

CONTRACT ROUTING FORM

****NOTE: CITY ATTORNEY MUST REVIEW CONTRACTS BEFORE SUBMISSION TO CITY COUNCIL**

SUBMITTED BY: Kimson Johnson

DATE: August 4, 2016

SERVICE AREA/UNIT: Washtenaw Co. Health Organization and City

CONTRACTOR: Washtenaw County

PURPOSE: Human Service Contract

CONTRACT TYPE: SERVICES MATERIALS AND CONSTRUCTION

OTHER:

CONTRACT AMOUNT: N/A

HUMAN RIGHTS APPRV. DATE: N/A WAGE APPRV. DATE: N/A

RESOLUTION REQUIRED: YES NO NUMBER R-16-241
(ATTACH)

SIGNATURES: PLEASE MARK PAGES

(IN ORDER)	REQUIRED	SIGNED	DATE SIGNED
CONTRACTOR	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>8/2/16</u>
SERVICE AREA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>8/8/16</u>
CITY ATTORNEY	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>8/8/16</u>
CITY ADMINISTRATOR	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>8/11/16</u>
MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	_____
CITY CLERK	<input type="checkbox"/>	<input type="checkbox"/>	_____

RETURN CONTRACT TO: Kimson Johnson (Andrea Plevek at Washtenaw County)
'johnsonk@ewashtenaw.org'



Legislation Details (With Text)

File #: 16-0828 **Version:** 1 **Name:** 6/20/2016 - WCHO to County Transfers
Type: Resolution **Status:** Passed
File created: 6/20/2016 **In control:** City Council
On agenda: 6/20/2016 **Final action:** 6/20/2016
Enactment date: 6/20/2016 **Enactment #:** R-16-241
Title: Resolution to Authorize the Transfer of Six Properties and Contract from Washtenaw Community Health Organization to Washtenaw County

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
6/20/2016	1	City Council		

Resolution to Authorize the Transfer of Six Properties and Contract from Washtenaw Community Health Organization to Washtenaw County

In 2000, the Washtenaw Community Health Organization (WCHO) was established as a separate legal entity, from a partnership between Washtenaw County and the University of Michigan. The original purpose of WCHO was to establish an integrated health care delivery system to provide mental health, substance abuse and primary and specialty health care to Medicaid, low income and indigent consumers.

In the summer of 2014, it became apparent that the community was facing a crisis in financing mental health services for publicly-funded consumers in Washtenaw County. After approving a budget for the County's Community Support and Treatment Services (CSTS), WCHO subsequently informed the County that there was a shortfall of several million dollars in funding. CSTS had been the principle provider of direct mental health consumer services in Washtenaw County via a contract with WCHO.

In response to funding shortfalls, and corresponding service delivery concerns, Washtenaw County and University of Michigan Health System established the Behavioral Health Task Force to evaluate issues, options, and implication of either maintaining or eliminating the partnership and the WCHO. Primarily, concerns were analyzed around perceived inefficiencies and ineffectiveness of WCHO, duplication of administration expenses between WCHO and CSTS, and evaluation of other models of service delivery. The Behavioral Health Task Force concluded that the WCHO partnership has not achieved the potential envisioned in its original purpose and goals, and recommended that the legal partnership be discontinued and WCHO dissolved.

To comply with the limited options for organizing such services in the State, the Task Force recommended that a Community Mental Health Agency model be established to provide mental health services for publicly-funded consumers, confirm the financial impact on the County by moving to such a model, and to appoint a Community Mental Health Board that is capable of assuming the

role of governing body of a Community Mental Health Authority. The Task Force recommended that within two years, the partners, with the addition of St. Joseph Mercy Health System, determine the impact and feasibility of moving to an Authority. The Washtenaw County Board of Commissioner has implemented the Agency model as of October 1, 2015.

This reorganization of publicly-funded behavioral health consumer care has many implications to the community, including the attached proposed action by the City of Ann Arbor. In several instances, the City has invested in the creation or maintenance of affordable housing owned by WCHO. These investments require authorization by the City for any property transfer, and the attached resolution requests ratification of these transfers. No additional funds will be awarded to WCHO and/or CMH and Washtenaw County, but rather the action authorizes the transfer of the property from one operator to another.

1035 Judd Road

Located in York Township, WCHO received \$91,250 of HUD HOME funds in 2004 from the City of Ann Arbor. It is requested that the City ratify the transfer of the property from WCHO to Washtenaw County.

