BOARD OF COMMISSIONERS REGULAR MEETING JULY 22, 2024 5:00 PM

Bryant H. Womack Justice & Administration Building 4O Courthouse Street Columbus, NC 28722

1. Call to Order the Regular Meeting - Chairman Yoder.
2. Clerk Appointment - Chairman Yoder
3. Invocation - Commissioner Overholt.
4. Pledge of Allegiance - Commissioner Moore.
5. Approval of Agenda
   A. Items may be added or removed at this time.
6. Consent Agenda
   A. Approval of June 17, 2024, Regular Meeting Minutes.
   B. Schedule a public hearing for proposed new road name to be considered on Monday, August 19, 2024 at 5:00 pm in the R. Jay Foster Hall of Justice, Womack Building.
   C. Approve the Animal Control Budget Amendment in the amount of $143,620. (Foothills Humane Society Agreement approved after the Budget Ordinance was passed, but was budgeted in Non-Dept while being negotiated)
   D. Approve the Purchase Order request for Republic Services, Inc. by the Polk County Landfill in the amount of $1,600,000 for trash hauling and disposal per contract approved 6/17/24.
   E. Tax Refund Request through July 16, 2024, in the amount of $2,121.65.
   F. Declare five Health and Human Services (HHSA) vehicles as surplus to be sold electronically through Govdeals (detailed list enclosed).
7. Citizen Comments on Agenda Items.
8. Regular Agenda Items

A. Designation of a voting delegate for the Annual Business Session on Saturday, August 10, 2024, at 2:00 pm to be held during the 117th Annual Conference of the North Carolina Association of County Commissioners in Forsyth County.

B. Southern Health Partners Agreement with Polk County Detention Center - Sheriff Wright.

C. Sheriff's Department Budget Amendment to pay overtime for officers to patrol the Green River Cove area. - Sheriff Wright.

D. Agreement for Ambulance Services between Polk County EMS and National HealthCare Corporation (NHC) - Michael Crater, EMS Director.

E. E911 Renovation Grant Project and Budget Discussion - County Manager Pittman. James R. Stumbo, Stewart - Cooper - Newell Architects, and Jacob Benson, Harper General Contractors are available for questions.

9. Citizen Comments on Non-Agenda Items.

10. Commissioner Comments.

11. Adjournment

POLK COUNTY BOARD OF COMMISSIONERS
Regular Meeting
June 17, 2024 - 5:00 PM
R. Jay Foster Hall of Justice - Womack Building
Columbus, NC
MINUTES

PRESENT: Chairman Yoder, Vice-Chairman Melton, Commissioner Beiler, Commissioner Moore, and Commissioner Overholt. Also in attendance were County Manager Pittman,County Attorney Berg, Clerk to the Board Tipton, media and citizens.

1. Call to Order - Chairman Yoder

2. Invocation - Commissioner Beiler

3. Pledge of Allegiance - Commissioner Overholt

4. Approval of Agenda

   A. Items may be added or removed at this time.

   Vice-Chairman Melton moved to approve the agenda as presented, seconded by Commissioner Beiler and the motion carried unanimously.

5. Consent Agenda

   A. Approval of June 3, 2024 Work Session, Public Hearing, and Regular Meeting Minutes.

   B. Approval of June 5, 2024 Special Meeting Minutes.

   C. Tax Refund Request in the amount of $307.99.

   D. Sheriffs Department Monthly Activity Report for May 2024.

   E. FY 2025 NCDOT Grant Certifications & Assurances (application approved 9/18/2023) for Polk County Transportation.

   F. Polk County Transportation Department Revised 2023 Title VI Program Plan.

   G. Polk County EMS cancellation of uncollectible deceased patients debt in the amount of $30,907.10.

   H. Juvenile Crime Prevention Council (JCPC) County Fund Plan for FY 2024/25 including membership.

Vice-Chairman Melton moved to approve the consent agenda, seconded by Commissioner Moore and the motion carried unanimously.

6. Citizen Comments on Agenda Items

There were three comments on agenda items.

7. Polk County Budget Ordinance for the Fiscal Year 2024/25 – Budget work sessions were held on May 20, 2024 and June 3, 2024. The budget public hearing was held on June 3, 2024.

Vice-Chairman Melton moved to adopt the Tax Levy and the Polk County Budget Ordinance, as amended in the Budget Work Sessions, for the Fiscal Year 2024-25, seconded by Commissioner Overholt and the motion carried unanimously.

8. To Consider Adopting a Resolution to Approve the Sublease of County Lease by St. Luke's Hospital, Incorporated of its Lease with Polk County to Fletcher Hospital, Incorporated for the hospital premises which is the subject of an existing Lease Agreement between Polk County and St. Luke's Hospital - Attorney Berg.

Commissioner Moore moved to Adopt a Resolution to Approve the Sublease of County Lease by St. Luke's Hospital, Incorporated of its Lease with Polk County to Fletcher Hospital, Incorporated for the hospital premises which is the subject of an existing Lease Agreement between Polk County and St. Luke's Hospital, seconded by Vice-Chairman Melton and the motion carried unanimously.

9. Rehabilitation Facilities Discussion from previous meeting - Cathy Ruth, Planning/Economic Development Director.

Ms. Ruth presented to the Board the uses that rehabilitation facilities could fall under in the current zoning ordinance. She said according to the current zoning ordinance, the facilities would be a permitted use by right in the Multiple Use zoned areas.
The Board directed the Planning Board to look at the Permitted Use table and come back with a recommendation for rehabilitation facilities, and to consider them for Special Use Permits.

10. Foothills Humane Society Contract/Updates - Manager Pittman.

Manager Pittman presented the updated agreement with the Foothills Humane Society.

Vice-Chairman Melton moved to approve the agreement between Polk County and Foothills Humane Society, Inc., seconded by Commissioner Overholt and the motion carried unanimously.

11. Proclamation to declare July 2024 as Parks and Recreation Month - Mickey Edwards, Parks, Recreation and Maintenance Director and Laura Baird,

Recreation Coordinator.

Mickey Edwards and Laura Baird presented the proclamation for approval. Vice-Chairman Melton moved to approve the proclamation and declare July 2024 as Parks and Recreation Month in Polk County, seconded by Commissioner Beiler and the motion carried unanimously.

12. Budget Amendments - Sandra Hughes, Finance Director will present any budget amendments that may need approval for FY 2023/24.

