



REVIEWED  
LEGAL COUNSEL

For Recording Stamp Only

**DESCHUTES COUNTY SERVICES CONTRACT  
CONTRACT NO. 2021-498**

**Contract Documents.** This Contract includes Page 1-12 and Exhibits A-G. The exhibits are attached hereto and incorporated by this reference. Contractor’s services are funded through the Criminal Justice Commission, Improving People’s Access to Community-based Treatment, Supports and Services (IMPACTS) grant agreement executed with Deschutes County. The program is further described in **Exhibit “A”**, attached hereto and incorporated by this reference.

**CONTRACTOR DATA AND SIGNATURE**

A Federal tax ID number or Social Security number is required to be provided by the Contractor and shall be used for the administration of state, federal and local tax laws. Payment information shall be reported to the Internal Revenue Service under the name and Federal tax ID number or, if none, the Social Security number provided on the W-9 form and/or Deschutes County Vendor Application form.

**I have read this Contract including the attached Exhibits. I understand this Contract and agree to be bound by its terms.**

**Signature:** *Sheila Leslie*  
**Email:** sheila@phoenixprotectivecorp.com  
**Title:** President  
**Company:** PPC Solutions, Inc.

**DESCHUTES COUNTY SIGNATURE**

DATED this \_\_\_\_ day of \_\_\_\_\_, 2021

BOARD OF COUNTY COMMISSIONERS  
OF DESCHUTES COUNTY, OREGON

\_\_\_\_\_  
ANTHONY DeBONE, Chair

\_\_\_\_\_  
PHIL CHANG, Vice Chair

\_\_\_\_\_  
PATTI ADAIR, Commissioner

ATTEST:  
\_\_\_\_\_  
Recording Secretary

**CONTRACT**  
**BETWEEN**  
**DESCHUTES COUNTY**  
**AND**  
**PPC SOLUTIONS, INC.**  
**FOR**  
**PRIVATE SECURITY SERVICES FOR**  
**DESCHUTES COUNTY STABILIZATION CENTER**

This is a Contract ("Contract"), made and entered into by and between: Deschutes County Oregon, a political subdivision of the State of Oregon, acting by and through, Deschutes County Health Services, Behavioral Health Division, hereinafter referred to as "County";

And

PPC Solutions, Inc., a corporation registered in the State of Washington and Oregon, hereinafter referred to as "Contractor", (collectively referred to as "Parties").

WITNESSETH:

**WHEREAS**, County and contracted partners has undertaken the development of a Stabilization Center Project, located: 63311 NE Jamison Street, Bend, Oregon 97701, herein referred to as Deschutes County Stabilization Center (DCSC); and

**WHEREAS**, County desires to maintain continuous and uninterrupted Private Security services to safeguard persons and property at DCSC;

**WHEREAS**, a Request for Proposal (RFP) was issued requesting proposals for Private Security Services for DCSC location; and

**WHEREAS**, Contractor represents that it is experienced in the business of providing the Private Security Services required under this Contract; and

**WHEREAS**, County desires to engage Contractor to provide Private Security Services at DCSC under an agreement containing mutually satisfactory terms and covenants; NOW THEREFORE

**IN CONSIDERATION**, of the mutual terms, conditions, promises, covenants, and payments hereinafter set forth, the Parties agree as follows:

ARTICLE 1:

RECITALS:

- 1.1 The above recitals are true and correct and are incorporated herein as set forth in full hereunder.
- 1.2 County finds that the provision of Private Security Services at the Deschutes County Stabilization Center as set forth in this Contract is in the best interest of the public and residents of Deschutes County.

## ARTICLE 2:

### DEFINITIONS AND IDENTIFICATIONS:

The following definitions apply unless the context in which the word or phrase used requires a different definition:

- 2.1 **Board** – The Board of County Commissioners of Deschutes County, Oregon.
- 2.2 **County Administrator** – The administrative head of County appointed by the Board.
- 2.3 **Department Director** – Director or designee of Deschutes County Health Services.
- 2.4 **Performance Monitoring** – Methods used by the Department Director or designee on behalf of County to monitor Contractor's performance using typical techniques such as, but not limited to, random and planned sampling, surveys, scheduled and unscheduled inspections, audits, security tests, and review of records and reports.
- 2.5 **Post Orders** – site-specific post orders outlining duties to be performed, and specific locations. Post Orders are working documents as a collaboration between County and Contractor, ensuring project needs are met.
- 2.6 **Private Security Professional** – An individual who performs, as the individual's primary responsibility, private security services for consideration, regardless of whether the individual, while performing private security services, is armed or unarmed or wears a uniform or plain clothes, and regardless of whether the individual is employed part-time or full-time to perform private security services.
- 2.7 **Private Security Services** – Comprehensive professional services, including all necessary, incidental and related support services provided each and every day of the year, on a twenty-four (24) hour per day basis, and shall encompass duties and functions as defined in **Exhibit "A"**.

