



**COMMISSIONERS COURT
COMMUNICATION**

COURT ORDER NUMBER _____

PAGE 1 OF 15

DATE: 12/3/2024

SUBJECT: CONSIDERATION OF INTERLOCAL AGREEMENT WITH MY HEALTH MY RESOURCES OF TARRANT COUNTY FOR OPERATION OF THE MENTAL HEALTH JAIL DIVERSION CENTER

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court consider an Interlocal Agreement (ILA) with My Health My Resources of Tarrant County (MHMR) for operation of the Mental Health Jail Diversion Center (MHJDC).

BACKGROUND

On October 19, 2021, the Commissioners Court, through Court Order #136559, approved an ILA with MHMR to operate the Tarrant County Mental Health Jail Diversion Center.

On November 2, 2021, the Commissioners Court, through Court Order #136734, approved the First Amendment to the ILA with MHMR, further delineating costs associated with program operations.

On September 20, 2022, the Commissioners Court, through Court Order #139147, approved the Second Amendment to the ILA with MHMR, providing additional funding for support services for individuals exiting the MHJDC, and extending the term of the ILA to December 31, 2024.

With approval of this ILA, the Commissioners Court continues the partnership with MHMR to operate the MHJDC through the Fiscal Year ending September 30, 2025 and approves funding in an amount not to exceed \$4,504,265.00 for nine (9) months of operation. A combination of ARPA funds, other grant funds, and special purpose budget funds may be used to fund this ILA. The most restrictive funding source will be utilized first. The cost to MHMR to operate the MHJDC is reduced by their ability to house related support services programs within the MHJDC facility. Those operational savings are outlined within the ILA.

FISCAL IMPACT

Funding in the amount of \$4,504,265.00 is available in T0450-2025.

SUBMITTED BY	Administrator	PREPARED BY:	Kristen Camareno
		APPROVED BY:	Kristen Camareno

**INTERLOCAL AGREEMENT BETWEEN TARRANT COUNTY
AND MY HEALTH MY RESOURCES OF TARRANT COUNTY FOR OPERATION OF
THE TARRANT COUNTY MENTAL HEALTH JAIL DIVERSION CENTER**

This Interlocal Agreement (“Agreement”) is between Tarrant County (the “County”), a political subdivision of the State of Texas, and My Health My Resources of Tarrant County (“MHMR”), a unit of local government as outlined in Chapter 534 of the Texas Health and Safety Code (collectively, the “Parties”), and shall be effective on January 1, 2025 (“Effective Date”). The Parties have reviewed this Agreement and agree to the following:

WHEREAS, the County recognizes the importance of a mental health jail diversion center to divert certain low-level offenders from incarceration; and

WHEREAS, the County recognizes the need for mental health services to related to mental health treatment, substance misuse treatment, and other behavioral health services; and

WHEREAS, studies show that individuals with mental health conditions are best served by offering them services in the appropriate setting at the appropriate time and place; and

WHEREAS, growing number of individuals in Tarrant County and across the nation receive mental health services in jail rather than in mental health settings; and

WHEREAS, appropriate care and services are needed for individuals with mental health conditions who have had minor interactions with law enforcement in Tarrant County; and

WHEREAS, Tarrant County seeks to provide a recovery oriented, short-stay alternative to incarceration for non-violent, justice-oriented persons with mental health needs; and

WHEREAS, this Agreement is made pursuant to the authority of Sections 791.001-792.029 of the Texas Government Code; and

WHEREAS, the subject of this Agreement is necessary for the benefit of the public and each party has the legal authority to perform and to provide the governmental function or service which is the subject matter of this Agreement;

WHEREAS, any payments or performance required by this Agreement shall come from current revenues legally available to the Parties; and

NOW, THEREFORE, for and in consideration of the mutual undertaking hereinafter set forth and for adequate consideration given, the Parties agree to the following:

I.
OBLIGATIONS OF THE COUNTY

1. Facility. The County shall be responsible for providing and maintaining the real property to be used for the Tarrant County Mental Health Jail Diversion Center (“MHJDC”) and associated support services programs.