Ms. Hughes presented a budget amendment in the amount of $40,000 from fund balance for the replacement of the air conditioning unit in the R. Jay Foster Hall of Justice.
Vice-Chairman Melton moved to approve the Budget Amendment in the amount of $40,000, seconded by Commissioner Moore and the motion carried unanimously.

She also presented a Grant Project Budget Ordinance for the OSBM administered Directed Grant in the amount of $150,000 to be used for Storm Cleanup and drone equipment for the Sheriffs Department.
Commissioner Beiler moved to approve the Grant Project Budget Ordinance in the amount of $150,000, seconded by Commissioner Overholt and the motion carried unanimously.

13. Citizen Comments on Non-Agenda Items

There were none.

14. Volunteer Board Applications

A. Applications for Consideration: Martha Kemmer - Animal Control Board. Lizabeth Jenkins-Dale - Appearance Commission. Lisa Krolak - Board of Adjustment. Cynthia Fowler - Fire Rescue Advisory Committee. Jane Ann Armstrong, Jewell Lynch - Home and Community Care Block Grant Committee. Mary Wells Prioleau - Mental Health Advisory Board. Cassandra Townsend - Recreation Advisory Board.

Commissioner Moore moved to approve the applicants as presented, seconded by Commissioner Overholt and the motion carried unanimously.

B. Two Applicants for one open position on the Economic and Tourism Development Commission - Paul Marion and Dee O'Brien.

Commissioner Moore moved to appoint Paul Marion to the Economic and Tourism Development Commission, seconded by Vice-Chairman Melton and the motion carried unanimously.

15. Commissioner Comments

The Board collectively thanked those in attendance.

16. Closed Session

A. Vice-Chairman Melton moved to go into Closed Session for the purpose of Attorney-Client Privilege, seconded by Commissioner Beiler and the motion carried unanimously.

B. Commissioner Moore moved to return to open session, seconded by Commissioner Overholt and the motion carried unanimously.

Upon returning to Open Session, Commissioner Moore moved to approve the two lease agreements for the Little Mountain Landfill well monitoring stations as recommended by the engineer, seconded by Commissioner Overholt and the motion carried. Commissioner Beiler recused himself.

Commissioner Beiler moved to give the County Attorney settlement authority for all opioid litigation cases, seconded by Commissioner Moore and the motion carried unanimously.

17. Adjournment

Vice-Chairman Melton moved to adjourn, seconded by Commissioner Beiler and the motion carried unanimously.

Attest:

Kristy A Tipton
Clerk to the Board

POLK COUNTY BOARD OF COMMISSIONERS

Myron Yoder
Chairman

BOARD OF COMMISSIONERS
AGENDA ITEM REPORT

MEETING DATE

July 22, 2024

AGENDA ITEM # 6.B

Schedule a public hearing for proposed new road name to be considered on Monday, August 19, 2024 at 5:00 pm in the R. Jay Foster Hall of Justice, Womack Building.

ATTACHMENTS

None

POLK COUNTY FINANCE
BUDGET AMENDMENT
DATE: 7/22/2024 BOC Meeting
Transfer From: Non-Dept
Transfer To: Animal Control

BATCH #: _____
(For accounting only)

Amendment # : **1**

INCREASE BUDGETED EXPENDITURE

Animal Control

GL ACCOUNT #	Description	Amount
10-4340-4400-0	Contract Svc	$ 143,620
		$ 143,620

DECREASE BUDGETED EXPENDITURE

Non-Department

GL ACCOUNT #	Description	Amount
10-9300-4400-0	Cont. Svc	$ (143,620)
		$ (143,620)

EXPLANATION: FHHS contract approved after the Budget Ordinance was passed but was budgeted in Non-Dept while being negotiated

Any transfer that exceeds $20,000 between Departments must be approved by the Board

Date approved & entered into the BOC minutes

COUNTY MANAGER

FINANCE OFFICER

GL1130-2 Summary Balance by Account FY 2025

Account: 10-9300-4400-0 Contracted Services

Category: 3

Project Mandatory: N ** Revenue/Expense Account **

Original Budget:+		143,620
Budget Amendments:+		0
Total Budget:		143,620
Year-To-Date Actual Activity:+		.00
Year-To-Date Encumbrance:+		.00
Unupdated Transactions Balance:+		.00
Remaining Budget:		143,620.00

ENTER F3=Exit F7=Detail Inquiry+ F12=Previous

BOARD OF COMMISSIONERS
AGENDA ITEM REPORT

MEETING DATE

July 22, 2024

AGENDA ITEM # 6.D

Approve the Purchase Order request for Republic Services, Inc. by the Polk County Landfill in the amount of $1,600,000 for trash hauling and disposal per contract approved 6/17/24.

ATTACHMENTS

1. PO for Republic Services

SUBMIT ALL INVOICES TO

POLK COUNTY GOVERNMENT

FINANCE OFFICE
P.O. BOX 308
COLUMBUS, N.C. 28722

PHONE (828) 894-3302
FAX (828) 894-3565

PURCHASE ORDER

NO. 23685

PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, BILLS OF LADING AND CORRESPONDENCE.

DATE 6/29/24

SHIP TO:

Landfill

00000

VENDOR NO. 2745

REQ#

VENDOR

REPUBLIC SERVICES, INC.
PO BOX 932899

CLEVELAND OH 44193

F.O.B.	VIA
DELIVERY REQUIRED	**TERMS**

ITEM	QUANTITY	UNIT	DESCRIPTION	UNIT COST	TOTAL COST
			********** FY 25 **********		
1		EA	TRASH HAULING AND DISPOSAL $133,334 X 12 MONTHS 51-4720-4405-0	1.00	600000.00
					1600000.00

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT.