## ARTICLE 3:

### SCOPE OF SERVICES:

- 3.1 Contractor shall perform all work identified in this Agreement and **Exhibit "A"**. The Scope of Services is a description of Contractor's obligations and responsibilities and is deemed to include preliminary considerations and prerequisites, and all labor, materials, equipment, and tasks which are such an inseparable part of the work described that exclusion would render performance by Contractor impractical, illogical, or unconscionable.
- 3.2 If this Contract is amended for any reason, the amendment shall be in writing, signed by all parties, and fully effective before Contractor performs work subject to the amendment.
- 3.3 Throughout the term of this Contract, Contractor shall keep fully informed of and comply with all federal, state, county and local laws, ordinances, codes, and regulations, and all orders and decrees of bodies or tribunals having jurisdiction or authority which, in any manner, affect services to be provided under the terms of this Contract. Contractor, its subcontractors, and their officers, agents, and employees shall at all times observe and comply with all such laws, ordinances, codes, rules, regulations, orders, and decrees in performing its duties, responsibilities, and obligations related to this Contract.

## ARTICLE 4:

### TERM AND TIME OF PERFORMANCE:

- 4.1 The effective date of this Contract shall be **July 1, 2021**. Unless extended or terminated earlier in accordance with its terms, this Contract shall terminate when County accepts Contractor's completed performance or on **June 30, 2022**, whichever date occurs last. Contract termination shall not extinguish or prejudice County's right to enforce this Contract with respect to any default by Contractor that has not been cured. This Contract may be renewed or extended only upon written agreement of the Parties.
- 4.2 All duties, obligations and responsibilities of Contractor required by this Contractor shall be completed no later than **June 30, 2022**. Time shall be deemed to be of the essence in performing the duties, obligations, and responsibilities required by this Contract.

ARTICLE 5:

OBLIGATIONS OF SECOND PARTY:

- 5.1 Contractor shall provide Private Security Services at Deschutes County Stabilization Center (DCSC), according to the terms and conditions of this Contract. The hours during which Contractor is to conduct its operations shall be twenty-four (24) hours a day, seven (7) days a week, including holidays. Contractor shall provide adequate personnel at all times. Contractor shall provide all personnel, equipment, uniforms, and related office equipment and supplies for the uninterrupted and safe performance of duties, as described in **"Exhibit A"**. Contractor shall guarantee and provide evidence that all applicable security personnel have completed all training courses outlined in **Exhibit "B"**.
- 5.2 Prior to commencement of operations pursuant to this Contract and throughout the Term and any renewal, Contractor shall secure and maintain any and all permits, insurance, and licenses; ensure that such permits, insurance and licenses list Contractor as the permittee and/or licensee. Contractor shall maintain and provide upon request by County satisfactory documentary evidence of all such requisite licenses, insurance, legal permits, and notifications as hereinabove required.
- 5.3 Contractor shall implement its Quality Assurance Program that was included in its response to the Request for Proposal pursuant to which this Contract was awarded (the "Quality Assurance Program"), which assesses and measures security service performance. At County's request, Contractor shall meet with County Director or designee, to review any complaints or concerns and to promptly correct any deficiencies regarding operations under this Contract. County's determination as to quality of operation or services shall be conclusive and curative measures shall be implemented by Contractor as expeditiously as possible.
- 5.4 **Attorney Fees.** In the event an action, suit or proceeding, including appeal there from, is brought for breach of any of the terms of this Contract, or for any controversy arising out of this Contract, each Party shall be responsible for its own attorney's fees, expenses, costs and disbursements for said action, suit, proceeding or appeal.
- 5.5 **Procedure for Determining a Performance Standard Breach.** Except as otherwise provided for under this Contract, the determination as to whether performance standards have been met is at the County Health Director, or designee, reasonable discretion, as applicable.
- A. The notice of Performance Standard Breach will become final unless, no later than ten (10) calendar days after Contractor receives the notice of Performance Standard Breach, Contractor provides the Health Director or designee, as applicable, with a written statement accompanied by Contractor's evidence that the breach did not occur. County Health Director or designee, as applicable, shall review that evidence and determine, in their reasonable discretion, whether Contractor has demonstrated that the breach did not occur.
- B. The Health Director or designee, as applicable, shall review Contractor's evidence as soon as reasonably possible after timely receipt of the evidence.

ARTICLE 6:

OFFICE SPACE:

- 6.1 County will provide designated office space at the DCSC to include water, sewer, electric and janitorial services.

ARTICLE 7:

COMPENSATION:

- 7.1 **Maximum Amount Not-To-Exceed Compensation.**

County agrees to pay Contractor, as compensation for performance of Private Security Services rendered at DCSC location as related to **Exhibit "A"**, required under the terms of this Contract, the hourly costs as described in this Section up to a maximum amount not-to-exceed **\$249,000**. The method of compensation shall be that of "maximum amount not-to-exceed," which means Contractor shall perform all services set forth herein for total compensation in the amount of or less than that stated above. The total hourly rates payable by County for each of Contractor's employee categories shall be shown on **Exhibit "A", Paragraph 3 "Consideration"**.