2. Security. The County shall provide the security for the MHJDC. The required number of personnel and deployment of security personnel shall be determined by the County in consultation with MHMR.

II. OBLIGATIONS OF MHMR

3. Exclusive Benefit of Services. MHMR agrees to operate the MHJDC. MHMR shall provide the services contemplated in this Agreement for clients who have entered the MHJDC.

4. Services. MHMR may offer one or more the of following services, as appropriate, to each individual participant of the MHJDC:

- i. Appropriate medical and psychiatric assessments;
- ii. Integrated treatment and individualized care plans to assist in participants' stabilization;
- iii. On-site psychiatric care;
- iv. On-site primary medical care;
- v. Medication management;
- vi. Psychosocial programming;
- vii. Substance use disorder interventions;
- viii. Rehabilitation services;
- ix. Respite beds;
- x. Peer support, and/or
- xi. Discharge planning to coordinate access to housing, social services, and treatment post-discharge, utilizing case managers and peer support.

If MHMR deems a participant not medically appropriate for admittance upon arrival into the MHJDC, MHMR shall coordinate with Emergency Medical Services for transportation to an appropriate emergency room for medical stabilization.

MHMR shall coordinate and link individuals to wrap-around transitional and aftercare services, individualized to the participant, prior to and following discharge from the MHJDC. These services may include one or more of the following services, as appropriate:

- i. Community-based case management;
- ii. Psychiatric care;
- iii. Primary medical care;
- iv. Medication management,
- v. Psychosocial programming;
- vi. Respite beds;
- vii. Crisis housing supports;
- viii. Housing case management;
- ix. Detox/Residential substance use disorder services;

- x. Peer support; and/or
- xi. Linkage to social services.

5. Appointment of Director. MHMR shall employ a qualified individual (“Director”) to maintain appropriate staffing levels and ensure the services provided meet the appropriate standards. The Director shall ensure that MHMR meets the requirements and expectations of this Agreement, monitor the budget and reimbursement requests of the MHJDC, ensure contractual compliance with all subcontractors, and oversee the day-to-day operations of the MHJDC. This Director will also serve as the primary point of contact between Tarrant County and MHMR for the MHJDC.

6. Use of Licensed Personnel. MHMR shall ensure that all personnel providing services pursuant to this Agreement are duly licensed in accordance with the licensure requirements set forth by the professional licensing authorities of the State of Texas and shall comply with all the standards, license, and certification requirements found therein. MHMR shall maintain copies of each required license and shall ensure the receipt of such copies before such personnel is assigned to perform services pursuant to this Agreement and before granting such personnel access to the MHJDC.

7. Performance Pursuant to Industry Standards. MHMR shall provide all services in a manner consistent with industry standards for quality patient care and the standards established by appropriate accrediting agencies. MHMR shall provide all services in a manner consistent with the rules, regulations, statutes, licensing requirements, and standards of all appropriate accrediting or regulatory agencies and entities including, but not limited to, the United States Department of Health and Human Services; the Texas Department of State Health Services; all Texas, federal, and local governmental agencies or bodies that exercise authority over any services provided under this Agreement; and all rules and regulations of the County. MHMR further agrees to provide services in accordance with the statutory guidelines and standards in place at the time of performance.

8. Performance Measurement and Regular Reporting. MHMR shall make reports to Tarrant County on a monthly basis on the below performance measures. Additional measures may be established and reported on as mutually agreed to by MHMR and Tarrant County.