Sandra Hughes
FINANCE OFFICE

D. M Pitt
COUNTY MANAGER ON $1000 OR MORE

BOC approved:

NO CHANGES MAY BE MADE WITHOUT CONSENT OF PURCHASING DEPARTMENT.
POLK COUNTY IS NOT EXEMPT FROM SALES TAXES

PURCHASE ORDER REQUEST

DEPARTMENT	POLK COUNTY SOLID WASTE	**DATE**	MAY 24, 2024
VENDOR	UPSTATE REGIONAL MSW LANDFILL (REPUBLIC SERVICES INC)		
ADDRESS	PO BOX 932899		
ADDRESS	CLEVELAND, OH 44193		
ADDRESS	864-277-6500 - PO		
TERMS			
ACCOUNT NO.	**1. 51-4720-4405-0**	**4.**	
ACCOUNT NO.	**2.**	**5.**	
ACCOUNT NO	**3.**	**6.**	

QUANTITY	DESCRIPTION	UNIT	TOTAL
	OPEN PURCHASE ORDER		
	-OPEN PO FOR TRASH HAULING & DISPOSAL-		1600000.00
	UPSTATE REGIONAL MSW LANDFILL		
	(UNION COUNTY, SC)		
Signature of Authorized Personnel requesting P.O.	Travis Ballard	**TOTAL**	**1600000.00**

FOR OFFICE USE ONLY

PURCHASE ORDER NO.	23685
AMOUNT APPROVED	$1,600,000
PURCHASING OFFICER	S. Ballard

OTHER QUOTES

BOARD OF COMMISSIONERS
AGENDA ITEM REPORT

MEETING DATE

July 22, 2024

AGENDA ITEM # 6.E

Tax Refund Request through July 16, 2024, in the amount of $2,121.65.

ATTACHMENTS

1. 7.22.24 Tax Refund Request

Memorandum

To: Polk County Board of Commissioners

From: Melissa O'Loughlin, Polk County Tax Administrator

Date: 6/30/2024

Re: Refund Request

Taxpayer	Parcel	Amount	Reason
Worthington Anna	Vehicle	$ 135.97	Tag Turned In- Vehicle Sold
Lanford Andrew Mickey	Vehicle	$ 145.85	Tag Turned In- Vehicle Sold
Smith Carl/ Smith Carolin	P24-45	$ 117.84	Overpayment-Property Sold
Galley Sydney/ Stephens Je	P86-209	$ 105.16	Overpayment-Property Sold
Kocher Steve/ Rosler Katrin	P98-148	$ 114.26	Overpayment-Property Sold
Bain Anne A Trustee	P45-64	$ 148.64	Overpayment-Property Sold
Jenkins Joy Breedlove	Vehicle	$ 161.98	Tag Turned In-Vehicle Sold
	TOTAL:	**$ 929.70**	

Memorandum

To: Polk County Board of Commissioners

From: Melissa O'Loughlin, Polk County Tax Administrator

Date: 7/16/2024

Re: Refund Request

Taxpayer	Parcel	Amount	Reason
Bowling Angel	Mobile Home	$1,191.95	Double Billing-Written Request by Taxpayer for Refund

TOTAL: **$1,191.95**

BOARD OF COMMISSIONERS
AGENDA ITEM REPORT

MEETING DATE

July 22, 2024

AGENDA ITEM # 6.F

Declare five Health and Human Services (HHSA) vehicles as surplus to be sold electronically through Govdeals (detailed list enclosed).

ATTACHMENTS

1. Book1

Titles LOCATED and given to Kristy for the BO

Division	FA # in System	Make	Model	Year
Transportation	3476	#18 Dodge	Grand Caravan 5 passenger minivan w/ WC ramp	2012
Transportation	3973	#21 Dodge	Caravan minivan 7 passenger	2014
Transportation	3972	#20 Ford	E350 LTV WC lift van 8 passenger	2014
Transportation	3971	#19 Ford	F350 8 passenger WC lift van	2014
Transportation	4082	#22 Ford	E350 LTV WC lift van 8 passenger	2015

OC to APPROVE for Surplus 7/12/2024

VIN#	Color	Mileage	Condition
2C4RDGBGXCR374009	White	151313	Should be okay. Probably needs a battery.
2C4RDGCG7ER423443	White	161154	Transmission issues.
1FTDS3EL7EDA38664	White	155325	Has always had A/C issues. Probably needs a battery.
1FTDS3EL5EDA38663	White	141471	Has always had A/C issues. Probably needs a battery.
1FDEE3FLXFDA34549	White	161031	Transmission issues.

HEALTH SERVICES AGREEMENT

THIS AGREEMENT between Polk County, North Carolina (hereinafter referred to as "County"), and Southern Health Partners, Inc., a Delaware corporation, (hereinafter referred to as "SHP"), is entered into as of the _____ day of _____, 2024. Services under this Agreement shall commence on July 1, 2024, and shall continue through June 30, 2025, in accordance with Section No. 6.1.

WITNESSETH:

WHEREAS, County is charged by law with the responsibility for obtaining and providing reasonably necessary medical care for inmates or detainees of the Polk County Detention Center (hereinafter called "Jail") and,

WHEREAS, County and Sheriff desire to provide for health care to inmates in accordance with applicable law; and,

WHEREAS, the County, which provides funding as approved by the Polk County Board of Commissioners for the Jail, desires to enter into this Agreement with SHP to promote this objective; and,

WHEREAS, SHP is in the business of providing correctional health care services under contract and desires to provide such services for County under the express terms and conditions hereof.

NOW THEREFORE, in consideration of the mutual covenants and promises hereinafter made, the parties hereto agree as follows:

ARTICLE I: HEALTH CARE SERVICES.

1.1 General Engagement. County acknowledges its non-delegable duty under applicable federal and state law to obtain and provide for reasonably necessary medical care for inmates or detainees of the Jail, and further that this Agreement does not result in the assumption of a non-delegable duty by SHP. County specifically retains the duty and obligation to obtain and provide for the reasonably necessary medical care for inmates or detainees of the Jail.

County hereby contracts with SHP to provide for the delivery of medical, basic dental and basic mental health services to inmates of Jail to the extent set forth herein. This care is to be delivered to individuals under the custody and control of County at the Jail, and SHP enters into this Agreement according to the terms and provisions hereof. Basic dental services shall mean the starting point of dental services whereby SHP medical staff will triage patients based on signs/symptoms, provide pain relief medication if needed, and treat any infection prior to scheduling dental services with an

outside provider. Basic mental health services shall mean the starting point of mental health services whereby SHP medical staff will continue, to the extent practicable, any prior mental health treatment plan a now-incarcerated patient had in place, or, upon identification of a mental health service need, may have an on-site provider(s) prescribe a low-level mental health medication until patient can be scheduled and seen by an outside mental health professional, if needed.