## 7.2 Method of Invoicing and Payment.

- A. Contractor may submit invoices for compensation to County no more often than on a bi-weekly basis, but only after the services for which the invoices are submitted have been completed. An invoice is due within fifteen (15) days of the end of the month. Invoices shall designate the nature and date of the services performed. Invoice and supporting documentation must be sent to County Accounts Payable by e-mail at: [\\_HSAccountsPayable@deschutes.org](mailto:_HSAccountsPayable@deschutes.org).
- B. County shall pay Contractor within thirty (30) calendar days of receipt and approval of Contractor's proper invoice. To be deemed proper, all invoices must comply with the requirements set forth in this Section 7.2. Payment may be withheld for failure of Contractor to comply with a term, condition, or requirement of this Contract.
- C. Notwithstanding any provision of this Contract to the contrary, County may withhold, in whole or in part, payment to the extent necessary to protect itself from loss on account of inadequate or defective work which has not been remedied or resolved in a manner satisfactory to the County Director or designee, as applicable, or failure to comply with this Contract. The amount withheld shall not be subject to payment of interest by County.
- D. Contractor shall not invoice and County will not pay, any amount in excess of the maximum compensation set forth above. If this maximum compensation amount is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs work subject to the amendment. No payment will be made for any services performed before the beginning date or after the expiration date of this Contract.
- E. It is understood and agreed that in the event funds are not awarded to County from Central Oregon Health Council (COHC) or other funding sources, as applicable, or if the amount of funds County actually receives from funding sources is less than anticipated, County may either immediately terminate this Contract or decrease the total compensation and reimbursement to be paid hereunder upon agreement of the Parties.
- F. In the event that a statutorily required operating license, insurance, or letter of approval is suspended or not extended, County's obligation to provide reimbursement for services or program expenses hereunder related to services rendered without the necessary license, insurance, or approval will cease on the date of termination of this Contract (whether in whole or in part) or the date of expiration or suspension of the license, insurance, or letter of approval, whichever date is earlier.
- G. The services to be provided by Contractor under the terms of this Contract shall not be performed by anyone other than Contractor, or approved subcontractor, unless prior written approval from County Director or designee, is given. Contractor shall require all approved subcontractors to keep such records and accounts as may be necessary in order to provide correct entries as to personnel hours and all other amounts charged to Contractor. Contractor shall require the subcontractors to keep all of their books and records of personnel hours and all amounts charged to Contractor for a period of three (3) years following the end of each period covered by this Contract and make same available at Contractor's offices, at all reasonable times, for examination and audit by County. County shall have the right, through its representatives, and at all reasonable times, to inspect and audit any and all books and records related to this Contract.

### ARTICLE 8:

#### OPERATIONAL STANDARDS:

- 8.1 **Independent Contractor.** County is not, by virtue of this Contract, a partner or joint venturer with Contractor in connection with activities carried out under this Contract, and shall have no obligation with respect to Contractor's debts or any other liabilities of each and every nature.
- 8.2 **Contractor Not an Agent of County or State of Oregon.** It is agreed by and between the Parties that Contractor is not carrying out a function on behalf of the County, State of Oregon, or the United States and County. The State of Oregon and the United States do not have the right of direction or control of the manner in which Contractor delivers services under this Contract or exercise any control over the activities of the Contractor.
- 8.3 **Contractor and Subcontractors.** Workers Compensation insurance must be in compliance with ORS 656.017, which requires all employers that employ subject workers, as defined in ORS 656.027, to provide workers' compensation coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2) or claiming exemption by conditions outlined in **Exhibit "E"**. Worker's Compensation Insurance to cover

claims made under Worker's Compensation, disability benefit or any other employee benefit laws, including statutory limits in any state of operation with coverage B Employer's Liability coverage all at the statutory limits. In the absence of statutory limits the limits of said Employers liability coverage shall not be less than \$1,000,000 each accident, disease and each employee. This insurance must be endorsed with a waiver of subrogation endorsement, waiving the insured's right of subrogation against County.

**8.4 Delegation and Reports.** Contractor shall not delegate the responsibility for providing services hereunder to any other individual or agency.

**8.5 No Third Party Beneficiaries.** Contractor shall not delegate the responsibility for providing services hereunder to any other individual or agency.

- A. County and Contractor are the only Parties to this Contract and are the only Parties entitled to enforce its terms.
- B. Nothing in this Contract gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name in this Contract and expressly described as intended beneficiaries of this Contract.

