

**COUNTY OF SAN MATEO**  
**Interdepartmental Correspondence**

**Date:** August 27, 2001

**Hearing Date:** September 18, 2001

**TO:** Honorable Board of Supervisors

**FROM:** Maureen D. Borland, Director, Human Services Agency  
Yvonne Frazier, Administrator, Alcohol and Drug Services

**SUBJECT:** Amendment to the Two-Year (FY 2000-01, FY 2001-02) Agreement with Horizon Services, Inc.

**RECOMMENDATION**

Adopt a resolution authorizing the execution of an amendment to the two-year (FY 2000-01, FY 2001-02) Agreement with Horizon Services, Inc.

**Background**

On July 11, 2000 the Board adopted a resolution that authorized the execution of a two-year (FY 2000-01, FY 2001-02) agreement with Horizon Services, Inc., in the amount of \$1,068,312, for the provision of social model residential alcohol and drug detoxification services; and authorized the Human Services Agency (HSA) Director to execute amendments and minor modifications during the initial two-year period, not to exceed \$25,000 per agreement.

**Discussion**

On June 25, 2001 the Board of Supervisors approved the Alcohol and Drug Services preliminary budget for FY 2001-02 which contained a Cost of Doing Business Increase (COBI) for alcohol and drug prevention and treatment providers. This amendment contains a 10% COBI in the amount of \$51,043 for alcohol and drug treatment services for FY 2001-02. Also included in the amendment is a decrease in Bay Area Services Network (BASN) residential social model detoxification services in the amount of \$4,789 for FY 2001-02. Due to the lack of available funds, the County overmatch for all BASN services was discontinued effective June 30, 2001. The total amended contract obligation under this amendment is \$1,114,566.

Also included in this amendment is the required Equal Benefits Compliance, Violation of Nondiscrimination, and Outcome Based Management language which has been added for FY 2001-02. The resolution and amendment have been reviewed and approved by County Counsel's office as to form.

Honorable Board of Supervisors  
Amendment to the Two-Year  
Agreement with Horizon Services, Inc.

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Fiscal Impact

The term of the amendment is from July 1, 2001 through June 30, 2002. This amendment decreases the BASN services and funding by \$4,789, and adds a \$51,043 COBI, for the non-BASN services. The \$51,043 COBI comes from County General funds and is budgeted in the Alcohol and Drug Services preliminary FY 2001-02 budget.

Jane Marks, ext. 6418  
cc: Penny Bennett, Deputy County Counsel

1Horizn2.wpd

RESOLUTION NO. \_\_\_\_\_

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

\* \* \* \* \*

RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT  
TO THE TWO-YEAR (FY 2000-01, FY 2001-02) AGREEMENT  
WITH HORIZON SERVICES, INC.

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of  
California, that

WHEREAS, on July 11, 2000 the County Board of Supervisors entered into a two-year  
agreement with Horizon Services, Inc. for the furnishing of alcohol and drug treatment services  
as set forth in that agreement; and

WHEREAS, the Board has been presented with a form of an amendment to the two-year  
agreement with Horizon Services, Inc., and has examined and approved the amendment as to  
both form and content and desires to enter into an amendment:

NOW, THEREFORE, IT IS HEREBY RESOLVED that the President of this Board of  
Supervisors be, and is hereby authorized and directed to execute said amendment to the two-year  
agreement with Horizon Services, Inc. for and on behalf of the County of San Mateo, and the  
Clerk of this Board shall attest the President's signature thereto.

AMENDMENT TO THE TWO-YEAR AGREEMENT WITH  
HORIZON SERVICES, INC.  
FOR ALCOHOL AND DRUG TREATMENT SERVICES

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2001,  
by and between the COUNTY OF SAN MATEO (hereinafter called "County" HORIZON  
SERVICES, INC. (hereinafter called "Contractor").

WITNESSETH

WHEREAS, on July 11, 2000, the parties hereto entered into a two-year agreement for  
the furnishing of certain services by Contractor to County as set forth in that Agreement; and

WHEREAS, it is now the mutual desire and intent of the parties hereto to amend and  
clarify that Agreement:

CHANGE #1: Insert: Exhibit C, Outcome Based Management and Budgeting Responsibilities,  
and Attachment 7: Equal Benefits Compliance into Section 1 of the body of the Agreement.

