp should reduce the regulatory process needed.

Hemp can be utilized for a variety of uses as explained above, but also for its specific potential in the Eastern Sierra. As cannabis originated in the Mongolia/China regions, and most notably the Hindu Kush, the latitudinal similarities to our region make this plant a great option for our climate. In contrast to many marijuana strains, which are mostly equatorial in nature and need a more controlled climate and higher volumes of nutrients and water inputs. While most marijuana can use 3-6 AF of water; alfalfa can use 4 AF of water; industrial hemp can use only **.08 AF**. More amazing is industrial hems ability to deter pests (phytopesticide) so there is no need for crop rotation, rather, a hemp plant is a phytoremediator of the soil- up taking heavy metals and pollutants. Also, the productivity is amazing; while marijuana

generally needs a spacing of 6-8ft. between plants, hemp needs only 4 inches, and has the capacity to grow upwards of 10-12 feet in 75 days.

There is a vast history to industrial hemp in the United States. I hope there is a resurgence for the tremendous amounts of applications that are needed in a global setting plagued with climate change. There must be a shift on the reliance of cotton and tree products; on cement mining, on petroleum-based resources. A classic example is the Ford Model T- which was made from hemp plastic and used hemp fuel! A renewable resource to replace many of these applications and that is compatible to our climate opens an entirely new market to the agricultural sector.

Please find that there is an ability to have cohabitation of hemp and marijuana. There should be no vested interests in protecting an industry that doesn't yet exist. Rather, there should be an embrace of creativity and entrepreneurial solutions to some of the most complex problems that have faced humanity- it's a novel step in the right direction, and each individual action should be seen to contribute to the greater whole. However, it is a valid concern that marijuana and hemp could cross contaminate, so I would encourage the implementation of buffers, and have hedges as a best management practice. Further, as 'all' of the outdoor cultivation permits are happening in Walker, please do not blanket a regulation for the entire county, which is sparse and has many geographic barriers of isolation. If there are direct issues with the marijuana and hemp industries, then please settle these within area plans or specific ordinances to a place-based need.

I look forward to the option to apply for an industrial hemp cultivation permit. The opportunity to farm hemp is a large reason why our family moved back to this area. I would like to grow a commodity crop that has as diverse a use as any other plant available to grow. I anticipate the results of your upcoming meeting.

Sincerely,

Vanessa Arnold



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE**     January 8, 2019

**TIME REQUIRED**

**SUBJECT**             Invitation for a Meeting to Discuss the  
Inyo National Forest Land  
Management Plan Revision  
Objections

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

An invitation from Bernie Gyant, Deputy Regional Forester and Objection Reviewing Officer, to a meeting to discuss potential resolutions to objections on January 15-17, 2019 at the Eastern Sierra Campus of Cerro Coso Community College. The meeting is open to the public.

**RECOMMENDED ACTION:**

**FISCAL IMPACT:**

**CONTACT NAME:**

**PHONE/EMAIL:** /

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download
<a href="#">Letter</a>

**History**

Time	Who	Approval
1/2/2019 4:09 PM	County Administrative Office	Yes
12/21/2018 1:59 PM	County Counsel	Yes
1/3/2019 9:20 AM	Finance	Yes



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**File Code:** 1570  
**Date:** DEC 14 2018

Dear Objectors and Interested Persons:

As reviewing officer for the Inyo National Forest Land Management Plan revision, I would like to invite you to meet with me to discuss potential resolution of the objections. I will convene a meeting for this purpose in Bishop, California at the Eastern Sierra Campus of Cerro Coso Community College in the Community Room, 4090 W Line Street, on January 15-17, 2019. The meeting will be held all day on the 15th and 16th, and the 17th will be a half day. The meetings will begin at 9:00 a.m. all three days. All objectors and interested persons are invited to attend this meeting, and the meeting is open to the public, pursuant to objection regulations at 36 CFR 219.57. The meeting will be recorded. An agenda will be provided prior to the meeting. Please inform Objection Coordinator Talitha Derksen if you plan to attend this meeting, at [talithafderksen@fs.fed.us](mailto:talithafderksen@fs.fed.us) or (530) 768-9336.

If you have any questions about the objection process, please contact Objection Coordinator Talitha Derksen (contact information above). If you have any questions about the Inyo National Forest Land Management Plan revision, please contact Erin Noesser at [elnoesser@fs.fed.us](mailto:elnoesser@fs.fed.us) or (760) 873-2449.

Sincerely,

BARNIE GYANT  
Deputy Regional Forester  
Objection Reviewing Officer

cc: Talitha Derksen, Erin Noesser, Tamera Randall-Parker, Mary Beth Hennessy







OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** January 8, 2019

**TIME REQUIRED**

**SUBJECT** Liberty Utilities Rate Increase  
Request

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

---

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

A notification of Liberty Utilities LLC request to increase rates - 2019-2021 General Rate Case application filing from November 30, 2018.

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### RECOMMENDED ACTION:

---

### FISCAL IMPACT:

---

### CONTACT NAME:

PHONE/EMAIL: /

---

### SEND COPIES TO:

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### MINUTE ORDER REQUESTED:

YES  NO

---

### ATTACHMENTS:

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### History

Time	Who	Approval
1/2/2019 4:11 PM	County Administrative Office	Yes
12/21/2018 2:03 PM	County Counsel	Yes
1/3/2019 9:20 AM	Finance	Yes

**NOTIFICATION OF  
LIBERTY UTILITIES (CALPECO ELECTRIC) LLC REQUEST  
TO INCREASE RATES  
2019-2021 GENERAL RATE CASE  
APPLICATION FILING A.18-12-001**

**THE APPLICATION FILING**

On November 30, 2018, Liberty Utilities (CalPeco Electric) LLC (Liberty CalPeco) filed a General Rate Case (GRC) Application 18-12-001 with the California Public Utilities Commission (CPUC) seeking authority to increase revenues by \$6.718 million beginning January 1, 2019, by \$5.859 million beginning January 1, 2020, and by \$3.823 million beginning January 1, 2021. The current authorized level for 2018 is \$84.006 million. Liberty CalPeco will use this increase to recover its costs associated with the distribution of electricity.

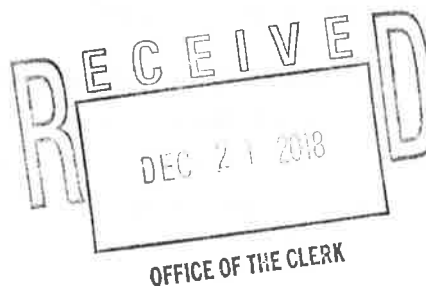
Every three years Liberty CalPeco is required to file a GRC with the CPUC. The annual revenue requirement is the total amount of money a utility collects through rates in a given year for specific purposes. The design of the actual rates (prices charged to certain customers) and the Energy Cost Adjustment Clause (ECAC) requirement (the costs of fuel and purchased power and certain other energy-related costs) will be determined in Phase II of this proceeding.

These amounts are subject to change if certain fees and taxes paid by Liberty Utilities increase or decrease during the three years.

Updated information during these proceedings may be introduced which would change the proposed amount originally requested by Liberty Utilities. The final decision by the CPUC may be different than the proposed application filing.

Liberty Utilities is requesting revenue increases for the following reasons:

- To continue to invest in and maintain the system of the distribution plant, poles, wires, pipes, and equipment needed to deliver electricity to Liberty Utilities' customers; and
- To maintain the support structure necessary to keep Liberty Utilities operating and to provide its customers with safe, reliable and responsive customer service.



## ESTIMATED 2019 IMPACT OF THIS REQUEST

Ln No	Customer Class	Present Revenue \$/kWh or \$/lamp	Proposed Revenue \$/kWh or \$/lamp	Change in \$/kWh or \$/lamp	Percentage Change
1	Residential	\$ 0.14772	\$ 0.15953	\$ 0.01181	8.0%
2	A-1 Small Commercial	\$ 0.16041	\$ 0.17324	\$ 0.01283	8.0%
3	A-2 Medium Commercial	\$ 0.15282	\$ 0.16504	\$ 0.01222	8.0%
4	A-3 Large Commercial	\$ 0.14878	\$ 0.16068	\$ 0.01190	8.0%
5	Irrigation	\$ 0.11430	\$ 0.12344	\$ 0.00914	8.0%
6	Street/Highway Lighting	\$ 19.12	\$ 20.65	\$ 1.53	8.0%
7	Outdoor Lighting	\$ 11.31	\$ 12.22	\$ 0.91	8.0%

These estimates are based on the current rate design. The final rate design will be determined in Phase II of this proceeding.

