K22-1103

AMENDMENT NO. 1 TO COOPERATIVE ENDEAVOR AGREEMENT

CITY OF NEW ORLEANS

AND

ODYSSEY HOUSE LOUISIANA, INC.

FOR

SOBERING CENTER

THIS FIRST AMENDMENT (the "**Amendment**") is made and entered into by and between the City of New Orleans, represented by LaToya Cantrell, Mayor (the "**City**"), and Odyssey House Louisiana, Inc., represented by Edward Carlson, Chief Executive Officer (the "**Contractor**"). The City and the Contractor may sometimes be collectively referred to as the "**Parties.**" The Agreement is effective as of January 1, 2023 (the "**Effective Date**");

WHEREAS, the City and the Contractor entered into a Cooperative Endeavor Agreement effective April 26, 2022, for the City's Sobering Center (the "**Agreement**"); and

WHEREAS, the City and the Contractor each having the authority to do so, desire to enter this Amendment to extend the term of the Agreement.

NOW THEREFORE, for good and valuable consideration, the City and the Contractor amend the Agreement as follows:

1) **<u>Extension</u>:** The Agreement is extended for an additional four (4) months, from the Effective Date through April 25, 2023.

2) **<u>Compensation</u>:** The Agreement is amended to increase the compensation in the amount of $800,000.00. The maximum aggregate compensation payable under the Agreement is increased to $1,475,000.00.

3) **<u>ARTICLE I – CONTRACTOR'S OBLIGATION</u>:** The following terms and conditions are added the Agreement:

a. The contractor will add a staff position titled Sobering Tech

i. The Sobering Tech will function as an "Intake Specialist" to ensure that medical issue(s) are addressed as needed, conduct intake and discharge procedures, oversee patients' charts, assist patients as needed, provide patient follow-up, and support the BHT(s) as needed. 100% of the Sobering Tech's time will be dedicated to the Sobering Center, to ensure that medical staff are always present.

4) **<u>Convicted Felon Statement</u>:** The Contractor swears that it complies with City Code § 2-8(c). No Contractor principal, member, or officer has, within the preceding five years, been convicted of, or pled guilty to, a felony under state or federal statutes for embezzlement, theft of public funds, bribery, or falsification or destruction of public records.

5) **<u>Non-Solicitation Statement</u>:** The Contractor swears that it has not employed or retained any company or person, other than a bona fide employee working solely for it, to solicit or secure this Amendment. The Contractor has not paid or agreed to pay any person, other than a bona fide employee working for it, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from this Amendment.

6) **Prior Terms Binding:** Except as otherwise provided by this Amendment, the terms and conditions of the Agreement remain in full force and effect.

7) **Assignment.**

a. Neither a Contractor nor subcontractor may assign or transfer its rights, duties, or obligations under this Agreement without the prior written consent of the City, which consent must be approved by a resolution of the City Council.

b. A transfer requiring the prior written consent of the City, as described in the preceding subsection, shall occur upon a change in ownership of the Contractor or subcontractor. A "change in ownership" shall occur on the date that any one person, or more than one person acting as a group, acquires, directly or indirectly, an aggregate ownership interest in the Contractor or subcontractor that exceeds 50% of the fair market value of the Contractor or subcontractor or 50% of the total voting power of the Contractor or subcontractor. The foregoing shall not apply to the acquisition of additional ownership interests by a person whose ownership interest in the Contractor or subcontractor exceeds 50% of the fair market value of the Contractor or subcontractor or 50% of the total voting power of the contractor or subcontractor as of the effective date of the Agreement.

8) **Electronic Signature and Delivery.** The Parties agree that a manually signed copy of this Amendment and any other document(s) attached to this Amendment delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Amendment. No legally binding obligation shall be created with respect to a party until such party has delivered or caused to be delivered a manually signed copy of this Amendment.

[SIGNATURES CONTAINED ON NEXT PAGE]

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the City and the Contractor, through their duly authorized representatives, execute this Amendment.