**8.6 Constraints.** Pursuant to the requirements of ORS 279B.220 through 279B.335 and Article XI, Section 10, of the Oregon Constitution, the following terms and conditions are made a part of this Contract:

A. Contractor shall:

- 1) Make payments promptly, as due, to all persons supplying to Contractor labor or materials for the prosecution of the work provided for in this Contract.
  - 2) Pay all contributions or amounts due the Industrial Accident Fund from such contractor or subcontractor incurred in the performance of this Contract.
  - 3) Not permit any lien or claim to be filed or prosecuted against County on account of any labor or material furnished.
  - 4) Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.
  - 5) Be responsible for all federal or state taxes applicable to compensation or payments paid to Contractor under this Contract and, unless Contractor is subject to backup withholding, County will not withhold from such compensation or payments any amount(s) to cover Contractor's federal or state tax obligations. Contractor is not eligible for any social security, unemployment insurance or workers' compensation benefits from compensation or payments paid to Contractor under this Contract, except as a self-employed individual.
- B. If Contractor fails, neglects or refuses to make prompt payment of any claim for labor or services furnished to Contractor or a subcontractor by any person in connection with this Contract as such claim becomes due, the proper offices representing County may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due Contractor by reason of this Contract.
- C. Contractor shall promptly, as due, make payment to any person or partnership, association or corporation furnishing medical, surgical and hospital care or other needed care and attention incident to sickness and injury to the employees of Contractor, of all sums which Contractor agrees to pay for such services, and all monies and sums which Contractor collected or deducted from the wages of Contractor's employees pursuant to any law, contract or Contract for the purpose of providing or paying for such services.
- D. If required by applicable state or federal law, Contractor shall pay employees at least time and a half for all overtime worked in excess of forty (40) hours in any one week, except for individuals under personal services contracts who are excluded under ORS 653.010 to 653.261 or under the Fair Labor Standards Act of 1938 (29 U.S. C. 201, et seq.) from receiving overtime. If required by applicable state or federal law, persons employed under this contract shall receive at least time and a half for work performed on the legal holidays specified in ORS 279B.020(1)(b)(B) to (G) and for all time worked in excess of ten (10) hours in any one day or in excess of forty (40) hours in any one week, whichever is greater.

- E. This Contract is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein, which would conflict with law, are deemed inoperative to that extent.
- F. Contractor shall abide by all mandatory standards and policies which relate to energy efficiency and which are contained in the State of Oregon energy conservation plan that was issued in compliance with the Energy Policy and Conservation Act (PL 94-165).
- G. The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that the individual is authorized to act on behalf of Contractor, the individual has authority and knowledge regarding Contractors' payment of taxes, and to the best of the individual's knowledge, Contractor is not in violation of any Oregon tax laws.

- 8.7 Contractor shall at all times retain and place qualified, competent, and experienced employees at DCSC to meet the requirement outlined in **Exhibit "A"**. Contractor's employees shall be clean, courteous, efficient, and neat in appearance. Contractor shall not employ any person or persons in or about the premises who shall use improper language, or act in a loud, boisterous or otherwise improper manner. The County shall be the sole judge on the question as to whether the conduct of Contractor's representatives is objectionable, and if so judged, Contractor shall take all steps necessary to eliminate the conditions which have occasioned such judgement.
- 8.8 Contractor shall immediately remove and keep removed from the DCSC premises any employee who participates in illegal acts, who violates DCSC rules and regulations, or the provisions of this Contract, or who, in the opinion of Contractor or the County, is otherwise detrimental to the public interest at the DCSC.
- 8.9 Contractor shall provide periodic reports, including, but not limited to, training reports, safety training, and other reports with County may request.

ARTICLE 9:

INDEMNIFICATION:

**9.1 Indemnity and Hold Harmless.**

- A. To the fullest extent authorized by law Contractor shall defend, save, hold harmless and indemnify the County and its officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities costs and expenses of any nature resulting from or arising out of, or relating to the activities of Contractor or its officers, employees, contractors, or agents under this Contract, including without limitation any claims that the work, the work product or any other tangible or intangible items delivered to County by Contractor that may be the subject of protection under any state or federal intellectual property law or doctrine, or the County's use thereof, infringes any patent, copyright, trade secret, trademark, trade dress, mask work utility design or other proprietary right of any third party.
- B. Contractor shall have control of the defense and settlement of any claim that is subject to subparagraph a of this paragraph; however neither contractor nor any attorney engaged by Contractor shall defend the claim in the name of Deschutes County or any department or agency thereof, nor purport to act as legal representative of the County or any of its departments or agencies without first receiving from the County's legal counsel, in a form and manner determined appropriate by the County's legal counsel, authority to act as legal counsel for the County, nor shall Contractor settle any claim on behalf of the County without the approval of the County's legal counsel.
- C. To the extent permitted by Article XI, Section 10, of the Oregon Constitution and the Oregon Tort Claims Act, ORS 30.260 through 30.300, County shall defend, save, hold harmless and indemnify Contractor and its officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities costs and expenses of any nature resulting from or arising out of, or relating to the activities of County or its officers, employees, contractors, or agents under this Contract.
- D. Contractors that are not units of local government as defined in ORS 190.003, shall as and if applicable, indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents from and against any and all claims, actions, liabilities, damages, losses or expenses (including attorneys' fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of the officers, agents, employees or subcontractors. It is the specific intention of the Parties that the State of Oregon shall, in all instances, except for claims arising solely from the negligent or willful acts or omissions of the State of Oregon, be indemnified from and against any and all claims.

