

INTERGOVERNMENTAL CONTRACT

This Contract (this “Contract”) is made as of this 1st day of January, 2023, by and among Lakeshore Regional Entity (“LRE”), Allegan County, Kent County, Lake County, Mason County, Muskegon County, Oceana County and Ottawa County (individually referred to as the “County,” and collectively referred to as the “Counties”).

RECITALS

LRE is a community mental health regional entity formed under the Mental Health Code, MCL 330.1204b, that serves as a prepaid inpatient health plan (“PIHP”) under 42 CFR Part 438.

The Counties are located in a region designated by the Michigan Department of Health and Human Services (“MDHHS”) as Region 3 under MDHHS’s restructuring of PIHPs in Michigan.

Under 2012 PA 500 and 2012 PA 501, the coordination of the provision of substance use disorder services will be transferred, no later than October 1, 2014, from existing coordinating agencies to community mental health entities designated by MDHHS to represent a region of community mental health authorities, community mental health organizations, community mental health services programs or county community mental health agencies, as defined under MCL 300.1100a(22).

LRE is the MDHHS-designated community mental health entity to coordinate the provision of substance use disorder services in Region 3.

LRE, as a MDHHS-designated community mental health entity, is required, under MCL 330.1287(5) to establish a substance use disorder oversight policy board (Oversight Policy Board) through a contractual agreement, under appropriate law, between LRE and each of the Counties in Region 3.

LRE and the Counties are authorized to enter into contracts under 1951 PA 35, Intergovernmental Contracts Between Municipal Corporations, MCL 124.1 et seq.

LRE and the Counties desire to enter into this Contract, under 1951 PA 35, to establish an Oversight Policy Board.

NOW, THEREFORE, in furtherance of the foregoing and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I PURPOSE

Section 1.1 PURPOSE. The purpose of this Contract is to set forth the terms and conditions for the establishment of an Oversight Policy Board pursuant to MCL 330.1287(5).

**ARTICLE II
OVERSIGHT POLICY BOARD**

Section 2.1 FUNCTIONS AND RESPONSIBILITIES. The Oversight Policy Board shall have the following functions and responsibilities:

2.1.1 Approval of any portion of LRE’s budget that contains 1986 PA 2 (MCL 211.24e(11)), funds (“PA 2 Funds”) for the treatment or prevention of substance use disorders. PA 2 Funds are to be used for substance use disorder treatment and prevention in the Counties from which the PA 2 Funds originated; the Oversight Policy Board will use the definition of these services from Public Act 500 of 2012, which may be amended by the Legislature without the need to amend this Contract:

2.1.1.1. Substance use disorder prevention services are “services that are intended to reduce the consequences of substance use disorders in communities by preventing or delaying the onset of substance abuse and that are intended to reduce the progression of substance use disorders in individuals. Substance use disorder prevention is an ordered set of steps that promotes individual, family, and community health, prevents mental and behavioral disorders, supports resilience and recovery, and reinforces treatment principles to prevent relapse” (PA 500 of 2012, Sec. 100d(12)).

2.1.1.2. Substance use disorder treatment and rehabilitation services are “identifiable recovery-oriented services including: (a) early intervention and crisis intervention counseling services for individuals who are current or former individuals with substance use disorder, (b) referral services for individuals with substance use disorder, their families, and the general public, and (c) planned treatment services, including chemotherapy, counseling, or rehabilitation for individuals physiologically or psychologically dependent upon or abusing alcohol or drugs” (PA 500 of 2012, Sec. 100d(13)).

2.1.1.3. Recovery is defined as “a highly individualized process of healing and transformation where the individual gains control over his or her life. Related services include recovery management, recovery support services, recovery houses or transitional living programs, and relapse prevention. Recovery involves the development of a new meaning, purpose, and growing beyond the impact of addiction or a diagnosis. Recovery may include the pursuit of spiritual, emotional, mental, or physical well-being (PA 500 of 2012, Sec. 100c(14)).

2.1.2 Advise and make recommendations regarding LRE’s budgets for substance use disorder treatment or prevention using non PA 2 Funds;

2.1.3 Advise and make recommendations regarding contracts with substance use disorder treatment or prevention providers; and

2.1.4 Assist LRE in carrying out the following statutory duties of LRE under MCL 330.1274, which may be amended by the Legislature without the need to amend this Contract:

- A. Developing comprehensive plans for substance use disorder treatment and rehabilitation services and substance use disorder prevention services consistent with guidelines established by the Department of Health and Human Services.
- B. Reviewing and commenting to the Michigan Department of Licensing and Regulatory Affairs on applications for licenses submitted by local treatment, rehabilitation, and prevention organizations.
- C. Providing technical assistance for local substance use disorder service programs.
- D. Collecting and transferring data and financial information from local programs to the Michigan Department of Health and Human Services.
- E. Submitting an annual budget request to the Department of Health and Human Services for use of state administered funds for its substance use disorder treatment and rehabilitation services and substance use disorder prevention services in accordance with guidelines established by the Department of Health and Human Services.
- F. Making contracts necessary and incidental to the performance of the LRE's functions. The contracts may be made with public or private agencies, organizations, associations, and individuals to provide for substance use disorder treatment and rehabilitation services and substance use disorder prevention services.
- G. Annually evaluating and assessing substance use disorder services in the LRE's region in accordance with guidelines established by the Department of Health and Human Services.

