## AGREEMENT FOR COMMUNITY SERVICES

**THIS AGREEMENT FOR COMMUNITY SERVICES** (this "Agreement") is entered into as of the date written below between the City of Bainbridge Island, a Washington state municipal corporation (the "City") and Hope House of Bainbridge Island (the "Service Provider").

**WHEREAS**, the City desires to assist the Service Provider in delivering services to developmentally disabled adults by providing funds for labor expenses; and

**WHEREAS**, the Service Provider has the expertise and experience to provide such services and is willing to do so in accordance with the terms and conditions of this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants, conditions, promises, and agreements set forth herein, it is agreed by and between the City and the Service Provider as follows:

### 1. SERVICES BY SERVICE PROVIDER

The Service Provider shall provide the community services as defined in this Agreement and as necessary to accomplish the scope of work attached hereto as Attachment A and incorporated herein by this reference as if set forth in full. The Service Provider shall furnish all services, labor and related equipment to conduct and complete the work, except as specifically noted otherwise in this Agreement.

The Service Provider will acknowledge support from the City in promotional materials.

### 2. PAYMENT

A. The City shall pay the Service Provider Five Thousand Sixteen Dollars ($5,016) for all services performed under this Agreement, to be billed quarterly. The Service Provider shall execute this Agreement by June 30, 2015 in order to receive funding for 2015.

B. The Service Provider shall submit quarterly invoices for services performed in a previous quarter in a format acceptable to the City. The Service Provider shall maintain time and expense records and provide them to the City upon request.

C. All invoices shall be paid by mailing a city check within sixty (60) days of receipt of a proper invoice.

D. If the services rendered do not meet the requirements of this Agreement, the Service Provider shall correct or modify the work to comply with this Agreement. The City may withhold payment for such work until it meets the requirements of this Agreement.

### 3. REPORT ON EXECUTION OF SERVICES

The Service Provider shall submit a final report prior to or accompanying their last invoice, due on January 22, 2016. In this report, the Service Provider shall:

1. Summarize the activities undertaken in providing the services described in Attachment A.
2. Reference the project objectives specified in Attachment A. Were those objectives achieved? Why or why not? Were there any unexpected positive outcomes or challenges?
3. Reference the specific measurable results specified in Attachment A. Were they achieved? If not, what challenges prevented the achievement of the anticipated results?
4. Describe involvement of any partners specified in Attachment A, as well as any unexpected cooperative relationships that developed through implementation of the project.
5. Reference the project budget specified in the Attachment A. Provide an analysis of actual expenses and income in relation to the projected budget.

**4. INSPECTION AND AUDIT**

The Service Provider shall maintain all books, records, documents and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Service Provider shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts and records where necessary to conduct or document an audit. The Service Provider shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Service Provider shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

**5. INDEPENDENT CONTRACTOR**

A. The Service Provider and the City understand and expressly agree that the Service Provider is an independent contractor in the performance of each and every part of this Agreement. The Service Provider expressly represents, warrants and agrees that his status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195. The Service Provider, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services required under this Agreement. The Service Provider shall make no claim of City employment nor shall claim any related employment benefits, social security, and/or retirement benefits.

B. The Service Provider shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Service Provider shall pay the same before it becomes due.

C. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Service Provider performs hereunder.

## 6. DISCRIMINATION AND COMPLIANCE WITH LAWS

A. The Service Provider agrees not to discriminate against any employee or applicant for employment or any other person in the performance of this Agreement because of race, creed, color, national origin, marital status, sex, sexual orientation, age, disability, or other circumstance prohibited by federal, state or local law or ordinance, except for a bona fide occupational qualification.

B. The Service Provider shall comply with all federal, state and local laws and ordinances applicable to the work to be done under this Agreement.

C. Violation of this Section 6 shall be a material breach of this Agreement and grounds for cancellation, termination or suspension by the City, in whole or in part, and may result in ineligibility for further work for the City.

## 7. TERM AND TERMINATION OF AGREEMENT

A. This Agreement shall become effective upon execution by both parties and shall continue in full force until December 31, 2015, unless sooner terminated by either party as provided below.