- Number of persons served
- Average Length of Stay
- Number of persons returning within 30 days
- Referrals made to:
 - Housing
 - Substance Abuse
 - Follow Up Mental Health Care
 - Follow Up Medical Care
- Number of Persons enrolled in John Peter Smith (JPS) Connections
- Number of Persons who, upon arrival, refused to voluntarily participate

9. Subcontracting Authority. MHMR shall have the authority to enter into as many contracts as necessary to accomplish the goal of operating an effective and efficient jail diversion center. MHMR agrees to comply with all applicable purchasing laws in choosing and executing

any contracts pursuant to this Agreement. MHMR shall subcontract with the Tarrant County Hospital District d/b/a JPS Health Network for the provision of medical services. If not covered under its professional liability policy for services provided under this Agreement, MHMR shall ensure that any individual or entity providing any services under this Agreement have, and provide MHMR evidence of, active professional liability insurance coverage in amounts that conform to the limits provided in this Agreement, as detailed in Article VIII ("Insurance Requirements").

10. Participation in Peer Review. MHMR agrees to initiate its own peer review or quality assurance review regarding any incident at the MHJDC or any personnel providing services pursuant to this Agreement. Each agreement or contract entered into between MHMR and any individual or entity providing services pursuant to this Agreement shall contain a provision incorporating this Agreement by reference as relevant to the responsibilities delegated by MHMR to such individual or entity.

11. Action by Licensing Agency. MHMR expressly agrees to promptly inform Tarrant County of any adverse action, taken by a state regulatory agency, healthcare entity, or professional society, based on the professional competence or professional conduct of MHMR or personnel providing services pursuant to this Agreement. MHMR further agrees to promptly inform Tarrant County in writing, if at any time any required license or certification held by MHMR, or any personnel providing services under this Agreement, expires, is suspended, or is revoked.

12. Additional Requests for Information. MHMR must timely provide all information requested by the Tarrant County Administrator's Office that will assist in assessing MHMR's performance or determining its compliance with this Agreement or funding requirements. MHMR may withhold any information that it is mandated to withhold in compliance with state or federal law.

13. Audit Clause. MHMR agrees that the County will, until the expiration of the federal retention period as referenced in 2 CFR 200.334, have access to and the right to examine at reasonable times any directly pertinent books, documents, papers and records (hard copy, as well as computer generated data) of MHMR involving transactions related to this agreement. This right to audit also extends to any obligations assigned to any subcontracts or agreements formed between MHMR and any subcontractors to the extent that those subcontracts or agreements relate to fulfillment of MHMR's obligations to the County under this agreement. MHMR must agree that the County will have access during normal working hours to all necessary facilities, staff and workspace in order to conduct audits. The County will provide MHMR with reasonable advance notice of intended audits. MHMR must provide records within ten (10) business days or a mutually agreed upon timeline.

14. MHMR will work with the County in the process of applying for grants and other supplemental funding sources for the sustainability of the MHJDC.

III.

PAYMENT

15. MHMR shall submit for reimbursement monthly reports consisting of a financial expenditures report and data tracking spreadsheet to the County reflecting the services rendered and evidencing the amount expended in rendering such services on the fifteenth (15th) day of every month. MHMR agrees to submit all monthly reports in a form to be determined by the County and understands that the form of such reports is subject to change to remain compliant with state and/or federal law.

16. The County shall reimburse MHMR for all eligible expenses reflected on the monthly reports from current revenues available to the County. The total amount of funds to be reimbursed for eligible expenses (“Distributed Funds”) (as outlined in Appendix B) to MHMR shall not exceed \$4,504,265.00 (FOUR MILLION FIVE HUNDRED FOUR THOUSAND TWO HUNDRED SIXTY-FIVE DOLLARS) for the nine-month term covered by this Agreement. MHMR may move up to 10% of allocated funds within any budget category without written approval of County, except for Equipment or Indirect Cost budget line items, if the movement is consistent with the budget in Appendix B. In order to move any amount over and above a cumulative total of 10% of allocated funds within any budget category, MHMR will request the reallocation in writing to the County.

17. Distributed Funds may come from federal grants, state grants, or local funds, and may only be used as allowed by the applicable prevailing guidance.