1.2 Scope of General Services. The responsibility of SHP for care of an inmate commences no earlier than the booking and physical placement of said inmate into the Jail and notification to a member of the SHP medical staff of the same and to the extent SHP medical staff is on-site. The health care services provided by SHP shall be for all persons committed to the custody of the Jail, except those identified in Section No. 1.7. SHP shall provide and/or arrange for professional medical, dental, mental health and related health care services for the inmates, regularly scheduled sick call, nursing care, regular physician care, medical specialty services, emergency medical care, emergency ambulance services when medically necessary, medical records management, pharmacy services management, administrative support services, and other services, all as more specifically described herein. As more fully explained in Section No. 1.4 herein, none of the services to be provided by SHP as described herein shall alter or eliminate the duty and ability of the County, through its employees, to arrange for emergency medical care at any time.

SHP shall be financially responsible for the costs of SHP physician, mid-level provider and nurse staffing, medical supplies, office supplies, and administrative services. SHP's financial responsibility for the costs of emergency kits and restocking of emergency kit supplies, necessary license and permit fees, over-the-counter medications, patient specific medical supplies, medically-generated hazardous waste disposal, prescription medications, biological products used to prevent, diagnose or treat diseases and medical conditions (including, but not limited to the costs of PPD solution for inmate Tuberculosis testing), renal dialysis and other major chronic care, clinical lab procedures (inside and outside the Jail), x-ray procedures (inside and outside the Jail), dental services (inside and outside the Jail) and all medical and mental health services rendered outside the Jail shall be limited by the annual cost pool described in Section No. 1.5 of this Agreement. All pool costs in excess of the annual cost pool limit shall be the financial responsibility of the County, or shall not otherwise be the financial responsibility of SHP.

SHP may not provide and/or shall not pay for any services, supplies, equipment or other items not specifically contained in this Agreement. Arrangements may be made in agreement with the County for SHP to purchase items or provide services, outside of this Agreement, and by mutual agreement between the County and SHP. Any such agreements shall be in writing.

Should new legislation require substantial or new medical directives to SHP in the provision of services under this Agreement, SHP shall not be financially responsible for changes to its program, rather SHP would have the ability to seek from the County any additional monies to fund such directives.

1.3 Specialty Services. In addition to providing the general services described above, SHP by and through its licensed health care providers shall arrange and/or provide to inmates at the Jail specialty medical services to the extent such are determined to be medically necessary by SHP. In the event non-emergency specialty care is required and cannot be rendered at the Jail, SHP shall make arrangements with County for the transportation of the inmates in accordance with Section No. 1.9 of this Agreement. The County shall be responsible for the transportation and for any and all costs associated with the same.

1.4 Emergency Services. When on-site, SHP staff shall be a resource for providing on-site emergency medical care, as medically necessary, to inmates, or for arranging for emergency ambulance transportation of inmates for off-site care. The costs of emergency ambulance transportation shall either be billed directly to County by the provider or placed in the annual cost pool, at the County's election. County acknowledges that, whether or not an SHP staff member is on-site, in the event of a medical emergency, Jail staff shall retain the right and ability to contact an ambulance provider directly for the transportation of an inmate for emergency medical services outside the Jail or to arrange for the transport of an inmate for emergency medical services, and further that, in no event shall Jail staff be required to contact SHP medical staff prior to initiating life-saving measures, contacting the local 911 service or other third-party calling programs, or otherwise seeking the highest priority emergency medical attention, as reasonable and appropriate, for any inmate Jail staff believes to be in need of immediate medical care.

1.5 Limitations On Costs - Cost Pool. SHP shall, at its own cost, arrange for medical services for any inmate who, in the opinion of the Medical Director (hereinafter meaning a licensed SHP physician), requires such care. SHP's maximum liability for costs associated with emergency kits and restocking of emergency kit supplies, necessary license and permit fees, over-the-counter medications, patient specific medical supplies, medically-generated hazardous waste disposal, prescription medications, biological products used to prevent, diagnose or treat diseases and medical conditions (including, but not limited to the costs of PPD solution for inmate Tuberculosis testing), renal dialysis and other major chronic care, clinical lab procedures (inside and outside the Jail), x-ray procedures (inside and outside the Jail), dental services (inside and outside the Jail) and all medical and mental health services for inmates rendered outside of the Jail shall be limited by a pool established in the amount of $20,000.00 in the aggregate for all inmates in each year (defined as a twelve-month contract period) of this Agreement. If the costs of all care as described in this

Section No. 1.5 exceed the amount of $20,000.00 in any year, SHP shall either pay for the additional services and submit invoices supporting the payments to the County along with an SHP invoice for one hundred percent (100%) of the costs in excess of $20,000.00, or in the alternative, shall refer all additional qualifying invoices to County for payment directly to the provider of care. The date of service for any cost pool items shall be used to determine the calendar month in which the expenses are applied within the cost pool, unless otherwise advised by the County during reconciliation and/or cost pool billing purposes. For all invoices payable to SHP as reimbursement for pool excess costs, such amounts shall be payable by County within thirty days of the SHP invoice date. SHP shall allow a grace period of up to sixty (60) days from the date of invoice, and shall thereafter apply a late fee of two percent (2%) on the balance each month until SHP has been reimbursed in full. For purposes of this Section No. 1.5, the pool amount shall be prorated for any contract period of less or more than twelve months.

If the costs of all care as described in this No. Section 1.5 are less than $20,000.00 in any year (defined as a twelve-month contract period), SHP will repay to County one hundred percent (100%) of the balance of unused cost pool funds up to the $20,000.00 annual limit. County acknowledges that, at the end of each contract period, the cost pool billing will remain open for approximately sixty (60) days in order to allow reasonable time for processing of additional claims received after the new contract period begins and prior to issuing any such refund to County for unused cost pool funds. Specifically, the cost pool cut-off date will be on or about August 29 based on a contract period schedule ending on June 30 of each year. SHP will continue to process cost pool payments applicable to the prior contract period through on or about August 29 and apply those amounts toward the prior year's cost pool limit. Any additional cost pool charges received subsequent to the cut-off date which are applicable to the prior contract period will either be rolled over into the pool for the then-current contract period or be referred to County for payment directly to the provider of care.

The intent of this Section No. 1.5 is to define SHP's maximum financial liability and limitation of costs for emergency kits and restocking of emergency kit supplies, necessary license and permit fees, over-the-counter medications, patient specific medical supplies, medically-generated hazardous waste disposal, prescription medications, biological products used to prevent, diagnose or treat diseases and medical conditions (including, but not limited to the costs of PPD solution for inmate Tuberculosis testing), renal dialysis and other major chronic care, clinical lab procedures (inside and outside the Jail), x-ray procedures (inside and outside the Jail), dental services (inside and outside the Jail), hospitalizations and all other medical and mental health services rendered outside the Jail.