B. This Agreement may be terminated by either party without cause upon thirty (30) days' written notice to the other party. In the event of termination, all finished or unfinished documents, reports, or other material or work of the Service Provider pursuant to this Agreement shall be submitted to the City, and the Service Provider shall be entitled to just and equitable compensation at the rate set forth in Section 2 for any satisfactory work completed prior to the date of termination.

## 8. OWNERSHIP OF WORK PRODUCT

All data, materials, reports, memoranda and other documents developed under this Agreement whether finished or not shall become the property of the City, shall be forwarded to the City in hard copy and in digital format that is compatible with the City's computer software programs.

## 9. GENERAL ADMINISTRATION AND MANAGEMENT

The City Manager of the City, or designee, shall be the City's representative, and shall oversee and approve all services to be performed, coordinate all communications, and review and approve all invoices, under this Agreement.

## 10. HOLD HARMLESS AND INDEMNIFICATION

A. The Service Provider agrees to protect, defend, indemnify, and hold harmless the City, its elected officials, officers, employees and agents from any and all claims, demands, losses, liens,

liabilities, penalties, fines, lawsuits, and other proceedings and all judgments, awards, costs and expenses (including reasonable attorneys' fees and disbursements) caused by or occurring by reason of any negligent act, error and/or omission of the Service Provider, its officers, employees, and/or agents, arising out of or in connection with the performance or non-performance of the services, duties, and obligations required of the Service Provider under this Agreement.

B. In the event that the Service Provider and the City are both negligent, then the Service Provider's liability for indemnification of the City shall be limited to the contributory negligence for any resulting suits, actions, claims, liability, damages, judgments, costs and expenses (including reasonable attorneys' fees and disbursements) that can be apportioned to the Service Provider, its officers, employees and agents.

C. The foregoing indemnity is specifically and expressly intended to constitute a waiver of the immunity of the Service Provider under Washington's Industrial Insurance Act, RCW Title 51, as respects the other parties only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the employees of the Service Provider. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

D. The City's inspection or acceptance of any of the Service Provider's work when completed shall not be grounds to void, nullify and/or invalidate any of these covenants of indemnification.

E. Nothing contained in this section of this Agreement shall be construed to create a liability or a right of indemnification in any third party.

F. The provisions of this section shall survive the expiration or termination of this Agreement with respect to any event occurring prior to such expiration or termination.

## 11. INSURANCE

Service Provider shall maintain insurance as follows:

[ ] Commercial General Liability as described in Attachment B.
[ ] Directors and Officers Liability as described in Attachment B.
[ ] Automobile Liability as described in Attachment B.
[X] None.

## 12. SUBLETTING OR ASSIGNING CONTRACT

This Agreement, or any interest herein or claim hereunder, shall not be assigned or transferred in whole or in part by the Service Provider to any other person or entity without the prior written consent of the City. In the event that such prior written consent to an assignment is granted, then the assignee shall assume all duties, obligations, and liabilities of the Service Provider as stated herein.

## 13. EXTENT OF AGREEMENT/MODIFICATION

This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.

## 14. SEVERABILITY

A. If a court of competent jurisdiction holds any part, term or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

B. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

## 15. FAIR MEANING

The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

## 16. NON-WAIVER

A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any agreement, covenant or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

## 17. NOTICES

Unless stated otherwise herein, all notices and demands shall be in writing and sent or hand-delivered to the parties at their addresses as follows:

| | |
|---|---|
| To the City: | City of Bainbridge Island<br>280 Madison Avenue North<br>Bainbridge Island, WA 98110<br>Attention: City Manager |
| To the Service Provider: | Hope House of Bainbridge Island<br>11955 Sunrise Drive NE<br>Bainbridge Island, WA 98110<br>Attention: Executive Director |

or to such addresses as the parties may hereafter designate in writing. Notices and/or demands shall be sent by registered or certified mail, postage prepaid, or hand-delivered. Such notices shall be

deemed effective when mailed or hand-delivered at the addresses specified above.

**18. SURVIVAL**

Any provision of this Agreement which imposes an obligation after termination or expiration of this Agreement shall survive the term or expiration of this Agreement and shall be binding on the parties to this Agreement.

**19. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

**20. VENUE**

The venue for any action to enforce or interpret this Agreement shall lie in the Superior Court of Washington for Kitsap County, Washington.