3800 Glengarry Court

Located in Northfield Township, WCHO received \$53,750 of HUD HOME funds in 2004 from the City of Ann Arbor. It is requested that the City ratify the transfer of the property from WCHO to Washtenaw County.

5623 Thomas Road

Located in Pittsfield Township, WCHO received \$53,750 of HUD HOME funds in 2004 from the City of Ann Arbor. It is requested that the City ratify the transfer of the property from WCHO to Washtenaw County.

12988 Island Lake Road

Located in Dexter Township, WCHO received \$91,250 of HUD HOME funds in 2004 from the City of Ann Arbor. It is requested that the City ratify the transfer of the property from WCHO to Washtenaw County.

1315 South Seventh Street

Located in the City of Ann Arbor, WCHO received \$50,000 of HUD HOME funds in 2008 from the City of Ann Arbor. It is requested that the City ratify the transfer of the property from WCHO to Washtenaw County.

2706 Yost Boulevard

Located in the City of Ann Arbor, HelpSource received \$50,000 of HUD HOME funds in 2004 from the City of Ann Arbor. In 2008, the City authorized the transfer of this property from Helpsource to WCHO. It is requested that the City ratify the transfer of the property from WCHO to Washtenaw County.

Additionally, via resolution R-15-186 in June of 2015, the City approved Coordinated Funding Allocations resulting from the Coordinated Funding process, including WCHO for the Project Outreach Team (PORT) which provides homeless outreach and support in the community. It is requested that Council authorize the transfer of this award to Community Mental Health, who provides support and oversight to the PORT team as of October 1, 2015.

Prepared by: Brett Lenart, Interim Director, Office of Community and Economic Development

Reviewed by: Derek Delacourt, Community Services Area Administrator

Whereas, The University of Michigan Health System and Washtenaw County have terminated a legal partnership and dissolved the Washtenaw Community Health Organization (WCHO) in order to improve behavioral health services to publicly-funded consumers;

Whereas, From 2004-2015 the City has made numerous investments in affordable housing and human services through contracts with WCHO;

Whereas, As of October 1, 2015, the WCHO has been dissolved and the Washtenaw County Community Mental Health Department (CMH) has been established;

Whereas, CMH has taken ownership of numerous assets of the WCHO, including 6 properties of which previous affordable housing investments were made by the City of Ann Arbor that require City approval of property transfer; and

Whereas, CMH has assumed leadership and responsibility for the Project Outreach Team, an important community service, from WCHO as supported by Resolution R-15-186 of the City of Ann Arbor;

RESOLVED, That the Mayor and City Council authorize the transfer of 1035 Judd Road, 3800 Glengarry Court, 5623 Thomas Road, 12988 Island Lake Road, 1315 South Seventh Street, and 2706 Yost Boulevard from the Washtenaw Community Health Organization, to Washtenaw County, contingent on Washtenaw County assuming all City HUD HOME fund debt for each property;

RESOLVED, That the Mayor and City Clerk be hereby authorized and directed to sign any applicable documents to implement transfer with Washtenaw County, including the Assignment and Assumption of Washtenaw County Health Organization Obligations, consistent with this resolution, subject to approval as to substance by the City Administrator and approval as to form by the City Attorney;

RESOLVED, That the Mayor and City Council authorize the transfer of Human Services Funding from the Washtenaw Community Health Organization to the Washtenaw County Department of Community Mental Health for services rendered during the period of October 1, 2015 to June 30, 2016; and

RESOLVED, That the City Administrator, or his designee, be authorized to take necessary administrative actions and to prepare and execute any documents necessary to complete this transaction and to implement this resolution, including award of funds, establishing the budget, and authorizing payment.

SECOND AMENDMENT TO CITY OF ANN ARBOR & WASHTENAW COUNTY FY
2015-2016 HUMAN SERVICE CONTRACT WITH WASHTENAW COUNTY HEALTH
ORGANIZATION (WCHO)

THIS AMENDMENT dated the ____ day of _____, 2016, between the City of Ann Arbor, a Michigan municipal corporation, whose address is 301 E. Huron Street, Ann Arbor, Michigan ("City"), and Washtenaw County, a Michigan municipal corporation, whose address is 220 N. Main Street, Ann Arbor, Michigan ("County") amends the agreement as follows:

The first paragraph of the contract is amended to remove Washtenaw County Health Organization-Agency whose address is 705 N. Zeeb Road, Ann Arbor, Michigan as the Contractor, and to replace it with Washtenaw County, a Michigan municipal corporation, whose address is 200 N. Main Street, Ann Arbor, Michigan.