CHANGE #2: Amend Paragraph 3.A. Maximum Amount to read as follows:

3. **Payments.**

A. **Maximum Amount.** In full consideration of Contractor's performance of  
the services described in the Exhibits and Attachments, the amount that County shall be  
obligated to pay for services rendered under this Agreement shall not exceed ONE MILLION  
ONE HUNDRED FOURTEEN THOUSAND FIVE HUNDRED SIXTY-SIX DOLLARS  
(\$1,114,566) for the contract term. The maximum County contract obligation shall not change  
even if the estimated other revenue changes. The maximum County obligation stated in this  
section is based on the following annual projections:

For the period July 1, 2000 through June 30, 2001

Org#s:	74145	74141	
Acct#s:	6163	6163	
	NNA	BASN	
	<u>Detox.</u>	<u>Detox.</u>	<u>TOTAL</u>
Total Estimated Gross Program Costs	\$537,570	\$25,776	\$563,346
*Less Estimated Other Revenue	\$ 27,139	\$ 2,051	\$ 29,190
Maximum County Contract Obligation	\$510,431	\$23,725	\$534,156

For the period July 1, 2001 through June 30, 2002

Org#s:	74145	74141	
Acct#s:	6163	6163	
	NNA	BASN	
	<u>Detox.</u>	<u>Detox.</u>	<u>TOTAL</u>
Total Estimated Gross Program Costs	\$596,044	\$25,014	\$621,058
*Less Estimated Other Revenue	\$ 34,570	\$ 6,078	\$ 40,648
Maximum County Contract Obligation	\$561,474	\$18,936	\$580,410

CHANGE #3: Insert Sections D and E into Paragraph 7 of the body of the agreement to read as follows:

**D. Equal Benefits Compliance.** With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse, and shall accurately complete and execute Attachment 7, the Equal Benefits Compliance form, attached hereto and incorporated by reference herein.

**E. Violation of the Non-Discrimination Provisions.**

1. Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to:

- a) Termination of this Agreement;
- b) Disqualification of the Contractor from bidding on or being awarded a County Contract for a period of up to 3 years;
- c) Liquidated damages of \$2,500 per violation;
- d) Imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

2. To effectuate the provisions of this paragraph, the County Manager shall have the authority to:

- a) Examine Contractor's employment records with respect to compliance with this paragraph;
- b) Set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint and a description of the circumstance. Contractor shall provide County with a copy of their response to the complaint when filed.

CHANGE #4: Amend Section I.E.1. in Exhibit A to read as follows:

1. County shall pay Contractor as follows:
  - a. For the period July 1, 2000 through June 30, 2001, County shall pay Contractor FORTY-TWO THOUSAND FIVE HUNDRED THIRTY-FIVE DOLLARS AND NINETY-ONE CENTS (\$42,535.91) per month, not to exceed a maximum of FIVE HUNDRED TEN THOUSAND FOUR HUNDRED THIRTY-ONE DOLLARS (\$510,431).
  - b. In addition, for the period July 1, 2001 through June 30, 2002, County shall pay Contractor FORTY-SIX THOUSAND SEVEN HUNDRED EIGHTY-NINE DOLLARS AND FIFTY CENTS (\$46,789.50) not to exceed FIVE HUNDRED SIXTY-ONE THOUSAND FOUR HUNDRED SEVENTY-FOUR DOLLARS (\$561,474).

CHANGE #5: Amend Section I.A. in Exhibit B to read as follows:

**A. BASN Detoxification Units of Service:**

1. For the period July 1, 2000 through June 30, 2001, Contractor will provide three hundred sixty-five (365) days of residential detoxification services and/or residential post-detoxification services to seventeen (17) program participants referred by BASN, i.e., state parolees referred through the State BASN project.

For the period July 1, 2001 through June 30, 2002, Contractor will provide two hundred ninety-one (291) days of residential detoxification services and/or residential post-detoxification services to fourteen (14) program participants referred by BASN, i.e., state parolees referred through the State BASN project.