1.6 Injuries Incurred Prior to Incarceration; Pregnancy. SHP shall not be financially responsible for the cost of any medical treatment or health care services provided to any inmate prior to the inmate's formal booking and commitment into the

Jail.

Furthermore, SHP shall not be financially responsible for the cost of medical treatment or health care services provided outside the Jail to medically stabilize any inmate presented at booking with a life-threatening injury or illness or in immediate need of emergency medical care.

Once an inmate has been medically stabilized and committed to the Jail, SHP shall, upon notification by Jail staff to a member of the SHP medical staff of a medical need and to the extent SHP medical staff is on-site, in accordance with the provisions of Section No. 1.2, provide or arrange for medical treatment and health care services regardless of the nature of the illness or injury or whether or not the illness or injury occurred prior or subsequent to the individual's incarceration at the Jail. An inmate shall be considered medically stabilized when the patient's medical condition no longer requires immediate emergency medical care or outside hospitalization so that the inmate can reasonably be housed inside the Jail. SHP's financial responsibility for such medical treatment and health care services shall be in accordance with, and as limited by, Section Nos. 1.2 and 1.5 of this Agreement.

It is expressly understood that SHP shall not be responsible for medical costs associated with the medical care of any infants born to inmates. SHP shall provide and/or arrange for health care services to inmates up to, through, and after the birth process, but health care services provided to an infant following birth, other than those services that may be delivered in the Jail prior to transport to a hospital, shall not be the financial responsibility of SHP. In any event, SHP shall not be responsible for the costs associated with performing or furnishing of abortions of any kind.

1.7 Inmates Outside the Facilities. The health care services contracted in the Agreement are intended only for those inmates in the actual physical custody of the Jail and for inmates held under guard in outside hospitals or other medical facilities who remain in official custody of the Jail. Inmates held under guard in outside hospitals or other medical facilities are to be included in the Jail's daily population count. No other person(s), including those who are in any outside hospital who are not under guard, shall be the financial responsibility of SHP, nor shall such person(s) be included in the daily population count.

Inmates on any sort of temporary release or escape, including, but not limited to inmates temporarily released for the purpose of attending funerals or other family emergencies, inmates on escape status, inmates on pass, parole or supervised custody who do not sleep in the Jail at night, shall not be included in the daily population count, and shall not be the responsibility of SHP with respect to the payment or the furnishing of their health care services.

The costs of medical services rendered to inmates who become ill or who are injured while on such temporary release or work-release shall not then become the financial responsibility of SHP after their return to the Jail. This relates solely to the costs associated with treatment of a particular illness or injury incurred by an inmate while on such temporary release. In all cases, SHP shall be responsible for providing medical care for any inmate who presents to medical staff on-site at the Jail to the extent such care can be reasonably provided on-site, or shall assist with arrangements to obtain outside medical care as necessary. The costs of medical services associated with a particular illness or injury incurred by an inmate while on temporary release or work-release may be the personal responsibility of the inmate, or covered by workers' compensation, medical insurance, accident insurance, or any other policy of insurance or source of payment for medical and hospital expenses. In the absence of adequate insurance coverage, or other source of payment for medical care expenses, such costs may, at the election of the County, be applied toward the annual cost pool described in Section No. 1.5. Such costs shall not otherwise be the financial responsibility of SHP.

Persons in the physical custody of other police or other penal jurisdictions at the request of County, by Court order or otherwise, are likewise excluded from the Jail's population count and are not the responsibility of SHP for the furnishing or payment of health care services.

1.8 Elective Medical Care. SHP shall not be responsible for providing elective medical care to inmates, unless expressly contracted for by the County. For purposes of the Agreement, "elective medical care" means medical care which, if not provided, would not, in the opinion of SHP, cause the inmate's health to deteriorate or cause definite harm to the inmate's well-being. Any referral of inmates for elective medical care must be reviewed by County prior to provision of such services.

1.9 Transportation Services. To the extent any inmate requires off-site non-emergency health care treatment including, but not limited to, hospitalization care and specialty services, for which care and services SHP is obligated to arrange under this Agreement, County shall, upon request by SHP, its agents, employees or contractors, provide transportation as reasonably available provided that such transportation is scheduled in advance.

ARTICLE II: PERSONNEL.

2.1 Staffing. County acknowledges that SHP shall provide an on-site staffing plan consisting of seventy (70) nursing hours per week plus a Qualified Mental Health Professional (a psychiatric RN, Social Worker or a Licensed Professional Counselor) either on-site or via telepsychiatry for two (2) hours per week. Staffing hours worked in excess of this contracted staffing plan, not to include SHP training hours, may be billed back to the County on a monthly basis, at the actual wage and benefit rate, for staffing services performed on-site at the facility.

a. Holidays. County acknowledges that SHP shall not provide medical staff on SHP-designated holidays.

b. Other Absences. For all other staff absences, including but not limited to, paid time off, vacation, and sick time, SHP shall endeavor to provide replacement coverage, to the extent reasonably possible, or shall endeavor to make up any balance of unfilled time within the scheduled workweek or then-current pay period. In the event SHP is unable to provide replacement coverage or make up the balance of unfilled time, SHP shall refund the County the cost of the unfilled staffing hours on the next month's base fee billing or shall otherwise negotiate a mutually agreeable remedy with County. County acknowledges that, any computation of unfilled hours due for refund to County shall be based on the total average of hours that comprise the regular weekly staffing plan and shall not be determined on a per shift or position basis.

c. Medication Passes. SHP staff shall prepare all inmate medications for passing. SHP staff shall, when on-site, pass morning medications to inmates. Jail staff shall be responsible for passing all inmate medications in the evenings, or otherwise in the absence of an SHP nurse on-site.

d. Meal breaks. It is understood and agreed that SHP employees are entitled to unpaid meal breaks when working shifts of eight (8) hours or more. SHP employees shall be allowed to leave the facility during this time, or if a break is taken on-site, are to have uninterrupted time unless called to an emergency response. Such meal breaks are to be usual and customary, and not overly excessive.

It is understood the Professional Provider may be filled by a Physician, or Mid-Level Practitioner. Either shall be duly licensed to practice medicine in the State of North Carolina, and shall be available to SHP's nursing staff for resource, consultation and direction twenty-four (24) hours per day, seven (7) days per week. Provider visits shall not be scheduled on holidays.

