

SECOND AMENDMENT TO THE FEE-FOR-SERVICE AGREEMENT WITH  
PROJECT NINETY, INC.  
FOR ALCOHOL AND DRUG TREATMENT SERVICES

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2002, by and between the COUNTY OF SAN MATEO (hereinafter called "County") and PROJECT NINETY, INC. (hereinafter called "Contractor").

WITNESSETH

WHEREAS, on August 7, 2001, the parties hereto entered into a fee-for-service agreement for the furnishing of certain services by Contractor to County as set forth in that Agreement; and

WHEREAS, on February 26, 2002, the parties hereto entered into a first amendment to the fee-for-service agreement; and

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

**CHANGE #1: Amend Section 3.B. of the body of the Agreement to read:**

B. Maximum Amount

In full consideration of Contractor's performance of the services described in each Exhibit, the aggregate amount that County shall be obligated to pay for services rendered under this Agreement and all other Agreements approved collectively by single resolution, a copy of which is attached hereto and incorporated by reference herein, shall not exceed:

- 1) ONE HUNDRED FIFTY-NINE THOUSAND FIVE HUNDRED DOLLARS (\$159,500) for Drug Court alcohol and drug treatment services described in Exhibit A.
- 2) ONE MILLION THREE HUNDRED FORTY-THREE THOUSAND NINE HUNDRED THIRTEEN DOLLARS (\$1,343,913) for SACPA/Proposition 36 alcohol and drug treatment services described in Exhibit B.
- 3) ONE HUNDRED FORTY-NINE THOUSAND ONE HUNDRED SEVENTY-NINE DOLLARS (\$149,179) For SB223 drug testing services described in Exhibit B.

**CHANGE #2: Amend Section IV. B. in Exhibit A to read:**

- A. ONE HUNDRED EIGHT THOUSAND FIVE HUNDRED DOLLARS (\$108,500) for CDCI funded treatment services.

**CHANGE #3: Amend Section I in Exhibit B to read:**

**(Add to introductory paragraph):**

Contractor will comply with Title 9, Division 4, Chapter 2.5 of the California Code of Regulations, and OMB Circulars A-87 and A-122. No services will be provided until the appropriate licensure and/or certification has been obtained.

- A. SACPA/Proposition 36 Start-up Activities:  
Contractor's start-up activities and expenses will comply with the Office of Management and Budget (OMB) Circular A-122, "Cost Principles for Non-Profit Organizations". Start-up activities and expenses will be in accordance with Contractor's approved start-up budget. Contractor will provide the following start-up activities necessary to provide SACPA/ Proposition 36 funded services:
1. Purchase computer equipment and furnishings necessary to support the SACPA/Proposition 36 treatment services.
- B. SACPA/Proposition 36 Men's Residential Alcohol and Drug Treatment Services:  
Contractor's basic men's residential alcohol and drug treatment services must be consistent with the State Alcohol and Drug Program (ADP) Certification Standards, and must meet the standards outlined in the American Society of Addiction Medicine (ASAM) Patient Placement Criteria for the Treatment of Substance-Related Disorders. In addition, Contractor will provide services to individuals with co-occurring disorders as defined in Section III.C.1. of Attachment 6. Contractor's basic men's residential alcohol and drug treatment services will include:
1. Intake, assessment (utilizing the Addiction Severity Index [ASI]), food shelter, and other basic needs, addiction education and intervention, aftercare planning, urine screening, follow-up at 3-months and 9-months for each program participant, and follow-up with Probation/Parole as required.
  2. Contractor's basic 90 day men's residential treatment program including: individual and group counseling, family groups, the 12-step model of recovery, introduction to Alcoholics Anonymous and Narcotics Anonymous meetings, life skills training, transportation, relapse prevention, and aftercare planning.