18. MHMR acknowledges that, should Distributed Funds come from a federal grant, it is a Sub-Recipient of the County pursuant to that grant and shall follow guidelines as provided in Appendix A, and all guidance issued by the applicable granting agency in the use of the Distributed Funds.

IV. DOCUMENTATION

19. MHMR shall keep and maintain, for a period not less than five (5) years after December 31, 2026, any and all records relating to the Distributed Funds.

V. TERM

20. The term of this Agreement shall commence on January 1, 2025, and shall continue and remain in full force and effect until September 30, 2025, unless terminated earlier in accordance with this Agreement.

VI.

TERMINATION

21. If MHMR becomes excluded, debarred, or suspended from any federal or state program, this Agreement automatically terminates effective on the date of the suspension, revocation, or exclusion, and MHMR must submit a final, formal statement in the manner set out above and below requesting payment. MHMR is not entitled to receive payment under this Agreement for services performed by any personnel who have been excluded, debarred, or suspended under a federal or state program, unless given explicit permission by the County.

22. The County may immediately terminate this Agreement effective upon the receipt by MHMR of written notice of immediate termination if MHMR fails to perform any obligation found herein and the failure:

- i. creates a potential threat to health or safety; or
- ii. violated a law, ordinance, or regulation designed to protect health or safety.

23. Either party may terminate this Agreement without cause by giving ninety (90) days written notice to the other party.

24. Upon receipt of notice to terminate under paragraph IV(22), MHMR shall discontinue all services in connection with the performance of this Agreement and shall proceed to promptly cancel all existing orders and contracts insofar as such orders or contracts are chargeable to this Agreement. Upon receipt of a notice to terminate under paragraph IV(23), MHMR shall discontinue all services and cancel all contracts and orders chargeable to this Agreement in the same manner as previously described, but effective as of the termination date identified in the notice of termination. Any and all assets purchased under this agreement shall transfer to County for purposes outlined herein.

25. Within thirty (30) days after receipt of a notice of termination under paragraph IV(22), MHMR agrees to submit an invoice showing, in detail, the services performed under this Agreement up to and including the termination date. Within thirty (30) days after the termination date identified in a notice of termination under paragraph IV(23), MHMR agrees to submit an invoice showing, in detail, the services performed under this Agreement up to and including the termination date.

26. Force Majeure. In the event that either party is unable to perform any of its obligations under the Agreement or to enjoy any of the benefits because of natural disaster, global pandemic, actions or decrees of governmental bodies or communications line failure not the fault of the affected party (referred to as a "Force Majeure Event"), the party who has been so affected immediately agrees to give notice to the other party and agrees to do everything possible to resume performance. Upon receipt of such notice, the Agreement is immediately suspended. If the period of nonperformance exceeds ten (10) calendar days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may terminate the Agreement immediately by giving written notice to the other Party.

VII.

INSURANCE REQUIREMENTS

27. MHMR shall acquire and, at all times during the term of this Agreement, maintain comprehensive insurance coverage including , general commercial liability insurance, commercial auto insurance, professional liability insurance and worker's compensation insurance for bodily injury, death, and for property damage, or be self-insured, at a minimum of \$1,000,000.00.

28. MHMR shall be responsible for all contents inside the property.

29. Tarrant County shall be responsible for obtaining and keeping property insurance coverage or maintaining sufficient self-insurance coverage on the property, less non-county owned contents.

VIII. INDEMNIFICATION

30. To the extent allowed by law and the Constitution of the State of Texas, MHMR shall indemnify, defend, and hold harmless the County and each of its agents, officers, and employees from and against any and all claims, actions, causes of action, demands, liabilities, losses, damages, costs and expenses, including but not limited to, reasonable attorney's fee and interest, which any of them at any time sustain or incur (i) by reason of MHMR's negligent act or omission to act and/or its employees arising under this Agreement or other purchasing or sales documents, or (ii) by reason of MHMR's failure to perform its obligations under the terms of this Agreement or other purchasing or sales documents in each case to the extent permitted by the Constitution and laws of the State of Texas.