The scheduling of staff shifts may be flexible and adjusted by SHP in order to maintain stability of the program and consistency with staff. Any adjustments or changes to fixed schedules would be made after discussions with the Jail Administrator and other involved County officials. Professional Provider visit times and dates shall be coordinated with Jail Management, and may include the use of telehealth services. Some of the Professional Provider time may be used for phone consults with medical staff and for other administrative duties.

SHP shall make reasonable efforts to supply the staffing levels contained in this section, however, failure to continuously supply all of the required staffing due to labor market demands or other factors outside the control of SHP, after such reasonable efforts have been made, shall not constitute a breach of this Agreement.

Should SHP experience increased staffing requirements or an increase of ten percent (10%) or more in total compensation expenses payable to its employees or independent contractors providing services at the Jail, and such increases are beyond the reasonable control of SHP, SHP and County shall negotiate in good faith an updated staffing matrix and/or a corresponding increased amount of compensation for the remainder of the then-current contract period that takes into account the additional personnel and/or additional compensation expenses incurred by SHP. Should SHP and County be unable to agree on a revised staffing matrix and/or an increased amount of compensation within thirty (30) days of SHP notifying County in writing of the need to modify the staffing matrix and/or increase compensation, either party may terminate this Agreement upon thirty (30) days' written notice to the other party.

Based on actual staffing needs as affected by medical emergencies, riots, increased or decreased inmate population, and other unforeseen circumstances, certain increases or decreases in staffing requirements may be waived as agreed to by County and SHP.

Should medical services fall behind due to situations outside of SHP control, such as those described in Section No. 4.3, below, and additional hours and/or SHP staff are required to bring services current, the County shall be billed and agrees to pay for the additional time incurred by SHP to bring services current.

2.2 Licensure, Certification and Registration of Personnel. All personnel provided or made available by SHP to render services hereunder shall be licensed, certified or registered, as appropriate, in their respective areas of expertise as required by applicable North Carolina law. SHP shall be responsible for verifying licensure requirements and qualifications, and County shall be responsible for timely background checks and clearance checks upon request by SHP. County acknowledges that SHP compensates its staff based on several factors, including, but not limited to, experience in correctional healthcare, and further that, SHP shall not issue credits for differences in licensure.

2.3 County's Satisfaction with Health Care Personnel. SHP shall have the sole discretion and authority in all personnel hiring decisions. In no event shall the County or Sheriff retain the right to hire and fire SHP personnel. SHP shall retain control over and have the final authority concerning the staffing of its health care personnel. If County becomes dissatisfied with any health care personnel provided by SHP hereunder, or by any independent contractor, subcontractors or assignee, SHP, in

recognition of the sensitive nature of correctional services, shall, following receipt of written notice from County of the grounds for such dissatisfaction and in consideration of the reasons therefor, exercise its best efforts to resolve the problem. If the problem is not resolved satisfactorily to County, SHP shall remove or shall cause any independent contractor, subcontractor, or assignee to remove the individual about whom County has expressed dissatisfaction. Should removal of an individual become necessary, SHP shall be allowed reasonable time, prior to removal, to find an acceptable replacement, without penalty or any prejudice to the interests of SHP.

2.4 Use of Inmates in the Provision of Health Care Services. Inmates shall not be employed or otherwise engaged by either SHP or County in the direct rendering of any health care services.

2.5 Subcontracting and Delegation. In performing its obligations under the Agreement, it is understood that SHP is not licensed or otherwise authorized to engage in any activity that may be construed or deemed to constitute the practice of medicine, dentistry, or other professional healthcare service requiring licensure or other authorization under state law. To fulfill its contractual obligations, SHP may engage physicians or other clinicians as independent contractors, rather than employees, in order to supply the clinical services required under this Agreement. SHP shall engage contract professionals that meet the applicable professional licensing requirements and SHP shall exercise administrative supervision of such contract professionals as necessary to ensure the fulfillment of the obligations contained in this Agreement. Contract professionals shall provide clinical services under this Agreement in a manner reasonably consistent with the independent clinical judgment that the contract professional is required to exercise. For each agent and subcontractor, including all medical professionals, physicians, dentists and nurses performing duties as agents or independent contractors of SHP under this Agreement, SHP shall provide County proof, if requested, that there is in effect a professional liability or medical malpractice insurance policy.

2.6 Discrimination. During the performance of this Agreement, SHP, its employees, agents, subcontractors, and assignees agree as follows:

a. None shall discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor.

b. In all solicitations or advertisements for employees, each shall state that it is an equal opportunity employer.

c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

2.7 Training of Personnel. The duty to train the Jail staff is and always remains vested in the County. The County is solely responsible for the overall operation of the Jail, including medical care. The County maintains ultimate responsibility for training and supervising its correctional officers, according to the requirements of federal and/or state statute, regulation, and/or law, including but not limited to training and supervision related to intake screening, emergency procedures, ensuring sick calls are passed along to the medical team in a timely manner, and proper distribution of medications (when appropriate).

Upon request of the County, SHP may assist in training for Jail staff on certain topics as determined by the County. Further, SHP shall provide annual training courses in Cardiopulmonary Resuscitation (CPR) and First Aid, as requested by the County. The cost of certification shall be the responsibility of the County. Such training courses shall be scheduled by the County and SHP at a mutually agreed upon time and location. It is hereby acknowledged by the parties that any and all training provided by SHP for Jail staff would be supplemental to any training required by the State or any other governmental body for correctional officers. The County recognizes and acknowledges that the County shall be responsible for training of its own employees and agents.

SHP recognizes that certain training of SHP medical staff may need to be accomplished by the County for the purposes of inmate interaction, and as may be required by federal and/or state statute, regulation and/or law. SHP may require reimbursement of these training period hours if they are over and above the contracted on-site hours as agreed upon within the proposal and this Agreement.

SHP and County acknowledge that information contained in health training materials provided by SHP for reference by its staff or correctional officers is intended for use as guidelines and shall not be intended to establish a standard of medical care, nor shall it be relied upon as final determination in response to a medical service need, recognizing that each medical service need shall be individually evaluated and good prudent medical judgement shall be used.