CHANGE #6: Amend Section I.C.1. in Exhibit B to read as follows:

1. County shall pay Contractor as follows:
  - a. For the period July 1, 2000 through June 30, 2001, County shall pay Contractor a maximum of TWENTY-THREE THOUSAND SEVEN HUNDRED TWENTY-FIVE DOLLARS (\$23,725). County shall pay Contractor at the rate of SIXTY-FIVE DOLLARS (\$65.00) per bed day for services actually provided.

- b. In addition, for the period July 1, 2001 through June 30, 2002, County shall pay Contractor a maximum of EIGHTEEN THOUSAND NINE HUNDRED THIRTY-SIX DOLLARS (\$18,936). County shall pay Contractor at the rate of SIXTY-FIVE DOLLARS (\$65.00) per bed day for services actually provided.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES that:

1. The Agreement of July 11, 2000 be amended accordingly.
2. This Amendment is hereby incorporated and made a part of the original Agreement and subject to all provisions therein.
3. All provisions of the original Agreement, and subsequent Amendments, including references to audit and fiscal management requirements otherwise amended hereinabove, shall be binding on all parties hereto.
4. All provisions of the original Agreement, including all monitoring and evaluation requirements, shall be applicable to all amendments herein.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES that the Agreement of July 11, 2000 be amended accordingly.

IN WITNESS, WHEREOF, the parties hereto, by their duly authorized representatives,  
have affixed their hand on the day and year first above written.

COUNTY OF SAN MATEO

By: \_\_\_\_\_  
Michael D. Nevin, President  
Board of Supervisors, County of San Mateo

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

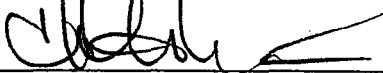
ATTEST:

\_\_\_\_\_  
Clerk of Said Board

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

HORIZON SERVICES, INC.

By: KEITH LEWIS, EXECUTIVE DIRECTOR  
Name, Title - please print

  
Signature

Date: 8-1-01

Contractor's Tax I.D. No. 94-2365021



**EXHIBIT C**  
**Outcome Based Management and Budgeting Responsibilities**  
**HORIZON SERVICES, INC.**  
**July 1, 2001 through June 30, 2002**

**Contractor's Responsibilities**

Engage in activities and supply information required to implement the County's Outcome-Based Management and Budgeting (OBM) initiative. Activities include, but are not limited to:

- A. Attending planning and informational meetings;
- B. Developing program performance and outcome measurements;
- C. Collecting and submitting data necessary to fulfill measurement requirements;
- D. Participating in technical assistance and training events offered by the Human Services Agency and seeking technical assistance and training necessary to fulfill measurement requirements;
- E. Participating in a review of performance and outcome information;
- F. Complying with OBM Implementation Guidelines as specified in memos released by the Human Service Agency.

**Human Services Agency's (HSA) Responsibilities**

- A. Provide technical assistance and support to assist Contractor's implementation of the County's Outcome-Based Management and Budgeting (OBM) initiative.
- B. Issue and review OBM Implementation Guidelines.
- C. Conduct review of performance and outcome information.

ATTACHMENT 7

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: HORIZON SERVICES, INC - PALM AVENUE Deton  
 Contact Person: LINDA MOISOFF  
 Address: 2251 PALM AVE  
SAN MATEO CA 94403  
 Phone Number: 650-513-6500 Fax Number: 650-345-7023

II Employees

Does the Contractor have any employees?  Yes \_\_\_ No

Does the Contractor provide benefits to spouses of employees?  Yes \_\_\_ No

\*If the answer to one or both of the above is no, please skip to Section IV.\*

III Equal Benefits Compliance (Check one)

- Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
- Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
- No, the Contractor does not comply.
- The Contractor is under a collective bargaining agreement which began on \_\_\_\_\_ (date) and expires on \_\_\_\_\_ (date).

