

**FUNDING AGREEMENT BY AND BETWEEN THE COUNTY OF MARIN, A
POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA (“COUNTY”)
AND LIFELONG MEDICAL CARE (“AGENCY”)**

Recitals

WHEREAS, the COUNTY has a strong interest in the retention of Adult Day Health Care Services for elderly Marin County residents who need such support in order to remain in their homes; and

WHEREAS, the continued provision of these services within the County required the development of a new financial and operational model because of changes in the funding structure for the services; and

WHEREAS, COUNTY officials and community agencies worked hard to develop a plan that would allow for the retention of these services within the COUNTY, with a financially sustainable model; and

WHEREAS, Lifelong Medical Care is a California non-profit corporation operating in the Bay Area with a long history of service to the community, including Adult Day Health Care Services; and

WHEREAS, Lifelong Medical Care has agreed to assume the Marin County Adult Day Health Care program, thus allowing for the retention of these vital services as part of a more financially stable model; and

WHEREAS, the nature of the State approval process and the operational issues related to AGENCY’S assumption of these services creates a one-time cash flow problem for AGENCY; and

WHEREAS, the status of State funding remains precarious for AGENCY and the Adult Day Health Care program; and

WHEREAS, AGENCY has made all FY 2008-2009 payments promptly and in full, and a balance of \$68,150 remains to be paid; and

WHEREAS, the COUNTY desires to assist the AGENCY with funding to ensure the continued services to needy Marin County residents conditioned on AGENCY’S agreement to reimburse the COUNTY as set forth below

NOW, THEREFORE, the parties agree as follows:

A COUNTY agrees to extend its loan to the AGENCY the sum of \$68,150,000 (Sixty Eight Thousand One Hundred Fifty Four Hundred Thousand Dollars) upon execution of this agreement and subsequent written request from AGENCY; and

B AGENCY agrees to reimburse COUNTY by paying COUNTY the amount of \$68,150,400,000 (Sixty Eight Thousand One Hundred Fifty Four Hundred Thousand Dollars), which includes interest plus interest at the County Treasury fund rate of 4.45% **per annum**. The total amount to be paid back to the County set forth below, no later than June 30, ~~2008~~ **2010**2009;

Principal	\$ 66,669,400,000
Interest	\$ 17,800 1,481,900
Total	\$ 417,800 68,150,408,900

The County Treasury fund rate is calculated by taking the average annual County pool rate for the period ending June 30, 2008. The rate is calculated as the Treasurer's gross interest earned (not net of fees) for the previous four quarters added together then divided by four.

C AGENCY agrees to repay this loan in one annual equal monthly payments of \$~~69,633~~ **68,150**, starting January 2009, within fourteen days of receipt of an invoice from COUNTY; and

D AGENCY agrees to comply with the following requirements regarding insurance:

All required insurance coverages shall be substantiated with a certificate of insurance and must be signed by the insurer or its representative evidencing such insurance to COUNTY. The general liability policy shall be endorsed naming the County of Marin as an additional insured. The certificate(s) of insurance and required endorsement shall be furnished to COUNTY prior to commencement of work. Each certificate shall provide for thirty (30) days advance notice to COUNTY of any cancellation in coverage. Said policies shall remain in force through the life of this Contract and shall be payable on a per occurrence basis only.

Nothing herein shall be construed as a limitation of AGENCY'S liability, and AGENCY shall indemnify and hold the COUNTY, its employees, officers, and agents, harmless and defend the COUNTY against any and all claims, damages, losses and expense that may arise by reason of the AGENCY'S negligent actions or omissions. COUNTY agrees to timely notify AGENCY of any negligence claim.

Failure to provide and maintain the insurance required by this Agreement will constitute a material breach of the Agreement. In addition to any other available remedies, COUNTY may suspend payment to AGENCY for any services provided during any time that insurance was not in effect and until such time as AGENCY provides adequate evidence that AGENCY has obtained the required coverage.

GENERAL LIABILITY

AGENCY shall maintain a commercial general liability insurance policy in an amount of no less than one million dollars (\$1,000,000.00) with a two million dollar (\$2,000,000) aggregate limit. The County shall be named as an additional insured on the commercial general liability policy and the Certificate of Insurance shall include an additional endorsement page.

AUTO LIABILITY

Where the services to be provided under this Contract involve or require the use of any type of vehicle by Contractor in order to perform said services, Contractor shall also provide comprehensive business or commercial automobile liability coverage including non-owned and hired automobile liability in the amount of one million dollars (\$1,000,000.00).

WORKERS' COMPENSATION

AGENCY acknowledges the State of California requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code. If AGENCY has employees, a copy of the certificate evidencing such insurance or a copy of the Certificate of Consent to Self-insure shall be provided to COUNTY prior to commencement of work.

PROFESSIONAL LIABILITY INSURANCE

Coverages required by this paragraph may be provided on a claims-made basis with a "Retroactive Date" either prior to the date of the Agreement

the beginning of the contract work. If the policy is on a claims-made basis, coverage must extend to a minimum of twelve (12) months beyond completion of contract work. If coverage is cancelled or non-renewed, and not replaced with another claims made policy form with a "retroactive date" prior to the Agreement effective date, AGENCY must purchase "extended reporting" coverage for a minimum of twelve (12) months after completion of contract work. Contractor shall maintain a policy limit of not less than \$1,000,000 per incident. The amount of the policy deductible or self-insured retention must be declared. If the deductible or self-insured retention amount exceeds \$100,000, the County may ask for evidence that contractor has segregated amounts in a special insurance reserve fund or contractor's general insurance reserves are adequate to provide the necessary coverage and the County of Marin may conclusively rely thereon.

- E No changes in this agreement shall be valid unless made in writing and signed by the parties herein; and
- F AGENCY agrees to hold harmless and indemnify COUNTY from any and all liabilities which arise from this agreement.
- G In the event the indebtedness evidenced by this Agreement is collected by or through an attorney, COUNTY shall be entitled to recover reasonable attorneys fees to the extent permitted by applicable law.
- H This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue shall be in Marin County, California.
- I Any individual signing this Agreement on behalf of AGENCY warrants and represents that he/she has the legal authority to bind AGENCY.

This agreement is executed by the parties on the date(s) shown below

COUNTY OF MARIN

LIFELONG MEDICAL CARE

President

President

Date

Date

Approved as to Form:

By: _____
County Counsel