2.8 Staffing Agency Use and Reimbursement. SHP shall notify the Jail Administrator and/or County designee of the use of staffing agency to fill contracted hours, in lieu of permanent SHP employee coverage for the shift(s). With respect to expenses of staffing agency use, SHP shall cover such costs for the first thirty (30) days of a position opening, but shall then seek reimbursement from the County for the difference in the SHP budgeted costs and the staffing agency position cost. Such

reimbursement shall be limited to only the contracted hours of the position(s) and not any overtime. Further, SHP shall provide the County on a monthly basis all recruitment efforts made to attract applicants for the position(s), and discuss with the County any changes which may be needed to attract future applicants. Such changes may consist of but not be limited to shift time changes or higher budgeted payrates. Such reimbursements may be paid through the cost pool structure if the County has elected such option.

ARTICLE III REPORTS AND RECORDS

3.1 Medical Records. County acknowledges that SHP's responsibility for all inmate medical records shall commence on the effective date of this Agreement, and that the responsibility for all inmate medical records prior to the effective date of this Agreement shall rest solely with the County. Nothing in this Agreement shall be interpreted to impose responsibility on SHP for inmate medical records prior to the effective date of this Agreement. County does further acknowledge, however, that SHP shall assist County with the fulfillment of requests for production of medical records for those medical services provided prior to the effective date of this Agreement, and by doing so does not assume any responsibility for such records. It is mutually understood by both parties that, during the term of this Agreement, SHP shall serve as the Records Custodian in all medical record matters, in accordance with all applicable laws.

Commencing on the effective date of this Agreement, SHP shall cause and require to be maintained a complete and accurate medical record for each inmate who has received health care services. Each medical record shall be maintained in accordance with applicable laws and County's policies and procedures. The medical records shall be kept separate from the inmate's confinement record. A complete legible copy of the applicable medical record shall be available, at all times, to County as custodian of the patient. Medical records shall be kept confidential. Subject to applicable law regarding confidentiality of such records, SHP shall comply with North Carolina law and County's policy with regard to access by inmates and Jail staff to medical records. No information contained in the medical records shall be released by SHP except as provided by County's policy, by a court order, or otherwise in accordance with the applicable law. SHP shall, at its own cost, provide all medical records, forms, jackets, and other materials necessary to maintain the medical records. At the termination of this Agreement, all medical records shall be delivered to and remain with County. However, County shall provide SHP with reasonable ongoing access to all medical records even after the termination of this Agreement for the purposes of defending litigation.

3.2 Regular Reports by SHP to County. Upon request, SHP shall provide to County, on a date and in a form mutually acceptable to SHP and County, reports relating to services rendered under this Agreement.

3.3 Inmate Information. Subject to the applicable North Carolina law, in order to assist SHP in providing the best possible health care services to inmates, County shall provide SHP with information pertaining to inmates that SHP and County mutually identify as reasonable and necessary for SHP to adequately perform its obligations hereunder.

3.4 SHP Records Available to County with Limitations on Disclosure. SHP shall make available to County, at County's request, records, documents and other papers relating to the direct delivery of health care services to inmates hereunder. County understands that written operating policies and procedures employed by SHP in the performance of its obligations hereunder are proprietary in nature and shall remain the property of SHP and shall not be disclosed without written consent. Information concerning such may not, at any time, be used, distributed, copied or otherwise utilized by County, except in connection with the delivery of health care services hereunder, or as permitted or required by law, unless such disclosure is approved in advance writing by SHP. SHP policies and procedures are for use by SHP employees only, and are not intended to establish a standard of medical care, and such information should not be used as final determination of medical service, knowing each situation is individually evaluated, and good prudent medical judgement is to be used. Proprietary information developed by SHP shall remain the property of SHP.

3.5 County Records Available to SHP with Limitations on Disclosure. During the term of this Agreement and for a reasonable time thereafter, County shall provide SHP, at SHP's request, County's records relating to the provision of health care services to inmates as may be reasonably requested by SHP or as are pertinent to the investigation or defense of any claim related to SHP's conduct. Consistent with applicable law, County shall make available to SHP such inmate medical records as are maintained by County, hospitals and other outside health care providers involved in the care or treatment of inmates (to the extent County has any control over those records) as SHP may reasonably request. Any such information provided by County to SHP that County considers confidential shall be kept confidential by SHP and shall not, except as may be required by law, be distributed to any third party without the prior written approval of County.

ARTICLE IV: SECURITY

4.1 General. SHP and County understand that adequate security services are essential and necessary for the safety of the agents, employees and subcontractors of SHP as well as for the security of inmates and County's staff, consistent with the correctional setting.

The non-delegable duty to protect inmates is, and always will be, vested in the County. This Agreement does not result in the assumption of a non-delegable duty by SHP. This duty extends to the control of inmate movement.

County shall take all reasonable steps to provide sufficient security to enable SHP to safely and adequately provide the health care services described in this Agreement. It is expressly understood by County and SHP that the provision of security and safety for the SHP personnel is a continuing precondition of SHP's obligation to provide its services in a routine, timely, and proper fashion, to the extent that if, in SHP's sole discretion, the safety and security of SHP personnel are compromised, SHP may exercise its right to immediately terminate services, in accordance with the provisions of Section No. 6.2(b) of this Agreement.

4.2 Loss of Equipment and Supplies. SHP shall be liable for loss of or damage to equipment and supplies of SHP, its agents, employees or subcontractors only in the event such loss or damage was caused by the negligence of SHP or its employees.

4.3 Officer Staffing Levels. It is understood SHP medical staff are given clearance to work and perform medical functions within the Jail. Should staffing levels of the correctional staff fall below an acceptable standard causing the SHP medical staff to be unable to complete such services in a timely manner, the County shall be responsible for the consequences of the same, for any resulting noncompliance with County, State, or Federal entity requirements or regulations, including, but not limited to, any resulting failed inspection and/or audit by County, State or Federal entity. SHP medical staff shall document and report such issues of backlogs created by inadequate officer staffing levels to the Jail Administrator. The County shall, upon notification by SHP, exercise every effort to bring officer staffing levels back up to standard within a reasonable period of time.

ARTICLE V: OFFICE SPACE, EQUIPMENT, INVENTORY AND SUPPLIES

5.1 General. County agrees to provide SHP with reasonable and adequate office and medical space, facilities, equipment, local telephone and telephone line and utilities and County shall provide necessary maintenance and housekeeping of the office and medical space and facilities (including incidentals such as tissue and hand towels).

5.2 Delivery of Possession. County shall provide to SHP, beginning on the date of commencement of this Agreement, possession and control of all County medical and office equipment in place at the Jail's health care unit. At the termination of this or any subsequent Agreement, SHP shall return to County's possession and control all medical and office equipment, in working order, reasonable wear and tear excepted, which were in place at the Jail's health care unit prior to the commencement of services under this Agreement.