**21. COUNTERPARTS**

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of _____, 2015.

HOPE HOUSE OF BAINBRIDGE ISLAND

By Lorraine Ekholm

Name Lorraine Ekholm

Title Exec Director

Tax I.D. # 32-0245515

CITY OF BAINBRIDGE ISLAND

By _____

Douglas Schulze, City Manager

**ATTACHMENT A**

**SCOPE OF SERVICES**

**What services will these funds provide? Include a statement of need, using measurable and quantitative terms, for these services.**

The governing board of Hope House of Bainbridge Island has spent the better part of three months reviewing income and expenses. With the increased expenses the State of Washington has imposed over the last few years and the impact of those expenses on our budget along with a decrease in contributions it was decided that a new business model had to be considered.

Starting in July of 2014, Hope House will be operated by a resident manager and staff will be cut significantly. This is a model most adult family homes use, but one we avoided in the past because a resident manager works 24 hours a day, and we wanted to avoid "burn out." It is typical that the average length of employment of a resident manager is two years.

We have decided to use a resident manager who will share in the income received from the State of Washington for compensation, and keep one employee who will be available for respite. The cost of the employee is reflected below.

Salary rate of $14.00/hr for 37.5 hours weekly, over nine weeks period $4,725.00

If COBI grants Hope House of Bainbridge Island $4,870.00, it will help offset some of the payroll expenses, and inherently pay for approximately nine weeks of employee services. This employee would have early morning hours 7:00-2:00, weekdays, so the resident manager will have time to conduct personal business. The hours would remain flexible in order to have respite as needed.

Hope House of Bainbridge Island has struggled at times to provide enough money for all areas of the business. We realize now that payroll and all of its taxes, etc. is too much of a burden for Hope House to be able to sustain.

We will be relying more on volunteers to help "fill the gaps" as well. It is imperative that resident managers who live on the premises, have sufficient time to rest and get away as much as possible.

**How have these services in item 6 been funded in the past?**

Hope House of Bainbridge Island relies heavily on donations from multiple individuals and foundations. These donations are coupled with state government subsidization to help pay for Hope House of Bainbridge Island employees. Unfortunately, due to the economic hardships on both a state and individual level in the past year, Hope House of Bainbridge Island has seen a

decrease in funding while expenses continue to grow. Since this organization is so transparent to its residents and their families, Hope House of Bainbridge Island knows some individuals are struggling economically and it would be callous to ask them to donate even more money during these troubled times. Therefore, this combination has forced Hope House of Bainbridge Island to find other avenues of funding while using resources allocated to other areas of the business for payroll expenses while the Executive Director has donated an average of 65 hours per week to ensure all staff shifts are properly filled. In result, the organization is not as solvent as it once was.

**What is your agency's estimated budget for 2014? What portion of your total agency budget does the current request represent?**

The estimated expense budget for Hope House of Bainbridge Island is $188,035.16 and our payroll expenses are $112,325.00. With the new model adapted in July 2014, our payroll expenses will diminish significantly. Our request of $4,870.00 represents approximately 9.5% of one employee's yearly income, which will be a significant help.

**Who will be the recipients of the services provided by these funds?**

This project will benefit 6 developmentally disabled adults that range from 28 to 70 in age. Although, the community in which these residents inhabit will benefit as a whole if Hope House of Bainbridge Island is successful. Each resident is heavily involved within the community and each one has established long lasting relationships with many people throughout the community. If Hope House of Bainbridge Island were to close down, then the residents would be forced to leave their community and be dispersed throughout all of Kitsap County.

**What are the consequences to your clientele, organization and/or the community if you do not receive these funds?**

If Hope House of Bainbridge Island does not receive these funds, then it will make the organization less financially flexible in the short term. If this is the case, respite assistance to the resident manager would have to rely strictly upon volunteers. Any volunteers must obtain an independent provider license, requiring 72 hours of basic instruction, in addition to developmental disabilities training, mental health and dementia training, as well as continuing education each year. These trainings are time consuming and expensive, but mandatory. The likelihood of volunteers making that much of a commitment to Hope House is unlikely and we must depend upon at least one paid employee to fill that need.