CITY OF NEW ORLEANS

BY: ______________________________
LATOYA CANTRELL, MAYOR

Executed on this 8th **of** January, **2022**

FORM AND LEGALITY APPROVED:
Law Department

By: ______________________________

Printed Name: Andrew Gregorian

ODYSSEY HOUSE LOUISIANA, INC.

BY: ______________________________
EDWARD CARLSON, CHIEF EXECUTIVE OFFICER

____
FEDERAL TAX I.D.

[EXHIBIT A – BUDGET NARRATIVE ATTACHED SEPARATELY]

SOBERING CENTER- 2023 BUDGET NARRATIVE

A. Personnel

Position	Annual Salary /Rate	Level of Effort	Total Salary Charged
(1) Program Manager	$83,600	100%	$83,600
(2) 17 BHTs	$35,860	1700%	$609,618
(3) Outreach Coordinator	$55,000	100%	$55,000
(4) Sobering Tech	$48,880	100%	$48,880
(5) Administrative Assistant	$65,437	100%	$65,437
(6) Program Director	$130,295	35%	$45,603
(7) COO	$205,000	10%	$20,500
TOTAL:			**$928,638**

Justification for Personnel

1. The **Program Manager** will supervise the **Outreach Coordinator** and be ultimately responsible for all data collection, management, and analysis. They will also oversee the hiring process, budget assessment, and other vital program components. 100% of the Program Manager's time will be dedicated to the Sobering Center.

2. The **Behavioral Health Technicians (BHT)** conduct intake and discharge, oversee patients' charts, assist patients as needed and provide the patient follow-up. BHTs will also operate the Sober Outreach. 100% of the BHT's time will be dedicated to the Sobering Center.

3. The **Outreach Coordinator** will coordinate the day-to-day program operations, oversee the Sobering Outreach operations, and supervise the **Behavioral Health Technicians (BHT)**. 100% of the Outreach Coordinator's time will be dedicated to the Sobering Center.

4. The **Sobering Tech** will function as an "Intake Specialist" to ensure that medical issue(s) are addressed as needed. Conduct intake and discharge, oversee patients' charts, assist patients as needed and provide the patient follow-up. Support the BHT(s) as needed. 100% of the Sobering Tech's time will be dedicated to the Sobering Center, to ensure that medical staff are

always present.

5. The **Administrative Assistant/EMT** will ensure that medical issue(s) are addressed as needed. Will work with the Program Director to ensure that medical staff are always present. Assists with general office management, data collection/reports, performs clerical functions, and arranges, manages, distributes purchases for the program and support BHT(s) as needed. 100% of the Administrative Assistant's time will be dedicated to the Sobering Center.
6. The **Program Director** directly oversees the Program Manager and oversees all activities regarding service delivery, quality improvement, and financial administration. 35% of the Program Director's time will be dedicated to the Sobering Center.
7. The **COO** provides guidance and leadership through management via organizational reporting and monitoring, ensuring agency policies and procedures are enforced, and working with the Chief Executive Officer. 10% of the COO's time will be dedicated to the Sobering Center.

B. Fringe Benefits

Component	Rate	
FICA	7.650%	$71,041
SUI	3.260%	$5,384
Health	$420/month/employee	$67,788
Dental	$25/month/employee	$6,735
Vision		$14
LTD, STD, AD&D, Life	0.290%	$2,693.05
Workers' Compensation	2.070%	$19,222.81
Retirement	6.000%	$7,892.40
TOTAL:		**$180,771**

1. Fringe Benefits are calculated on OHL's standard rates for all employees.

C. Travel

Purpose	Destination	Item	Rate Calculation	Travel Cost Charged
(1) Local travel	New Orleans	2,000 miles	$0.51/mile	$435
TOTAL:				**$435**

1. OHL anticipates that the Project Director and Outreach Coordinator will need to travel to various program activities as needed. This mileage rate is based on OHL's standard local travel mileage policy.

D. Equipment

OHL is not requesting any large equipment.