### FOR MORE INFORMATION

A copy of the application and related materials may be examined at Liberty CalPeco's South Lake Tahoe Office, located at 933 Eloise Avenue, South Lake Tahoe, CA 96150 between 9 am – 5 pm Mon-Fri. You may also contact Dan Marsh, Manager of Rates and Regulatory Affairs, at [Dan.Marsh@libertyutilities.com](mailto:Dan.Marsh@libertyutilities.com).

Copies of this GRC Application and this notice are also posted on the company's website at [www.libertyutilities.com](http://www.libertyutilities.com).

A copy of this application filing may also be examined at the Central Files Office at the CPUC in San Francisco located at 505 Van Ness Avenue, San Francisco, CA 94102 between the hours of 8 am – Noon daily. An electronic copy of the application is located on the CPUC's website at [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

### CPUC PROCESS

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary Hearings (EHs) may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt Liberty Utilities' proposal, modify it, or deny it. Any CPUC Commissioner may write an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

As a party of record, the Public Advocates Office (CalPA) may review this application. CalPA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. CalPA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about CalPA, please call (415) 703-1584, e-mail [PublicAdvocatesOffice@cpuc.ca.gov](mailto:PublicAdvocatesOffice@cpuc.ca.gov) or visit CalPA's website at [www.publicadvocates.cpuc.ca.gov](http://www.publicadvocates.cpuc.ca.gov).

#### STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscribe.puc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, or if you have informal comments or questions about the CPUC processes, you may access the CPUC's Public Advisor's Office webpage at <http://www.cpuc.ca.gov/pao> You may also contact the Public Advisor's Office as follows:

CPUC Public Advisor's Office  
505 Van Ness Avenue  
San Francisco, CA 94102  
Email: [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)  
Phone: 1-866-849-8390 (toll-free) or 1-415-703-2074  
TTY 1-866-836-7825 (toll-free) or 1-415-703-5282

Please reference Liberty Utilities GRC Application No.18-12-001 in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** January 8, 2019

**TIME REQUIRED**

**SUBJECT** Suddenlink Restructuring

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

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### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

A letter from Davis Wright Tremaine LLP and Jenner & Block LLP, attorneys for Altice USA, to the Video Franchising and Broadband Deployment Group of the California Public Utilities Commission regarding a Pro forma restructuring of intermediate parent entity of Cequel III Communications I, LLC, Cebridge Acquisition, L.P., and NPG Cable, LLC (all d/b/a Suddenlink Communications).

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### RECOMMENDED ACTION:

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### FISCAL IMPACT:

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### CONTACT NAME:

PHONE/EMAIL: /

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### SEND COPIES TO:

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### MINUTE ORDER REQUESTED:

YES  NO

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### ATTACHMENTS:

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### History

Time	Who	Approval
1/2/2019 4:24 PM	County Administrative Office	Yes
12/27/2018 1:15 PM	County Counsel	Yes
1/3/2019 9:21 AM	Finance	Yes

December 13, 2018

**Via E-Mail and US Mail**



Michael Pierce  
Video Franchising and Broadband Deployment Group  
Communications Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Re: *Pro forma* restructuring of intermediate parent entity of Cequel III Communications I, LLC (Franchise No. 0034), Cebridge Acquisition, L.P. (Franchise No. 0044), and NPG Cable, LLC (Franchise No. 0040) (all d/b/a Suddenlink Communications)

Dear Mr. Pierce:

Altice USA, Inc. (“Altice USA”), on behalf of Cequel Corporation (“Cequel”), Cequel III Communications I, LLC (Franchise No. 0034), Cebridge Acquisition, L.P. (Franchise No. 0044), and NPG Cable, LLC (Franchise No. 0040) (all d/b/a Suddenlink Communications, collectively the “Franchise Holders”), is writing to inform the Commission that on November 27, 2018, Altice USA completed a *pro forma* restructuring (“Restructuring”). Altice USA and its certificated affiliate Cebridge Telecom CA, LLC d/b/a Suddenlink (“Cebridge CA”) (U-6996-C) previously informed the Commission of this *pro forma* restructuring by way of Advice Letter No. 15, which the Commission accepted effective November 16, 2018.

Through the *pro forma* restructuring completed on November 27, 2018, Altice USA, the Franchise Holders’ parent corporation, combined its two primary organizational silos by transferring certain corporate subsidiaries that operate under the Suddenlink brand into the corporate structure indirectly controlled by Altice USA’s wholly-owned subsidiary Cablevision Systems Corporation. This Restructuring did not change the ultimate ownership or control of Altice USA or its subsidiaries, including the Franchise Holders, and there will be no change in day to day operations for Franchise Holders.

It is Altice USA’s understanding that transactions such as the Restructuring, which took place at the intermediate parent level and did not involve any change to the direct or ultimate control of the Franchise Holders, do not fall within the scope of Cal. Pub. Util. Code §5840(m)(1) because they do not involve a “change in the ownership, operation, control, or corporate organization” of a Franchise Holder. Altice USA is providing this information, however, to ensure the continuing accuracy of the Commission’s records. We are concurrently notifying the applicable local governmental entities as well.

Michael Pierce  
Video Franchising and Broadband Deployment Group  
December 13, 2018  
Page 2

If you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,

/s/ Suzanne Toller

Luke C. Platzer  
Johanna R. Thomas  
JENNER & BLOCK LLP  
1099 New York Ave. NW, Suite 900  
Washington, DC 20001-4412  
Telephone: (202) 639-6000  
Email: lplatzer@jenner.com

Suzanne Toller  
DAVIS WRIGHT TREMAINE LLP  
505 Montgomery Street, Suite 800  
San Francisco, CA 94111  
Telephone: (415) 276-6500  
Email: suzannetoller@dwt.com

*Attorneys for Altice USA*

cc: Local Entities

Brad Ayers, Senior Director, Government Affairs, Altice USA, Inc.  
Robert Hoch, Senior Counsel, Government Affairs, Altice USA, Inc.



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** January 8, 2019

**TIME REQUIRED**

**SUBJECT** Agricultural Commissioner's Office  
Department Update January 2019

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

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### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

January 2019 department update from the Counties of Inyo and Mono Agricultural Commissioner's office.

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### RECOMMENDED ACTION:

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### FISCAL IMPACT:

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### CONTACT NAME:

**PHONE/EMAIL:** /

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### SEND COPIES TO:

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### MINUTE ORDER REQUESTED:

YES  NO

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### ATTACHMENTS:

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[Report](#)

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### History

Time	Who	Approval
1/2/2019 4:24 PM	County Administrative Office	Yes
12/28/2018 11:46 AM	County Counsel	Yes
1/3/2019 9:21 AM	Finance	Yes





## DEPARTMENT REPORT

January 2019

### Agriculture

Provisions in the new Farm Bill will provide for [cultivation of industrial hemp](#) as long as interested states or tribes submit an acceptable program for registering such grows to USDA. The federal changes also allow for interstate transportation of hemp crops, which could significantly change the marketability of the crop. Other provisions include allowing hemp to be considered an agricultural commodity and opening up crop insurance programs to hemp producers. USDA also noted that states will not be able to alter the federal definition of industrial hemp if they want to maintain a registration program. The federal definition includes a provision that THC levels not exceed .3%.

Our department will be participating in North American Invasive Species Management Association ([NAISMA](#)) certification of weed free forage again in 2019. We surveyed the growers that participated in 2018 and most wanted to participate again this year. We are also looking into receiving training so that staff can certify gravel as weed free after we recently received a request to certify such materials. This will require a change in how we bill entities requesting certification.