Section 2.2 APPOINTMENT/COMPOSITION.

2.2.1 Eligibility for Membership: All residents of Allegan, Kent, Lake, Mason, Muskegon, Oceana, and Ottawa Counties shall be eligible for membership on the Oversight Policy Board. Membership shall not include those holding incompatible public offices (MCL 15.182).

2.2.2 Oversight Policy Board Membership: The Oversight Policy Board members shall be appointed by the county commissions of the respective counties in the geographic boundaries of the LRE and in the following numbers:

Allegan County:	2 persons
Kent County:	7 persons
Lake County:	1 person
Mason County:	1 person
Muskegon County:	2 persons
Oceana County:	1 person
Ottawa County:	<u>3 persons</u>
TOTAL	17 persons

2.2.3 Composition: Oversight Policy Board members should reflect the cultural diversity of the LRE, and shall encourage membership applications from persons in recovery from substance use disorder members, as well as from other related constituencies such as education, health, and social services agencies; local foundations and advocacy organizations; public or private substance use disorder prevention, treatment or recovery support providers; members of the general public, including civic organizations and the business community.

Section 2.3 TERM OF MEMBERSHIP: The term of membership for a member of the Oversight Policy Board shall be three (3) years (note some counties do less than this), beginning in January and ending in December. Members may be appointed for staggered terms

Section 2.4 VACANCIES. A vacancy on the Oversight Policy Board shall be filled by the County that originally filled the vacated position.

Section 2.5 RESIGNATION/REMOVAL.

2.5.1 An Oversight Policy Board member who wishes to leave his or her appointment prior to the conclusion of his or her term must resign in writing to the Oversight Policy Board. Upon receipt of a notice of resignation, the LRE shall promptly notify the respective appointing body of the resignation.

2.5.2 Removal. The County that appointed an Oversight Policy Board member may remove its appointee at any time. The Oversight Policy Board is responsible for informing the relevant County of any lack of participation or attendance by the County’s appointed Oversight Policy Board member and may recommend removal. A county’s governing body may remove its member appointee for any or no reason.

**ARTICLE III
OFFICERS**

Section 3.1 ETHICS AND CONFLICTS OF INTEREST. The Oversight Policy Board shall adhere to all conflict of interest and ethics laws applicable to public officers and public servants, serving as members of the Oversight Policy Board.

Section 3.2 COMPLIANCE WITH LAWS. The Oversight Policy Board shall fully comply with all applicable laws, regulations and rules, including without limitation 1976 PA 267 (the “Open Meetings Act”), 1976 PA 422 (the “Freedom of Information Act”), 2012 PA 500, 2012 PA 501 and 1986 PA 2. Counties shall have access to records without charge.

Section 3.3 BYLAWS. The Oversight Policy Board shall adopt Bylaws which shall be consistent with the terms of this Contract and the responsibilities of LRE as set forth under MCL 330.1204b. The Oversight Policy Board may amend the Bylaws as provided in the Bylaws; provided that the amendments are consistent with the terms of this Contract and the responsibilities of LRE as set forth under MCL330.1204b.

ARTICLE IV LRE

Section 4.1 FUNDING. LRE shall ensure that funding dedicated to substance use disorder services shall be retained for substance use disorder services and not diverted to fund services that are not for substance use disorders. MCL 330.1287(2).

Section 4.2 STAFF MEMBERS. Staff support services for the Oversight Policy Board shall be provided by or through the LRE.

ARTICLE V TERM AND TERMINATION

Section 5.1 TERM. The Term of this Contract shall commence on January 1, 2023, and continue until December 31, 2024, unless terminated at an earlier date as provided in Section 5.2.

Section 5.2 TERMINATION. Any party may terminate this Contract at any time for any or no reason by giving all other parties thirty (30) days written notice of the termination. Any notice of termination of this Contract shall not relieve either party of its obligations incurred prior to the effective date of such termination.

ARTICLE VI LIABILITY

Section 6.1 LIABILITY/RESPONSIBILITY. No party shall be responsible for the acts or omissions of the other party or the employees, agents or servants of any other party, whether acting separately or jointly with the implementation of this Contract. Each party shall have the sole nontransferable responsibility for its own acts or omissions under this Contract. The parties shall only be bound and obligated under this Contract as expressly agreed to by each party and no party may otherwise obligate any other party.