ARTICLE 10:

INSURANCE:

- 10.1** Contractor shall maintain at its sole expense, at all times during the term of this Contract, at least the minimum insurance coverage designated in **Exhibit "C"** in accordance with the terms and conditions stated in this Article. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to County. County shall not authorize contractors to begin work under the Contract until the insurance is in full force. Thereafter, County shall monitor continued compliance with the insurance requirements on an annual or more frequent basis. County shall enforce Contractor compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. Examples of "reasonable steps" include issuing stop work orders (or the equivalent) until the insurance is in full force or terminating the Contract as permitted by the Contract provisions, or pursuing legal action to enforce the insurance requirements. In no event shall County permit Contractor to work under this Contract when the County is aware that Contractor is not in compliance with the insurance requirements.
- 10.2** Such policies shall be issued by companies authorized to do business in the State of Oregon, with a minimum AM Best financial rating of A-. Contractor shall name Deschutes County as an additional insured under the primary and non-contributory Commercial General Liability policy. The official title of the Certificate Holder is Deschutes County Health Services.
- 10.3** Contractor shall furnish a current Certificate of Insurance required by this Article and **Exhibit "C"** to the County for all required insurance before Contractor performs under the Contract. Coverage is not to cease and is to remain in force until County determines all performance required of Contractor is completed. County shall be notified of any restriction or cancellation of coverage within thirty (30) days. If any of the insurance coverage will expire prior to the completion of the work, proof of insurance renewal shall be provided to County upon expiration.
- 10.4** County reserves the right to review and revise any insurance requirements at the time of renewal or amendment of this Contract, including, but not limited to, deductibles, limits, coverage, and endorsements.
- 10.5** If Contractor uses a subcontractor, Contractor shall ensure that each subcontractor names "Deschutes County" as an additional insured under the subcontractor's Commercial General Liability, Business Automobile Liability, and Excess/Umbrella policies, as applicable.

ARTICLE 11:

TERMINATION:

- 11.1** All or part of this Contract may be terminated by mutual consent of both Parties or by either Party at any time for convenience upon thirty (30) days' notice in writing to the other Party. The County may also terminate all or part of this Contract as specified below:
- A. Upon notice of denial, revocation, or non-renewal of any letter of approval, license, insurance, or certificate required by law or regulation to be held by the Contractor to provide a service under this Contract. County may terminate this Contract if Contractor does not provide County proof with satisfactory documentary evidence of all such requisite licenses, insurance, legal permits, and notifications as hereinabove required.
  - B. This Contract shall be terminated immediately and no obligations, financial or otherwise, shall be imposed upon County if funding to the County from the Criminal Justice Commission (CJC), or other sources is not obtained or is not continued at levels sufficient to allow for purchase of the indicated quantity of services. The County will give notice whenever possible.
  - C. With thirty (30) days' written notice, if Federal or State regulations are modified or changed in such a way that services are no longer allowable for purchase under this Contract.
  - D. With thirty (30) days' written notice, if Contractor fails to provide services, or fails to meet any performance standard as specified by the County in this Contract (or subsequent modifications to this Contract) within the time specified herein, or any extensions thereof.
  - E. Upon written notice, if the Contractor fails to start services on the date specified in this Contract (or subsequent modifications to this Contract).



- F. Upon written or oral notice, if County has evidence that the Contractor has endangered or is endangering the health and safety of clients, residents, staff, or the public.
- G. Failure of the Contractor to comply with the provisions of this Contract and all applicable Federal, State and local laws and rules which may be cause for termination of this Contract. The circumstances under which this Contract may be terminated by either Party under this paragraph may involve major or minor violations. Major violations include, but are not limited to:
  - 1) Acts or omissions that jeopardize the health, safety, or security of individuals.
  - 2) Misuse of funds.
  - 3) Intentional falsification of records.
- H. In the case a failure to perform jeopardizes the safety and security of an individual the Contractor and the County shall jointly conduct an investigation to determine whether an emergency exists and what corrective action will be necessary. Such an investigation shall be completed within five (5) working days from the date the County determines that such failure exists.
- I. In those circumstances where a major violation is substantiated, continued performance may be suspended by the County immediately. In all cases involving a major violation, a written notice of intent to terminate this Contract shall be sent to the Contractor found to be in violation. Prior to termination, the Contractor shall be given a reasonable opportunity to refute the findings. If the problem is not corrected within a reasonable time as determined by County in its sole discretion, this Contract may be terminated or other remedial actions may be initiated.
- J. Minor violations usually involve less than substantial compliance with the general or special conditions of this Contract. In the event of alleged minor violations, written notice shall be given and a reasonable period shall be allowed to develop a corrective action plan. This plan shall describe activities that respond to specific violations and means by which a permanent change will be made in the procedures or practices that caused the violation. If these activities do not occur within the notice period, this Contract may be terminated. Continued substantial minor violations that threaten adequacy of services may be treated like a major violation.
- K. Termination shall be without prejudice to any obligations or liabilities of either Party accrued prior to such termination.
- L. Contractor shall make no expenditures, enter into no contracts, nor encumber funds in its possession or to be transferred by County, after notice of termination or termination as set out above, without prior written approval from County.