It appears that the agriculture department will be receiving about 50% more funding this fiscal year due to gas tax increases. We also have been able to capture a significant amount of funds for cannabis and pesticide outreach efforts. This is all good news, and we are working on ways to put additional funds to the best use for our stakeholders. These additional funds will need to be expended through our programs or they will impact our 5 year maintenance of effort requirements.

### Weights and Measures

We are beginning to receive device registrations for 2019. Each year, any commercial weighing or measuring devices that will be used in Inyo or Mono Counties need to be registered with our office. We register and inspect an average of about 1,400 devices each year, from fuel meters to counter scales to truck scales and more.

In addition to device registration and testing, we have several other weights and measures programs such as [quantity control](#), [petroleum quality](#) and [weighmaster](#). Our local weighmaster program will become larger as cannabis businesses come online, as all cannabis transactions that are not prepackaged will require weighmaster certification. Having a licensed weighmaster checking weights throughout the production and distribution process ensures the integrity of the track and trace system.

The weighmaster program ensures that bulk transactions based on weight are accurate and that there is an audit trail associated with these transactions. In California, weighmaster certification requires taking a test. After a weighmaster is certified, they are responsible for bulk transaction accuracy and maintaining records of these transactions. Our department audits weighmasters in our counties regularly. Transactions that we audit range from bulk alfalfa sales to scrap metal sales.

Mosquito Abatement

The mosquito program continues to work on equipment and prepare for the coming 2019 mosquito season. We anticipate advertising to recruit next year’s seasonal employees will be out soon.

Invasive Plant Management Program

Like the mosquito program, our weed abatement employees are completing a large number of repairs during their down season. Staff is also working on improving our training program for seasonal staff. We will be looking to advertise to recruit next year’s seasonal employees soon.

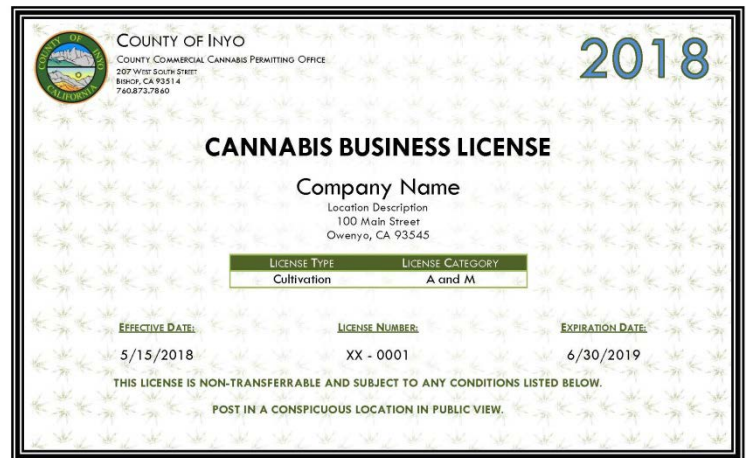
Some work has been conducted in Laws and at county campground by our staff to provide pre-emergent weed control this spring.



Inyo County Commercial Cannabis Permit Office

December saw six commercial cannabis business licenses issued in Inyo County. An additional 22 applications are expected to go before the Board of Supervisors in January for consideration. This will finish up our initial application period.

We expect to move forward shortly with some minor revisions to our program that will help to provide a more efficient application process. This will include some minor code revision suggestions and minor changes to our application, scoring sheet, and some other supporting documents. If all of this goes smoothly, we may be able to reopen the application window for those license types and zone where licenses are still available in the spring.



January 2019 Calendar

January 1

New Year’s Day  
Office Closed

January 16

Inyo County Mid-Year Budget Due

January 17

Southern California Agricultural Commissioner  
and Sealer’s Association Meeting  
Webinar

January 21

Martin Luther king Jr. Day  
Office Closed

January 28

CDFA License Testing  
Bishop, CA

January 30

Inyo/Mono Regional Water Management  
Group Meeting



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** January 8, 2019

**Departments: Clerk of the Board**

**TIME REQUIRED** 30 minutes (5 minute presentation;  
25 minute discussion) **PERSONS APPEARING BEFORE THE BOARD** Shannon Kendall; Board Chair

**SUBJECT** Supervisors' Appointments to  
Boards, Commissions and  
Committees for 2019

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Mono County Supervisors serve on various board, commissions and committees for one-year terms that expire on December 31st. Each January, the Board of Supervisors makes appointments for the upcoming year.

**RECOMMENDED ACTION:**

Appoint Supervisors to boards, commissions and committees for 2019.

**FISCAL IMPACT:**

None.

**CONTACT NAME:** Scheereen Dedman

**PHONE/EMAIL:** x5538 / sdedman@mono.ca.gov

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download
<a href="#">2018 appointment list by Supervisor</a>
<a href="#">2018 appointment list by Committee</a>

**History**

Time	Who	Approval
1/2/2019 4:20 PM	County Administrative Office	Yes
12/27/2018 12:10 PM	County Counsel	Yes

1/3/2019 9:37 AM

Finance

Yes

# **MONO COUNTY BOARD MEMBERS** **APPOINTED TO COMMISSIONS & COMMITTEES 2018**

## **JENNIFER HALFERTY – SUPERVISOR DISTRICT #1**

Eastern Sierra Transit Authority (ESTA)  
California State Association of Counties (CSAC) (Alternate)

## **FRED STUMP – SUPERVISOR DISTRICT #2**

Airport Land Use Commission  
Great Basin Unified Air Pollution Control District  
Local Agency Formation Commission (LAFCO)  
Local Transportation Commission, Mono County  
Mono County Senior Citizen Program  
Owens Valley Groundwater Joint Powers Authority  
Town-County Liaison Committee  
Tri-Valley Water Commission

## **BOB GARDNER – SUPERVISOR DISTRICT #3**

Collaborative Planning Team, Mono County  
Eastern Sierra Child Support Regional Oversight Committee  
Eastern Sierra Council of Governmental Entities  
Eastern Sierra Transit Authority (ESTA)  
Inter-agency Visitors' Center Board of Directors  
Law Library, Mono County  
Local Agency Formation Commission (LAFCO) (Alternate)  
Mammoth Lakes Housing (Alternate)  
Mammoth Mountain Ski Area Liaison Committee  
Mono County Children & Families Commission (First 5)  
National Association of Counties (NACo) (Alternate)  
Owens Valley Groundwater Joint Powers Authority (Alternate)  
Treasury Oversight Committee (Alternate)  
YARTS JPA  
Inyo Mono Advocates for Community Action (IMACA)

## **JOHN PETERS – SUPERVISOR DISTRICT #4**

Airport Land Use Commission  
Behavioral Health Advisory Board (Alternate)  
Central Nevada Regional Water Authority (CNRWA)

California State Association of Counties (CSAC)  
Community Corrections Partnership (Alternate)  
Eastern Sierra Council of Governmental Entities (Alternate)  
Great Basin Unified Air Pollution Control District (Alternate)  
Integrated Waste Management Act of 1989 Independent Hearing Panel for Local Enforcement Agency  
Local Agency Formation Commission (LAFCO)  
Local Transportation Commission, Mono County  
Mammoth Mountain Ski Area Liaison Committee  
Mono County Senior Citizen Program  
Rural County Representatives of California (RCRC) / Golden State Finance Authority (GSFA) /  
Environmental Services Joint Powers Authority (ESJPA) (Alternate)  
Sierra Nevada Conservancy (Alternate)  
Town-County Liaison Committee (Alternate)  
Treasury Oversight Committee

### **STACY CORLESS – SUPERVISOR DISTRICT #5**

Behavioral Health Advisory Board  
Collaborative Planning Team, Mono County (Alternate)  
Community Corrections Partnership  
Eastern Sierra Council of Governmental Entities  
Great Basin Unified Air Pollution Control District  
Local Transportation Commission, Mono County  
Mammoth Lakes Housing  
National Association of Counties (NACo)  
Rural County Representatives of California (RCRC) / Golden State Finance Authority (GSFA) /  
Environmental Services Joint Powers Authority (ESJPA)  
Sierra Nevada Conservancy  
Town-County Liaison Committee  
YARTS JPA