E. Supplies

Item	Cost
(1) Supplies & Other	$15,000
(2) Kitchen Food & Supplies	$17,000
TOTAL:	**$32,000**

1. General office supplies are calculated based on actual past project rates and are consistent with the first agreed upon budget from prior operations. These supplies are necessary for the day-to-day operations of the project. Consumable office supplies include copy paper, desk organizational tools, legal notepads,pens and pencils, desk lamps, binders, file folders, etc.
2. Kitchen and food supplies are calculated based on actual past project rates and are consistent with the first agreed upon budget from prior operations. Snacks and drinks are provided to all program clients for the duration of their stay.

F. Contract

Item	Cost
(1) Security	$0
(2) Physician/Therapist Fees	$19,500
TOTAL:	**$19,500**

1. It was agreed that contracted security would be removed from the budget.
2. As the Sobering Center is moving to a Social Detox model and OHL will not have on-site medical care, the Physician/Therapist fees are the estimated cost for consultation with OHL's Chief Medical Officer and/or any other medical or behavioral health specialists that may be consulted on an as-needed basis.

G. Construction

OHL is not requesting any construction costs.

H. Other

Item	Cost
(1) Telephone	$6,627
(2) Utilities Expense (Electricity)	$7,433
(3) Utilities (Sewage and Water)	$2,332
(4) Pest Control	$1,700
(5) Waste Disposal (Medical Waste)	$1,700
(6) Copier Leasing and Printing	$4,500
(7) Insurance	$24,300

(8) Marketing and Public Relations	$1,000
(9) Building Repairs & Maintenance	$12,500
(10) Staff Training and Other	$8,000
(11) Licenses, Fees, Misc	$6,000
(12) Laptop/Computer	$5,000
(13) Vehicle Fuel & Maintenance	$25,000
TOTAL:	**$106,092**

1. Telephone costs are based on actual past costs and are consistent with the prior contract terms. OHL did add an additional line for the Sobering Outreach (driver).
2. Electricity costs are based on actual past costs and are consistent with the prior contract terms.
3. Sewage and water costs are based on actual past costs and are consistent with the prior contract terms.
4. Pest control costs are based on actual past costs and are consistent with the prior contract terms.
5. Medical waste disposal costs are based on actual past costs and are consistent with the prior contract terms.
6. Copier leasing and printing costs are based on actual past costs and are consistent with the prior contract terms.
7. Insurance costs are based on actual past costs and are consistent with the prior contract terms. Property, malpractice, general, liability, flood, umbrella, and auto insurance coverage are part of OHL's overall insurance package.
8. Marketing costs are based on actual past costs and are consistent with the prior contract terms.
9. Building repairs and maintenance costs are based on actual past costs and reflect the current condition of the building and necessary upkeep.
10. Staff training and other costs are based on actual past costs and are consistent with the prior contract terms. This includes meals for staff trainings, staff fingerprinting, drug testing, TB testing, chest X-ray & other required onboarding screening and staff recruitment and screening costs.
11. Licenses, fees and miscellaneous costs are based on actual past costs and are consistent with the prior contract terms.
12. Laptop/computer expense is based on computer expenses due to the additional BHTs in the staffing pattern.
13. Vehicle fuel and maintenance is based on the cost associated with operating the Sober Outreach. An Agency van will transport clients to the facility for sobering, as well as to other OHL facilities (Detox, Short Term Treatment) as necessary.

I. Indirect Costs

OHL has a current negotiated Indirect Cost Rate of 24.00%; however, to allocate the most resources possible to direct client care and services, OHL will lower its indirect cost rate to 10% of direct costs for this project. The indirect cost rate covers administrative and fiscal overhead not included as a line item; this is largely used to cover related Finance Department costs, including our CFO and accounting staff time on this project, which are not dedicated as a line item under Personnel. It also covers other miscellaneous administration time and efforts related to this grant such as Human Resources onboarding and staffing-related expenses.

Calculation	Indirect Cost Charged
10% of direct costs	$126,744
TOTAL INDIRECT CHARGES	**$126,744**