- 1) SERVICE DESCRIPTION AND OUTCOME TARGETS and SPECIAL CONTRACT CONDITIONS, is amended to reflect that Washtenaw County through Washtenaw County Community Mental Health completed all services as Contractor starting October 1, 2015 and ending June 30, 2016. There are no additional changes made to the original service description, budget, outcome targets and special contract conditions.

All terms, conditions, and provisions of the original agreement between the parties executed on the 11th of July, 2014, and the First Amendment to the agreement executed on September 15, 2015, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

CITY:

CITY OF ANN ARBOR, a Michigan municipal corporation

By: 

Howard S. Lazarus
City Administrator

APPROVED AS TO SUBSTANCE:

By: 

Derek Delacourt
Community Services Administrator

APPROVED AS TO FORM:

By: 

Stephen K. Postema
City Attorney

COUNTY AND CONTRACTOR:

WASHTENAW COUNTY, a Michigan municipal corporation

ATTESTED TO:

By:


Lawrence Kestenbaum (Date)
County Clerk/Register

By: Ed Golembiewski
Chief Deputy Clerk

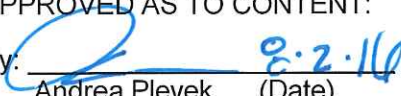
WASHTENAW COUNTY

By:


Gregory Dill (Date)
County Administrator

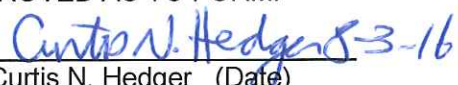
APPROVED AS TO CONTENT:

By:



Andrea Plevak (Date)
Interim Director, Office of Community
Development & Economic Development

APPROVED AS TO FORM:

By:


Curtis N. Hedger (Date)
Office of Corporation Counsel

By:


Trish Cortes Director
Washtenaw County Community Mental Health Department

WASHTENAW COUNTY
CLERK'S OFFICE
300 W. MAIN ST. 3RD FLOOR
ANN ARBOR MI 48106
734.769.3100

SECOND AMENDMENT TO CITY OF ANN ARBOR & WASHTENAW COUNTY FY
2015-2016 HUMAN SERVICE CONTRACT WITH WASHTENAW COUNTY HEALTH
ORGANIZATION (WCHO)

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This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

CITY:

CITY OF ANN ARBOR, a Michigan municipal corporation

By: _____


Howard S. Lazarus
City Administrator

APPROVED AS TO SUBSTANCE:

By: _____


Derek Delacourt
Community Services Administrator

APPROVED AS TO FORM:


By: _____


Stephen K. Postema
City Attorney

COUNTY AND CONTRACTOR:

WASHTENAW COUNTY, a Michigan municipal corporation


ATTESTED TO:

By: 
Lawrence Kestenbaum (Date)
County Clerk/Register
By: Ed Golembiewski
Chief Deputy Clerk


WASHTENAW COUNTY


By: 
Gregory Dill (Date) 8/3/16
County Administrator

APPROVED AS TO CONTENT:

By:  8-2-16
Andrea Plevak (Date)
Interim Director, Office of Community
Development & Economic Development

APPROVED AS TO FORM:

By:  8-3-19
Curtis N. Hedger (Date)
Office of Corporation Counsel

By:  8-1-16
Trish Cortes, Director
Washtenaw County Community Mental Health Department

WIP 102-3 15 5:18
WASHTENAW COUNTY

K. Key and Lock Replacement -- Janitorial Services Client Coverage

SECTION I -- COVERAGES, SUPPLEMENTARY PAYMENTS -- COVERAGES A AND B is amended to include the following:

We will pay for the cost to replace keys and locks at the "clients" premises due to theft or other loss to keys entrusted to you by your "client," up to a \$10,000 limit per occurrence and \$10,000 policy aggregate.

We will not pay for loss or damage resulting from theft or any other dishonest or criminal act that you or any of your partners, members, officers, "employees", "managers", directors, trustees, authorized representatives or any one to whom you entrust the keys of a "client" for any purpose commit, whether acting alone or in collusion with other persons.

The following, when used on this coverage, are defined as follows:

- a. "Client" means an individual, company or organization with whom you have a written contract or work order for your services for a described premises and have billed for your services.
- b. "Employee" means:
 - (1) Any natural person:
 - (a) While in your service or for 30 days after termination of service;
 - (b) Who you compensate directly by salary, wages or commissions; and
 - (c) Who you have the right to direct and control while performing services for you; or
 - (2) Any natural person who is furnished temporarily to you:
 - (a) To substitute for a permanent "employee" as defined in Paragraph (1) above, who is on leave; or
 - (b) To meet seasonal or short-term workload conditions;while that person is subject to your direction and control and performing services for you.
 - (3) "Employee" does not mean:
 - (a) Any agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (b) Any "manager," director or trustee except while performing acts coming within the scope of the usual duties of an "employee."
- c. "Manager" means a person serving in a directorial capacity for a limited liability company.