**MONO COUNTY BOARD OF SUPERVISORS  
2018 BOARD/COMMISSION/COMMITTEE MEMBERSHIP LIST**

Date of Appointment 01/02/2018 ~ Term Expires 12/31/2018

**AIRPORT LAND USE COMMISSION**

- John Peters, Supervisor
- Fred Stump, Supervisor
- Vacant, Supervisor Alternate

**BEHAVIORAL HEALTH ADVISORY BOARD**

- Stacy Corless, Supervisor
- John Peters, Supervisor Alternate

**CENTRAL NEVADA REGIONAL WATER AUTHORITY (CNRWA)**

- John Peters, Supervisor

**CALIFORNIA STATE ASSOCIATION OF COUNTIES (CSAC)**

[www.counties.org](http://www.counties.org)

- John Peters, Supervisor
- Vacant, Supervisor Alternate

**COLLABORATIVE PLANNING TEAM, MONO COUNTY**

- Bob Gardner, Supervisor
- Stacy Corless, Supervisor Alternate

**COMMUNITY CORRECTIONS PARTNERSHIP**

- Stacy Corless, Supervisor
- John Peters, Supervisor Alternate

**EASTERN SIERRA CHILD SUPPORT REGIONAL OVERSIGHT COMMITTEE**

- Bob Gardner, Supervisor      Occupied by current board chair

**EASTERN SIERRA COUNCIL OF GOVERNMENTAL ENTITIES**

- Stacy Corless, Supervisor
- Bob Gardner, Supervisor
- John Peters, Supervisor Alternate

**EASTERN SIERRA TRANSIT AUTHORITY (ESTA)**

- Bob Gardner, Supervisor
- Jennifer Halferty (term expires 12/31/2018)

**GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT**

Air Pollution Control Officer, 157 Short Street, Suite 6, Bishop, California 93514  
760-872-8211, 760-872-6109 (fax)

- **Stacy Corless**, Supervisor
- **Fred Stump**, Supervisor
- **John Peters**, Supervisor Alternate

**INTEGRATED WASTE MANAGEMENT ACT OF 1989 INDEPENDENT HEARING  
PANEL FOR LOCAL ENFORCEMENT AGENCY**

- **John Peters**, Supervisor

**INTER-AGENCY VISITORS' CENTER BOARD OF DIRECTORS**

- **Bob Gardner**, Supervisor

**LAW LIBRARY, MONO COUNTY**

Board of Library Trustees

- **Bob Gardner**, Supervisor      Occupied by current board chair

**LOCAL AGENCY FORMATION COMMISSION (LAFCO)**

TBD, Executive Officer

- **Fred Stump**, Supervisor
- **John Peters**, Supervisor
- **Bob Gardner**, Supervisor Alternate

**LOCAL TRANSPORTATION COMMISSION, MONO COUNTY**

- **John Peters**, Supervisor
- **Stacy Corless**, Supervisor
- **Fred Stump**, Supervisor (Leslie Chapman, Alternate)

**MAMMOTH LAKES HOUSING**

- **Stacy Corless**, Supervisor
- **Bob Gardner**, Supervisor Alternate

**MAMMOTH MOUNTAIN SKI AREA LIAISON COMMITTEE**

- **John Peters**, Supervisor
- **Bob Gardner**, Supervisor
- **Vacant**, Supervisor Alternate

**MONO COUNTY CHILDREN & FAMILIES COMMISSION (FIRST 5)**

P. O. Box 130, Mammoth Lakes, CA 93546, 760-924-7626, Fax 760-934-8443

- **Bob Gardner**, Supervisor



**MONO COUNTY SENIOR CITIZEN PROGRAM**

- **John Peters**, Supervisor
- **Fred Stump**, Supervisor

**NATIONAL ASSOCIATION OF COUNTIES (NACO)**

- **Stacy Corless**, Supervisor
- **Bob Gardner**, Supervisor Alternate

**OWENS VALLEY GROUNDWATER JOINT POWERS AUTHORITY**

- **Fred Stump**, Supervisor
- **Bob Gardner**, Supervisor Alternate

**RURAL COUNTY REPRESENTATIVES OF CALIFORNIA (RCRC)/Golden State Finance Authority (GSFA) & Environmental Services Joint Powers Authority (ESJPA)**

1020 12<sup>th</sup> Street, Suite 200, Sacramento, California 95814

- **Stacy Corless**, Supervisor
- **John Peters**, Supervisor Alternate
- **Justin Nalder**, ESJPA Alternate

**SIERRA NEVADA CONSERVANCY**

Bishop Office: 351 Pacu Lane, Ste 200, Bishop, CA 93514, 760-872-1120

- **Stacy Corless**, Supervisor
- **John Peters**, Supervisor Alternate

**TOWN-COUNTY LIAISON COMMITTEE**

- **Stacy Corless**, Supervisor
- **Fred Stump**, Supervisor
- **John Peters**, Supervisor Alternate

**TREASURY OVERSIGHT COMMITTEE**

- **John Peters**, Supervisor
- **Bob Gardner**, Supervisor Alternate

**YARTS JPA**

- **Bob Gardner**, Supervisor
- **Stacy Corless**, Supervisor

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**MONO COUNTY BOARD OF SUPERVISORS  
2018 BOARD/COMMISSION/COMMITTEE  
VOLUNTEER/UNOFFICIAL MEMBERSHIP LIST**

**IMACA (INYO MONO ADVOCATES FOR COMMUNITY ACTION)**

- Bob Gardner, Supervisor

**TRI-VALLEY WATER COMMISSION (Board Position)**

- Fred Stump, Supervisor



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** January 8, 2019

**Departments: Finance**

**TIME REQUIRED** 15 minutes (5 minute presentation;  
10 minute discussion) **PERSONS APPEARING BEFORE THE BOARD** Gerald Frank

**SUBJECT** Mono County Statement of Investment Policy

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Annual renewal and approval of the Mono County Statement of Investment Policy pursuant to Section 27133 of the Government Code of the State of California.

**RECOMMENDED ACTION:**

Approve the Mono County Statement of Investment Policy, as presented or amended.

**FISCAL IMPACT:**

None.

**CONTACT NAME:** Gerald Frank

**PHONE/EMAIL:** 7609325483 / gfrank@mono.ca.gov

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download
<a href="#">Staff Report for the Mono County Statement of Investment Policy</a>
<a href="#">Mono County Statement of Investment Policy</a>

**History**

Time	Who	Approval
1/2/2019 3:47 PM	County Administrative Office	Yes
12/26/2018 11:56 AM	County Counsel	Yes

12/20/2018 11:17 AM

Finance

Yes



# DEPARTMENT OF FINANCE

## COUNTY OF MONO

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Gerald A. Frank  
Assistant Finance Director  
Treasurer-Tax Collector

Janet Dutcher, CPA, CGFM  
Finance Director

Stephanie Butters  
Assistant Finance Director  
Auditor-Controller

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**Date:** January 8, 2019  
**To:** Honorable Board of Supervisors  
**From:** Finance: Janet Dutcher, Gerald Frank

**Subject:**

Mono County Statement of Investment Policy

**Actions Requested:**

1. Approve the Mono County Statement of Investment Policy as presented or amended.

**Background:**

**Statement of Investment Policy**

The existing Statement of Investment Policy is compiled by using reference materials from the prior investment policy, the Government Finance Officers Association Best Practices and sample policy, and portions of various Counties' policies. The California Debt and Investment Advisory Commission's publication "Local Agency Investment Guidelines," which can be found at <http://www.treasurer.ca.gov/cdiac/laig/guideline.pdf>, was also referenced.

Government Code section 27133 states, "In any county that establishes a county treasury oversight committee pursuant to this article, the county treasurer shall annually prepare an investment policy that will be reviewed and monitored by the county treasury oversight committee."

The attached Statement of Investment Policy as presented is the existing policy with minor changes. The Treasury Oversight Committee reviewed and approved the changes for submittal to the Board of Supervisors. The content changes (noted in blue in the attached Investment Policy Document) include:

- Section V.3 – Added the part of Government Code §53635.2 that was missing.
- Section VIII – Added the Government Codes, where missing, to each Authorized Investment to make the formatting of this section consistent.
- Section IX.2.vi – Changed from "The Weighted Average Maturity should not Exceed" to "It is recommended that the Weighted Average Maturity of the Portfolio not Exceed".
- Appendix A – Corrected Government Code References.