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 23 day of May, 2001 at Hayward, CA  
(City) (State)

J. Markwart  
 Signature  
**JAN MARKWART**  
**OPERATIONS DIRECTOR**

\_\_\_\_\_  
 Name (Please Print)  
94-2365021  
 Contractor Tax Identification Number

COUNTY OF SAN MATEO  
Departmental Correspondence

Date: October 31, 2000

TO: Priscilla Harris-Morse, Risk Manager  
FROM: Jane Marks, Alcohol and Drug Services  
Fax: 802-6440; Phone: 802-6418; Pony: HSA202PE  
SUBJECT: Contract Insurance Approval

CONTRACTOR: Horizon Services, Inc. (Palm Avenue)

DOES CONTRACTOR TRAVEL? IF YES, WHAT PERCENT OF CONTACTED TIME?

Yes

DUTIES:

Provide social model residential alcohol and drug detoxification services.

INSURANCE COVERAGE:	Amount	Approve	Waive	Modify
Comprehensive Liability	\$3 M	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Additional Insured				
Automobile Liability	\$1 M	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional Liability	\$3 M	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Workers' Compensation	Statutory	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> No employees				

Remarks/Comments:

Signature: Priscilla Morse  
Risk Management

Insform.wp

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)  
10/06/00

PRODUCER TCA.

Stateco Insurance Serv.  
P.O. Box 6390  
San Jose, CA 95150-6390  
408-985-7171

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY A Legion Insurance Company

COMPANY B

COMPANY C

COMPANY D

INSURED 014237

Horizon Services Inc.  
P.O. Box 4217  
Hayward, CA 94540-0000

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT <input checked="" type="checkbox"/> Professional <input checked="" type="checkbox"/> Sexual Abuse	CP21208631	10/10/00	10/10/01	GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 PERSONAL & ADV INJURY \$ 1,000,000 EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ 100,000 MED EXP (Any one person) \$ 5,000
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> Comp \$500 Ded <input checked="" type="checkbox"/> Collision \$500 Ded	CP21208631	10/10/00	10/10/01	COMBINED SINGLE LIMIT \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: \$ EACH ACCIDENT \$ AGGREGATE \$
A	<b>EXCESS LIABILITY</b> <input type="checkbox"/> UMBRELLA FORM <input checked="" type="checkbox"/> OTHER THAN UMBRELLA FORM	UM21208583	10/10/00	10/01/01	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER \$ EL EACH ACCIDENT \$ EL DISEASE - POLICY LIMIT \$ EL DISEASE - EA EMPLOYEE \$
A	<b>OTHER</b> Blanket Bldgs/BPP & Equipment	CP21208631	10/10/00	10/10/01	Spec Form/Repl Cost \$2,912,000
A	Fidelity Bond	CP21208631	10/10/00	10/10/01	Empl. Dishonesty \$ 150,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Certificate Holder is named as Additional Insured

Ten (10) Days for Non-Payment of Premiums

CERTIFICATE HOLDER

San Mateo County - Human Services Agency/Alcohol & Drug Services Division  
400 Harbor Blvd., Bldg C  
Belmont, CA 94002-

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

*James S. Matoli*

# CERTIFICATE OF INSURANCE

- (Continuations) -

INSURED:

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS - (Continued):

A	Forgery	CP21208631	10/10/00	10/10/01	Blanket Limit \$ 50,000
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**STATE  
COMPENSATION  
INSURANCE  
FUND**

P.O. BOX 420807, SAN FRANCISCO, CA 94142-0807

**CERTIFICATE OF WORKERS' COMPENSATION INSURANCE**

OCTOBER 4, 2000

POLICY NUMBER: 595552 - 00  
CERTIFICATE EXPIRES: 10-31-01

5010 INSURANCE PROGRAMS  
ATTN: MARK HANSON  
280 SECOND STREET STE 220  
LOS ALTOS CA 94022

JOB: RECEPT DATE: 10-31-00  
NG DO

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon ten days' advance written notice to the employer.

We will also give you TEN days' advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

*Tom Hanson*  
AUTHORIZED REPRESENTATIVE

*K. Bollier*  
PRESIDENT

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

EMPLOYER:

HORIZON SERVICES, INC  
P O BOX 4217  
HAYWARD CA 94540