IX. NOTICE

31. Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been personally delivered to the address below, or deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, in a United States Post Office, addressed to the County or MHMR at the following addresses. If mailed, any notice or communication shall be deemed to be received three (3) days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

TO THE COUNTY:

c/o County Administrator
100 E. Weatherford
Fort Worth, Texas 76196

TO MHMR:

c/o Chief Executive Officer
3840 Hulen St.
Fort Worth, Texas 76107

Either Party may change addresses by giving the other Party ten (10) days written notice.

X.

APPLICABLE LAW AND VENUE

32. This Agreement is governed by the laws of the State of Texas.

33. The exclusive venue for any action arising out of, in connection with, or in any way relating to this Agreement shall be in a state or federal court of competent jurisdiction in Tarrant County, Texas.

XI.
MODIFICATIONS

34. This instrument contains the entire Agreement between the Parties relating to the rights herein granted and obligations herein assumed.

35. Any oral or written representations or modifications concerning this instrument shall not be effective excepting a subsequent written modification signed by both Parties.

XII.
COMPLIANCE WITH LAWS

36. MHMR must observe and comply with all applicable federal, state, and local statutes, ordinances, rules, and regulations, including, without limitation, workers' compensation laws, minimum ad maximum salary and wage statutes and regulations, and non-discrimination laws and regulations. MHMR shall be responsible for ensuring its compliance with any laws and regulations applicable to their activities under this agreement, including maintaining any necessary licenses and permits.

XIII.
EXECUTION

37. Multiple Counterparts: The Agreement may be executed in several counterparts. Each counterpart is deemed an original. All counterparts together constitute one and the same instrument. Each Party warrants that the undersigned is a duly authorized representative with the power to execute the Agreement.

SIGNED AND EXECUTED this _____ day of _____, 2024

**COUNTY OF TARRANT
STATE OF TEXAS**

MY HEALTH MY RESOURCES

Tim O'Hare
County Judge

Susan Garnett
Chief Executive Officer

APPROVED AS TO FORM:

CERTIFICATION OF

AVAILABLE FUNDS: \$ _____

Criminal District Attorney's Office*

Tarrant County Auditor

*By law, the Criminal District Attorney's Office may only approve contracts for its clients. We reviewed this document as to form from our client's legal perspective. Other parties may not rely on this approval. Instead those parties should seek contract review from independent counsel.

APPENDIX A SUB-RECIPIENT GUIDANCE

STANDARDS FOR FINANCIAL MANAGEMENT

In accordance with 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Organization will develop, implement and maintain financial management and control systems, which include at a minimum accurate payroll, accounting and financial reporting records, cost source documentation, effective internal and budgetary controls, and determination of reasonableness, allowability and allocability of costs, and timely and appropriate audits and resolution findings.

Organization shall maintain an effective accounting system, which will:

- Identify and record valid transactions
- Record transactions to the proper accounting period in which transactions occurred
- Describe transactions in sufficient detail to permit proper classification
- Maintain records that permit the tracing of funds to a level of detail that establishes that the funds have been used in compliance with contract requirements
- Adequately identify the source and application of funds of each grant contract
- Generate current and accurate financial reports in accordance with contract requirements

REPORTS, INSPECTIONS, AND MONITORING REVIEWS

Organization will submit fiscal, progress, programmatic, and other reports as requested by County in the approved format.

Any authorized representatives of the local, state, or federal government have the right, at all reasonable times, to inspect or otherwise evaluate the work performed or being performed and the premises in which it is being performed. Organization will participate in and provide reasonable access to facilities for assisting said representatives. All inspections and evaluations will be performed in such a manner as will not unduly delay the work.