**Fiscal Impact:**

None

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# MONO COUNTY STATEMENT OF INVESTMENT POLICY

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January 8, 2019

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**COUNTY OF MONO  
INVESTMENT POLICY**

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**I. Introduction**

The intent of the Investment Policy of the County of Mono is to define the parameters within which funds are to be managed. In methods, procedures, and practices, the policy formalizes the framework for the County's investment activities that must be exercised to ensure effective and judicious fiscal and investment management of the County's funds. The guidelines are intended to be broad enough to allow the Director of Finance to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

**II. Governing Authority**

The investment program shall be operated in conformance with Government Code §53601, et seq. which provides legal authorization for the investment and deposit of funds of specified local agencies and which is made applicable to counties by Government Code §53635.2.

**III. Scope**

The policy applies to activities of the County with regard to investing the financial assets of all funds. In addition, funds held by trustees or fiscal agents are excluded from these rules; however, all funds are subject to regulations established by the State of California.

Note that any excluded funds such as the Other Post Employment Benefit Trust Fund are covered by separate policies.

Except for funds in certain restricted and special funds, the County commingles its funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

**IV. General Objectives**

The primary objectives, in priority order, of investment activities shall be:

- 1. Safety** – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal will be to mitigate the credit risk and interest rate risk.
- 2. Liquidity** – The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- 3. Yield** – The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints of safety and liquidity needs.



## V. Standards of Care

1. **Prudence** – The standard to be used by the Director of Finance/Investment Officer shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. The Finance Director acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The “prudent person” standard states that,

*“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”*

2. **Ethics and Conflicts of Interest** – Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the County.
3. **Delegation of Authority and Responsibilities Governing Body** – The Board of Supervisors (Board) will retain ultimate fiduciary responsibility for the portfolio. The Board will receive monthly and quarterly reports, designate investment officers and annually review the investment policy making any necessary changes by adoption.

**Delegation of Authority** – Pursuant to Government Code §53607, authority to invest or reinvest, or to sell or exchange securities so purchased, may be delegated for a one-year period; thereafter, the County Finance Director shall assume full responsibility for those transactions until the delegation of authority is revoked or expires, [and shall make a monthly report of those transactions to the legislative body. Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year.](#)

Responsibility for the operation of the investment program shall be delegated by ordinance pursuant to Government Code §27000.1 to the Finance Director until the Board of Supervisors revokes its delegation of authority, by ordinance, or decides not to renew the annual delegation. The Finance Director shall act in accordance with established, written procedures and internal controls for the operation of the investment program consistent with this Investment Policy.

All participants in the investment process shall seek to act responsibly as custodians of the public trust.

**Treasury Oversight Committee** – A County Treasury Oversight Committee has been established in accordance with §27130 et seq. of the Government Code to promote public interest by involving depositors in the management of their funds. The Treasury Oversight Committee shall:

- A. Review and monitor the Investment Policy,
- B. Annually review the investments made by the County Treasury,
- C. Cause an annual audit to be conducted to determine the County Treasury's compliance with Government Code §27130 et seq., and
- D. Meet on other matters as necessary.

By statute, the County Treasury Oversight Committee has no authority to direct individual investment decisions, select individual investment advisors, brokers, or dealers, or to impinge on the day-to-day operations of the County Treasury.

Committee members may not accept any honoraria, gifts or gratuities from advisors, brokers, dealers, bankers, or other persons with whom the County Treasury conducts business, which are more than the limits imposed by State Law, or by the Fair Political Practices Commission.

**Investment Advisor** – The County may engage the services of one or more external investment managers to assist in the management of the entity's investment portfolio in a manner consistent with the entity's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.

**VI. Authorized Financial Institutions, Depositories and Broker/Dealers**

1. Financial institutions and depositories authorized to provide investment services and security broker/dealers will be selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include "primary" dealers or regional dealers that qualify under both Government Code §53601.5 and Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).
2. All financial institutions and broker/dealers who desire to become qualified for investment transactions shall meet the requirements of Government Code §53601.5 and, in addition, must supply the following as deemed appropriate by the Finance Director.
  - A. Audited financial statements demonstrating compliance with the state and federal capital adequacy guidelines.
  - B. Proof of Financial Industry Regulation Authority (FINRA) certification (not applicable to Certificate of Deposit counterparties).
  - C. Proof of California state registration.
  - D. Certification of having read and understood and agreeing to comply with the County's investment policy.
  - E. Evidence of adequate insurance coverage meeting any applicable requirements of State law and otherwise deemed adequate by the Finance Director.
3. An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the Finance Director.

## VII. Safekeeping and Custody

1. **Delivery vs. Payment** – All trades, where applicable, will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.
2. **Safekeeping** – Pursuant to Government Code §53608, the Board delegates to the Finance Director its authority to deposit securities for safekeeping. Securities will be held by a third-party custodian meeting the requirements of Government Code §53608 or other applicable law and selected by the Finance Director. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70)
3. **Internal Controls** – The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management. The internal controls shall address the following points at a minimum:
  - A. Control of collusion,
  - B. Separation of transaction authority from accounting and recordkeeping,
  - C. Custodial safekeeping,
  - D. Avoidance of physical delivery securities,
  - E. Clear delegation of authority to subordinate staff members,
  - F. Written confirmation of transactions for investments and wire transfers,
  - G. Dual authorization of wire transfers,
  - H. Development of a wire transfer agreement with the lead bank and third-party custodian,
  - I. Staff training, and
  - J. Review, maintenance and monitoring of security procedures both manual and automated.

## VIII. Authorized Investments

1. **Investment Types** – All investments shall be made in accordance with §53600 et seq. of the California Government Code and as described within this Investment Policy and summarized in Appendix A. Permitted investments under this policy shall include:
  - A. **United States Treasury notes, bonds bills, or certificates of indebtedness**, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. [[Gov't Code §53601\(b\).](#)]  
*There is no limitation as to the percentage of the portfolio that can be invested in this category.*
  - B. **Federal Agency or United States Government-Sponsored Enterprise Obligations, Participations, or other Instruments**, including those issued by or fully guaranteed

as to principal and interest by Federal agencies or United States government-sponsored enterprises §53601(f) such as Fannie Mae and Freddie Mac.

*There is no limitation as to the percentage of the portfolio that can be invested in this category.*

- C. **State of California Notes & Bonds** registered state warrants or treasury notes of California including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state. [Gov't Code §53601(c).]

*There is no limitation as to the percentage of the portfolio that can be invested in this category.*

- D. **Notes and Bonds of Other 49 States** registered treasury notes or bonds of any of the other 49 states, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of that state. [Gov't Code §53601(d).]

*There is no limitation as to the percentage of the portfolio that can be invested in this category.*

- E. **Negotiable Certificates of Deposit (NCDs)** issued by a nationally or state chartered bank, a state or federal savings and loan association, a State or federal credit union or by a state-licensed branch of a foreign bank. [Gov't Code §53601(i).]

*No more than 30% of the portfolio may be invested in NCDs*

- F. **Banker's acceptances**, otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. [Gov't Code §53601(g).]

*May not exceed 180 days to maturity or be more than 40% of the market value of the portfolio and no more than 30% of the County's moneys may be invested in banker's acceptances in the same bank.*

- G. **Commercial paper** of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO) such as Standard & Poor's or Moody's. [Gov't Code §53601(h) & §53635(a).]

*Must have a maximum maturity of 270 days or less, no more than 40% of the portfolio may be invested in eligible commercial paper and no more than 10% may be invested in any one issuer's commercial paper.*

- H. **Medium-term notes** include corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States and rated "A" or better by an NRSRO. [Gov't Code §53601(k).]

*May not exceed 30% of the portfolio may be invested in medium-term notes.*

- I. **Reverse repurchase agreements** whose underlying purchased securities consist of the aforementioned instruments, subject to all the conditions set forth in Government Code §53601(j)(3).