**11.2 Payment on Early Termination.** Upon termination pursuant to Paragraph 11.1 above, payment shall be made as follows:

- A. If Contract terminated because funding from COHC, or other sources is not obtained or is not continued at levels sufficient to allow for purchase of the indicated quantity of services, the County shall pay Contractor for work performed prior to the termination date if such work was performed in accordance with the Contract. Provided however, County shall not pay Contractor for any obligations or liabilities incurred by Contractor after Contractor receives written notice of termination.
- B. If this Contract is terminated due to Contractor's failure to perform services in accordance with the Contract, County obligations shall be limited to payment for services provided in accordance with this Contract prior to the date of termination, less any damages suffered by the County.
- C. If Contract is terminated by the Contractor due to a breach by the County, then the County shall pay the Contractor for work performed prior to the termination date if such work was performed in accordance with the Contract:
  - 1) with respect to services compensable on an hourly basis, for unpaid invoices, hours worked within any limits set forth in this Contract but not yet billed, authorized expenses incurred if payable according to this Contract and interest within the limits set forth under ORS 293.462, and

- 2) with respect to deliverable-based Work, the sum designated for completing the deliverable multiplied by the percentage of Work completed and accepted by County, less previous amounts paid and any claim(s) that County has against Contractor.
- 3) Subject to the limitations under paragraph **11.4, "Remedies"** of this Contract.

**11.3 Contractor's Tender upon Termination.** Upon receiving a notice of termination of this Contract, Contractor shall immediately cease all activities under this Contract unless County expressly directs otherwise in such notice of termination.

- A. Upon termination of this Contract, Contractor shall deliver to County all documents, information, works-in-progress and other property that are or would be deliverables had this Contract been completed.
- B. Upon County's request, Contractor shall surrender to anyone County designates, all documents, research, objects or other tangible things needed to complete the work.

**11.4 Remedies.** In the event of breach of this Contract the Parties shall have the following remedies:

- A. Termination under this Contract shall be without prejudice to any obligations or liabilities of either Party already reasonably incurred prior to such termination.
  - 1) Contractor may not incur obligations or liabilities after Contractor receives written notice of termination.
  - 2) Additionally, neither Party shall be liable for any indirect, incidental, consequential or special damages under this Contract or for any damages of any sort arising solely from the termination of this Contract in accordance with its terms.
- B. If terminated under this Contract by the County due to a breach by the Contractor, County may pursue any remedies available at law or in equity.
  - 1) Such remedies may include, but are not limited to, termination of this Contract, and declaration of ineligibility for the receipt of future contract awards.
  - 2) Additionally, County may complete the work either by itself, by agreement with another contractor, or by a combination thereof. If the cost of completing the work exceeds the remaining unpaid balance of the total compensation provided under this Contract, then the Contractor shall be liable to the County for the amount of the reasonable excess.
- C. If amounts previously paid to Contractor exceed the amount due to Contractor under this Contract, Contractor shall repay any excess to County upon demand.
- D. Neither County nor Contractor shall be held responsible for delay or default caused by fire, civil unrest, labor unrest, riot, acts of God, or war where such cause was beyond reasonable control of County or Contractor, respectively; however, Contractor shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Contract. For any delay in performance as a result of the events described in this subparagraph, Contractor shall be entitled to additional reasonable time for performance that shall be set forth in an amendment to this Contract.
- E. The passage of this Contract expiration date shall not extinguish or prejudice the County's or Contractor's right to enforce this Contract with respect to any default or defect in performance that has not been cured.
- F. County's remedies are cumulative to the extent the remedies are not inconsistent, and County may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.
- G. Differences between a Contractor and County, or between contractors, will be resolved when possible at appropriate management levels, followed by consultation between boards, if necessary. County's Director will have ultimate responsibility for resolution of disagreements among subcontract agencies.