PARTICIPANT RECORDS

Organization grants County, the Inspector General, the Comptroller General of the United States, or any of their duly authorized representatives, the right of timely and unrestricted access to any books, documents, papers, or other records of Organization pertinent to the Contract, in order to make audit, examinations, excerpts, transcripts and copies of such documents. This right also includes timely and reasonable access by County fiscal and program personnel for the purpose of reviewing, interviewing, evaluating, and monitoring related to such documents.

County retains the right of access to Organization's records or the right to obtain copies of said records for audit, litigation, or other circumstances that may arise.

These documents will be maintained and retained by the Organization in accordance with state and federal retention schedules. If any litigation, claim, or audit involving these records begins before the retention period expires, the Organization will retain the records and documents in accordance

with state and federal retention schedule or until litigation, claims, or audit findings are resolved, whichever is later.

ALLOWABLE COSTS

County payment to Organization does not stop the County from determining that certain costs were ineligible for reimbursement. If the County determines that a cost the County has paid for is ineligible for reimbursement, the Organization will refund the ineligible amount to the County. Tarrant County will determine whether costs submitted by Organization are allowable and eligible for reimbursement. If Tarrant County has paid funds to Organization for unallowable or ineligible costs, Tarrant County will notify Organization in writing, and Organization shall return the funds to Tarrant County within thirty (30) calendar days of the date of this written notice. Tarrant County may withhold all or part of any payments to Organization to offset reimbursement for any unallowable or ineligible expenditure that Organization has not refunded to Tarrant County, or if financial status report(s) required are not submitted by the due date(s).

SINGLE AUDIT

An audit must be completed if required by 2 CFR Part 200.500-520. If the guidance does not require a single audit, the Organization will notify County in writing.

Independent Single or Program-Specific Audit. If Organization within Organization's fiscal year, expends a total amount of at least SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000) in federal funds awarded, Organization shall have a single audit or program-specific audit in accordance with the 2 CFR 200. The \$750,000 federal threshold amount includes federal funds passed through by way of other agency awards. The audit must be conducted by an independent certified public accountant and in accordance with 2 CFR Part 200 and Government Auditing Standards.

EQUIPMENT

Any purchase of equipment must be consistent with the Uniform Guidance at 2 CFR Part 200 Subpart D. Equipment acquired under this program must be used for the originally authorized purpose. Consistent with 2 CFR 200.313, any equipment acquired using federal funds shall vest in the non-Federal entity.

Procedures for managing equipment must meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken, and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.
- (4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

Disposition. When original or replacement equipment acquired under FRF is no longer needed for the original project, the non-Federal entity must request disposition instructions from the COUNTY.

**APPENDIX B
BUDGET**

Expense	Total	Respite Unit Savings	Annual Cost	1/1/25 to 9/30/25
Salaries	\$ 3,900,350	\$ (1,144,967)	\$ 2,755,383	\$ 2,066,537
Fringe	\$ 1,404,126	\$ (400,739)	\$ 1,003,387	\$ 752,540
Travel	\$ 10,000	\$ (4,760)	\$ 5,240	\$ 3,930
Equipment	\$ 90,531	\$ (30,344)	\$ 60,187	\$ 45,140
Supplies	\$ 37,050	\$ (3,300)	\$ 33,750	\$ 25,313
Contractual	\$ 934,453	\$ -	\$ 934,453	\$ 700,840
Training	\$ 10,000	\$ (1,208)	\$ 8,792	\$ 6,594
Client Meals	\$ 137,499	\$ -	\$ 137,499	\$ 103,124
Telephones	\$ 9,630	\$ -	\$ 9,630	\$ 7,223
Other	\$ 409,873	\$ (135,858)	\$ 274,015	\$ 205,511
Total Direct Cost	\$ 6,943,512	\$ (1,721,176)	\$ 5,222,336	\$ 3,916,752
Indirect Cost - 15%	\$ 1,041,527	\$ (258,176)	\$ 783,350	\$ 587,513
Total Program Costs	\$ 7,985,039	\$ (1,979,352)	\$ 6,005,686	\$ 4,504,265