*May not exceed 20% of the base value of the portfolio and no agreement may exceed 92 days.*

- J. **Money market mutual funds** – shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities

and Exchange Commission under the Investment company Act of 1940 (15 U.S.C. §80a-1 et sec. [\[Gov't Code §53601\(l\).\]](#))

***No more than 20% of the portfolio may be invested in money market funds.***

K. **Local Agency Investment Fund** – established by the State Treasurer for the benefit of local agencies. [\[Gov't Code §16429.1.\]](#)

***No more than \$65 million may be invested in LAIF (LAIF rules)***

L. **California Asset Management Program (CAMP)**. Shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California which invests exclusively in investments permitted by §53601 of the Government Code as it may be amended. [\[Gov't Code §53601\(p\).\]](#)

***No more than 20% of the portfolio may be invested in the California Asset Management Program***

M. **Commercial or Savings Bank, Savings and Loan or Credit Union** may be used to invest surplus funds up to 30% of the portfolio pursuant to §§53601.8 and 53635.8 of the Government Code.

***No more than 10% can be invested in any one institution.***

N. **Bonds, notes, warrants or other evidences of indebtedness** of a local agency within the State of California, including local agencies formed within Mono County. [\[Gov't Code §53601\(e\).\]](#)

***May not exceed 5 years to maturity. All investments with local agencies formed within Mono County must be pre-approved by the Board of Supervisors.***

O. **Supranationals** – United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States and rated AA or better by an NRSRO. [\[Gov't Code §53601\(q\).\]](#)

***No more than 30% may be invested in supranationals***

2. **Collateralization** – Where allowed by state law, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit. Repurchase agreements will be collateralized at 102 percent.

## IX. Investment Parameters

1. **Mitigating Credit Risk in the portfolio** – Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The County shall mitigate credit risk by adopting the following:

**Diversification** – The investments will be diversified by

- i. Limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- ii. Limiting investment in securities that have higher credit risks,
- iii. Investing in securities with varying maturities, and

- iv. Continuously investing a portion of the portfolio in readily available funds such as local government investment pools, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase of a particular issuer or investment type. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

**2. *Mitigating Market Risk in the portfolio*** – Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The County recognizes that, over time, longer-term/core portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The County shall mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. The County further recognizes that certain types of securities, including variable rate securities, securities with principal pay downs prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The County, therefore, adopts the following strategies to control and mitigate market risk:

- i. The County shall maintain a minimum of three months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements,
- ii. The maximum percentage of callable Agency Bonds or Certificate of Deposits in the portfolio shall be 30%,
- iii. The maximum stated final maturity of individual securities in the portfolio shall be five years, except as otherwise stated in this policy,
- iv. Liquidity funds will be held in LAIF, CAMP or money market instruments maturing one year and shorter,
- v. Longer term/Core funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between 1 day and 5 years and will be only invested in higher quality and liquid securities.
- vi. **It is recommended that** the Weighted Average Maturity of the portfolio **not** exceed 24 months (730 Days) or such shorter dollar-weighted average maturity as may be required by State law. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that the appropriate Weighted Average Maturity is maintained.

## **X. Reporting**

- 1. The Finance Director shall provide quarterly investment reports to the Board of Supervisors and The Treasury Oversight Committee within 30 days following the end of the quarter covered by the report. These reports shall include the following investment information as required by Government Code §53646(b):

- A. The type of investment, issuer, date of maturity, par and dollar amount invested in all securities, investments and moneys held in the County Treasury,
  - B. Market value as of the date of the report and the source of this valuation,
  - C. The weighted average maturity of the investments within the Treasury,
  - D. Distribution by type of investment,
  - E. A description of all the County's funds and investments that are under the management of contracted parties,
  - F. A statement of compliance of the portfolio to this Statement of Investment Policy or manner in which the portfolio is not in compliance, and
  - G. A statement denoting the ability of the County to meet its pool's expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.
2. The Treasury Oversight committee shall cause an annual audit to be conducted to determine the county treasury's compliance with Chapter 5, Article 6 (§27130-§27137) of the Government Code and this Statement of Investment Policy.

#### **XI. Investment Pool Costs and Earnings Distribution**

Costs directly related to the operation and management of the investment pool shall be deducted quarterly directly from net interest earnings prior to the distribution of interest earnings for the quarter. Pool costs include, but are not limited to, staff time, investment tracking costs, brokerage costs, and treasury pool audit costs.

Interest earnings shall be allocated quarterly according to each fund's average daily cash balances as a percentage of the total investment pool. Earnings shall be the net of received interest, amortized premiums, accreted discounts and profit or loss on the sale of trade of a security attributable to the quarter being apportioned, plus adjustments from prior quarters. The interest shall be apportioned as of the last day of the quarter and added to each participating fund's balance in the pooled investment fund.

#### **XII. Investing of Bond Proceeds**

The County Treasurer shall invest bond proceeds using the standards of this Investment Policy. The bond proceeds will be invested in securities permitted by the bond documents. If the bond documents are silent, the bond proceeds will be invested in securities permitted by this Policy.

#### **XIII. Withdrawal Requests**

##### **1. Regular Operation**

The County Finance Director seeks to honor all written withdrawal requests for regular operating purposes that are approved by the County Auditor- Controller's Office in a timely fashion. However, the County Finance Director recognizes that occasionally the Pool Participants may request large amounts in withdrawals to cover unexpected operational needs. To accommodate such withdrawals and allow for adequate time for adjustments to

the liquidity position of the Pool, the County Finance Director expects all Pool Participants to submit their written requests within the following timeframes:

- A. Withdrawals up to \$2 million – 3 business days in advance of disbursement
- B. Withdrawals above \$2 million – 5 business days in advance of disbursement and in no case can more than \$5 million dollars be withdrawn in a single business day

Extraordinary withdrawal requests are considered withdrawals outside the normal cash-flow patterns of a Pool Participant. For any withdrawal considered extraordinary, the Finance Director shall evaluate the effect of the proposed withdrawal on the stability and predictability of the investments in the County treasury. In the event that the Finance Director must liquidate investments in order to honor the withdrawal request, the Pool Participant who requests the withdrawal shall be subject to all expenses associated with the liquidation, including, but not limited to loss of principal and interest income, withdrawal penalties, and associated fees.

## **2. Investing or Depositing Funds Outside the Pool**

Any entity that seeks to withdraw funds for the purpose of investing or depositing those funds outside the county treasury pool, shall first submit the request for withdrawal to the Finance Director who shall evaluate the effect of the proposed withdrawal on the stability and predictability of the investments in the county treasury. Prior to approval, the Finance Director shall find that the proposed withdrawal will not adversely affect the interests of the other depositors in the pool (Government Code §27136). If it is necessary to liquidate securities, all losses occurring from the sale of a security prior to its maturity shall be borne by the entity wishing to withdraw funds.

## **XIV. Terms and Conditions for Outside Investors**

Outside local agencies, where the County Finance Director does not serve as the agency's treasurer, may invest in Mono County's Investment Pool as permitted by Government Code §53684. Deposits are subject to the consent of the County Finance Director. The local agency legislative body must approve the county investment pool as an authorized investment. If the County Finance Director deems appropriate, the deposits may be returned at any time.

## **XV. Policy Review**

This investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal liquidity, rate of return and its relevance to current law and financial and economic trends.