3. Access to ancillary support services including: 12-step meetings, HIV/AIDS testing and education, literacy assistance and supportive education and job training through Welfare-to-Work, Peninsula Works, and the Family Self Sufficiency Team (FSST), legal issues, housing, and health/mental health issues.
4. In addition, Contractor will provide men's residential alcohol and drug treatment services to men who have co-occurring disorders. Services will include the same basic treatment services, plus medication monitoring, psychiatric counseling and medication monitoring, longer group sessions, and mental health support services.
  - a. Contractor will have in place written policies and procedures regarding the monitoring of program participants with co-occurring disorders and the monitoring of medications.

C. SACPA/Proposition 36 Working Men's Residential Alcohol and Drug Treatment Services:

Contractor's basic working men's residential alcohol and drug treatment services must be consistent with the State Alcohol and Drug Program (ADP) Certification Standards, and must meet the standards outlined in the American Society of Addiction Medicine (ASAM) Patient Placement Criteria for the Treatment of Substance-Related Disorders. Contractor's basic working men's residential alcohol and drug treatment services will include:

1. Intake, assessment (utilizing the Addiction Severity Index [ASI]), food shelter, and other basic needs, addiction education and intervention, aftercare planning, urine screening, follow-up at 3-months and 9-months for each program participant, and follow-up with Probation/Parole as required
2. Contractor's basic 90 day working men's residential treatment program will include a minimum of: 2 individual and 4 group counseling sessions, per program participant, per month, weekly family groups, the 12-step model of recovery, and financial planning,
3. Access to ancillary support services including: 12-step meetings, HIV/AIDS testing and education, vocational counseling, employment placement, counseling for issues including anger management, and molestation/sexual/violence issues, and family services.

D. SACPA/Proposition 36 Men's Alcohol and Drug Intensive Day Treatment Services:

Contractor's basic men's alcohol and drug intensive day treatment services must be consistent with the State Alcohol and Drug Program (ADP) Certification Standards, and must meet the standards outlined in the American Society of Addiction Medicine (ASAM) Patient Placement Criteria for the Treatment of Substance-Related Disorders. Contractor's services will include:

1. Intake, assessment (utilizing the Addiction Severity Index [ASI]), aftercare planning, follow-up at 3-months and 9-months for each program participant, and follow-up with Probation/Parole as required.
2. Contractor's basic 90 day intensive day treatment services will include a minimum of 2 individual and 8 group counseling sessions per month, per program participant (e.g., monthly treatment episode).
3. Curriculum will include a structured program including individual and group counseling, light snacks, art therapy, and alcohol- and drug-free recreation and family socialization activities.
4. Access to ancillary support services including: transportation, legal support, 12-step meetings, HIV/AIDS testing and education, literacy assistance and supportive educational training, job search, and health/mental health assessments.

**CHANGE #4: Amend introductory paragraph of Section III. in Exhibit B to read:**

In full consideration of the SACPA/Proposition 36 funded alcohol and drug treatment services provided to individuals referred by the County, who lack the necessary resources to pay for all, or part, of these services themselves, the aggregate amount County shall be obligated to pay for services rendered under this Agreement and all other Agreements approved collectively by single resolution, shall not exceed ONE MILLION THREE HUNDRED FORTY-THREE THOUSAND NINE HUNDRED THIRTEEN DOLLARS (\$1,343,913). County payment to Contractor shall be consistent with Alcohol and Drug Program (ADP) Bulletin No. 01-17. County shall pay Contractor in the manner described below:

A. Start-up Payment Rates:

Of the \$1,343,913, County shall pay this Contractor a maximum of TWELVE THOUSAND FIVE HUNDRED FIFTY DOLLARS (\$12,550) for start-up costs in accordance with the approved start-up budget, for the start-up activities outlined above. Payment shall be based on actual costs and shall be made upon approval of this agreement and review and approval of itemized statement including receipts for start-up costs, by the Alcohol and Drug Services Manager, or her designee.