Any liability of a party hereto to third parties, or any loss, or damage as a result of claims, demands, costs, or judgments arising out of activities to be carried out by that party in the performance of this Agreement, shall be the sole and non-transferable responsibility of that party and not the responsibility of the other party, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act by that party, its Board members, officers, employees or representatives; provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to either party, its Board members, officers, employees or representatives, by statute or Court decisions.

**ARTICLE VII
MISCELLANEOUS**

Section 7.1 AMENDMENTS. This Contract shall not be modified or amended except by a written document signed by all parties hereto.

Section 7.2 ASSIGNMENT. No party may assign its respective rights, duties or obligations under this Contract.

Section 7.3 NOTICES. All notices or other communications authorized or required under this Contract shall be given in writing, either by personal delivery or certified mail (return receipt requested) and shall be deemed to have been given on the date of personal delivery or the date of the return receipt of certified mail.

Section 7.4 ENTIRE AGREEMENT. This Contract shall embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof. There are no other agreements or understandings, oral or written, between the parties with respect to the subject matter hereof and this Contract supersedes all previous negotiations, commitments and writings with respect to the subject matter hereof.

Section 7.5 GOVERNING LAW. This Contract is made pursuant to, and shall be governed by, construed, enforced and interpreted in accordance with, the laws and decisions of the State of Michigan.

Section 7.6 BENEFIT OF THE AGREEMENT. The provisions of this Contract shall not inure to the benefit of, or be enforceable by, any person or entity other than the parties and any permitted successor or assign. No other person shall have the right to enforce any of the provisions contained in this Contract including, without limitation, any employees, contractors or their representatives.

Section 7.7 ENFORCEABILITY AND SEVERABILITY. In the event any provision of this Contract or portion thereof is found to be wholly or partially invalid, illegal or unenforceable in any judicial proceeding, such provision shall be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or shall be deemed excised from this Contract, as the case may require. This Contract shall be construed and enforced to the maximum extent permitted by law, as if such provision had been originally incorporated herein as so modified or restricted, or as if such provision had not been originally incorporated herein, as the case may be.

Section 7.8 CONSTRUCTION. The headings of the sections and paragraphs contained in this Contract are for convenience and reference purposes only and shall not be used in the construction or interpretation of this Contract.

Section 7.9 COUNTERPARTS. This Contract may be executed in one or more counterparts, each of which shall be considered an original, but together shall constitute one and the same agreement.

Section 7.10 EXPENSES. Except as is set forth herein or otherwise agreed upon by the parties, each party shall pay its own costs, fees and expenses of negotiating and consummating this Contract, the actions and agreements contemplated herein and all prior negotiations, including legal and other professional fees.

Section 7.11 REMEDIES CUMULATIVE. All rights, remedies and benefits provided to the parties hereunder shall be cumulative, and shall not be exclusive of any such rights, remedies and benefits or of any other rights, remedies and benefits provided by law. All such rights and remedies may be exercised singly or concurrently on one or more occasions.

Section 7.12 BINDING EFFECT. This Contract shall be binding upon the successors and permitted assigns of the parties.

Section 7.13 NO WAIVER OF GOVERNMENTAL IMMUNITY. The parties agree that no provision of this Contract is intended, nor shall it be construed, as a waiver by any party of any governmental immunity or exemption provided under the Mental Health Code or other applicable law.

Section 7.14 SUCCESSOR LEGISLATIVE REQUIREMENTS. Any successor legislative requirements applicable to the parties to this Contract, will be implemented without requiring amendments to this Contract.

**ARTICLE VIII
CERTIFICATION OF AUTHORITY TO SIGN THIS CONTRACT**

The persons signing this Contract on behalf of the parties hereto certify by said signatures that they are duly authorized to sign this Contract on behalf of said parties, and that this Contract has been authorized by said parties as provided in their governing body resolutions, meeting minutes or some other form of written verification of the same, copies of which shall be provided to LRE.

IN WITNESS WHEREOF, the parties hereto have entered into, executed and delivered this Contract as of the dates noted below.

LAKESHORE REGIONAL ENTITY

By: _____ Date: _____
Mary Marlatt-Dumas

Its: Chief Executive Officer

ALLEGAN COUNTY

By: _____ Date: _____
Rob Sarro

Its: County Administrator

KENT COUNTY

By: _____ Date: _____
Alan G. Vanderberg

Its: County Administrator

LAKE COUNTY

By: _____ Date: _____
Tobi Lake

Its: County Administrator

MASON COUNTY

By: _____ Date: _____
Fabian Knizacky

Its: County Administrator

MUSKEGON COUNTY

By: _____ Date: _____
Mark Eisenbarth

Its: County Administrator

OCEANA COUNTY

By: _____ Date: _____

Tracy Byard

Its: County Administrator

OTTAWA COUNTY

By: _____ Date: _____

John Shay

Its: County Administrator