### SUMMARY OF INVESTMENT LIMITATIONS

Investment Type	Government Code Reference	Limit <sup>1</sup> Per Investment Type(s)	Limit <sup>1</sup> Per Institution	Minimum <sup>2</sup> Ratings	Maxium <sup>2</sup> Allowable Maturity
United States Treasuries	§53601 (b)	None	None	None	5 years
United States Federal Agencies & Government-Sponsored Enterprises	§53601 (f)	None	None	None	5 years
State of California Notes & Bonds	§53601 (c) & 53601 (e)	None	None	None	5 years
Notes & Bonds of Other 49 States	§53601 (d)	None	None	None	5 years
California Local Agency Debt	§53601 (a), (c) & (e)	None	None	None	5 years
Medium-Term Notes	§53601 (k)	30%	None	A	5 years
Negotiable Certificates of Deposit	§53601 (i)	30%	None	N/A	5 years
Bankers Acceptances	§53601 (g)	40%	30%	A-1	180 days
Commercial Paper	§53601 (h) & 53635 (a)	40%	10%	A-1 (short) A (long)	270 days
Reverse Repurchase Agreements	§53601 (j)	20%	None	Primary Dealer	92 days
Local Agency Investment Fund (LAIF)	<a href="#">§16429.1</a>	N/A	N/A	N/A	N/A
California Asset Management Program (CAMP)	<a href="#">§53601(p)</a>	N/A	N/A	N/A	N/A

Money Market Mutual Funds	§53601(l)	20%	10%	AAA	N/A
Commercial or Savings Bank, Savings and Loan or Credit Union	§53601.8 & 53635.8	30%	10%	N/A	N/A
Supranationals	§53601(q)	30%	N/A	AA	5 years

<sup>1</sup> Based on total of surplus funds at the time the investment decision is made.

<sup>2</sup> At the time of purchase.

## GLOSSARY

**Accreted Discount** – The increase in the value of a discounted instrument as time passes and it approaches maturity. The value of the instrument will accrete (grow) at the interest rate implied by the discounted issuance price, the value at maturity and the term to maturity.

**Accrued Interest** – Interest that has accumulated by has not yet been paid from the most recent interest payment date or issue date to a certain date.

**Amortization** – The reduction of debt through regular payment of principal scheduled to complete repayment by maturity. Usually the payment of interest is incorporated to compensate the lender over the life of the debt.

**Bankers' Acceptance** – A time bill of exchange drawn on and accepted by a commercial bank to finance the exchange of goods. When a bank “accepts” such a bill, the time draft becomes, in effect, a predated, certified check payable to the bearer at some future specified date. Little risk is involved for the investor because the commercial bank assumes primary liability once the draft is accepted.

**Basis point** – One basis point is equal to 1/100 of 1%. For example, if interest rates increase from 4.25% to 4.5%, the difference is referred to as a 25-basis-point increase.

**Book Value** – The value of a security as carried in the records of an investor. Generally, this is the initial outlay for the investment and may be net or gross of expenses such as trading costs, services charges, etc.

**Bond** – A debt investment in which an investor loans money to an entity (corporate or governmental) that borrows the funds for a defined period of time at a fixed interest rate. Bonds are used by companies, municipalities, states and U.S. and foreign governments to finance a variety of projects and activities.

**Broker/Dealer** – Any person engaged in the business of effecting transactions in securities in this state for the account of others or for his/her own account. Broker/Dealer also includes a person engaged in the regular business of issuing or guaranteeing options with regard to securities not of his/her own issue.

**Commercial Paper** – Short-term, unsecured promissory note issued in either registered or bearer form and usually backed by a line of credit with a bank. Maturities do not exceed 270 days and generally average 30 – 45 days.

**Coupon Rate** – The interest rate stated on a bond when it is issued. The coupon is typically paid semi-annually.

**Current Yield** – The annual income (interest or dividends) divided by the current price of the security. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

**CUSIP Numbers** – An acronym for Committee on Uniform Security Identification Procedures, CUSIP numbers are identification numbers assigned to each maturity of a security issue and usually printed on the face of each individual security in the issue. The CUSIP numbers are intended to facilitate identification and clearance of securities.

**Debt Instrument** – An instrument or promissory note which evidences and documents the terms of the loaning of funds from one party to another. Typically, the instrument contains the loan date, the maturity date, the repayment provisions, and the interest rate of the borrowing.

**Default** – The failure to pay debt obligations as agreed in the terms of the debt

**Discount** – The condition of the price of a bond that is lower than par. The discount equals the difference between the price paid for a security and the security's par value.

**Earnings Apportionment** – The quarterly interest distribution to the Pool participants.

**Fair Value** – The amount at which an investment could be exchanged in a current transaction between willing parties, other than a forced or liquidation sale.

**Fannie Mae (FNMA, Federal National Mortgage Association)** – A government-sponsored enterprise (GSE) that was created in 1938 to expand the flow of mortgage money by creating a secondary mortgage market. Fannie Mae is a publicly traded company which operates under a congressional charter that directs Fannie Mae to channel its efforts into increasing the availability and affordability of homeownership for low-, moderate-, and middle-income Americans.

**Federal Government Agency** – Debt issued by government sponsored entities (GSE) to facilitate various types of lending. For example, the Federal Farm Credit Bank provides funds to farmers and FNMA provides funds to the real estate mortgage markets.

**Freddie Mac (FHLMC, Federal Home Loan Mortgage Corp.)** – A stockholder owned government sponsored enterprise (GSE) chartered by Congress in 1970 to keep money flowing to mortgage lenders in support of homeownership and rental housing for middle-income Americans. The FHLMC purchases, guarantees and securitizes mortgages to form mortgage-backed securities. The mortgage-backed securities that it issues tend to be very liquid and carry a credit rating close to that of U.S. Treasuries.

**Government-Sponsored Enterprise (GSE)** – Privately held corporations with public purposes created by the U.S. Congress to reduce the cost of capital for the certain borrowing sectors of the economy. Members of these sectors include students, farmers and homeowners.

**Local Agency Investment Fund (LAIF)** – The State of California investment pool in which money of local agencies is pooled as a method for managing and investing local funds.

**Market Value** – The price at which a security is trading and could presumably be purchased or sold.

**Maturity** – The date upon which the principal of a security becomes due and payable to the holder.

**Money Market Mutual Fund** – A mutual fund with investments directed in short-term money market instruments only, which can be withdrawn daily without penalty

**Par Value** – The face value of a bond. Par value is important for a bond or fixed-income instrument because it determines its maturity value as well as the dollar value of coupon payments.

**Premium** – The condition of the price of a bond that is higher than par. The premium equals the difference between the price paid for a security and the security's par value.

**Principal** – The face amount of a security not taking into account discounts or premiums. The amount borrowed or the amount still owed on a loan, separate from interest.

**Repurchase Agreement (Repo)** – A form of short-term borrowing for dealers in government securities. The dealer sells the government securities to investors, usually on an overnight basis, and buys them back the following day. For the party selling the security (and agreeing to repurchase it in the future) it is a repo; for the party on the other end of the transaction, (buying the security and agreeing to sell in the future) it is a reverse repurchase agreement.

**Reverse Repurchase Agreement** – The purchase of securities with the agreement to sell them at a higher price at a specific future date.

**Registered Warrants** – A “promise to pay” with interest, that is issued by the State of California when there is not enough cash to meet all of the State's payment obligations.

**Settlement Date** – The date on which the purchase or sale of securities is executed. For example, in a purchase transaction, the day the securities are physically delivered or wired to the buyer in exchange for cash is the settlement date.

**Supranational Bonds** – These bonds are issued when two or more central governments issue foreign bonds to promote economic development for the member countries. These include bonds issued by the International Bank for Reconstruction and Development, or World Bank, and the International American Development Bank.

**Trade Date** – The date and time corresponding to an investor's commitment to buy or sell a security.

**U.S. Treasury Obligation** – Direct obligations of the United States Treasury whose payment is guaranteed by the United States of America.

**Weighted Average Maturity (WAM)** - The weighted average of the time until all securities in a portfolio mature.

## TEMPORARY CONSTRAINTS AND RESTRICTIONS ON INVESTMENTS

1. County of Mono restricts transactions with the following banks from October 20, 2015 until June 30, 2020:

Citigroup, JP Morgan Chase, Barclays, Royal Bank of Scotland, and Deutsche Bank

2. County of Mono restricts the purchase of any retail products issued by Wells Fargo Bank from December 1, 2016 until June 30, 2019.



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** January 8, 2019

**Departments: CDD**

**TIME REQUIRED** 20 minutes (5 presentation, 15 discussion)

**PERSONS APPEARING BEFORE THE BOARD**

Wendy Sugimura on behalf of Supervisor Stump

**SUBJECT** Criteria for Planning Commission Appointments

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Discuss the duties of and criteria for appointment to the Mono County Planning Commission.