All the residents at Hope House of Bainbridge Island are intertwined heavily within the community, a detriment to their lifestyles may have a negative effect on the community. For example, if a resident becomes sad and depressed, he may not want to do daily activities outside of his home, causing him to miss important social events and community interaction. Hope House of Bainbridge Island strives to keep all their residents happy and the consistent caregivers play a huge role maintaining this positive setting.

**Describe your organization's ability and qualifications to deliver the services you are**

**requesting be funded. Include efforts to coordinate these services with other agencies.**

Hope House of Bainbridge Island became licensed as Hope House, Inc. in September, 2006. It was at full capacity when it opened, reflecting the need for these kinds of services. This organization operated as Hope House, Inc. while it applied for non-profit status and received its notification letter in November, 2008. That letter gave the business an effective date of exemption of December 12, 2007. Hope House, Inc. became Hope House of Bainbridge Island and began operating as a nonprofit as of January 1st, 2009.

The reason Hope House of Bainbridge Island became non-profit was to ensure that adult family home settings would remain on Bainbridge Island, providing best possible practice facilities. Helpline House has mentored this organization throughout the years and facilitated contact with various agencies that have all been extremely accepting and helpful in fulfilling the mission statement of Hope House of Bainbridge Island.

Assuring longevity with a committed board of directors was something Hope House of Bainbridge Island had to accomplish early on. The founders of Hope House, Inc. had no idea how necessary these services were in the community, and as the small family business took on a life of its own, it was clear that expansion and sharing responsibilities with a board was the obvious next step.

Once the board of directors was established, the first thing it did was decide on a mission statement that best represented the goals of the business, as well as the image that Hope House of Bainbridge Island wanted to be recognized by its community:

*The mission of Hope House of Bainbridge Island is to keep adults with developmental disabilities in their hometown and provide as much community interaction as possible. We strongly believe in life-long learning and work to teach and maintain life skills that encourage as much independence as possible.*

Some residents have lived at Hope House of Bainbridge Island since it opened. It now accommodates two of Serenity House residents, and all enjoy the atmosphere and excellence in staff and surroundings. Hope House of Bainbridge Island has learned over the years how to work with DSHS and DDD, which have provided capable administrative contacts when necessary. This organization has become knowledgeable about the intricacies in navigating through all of the complicated requirements. Hope House of Bainbridge has passed every inspection to date without receiving a single citation.

Hope House of Bainbridge Island strives to surround its residents with qualified caregivers in order to fulfill the mission statement of the organization and also to maintain a positive and safe atmosphere at all times. Over time we have learned that caregivers must be taken care of as well in order to keep the same people and therefore consistency for the residents.

**Describe how this funding will foster improvement in the range and quality of health, housing and/or human services on Bainbridge Island.**

Hope House of Bainbridge Island helps fill a very large gap in all areas of health, housing and human services by providing low-income, state-reimbursed housing and care to its community members who have developmental disabilities. Hope House of Bainbridge Island is certified to specialize in the developmental disabilities and mental illness/dementia diagnoses and is able to provide care to an ever-growing population. This organization is also licensed to distribute medications and has immediate contact with RN delegation as it becomes necessary.

**If this funding addresses one of the service gaps identified in the COBI Needs Assessment, please describe.**

According to the 2008 Healthy Community Checkup regarding trends that impact the Bainbridge Island community that 15% of the growing senior population have mobility limitations and 8% live in group quarters or special needs housing. These percentages are only going to grow in the future. Adult family homes are more practical than large medical models, and as stated previously, delay nursing home care of institutionalization. We all need to look at this model and decide where we would want to be if we needed assisted living on a budget.

**Accountability**

Hope House of Bainbridge Island is a non-profit, community-driven organization that has successfully utilized multiple public grants and donations. Each grant or donation received by this organization has been used properly, which has allowed Hope House of Bainbridge Island to maintain a long-standing relationship with those who privately and publicly fund projects for Hope House of Bainbridge Island.

In the past, Hope House of Bainbridge Island has been awarded grants from multiple organizations. These organizations consist of Kitsap Transit, Bainbridge Community Foundation and Kitsap Regional Coordinating Council. Also included is a grant award from COBI for the 2011, 2012, 2013 and 2014 funding cycle. Hope House of Bainbridge Island takes pride in developing and maintaining relationships within its community and organizations such as those listed are no exception.