L. Additional Insureds

SECTION II -- WHO IS AN INSURED is amended as follows:

- 1. If coverage for newly acquired or formed organizations is not otherwise excluded from this

Coverage Part, Paragraph 3.a. is deleted in its entirety and replaced by the following:

a. Coverage under this provision is afforded until the end of the policy period.

2. Each of the following is also an insured:

a. **Medical Directors and Administrators** – Your medical directors and administrators, but only while acting within the scope of and during the course of their duties as such. Such duties do not include the furnishing or failure to furnish professional services of any physician or psychiatrist in the treatment of a patient.

b. **Managers and Supervisors** – Your managers and supervisors are also insureds, but only with respect to their duties as your managers and supervisors. Managers and supervisors who are your "employees" are also insureds for "bodily injury" to a co-"employee" while in the course of his or her employment by you or performing duties related to the conduct of your business.

This provision does not change Item 2.a.(1)(a) as it applies to managers of a limited liability company.

c. **Broadened Named Insured** – Any organization and subsidiary thereof which you control and actively manage on the effective date of this Coverage Part. However, coverage does not apply to any organization or subsidiary not named in the Declarations as Named Insured, if they are also insured under another similar policy, but for its termination or the exhaustion of its limits of insurance.

d. **Funding Source** – Any person or organization with respect to their liability arising out of:

(1) Their financial control of you; or

(2) Premises they own, maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

e. **Home Care Providers** – At the first Named Insured's option, any person or organization under your direct supervision and control while providing for you private home respite or foster home care for the developmentally disabled.

f. **Managers, Landlords, or Lessors of Premises** – Any person or organization with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased or rented to you subject to the following additional exclusions:

This insurance does not apply to:

(1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or

(2) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.

g. **Lessor of Leased Equipment – Automatic Status When Required in Lease Agreement With You** – Any person or organization from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization is to be added as an additional insured on your policy. Such person or

organization is an insured only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

- h. Grantors of Permits** – Any state or political subdivision granting you a permit in connection with your premises subject to the following additional provision:
- (1) This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with the premises you own, rent or control and to which this insurance applies:
 - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures;
 - (b) The construction, erection, or removal of elevators; or
 - (c) The ownership, maintenance, or use of any elevators covered by this insurance.
- i. Vendors** – Only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
- (1) The insurance afforded the vendor does not apply to:
 - (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - (b) Any express warranty unauthorized by you;
 - (c) Any physical or chemical change in the product made intentionally by the vendor;
 - (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (i) The exceptions contained in Sub-paragraphs (d) or (f); or
 - (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (2) This insurance does not apply to any insured person or organization; from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing.
- j. **Franchisor** – Any person or organization with respect to their liability as the grantor of a franchise to you.
- k. **As Required by Contract** – Any person or organization where required by a written contract executed prior to the occurrence of a loss. Such person or organization is an additional insured for "bodily injury," "property damage" or "personal and advertising injury" but only for liability arising out of the negligence of the named insured. The limits of insurance applicable to these additional insureds are the lesser of the policy limits or those limits specified in a contract or agreement. These limits are included within and not in addition to the limits of insurance shown in the Declarations
- l. **Owners, Lessees or Contractors** – Any person or organization, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:
 - (1) Your acts or omissions; or
 - (2) The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured when required by a contract.

With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- (a) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- (b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

m. State or Political Subdivisions – Any state or political subdivision as required, subject to the following provisions:

- (1) This insurance applies only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit, and is required by contract.
- (2) This insurance does not apply to:
 - (a) "Bodily injury," "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
 - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard."

M. Duties in the Event of Occurrence, Claim or Suit

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Paragraph 2. is amended as follows:

a. is amended to include:

This condition applies only when the "occurrence" or offense is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

b. is amended to include:

This condition will not be considered breached unless the breach occurs after such claim or "suit" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

N. Unintentional Failure To Disclose Hazards

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 6. Representations is amended to include the following:

It is agreed that, based on our reliance on your representations as to existing hazards, if you should unintentionally fail to disclose all such hazards prior to the beginning of the policy period of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

O. Transfer of Rights of Recovery Against Others To Us

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 8. Transfer of Rights of