**RECOMMENDED ACTION:**

Discuss duties and criteria for Planning Commissioner appointments and provide any direction to staff.

**FISCAL IMPACT:**

No impact beyond budgeted expenses.

**CONTACT NAME:** Wendy Sugimura

**PHONE/EMAIL:** 7609241814 / wsugimura@mono.ca.gov

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download
<a href="#">staff report (rev'd)</a>
<a href="#">Mono County Code Chapter 2.36</a>

**History**

Time	Who	Approval
1/2/2019 3:59 PM	County Administrative Office	Yes
1/2/2019 11:14 AM	County Counsel	Yes
1/3/2019 9:18 AM	Finance	Yes

# Mono County Community Development Department

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Mammoth Lakes, CA 93546  
760.924.1800, fax 924.1801  
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January 8, 2019

To: The Honorable Mono County Board of Supervisors

From: Wendy Sugimura, Director, for Supervisor Fred Stump

**RE: CRITERIA FOR PLANNING COMMISSION APPOINTMENTS**

**RECOMMENDATION:**

Discuss duties and criteria for Planning Commissioner appointments and provide any direction to staff.

**FISCAL IMPACT:**

No impact beyond budgeted expenses.

**BACKGROUND:**

The Mono County Planning Commission consists of five commissioners appointed by the Board of Supervisors, with each supervisor entitled to nominate one commissioner. The term of each commissioner expires March 1st following the date of the nominating supervisor's term expiration. The Planning Commission currently has two seats with terms expiring March 1, 2019 and appointments are expected to be before the Board in February.

The Planning Commission is charged with 1) acting as an advisory board to the Board of Supervisors on all planning and development issues, such as General Plan and code amendments, and 2) assuring the General Plan is implemented by reviewing development applications on a case-by-case basis, such as approval of use permits, variances, parcel and tract maps, specific plans, etc., and compliance with the California Environmental Quality Act (CEQA).

**DISCUSSION:**

The only eligibility criteria set forth in Mono County Code Chapter 2.36, Planning Commission (attached), is that commissioners shall be eligible voters of Mono County. Historically, appointed Commissioners have generally been residents from the unincorporated county, although residents of the Town of Mammoth Lakes have been appointed in the past. The nomination for the last such appointment was made by Supervisor Tom Farnetti.

One point of consideration is that the Town of Mammoth Lakes has separate land use planning authority and jurisdiction. The Town maintains and enforces its own General Plan and Zoning Code, and maintains a separate Planning Commission to fulfill the duties noted above. The County does not have any authority over Town planning decisions, and vice versa.

The Town and County Community Development Departments collaborate where our jurisdictional authorities overlap or where coordination opportunities are present. Examples include the Local Transportation Commission (LTC), Local Agency Formation Committee (LAFCO), Airport Land Use Commission (ALUC) and the Collaborative Planning Team (CPT). The Town and County also meet and coordinate as needed on specific projects such as the Housing Needs Study, Biomass Feasibility Study and US 395 Wildlife Crossings project.



## Chapter 2.36

### PLANNING COMMISSION

#### Sections:

<b>2.36.010</b>	<b>Creation of planning commission.</b>
<b>2.36.020</b>	<b>Membership—Terms—Vacancies.</b>
<b>2.36.030</b>	<b>Transaction of business.</b>
<b>2.36.040</b>	<b>Meetings.</b>
<b>2.36.050</b>	<b>Compensation.</b>
<b>2.36.060</b>	<b>Duties.</b>

#### **2.36.010 Creation of planning commission.**

The Mono County planning commission is created to advise the board of supervisors and planning department and otherwise take such actions as are authorized or required by law. (Ord. 96-01 § 1 (part), 1996.)

#### **2.36.020 Membership—Terms—Vacancies.**

A. The planning commission consists of five members appointed by the board of supervisors, who shall be eligible voters of Mono County. Each supervisor shall be entitled to nominate one commission member.

B. The term of each member appointed after the effective date of this section shall expire on March 1st following the date of the expiration of the term of the nominating supervisor.

C. Vacancies shall be filled by appointment for the unexpired portion of the term.

D. Members of the planning commission may be removed by a majority of the board of supervisors for the following reasons:

1. Failing to meet the following attendance requirements: a commissioner shall not have three consecutive unexcused absences for regular meetings, nor may a commissioner miss five or more regular meetings in any twelve-month period;

2. Acting inappropriately, in the board's opinion, in matters regarding conflict of interest;

3. Failing to carry out commissioner duties over a period of time due to a frequent inability to vote, caused by repeated conflict of interest issues;

4. Failing to carry out the duties of commissioner by abstaining on issues when there are no apparent conflict of interest issues;

5. Other enumerated causes which, in the opinion of a majority of the board, are reflected in the commissioner's failure to carry out the duties of the commission, or bringing discredit to the county of Mono. (Ord. 07-01 § 1, 2007; Ord. 96-01 § 1 (part), 1996.)

#### **2.36.030 Transaction of business.**

A. The members of the planning commission shall select a chair, who shall preside at meetings. They shall also select a vice-chair who shall serve in the absence of the chair. The chair and vice-chair shall serve terms of one calendar year. Vacancies shall be filled by appointment for the unexpired portion of the term. The person serving as chair and vice-chair may be reelected.

B. A quorum shall consist of three members of the planning commission, provided however, that, with the exceptions noted below, no official action may be taken by the planning commission except by affirmative vote of a majority of its total membership (i.e., at least three members).

C. Notwithstanding subdivision (B), a majority of a quorum of the planning commission may approve the minutes of any planning commission meeting, approve meeting continuances, and take action with respect to other procedural matters of the commission. (Ord. 96-01 § 1 (part), 1996.) (Ord. No. 14-03, §§ 1, 2, 8-12-2014)

#### **2.36.040 Meetings.**

A. Regular meetings of the planning commission shall be held on the second Thursday of each month, commencing at ten a.m. Regular meetings shall be scheduled for the second Thursday of the month, but may also be scheduled for the fourth Thursday due to commission workload, holidays, or other scheduling difficulties. All meetings shall be duly noticed. Unless otherwise noticed, meetings shall be held in the board of supervisors' room, Courthouse, Bridgeport, California. The commission may, on a majority vote of its members, or with the approval of the chair in consultation with the planning director dispense with any regular meeting.

B. Special and emergency meetings may be held in the manner required by law.

C. The planning commission shall adopt rules for the transaction of business and shall keep records of its actions. (Ord. 96-01 § 1 (part), 1996.)

#### **2.36.050 Compensation.**

The members of the planning commission shall receive such compensation as is provided by resolution of the board of supervisors, together with such expenses for travel, including travel to and from meetings, as are provided to county employees. (Ord. 96-01 § 1 (part), 1996.)

2.36.060

**2.36.060 Duties.**

A. The planning commission shall have such duties and take such actions as are required by this code, assigned by the board of supervisors or otherwise required by law.

B. The planning commission shall act as the principal advisory body to the board of supervisors on planning matters. (Ord. 96-01 § 1 (part), 1996.)



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE**     January 8, 2019

**TIME REQUIRED**

**SUBJECT**             Closed Session - Human Resources

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

CONFERENCE WITH LABOR NEGOTIATORS. Government Code Section 54957.6. Agency designated representative(s): Stacey Simon, Leslie Chapman, Dave Butters, Janet Dutcher, and Anne Larsen. Employee Organization(s): Mono County Sheriff's Officers Association (aka Deputy Sheriff's Association), Local 39 - majority representative of Mono County Public Employees (MCPE) and Deputy Probation Officers Unit (DPOU), Mono County Paramedic Rescue Association (PARA), Mono County Public Safety Officers Association (PSO), and Mono County Sheriff Department's Management Association (SO Mgmt). Unrepresented employees: All.

**RECOMMENDED ACTION:**

**FISCAL IMPACT:**

**CONTACT NAME:**

**PHONE/EMAIL:** /

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

<p><a href="#">Click to download</a></p> <p>No Attachments Available</p>
--------------------------------------------------------------------------

**History**

**Time**

**Who**

**Approval**