B. SACPA/Proposition 36 funded Alcohol and Drug Treatment Services:

1. For the period July 1, 2001 through April 30, 2002 County shall pay Contractor the following rates:
  - a) \$40.43 per bed day provided, per individual served, for men's residential services;
  - b) \$42.00 per treatment visit day provided for day treatment services, per individual served.
2. For the period May 1, 2002 through June 30, 2002 County shall pay Contractor at the following rates:
  - a) \$56.00 per bed day (24 hours of service) provided, per individual served, for men's residential treatment services;
  - b) \$89.00 per bed day provided (24 hours of service), per dually diagnosed program participant served, for dually diagnosed men's residential treatment services;
  - c) \$33.00 per bed day, per program participant served, for the working men's residential treatment services;
  - d) \$57.00 per treatment visit day provided, per program participant served, for intensive day treatment services.

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

1. The Agreement of August 7, 2001 and the first amendment of February 26, 2002, 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 August 7, 2001, and the first amendment of February 26, 2002, 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: \_\_\_\_\_  
Jerry Hill, President  
Board of Supervisors, County of San Mateo

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

ATTEST:

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

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

PROJECT NINETY, INC.  
By: JAMES H. STANSBERRY, Executive Director  
Name, Title - please print

James H. Stansberry  
Signature

Date: 4-18-2002

Contractor's Tax I.D. No. 23-7398688

COUNTY OF SAN MATEO  
Departmental Correspondence

Date: July 9, 2001

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: Project Ninety, Inc.

DOES CONTRACTOR TRAVEL? IF YES, WHAT PERCENT OF CONTRACTED Yes  
TIME?

DUTIES:

Provide residential alcohol and drug treatment services to adult and adolescent men.

INSURANCE COVERAGE:	Amount	Approve	Waive	Modify
Comprehensive Liability	<u>\$2M</u>	<u>✓</u>	<u>_____</u>	<u>_____</u>
<u>X</u> Additional Insured				
Automobile Liability	<u>\$1M</u>	<u>✓</u>	<u>_____</u>	<u>_____</u>
Excess Liability	<u>\$9M</u>	<u>✓</u>	<u>_____</u>	<u>_____</u>
Workers' Compensation	<u>Statutory</u>	<u>✓</u>	<u>_____</u>	<u>_____</u>
<u>      </u> No employees				

Remarks/Comments:

This is a renewal certificate

Signature:

Priscilla Morse

Risk Management

Insform.wp

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)  
07/11/2001

PRODUCER (650)341-4484 FAX (650)341-4465  
Business Professional Ins. Assoc. Inc.  
1519 South B Street  
San Mateo, CA 94402

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.

### INSURERS AFFORDING COVERAGE

INSURED Project Ninety, Inc.  
James H. Stansberry  
720 South B Street, #3  
San Mateo, CA 94401

INSURER A: Philadelphia Indemnity  
INSURER B:  
INSURER C:  
INSURER D:  
INSURER E:

### COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	PHPG302868	07/01/2001	07/01/2002	EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	PHPG3028681	07/01/2001	07/01/2002	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
A	EXCESS LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$	PHUM 300650	07/01/2001	07/01/2002	EACH OCCURRENCE \$ 9,000,000 AGGREGATE \$ 9,000,000 \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	801070300823	07/01/2001	07/01/2002	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	OTHER Building	PHPG302868	07/01/2001	07/01/2002	535 Boden Ave SF \$274,800 175 Spruce Ave SF \$124,875 195 Spruce Ave SF \$187,313

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS  
Certificate holder is named as additional insured in regards to insured's business operations  
General Liability policy only  
Ten [10] day notice of cancellation for non-payment of premium shall apply

CERTIFICATE HOLDER

ADDITIONAL INSURED: INSURER LETTER:

CANCELLATION

County of San Mateo  
Alcohol and Drug Program  
400 Harbor Blvd.  
Belmont, CA 94002

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

Peter Kelly/MIKIE