**11.5 Suspension.** Following reasonable notice to Contractor and attempts to resolve problems informally, County may suspend funding in whole or in part, terminate funding, or impose any other sanction for any of the following reasons:

- A. Failure of Contractor to become operational within the effective date of this Contract, with failure to provide reasons for the delay and the steps taken to initiate services.
- B. Failure of Contractor to comply substantially with the requirements or statutory objectives of the services to be provided, or other provisions of State or Federal law.
- C. Failure of the Contractor to adhere to the requirements for the provision of services.
- D. Proposing or implementing substantial changes that result in services that would not have been selected if it had to be subjected to the original review of scope of work and/or services to be provided.

ARTICLE 12:

CONFIDENTIALITY:

- 12.1 Confidentiality.** In addition to the obligations imposed upon Contractor by **Exhibit "F"**, Contractor shall maintain confidentiality of information obtained pursuant to this Contract as follows:
- A. Contractor shall not use, release or disclose any information concerning any employee, client, applicant or person doing business with the County for any purpose not directly connected with the administration of County's or the Contractor's responsibilities under this Contract except upon written consent of the County, and if applicable, the employee, client, applicant or person.
  - B. Contractor shall ensure that its agents, employees, officers and subcontractors with access to County and Contractor records understand and comply with this confidentiality provision.
  - C. Contractor shall treat all information as to personal facts and circumstances obtained on individuals as privileged communication, shall hold such information confidential, and shall not disclose such information without the written consent of the individual, his or her attorney, the responsible parent of a minor child, or the child's guardian, except as required by other terms of this Contract.
  - D. Nothing prohibits the disclosure of information in summaries, statistical information, or other form that does not identify particular individuals.

ARTICLE 13:

MISCELLANEOUS:

- 13.1 County Code Provisions.** Except as otherwise specifically provided, the provisions of Deschutes County Code, Section 2.37.150 are incorporated herein by reference. Such code section may be found at the following URL address: <http://weblink.deschutes.org/public/0/doc/78735/Page1.aspx>.
- 13.2 Successors in Interest.** The provisions of this Contract shall be binding upon and inure to the benefit of the Parties and their successors and approved assigns, if any.
- 13.3 Access to Records and Facilities.** County and its authorized representatives shall have the right to direct access to all of Contractor's books, documents, papers and records of Contractor that are directly related to this Contract, the financial assistance provided hereunder, or any service for the purpose of making audits, examinations, excerpts, copies and transcriptions. The foregoing access is subject to the Parties and requesting agencies strict compliance with applicable provisions of 42 CFR Part 2.
- 13.4** Contractor agrees that services provided under this Contract by Contractor, facilities used in conjunction with such services, client's records, Contractor's policies, procedures, performance data, financial records, and other similar documents and records of Contractor, that pertain, or may pertain, to services under this Contract, shall be open for inspection by County, or its agents, at any reasonable time during business hours.
- 13.5 Settlement of Disputes.** Differences between a Contractor and County, or between contractors, will be resolved when possible at appropriate management levels, followed by consultation between boards, if necessary. The Deschutes County Health Services Director will have ultimate responsibility for resolution of disagreements among subcontract agencies.
- 13.6 Drugs and Alcohol.** Contractor shall adhere to and enforce a zero tolerance policy for the use of alcohol and the unlawful (under either state or federal law) selling, possession or use of controlled substances while performing

work under this Contract.

- 13.7 Criminal Background Investigations.** Contractor shall, at Contractor's expense, conduct criminal background checks on all Security Professional personnel and certify in writing to County that nothing revealed by such background checks of said personnel that would create a reasonable doubt about the utilization of same for the services in a safe manner with the proper regard for security of DCSC, employees, affiliates, subsidiaries, clients, customers, vendors and other third parties.
- 13.8 Federal Law compliance.** Contractor shall comply with the provisions of those laws referred to in **Exhibit "H"**, attached hereto. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the Contract.
- 13.9 Non-Appropriation.** In the event sufficient funds shall not be appropriated for the payment of consideration required to be paid under this Contract, and if County has no funds legally available for consideration from other sources, then County may terminate this Contract in accordance with **Article 11** of this Contract.
- 13.10 Entire Contract.** This Contract constitutes the entire Contract between the parties on the subject matter hereof. There are no understandings, Contracts, or representations, oral or written, not specified herein regarding this Contract.
- 13.11 Renewal.** This Contract may be renewed, subject to the following conditions: (1) renewal will be based on the County Department approval, and (2) renewal is subject to the availability of funding.
- 13.12 Waiver.**
- A. County's delay in exercising, or failure to exercise any right, power, or privilege under this Contract shall not operate as a waiver thereof, nor shall any single or partial exercise or any right, power, or privilege under this Contract preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.
  - B. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.
- 13.13 Notice.** Except as otherwise expressly provided in this Contract, any communications between the Parties hereto or notices to be given hereunder shall be given in writing, to Contractor or County at the address or number set forth below or to such other addresses or numbers as either Party may hereafter indicate in writing. Delivery may be by personal delivery, electronic mail, facsimile, or mailing the same, postage prepaid.
- A. Any communication or notice by personal delivery shall be deemed delivered when actually given to the designated person or representative.
  - B. Any communication or notice sent by facsimile shall be deemed delivered when the transmitting machine generates receipt of the transmission. To be effective against County, such facsimile transmission shall be confirmed by telephone notice to the County Administrator.
  - C. Any communication or notice mailed shall be deemed delivered five (5) days after mailing. Any notice under this Contract shall be mailed by first class postage or delivered as follows:

<u>To Contractor:</u>	<u>To County:</u>
Sheila Leslie	Janice Garceau, Deputy Director
PPC Solutions, Inc.	Deschutes County Health Services
18303 E. Appleway Ave.	2577 NE Courtney Dr.
Spokane Valley, WA 99016	Bend, Oregon 97701
Fax No. 509.536.6033	Fax No. 541-322-7565
Email:sheila@phoenixprotectivecorp.com	Janice.garceau@deschutes.org

<u>To County – Accounts Payable:</u>	<u>To County – for Notices &amp; Terminations:</u>
Accounts Payable	Grace Justice Evans, Contract Specialist
Deschutes County Health Services	Deschutes County Health Services
2577 NE Courtney Dr.	2577 NE Courtney Dr.
Bend, Oregon 97701	Bend, Oregon 97701
Fax No. 541-322-7565	Fax No. 541-322-7565
_HSAccountsPayable@deschutes.org	Grace.evans@deschutes.org

- 13.14 Governing Law.** This Contract shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law.
- A. Any claim, action, suit or proceeding (collectively, "Claim") between County and Contractor that arises from or relates to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of Deschutes County for the State of Oregon; provided, however, if a Claim shall be brought in federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.
- B. CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS. The parties agree that the UN Convention on International Sales of Goods shall not apply.
- 13.15 Severability.** If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Contract did not contain the particular term or provision held invalid.
- 13.16 Merger Clause.** This Contract and the attached exhibits constitute the entire agreement between the Parties.
- A. All understandings and agreements between the Parties and representations by either Party concerning this Contract are contained in this Contract.
- B. No waiver, consent, modification or change in the terms of this Contract shall bind either Party unless in writing signed by both Parties.
- C. Any written waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.
- 13.17 Identity Theft Protection.** Contractor and subcontractors shall comply with the Oregon Consumer Identity Theft Protection Act (ORS 646A.600 et seq.).
- 13.18 Representations and Warranties.**
- A. **Contractor's Representations and Warranties.** Contractor represents and warrants to County that:
- 1) Contractor has the power and authority to enter into and perform this Contract;
  - 2) This Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms;
  - 3) Contractor has the skill and knowledge possessed by well-informed members of its industry, trade or profession and Contractor will apply that skill and knowledge with care and diligence to perform the Work in a professional manner and in accordance with standards prevalent in Contractor's industry, trade or profession;
  - 4) Contractor shall, at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work;
  - 5) Contractor prepared its proposal related to this Contract, if any, independently from all other proposers, and without collusion, fraud, or other dishonesty; and
  - 6) Contractor's making and performance of this Contract do not and will not violate any provision of any applicable law, rule or regulation or order of any court, regulatory commission, board or other administrative agency.
- B. **Warranties Cumulative.** The warranties set forth in this paragraph are in addition to, and not in lieu of, any other warranties provided.
- 13.19 SB 675 (2015) Representation and Covenant.**
- A. Contractor represents and warrants that Contractor has complied with the tax laws of this state, and where applicable, the laws of Deschutes County, including but not limited to ORS 305.620 and ORS chapters 316, 317 and 318.

- B. Contractor covenants to continue to comply with the tax laws of this state, and where applicable, the laws of Deschutes County, during the term of this Contract.
- C. Contractor acknowledges that failure by Contractor to comply with the tax laws of this state, and where applicable, the laws of Deschutes County, at any time before Contractor has executed the Contract or during the term of the Contract is and will be deemed a default for which Deschutes County may terminate the Contract and seek damages and/or other relief available under the terms of the Contract or under applicable law.

**13.20 Nondiscrimination.** Contractor must provide services to clients without regard to race, color, religion, national origin, sex, age, marital status, sexual orientation, or disability (as defined under the Americans with Disabilities Act). Contracted services must reasonably accommodate the cultural, language and other special needs of clients including, but not limited to, limited English language proficiency.

**13.21 Survival.** The provisions of the following paragraphs shall survive termination or expiration of this Contract: 13.2 (Successors in Interest); 13.3 (Access to Records and Facilities); 12.1 (Confidentiality); 13.13 (Notice); 11.3 (Contractor's Tender upon Termination); 11.4 (Remedies); 8.5 (No Third Party Beneficiaries); 9.1 (Indemnity & Hold Harmless); 13.12 (Waiver); 13.14 (Governing Law); 13.17 (Identity Theft Protection); 13.18 (Representations & Warranties).