5.3 Maintenance and Replenishment of Equipment. Except for the equipment and instruments owned by County at the inception of this Agreement, any equipment or

instruments required by SHP during the term of this Agreement shall be purchased by SHP at its own cost. At the end of this Agreement, or upon termination, County shall be entitled to purchase SHP's equipment and instruments at an amount determined by SHP.

5.4 Infection Control – Personal Protective Equipment (PPE). SHP and County understand that adequate infection control PPE are essential and necessary for the health and safety of the agents, employees and subcontractors of SHP as well as for the health and safety of inmates and County's staff, consistent with the correctional setting. SHP shall be financially responsible for the reasonable costs associated with providing sufficient infection control PPE for its employees and/or subcontractors in compliance with regular County, State or Federal entity requirements or regulations. In the instance of any outbreak, pandemic, jail directive/instruction, or other unusual infection control situation, additional PPE supplies and/or cost increases above SHP's usual practice and procedure shall be assessed back to the County either through a contracted cost pool structure or direct billing back to the County for reimbursement to SHP.

ARTICLE VI: TERM AND TERMINATION OF AGREEMENT

6.1 Term. This Agreement shall commence on July 1, 2024. The initial term of this Agreement shall end on June 30, 2025, and this Agreement shall thereafter be automatically extended for additional periods of twelve months each, beginning on July 1 of each year, subject to County funding availability, unless either party provides written notice to the other of its intent to terminate, or non-renew, in accordance with the provisions of Section No. 6.2 of this Agreement. Notwithstanding any provision herein to the contrary, in the event SHP receives notice or communication from the County or Sheriff, by and through its respective staff or personnel, either in writing or otherwise, of the County's intent to solicit bids for inmate health services, this Agreement shall automatically expire at the conclusion of the then-current period, except as may be mutually agreed to and acknowledged by express written agreement between the parties to extend or renew up through and including a specified period. In no event shall this Agreement continue for a period in excess of sixty (60) days following notice or communication by the County or Sheriff to SHP of the County's intent to solicit bids, except as may be mutually agreed to and acknowledged by express written agreement between the parties to continue services under this Agreement up through and including a specified period.

6.2 Termination. This Agreement, or any extension thereof, may be terminated as otherwise provided in this Agreement or as follows:

(a) Termination by agreement. In the event that each party mutually agrees in writing, this Agreement may be terminated on the terms and date stipulated therein.

(b) Termination for Cause. SHP shall have the right to terminate this Agreement at any time for Cause, which may be effected immediately after establishing the facts warranting the termination, and without any further obligation to County, by giving written notice and a statement of reasons to County in the event:

(i) the safety and security of SHP personnel is determined by SHP, in its sole discretion, to be compromised, either as a direct, or indirect, result of County's failure to provide adequate security services, the provision of which is a continuing precondition of SHP's obligation to perform work under this Agreement, or

(ii) County fails to compensate SHP for charges or fees due, either in whole, or in part, under this Agreement, according to the terms and provisions as stated herein.

Cause shall not, however, include any actions or circumstances constituting Cause under (i) or (ii) above if County cures such actions or circumstances within a specified period following delivery of written notice by SHP setting forth the actions or circumstances constituting Cause, during which period SHP may permit County, solely by express agreement, time to provide sufficient remedy to SHP's satisfaction. In all cases, this Agreement may be terminated immediately by SHP, without notice, if, in SHP's sole discretion, such immediate termination of services is necessary to preserve the safety and well-being of SHP personnel.

Upon such a termination for Cause, County acknowledges that, SHP shall be entitled to all compensation fees and charges due for services rendered hereunder, without penalty or liability to SHP, up through and including the last day of services, and further that, County shall be obligated to compensate SHP accordingly for such services rendered up through and including the last day of services, consistent with the terms and provisions of this Agreement. If any costs relating to the period subsequent to such termination date have been paid by County in the case of (i) above, SHP shall promptly refund to County any such prepayment.

(c) Termination or non-renewal by Cancellation. This Agreement may be canceled or non-renewed without cause by either party upon sixty (60) days prior written notice in accordance with Section No. 9.3 of this Agreement.

(d) Annual Appropriations and Funding. This Agreement shall be subject to the annual appropriation of funds by the Polk County Board of Commissioners. Notwithstanding any provision herein to the contrary, in the event funds are not appropriated for this Agreement, County shall be entitled to immediately terminate this Agreement, without penalty or liability, except the payment of all contract fees due under this Agreement through and including the last day of service.

6.3 Responsibility for Inmate Health Care. Upon termination of this Agreement, all responsibility for providing health care services to all inmates shall belong to County.

ARTICLE VII. COMPENSATION.

7.1 Base Compensation. County shall compensate SHP based on the twelve-month annualized price of $254,480.04 during the initial term of this Agreement, payable in monthly installments. Monthly installments during the initial term of this Agreement shall be in the amount of $21,206.67 each. SHP shall bill County approximately thirty days prior to the month in which services are to be rendered. County agrees to pay SHP prior to the tenth day of the month in which services are rendered. Payment by County to SHP shall be made electronically through the Automated Clearing House, or should the County elect not to make electronic payments to SHP, County agrees to pay an additional two percent (2%) per month charge. In the event this Agreement should commence or terminate on a date other than the first or last day of any calendar month, compensation to SHP shall be prorated accordingly for the shortened month.

7.2 Increases in Inmate Population. County and SHP agree that the annual base price is calculated based upon an average daily inmate population of up to 60. If the average daily inmate population exceeds 60 inmates for any given month, the compensation payable to SHP by County shall be increased by a per diem rate of $1.25 for each inmate over 60. The average daily inmate resident population shall be calculated by adding the population or head count totals taken at a consistent time each day and dividing by the number of counts taken. The excess over an average of 60, if any, shall be multiplied by the per diem rate and by the number of days in the month to arrive at the increase in compensation payable to SHP for that month. In all cases where adjustments become necessary, the invoice adjustment shall be made on the invoice for a subsequent month's services. For example, if there is an average population for any given month of 65 inmates, resulting in an excess of five (5) inmates, then SHP shall receive additional compensation of five (5) times the per diem rate times the number of days in that month. The resulting amount shall be an addition to the regular base fee and shall be billed on a subsequent monthly invoice.

This per diem is intended to cover additional cost in those instances where minor, short-term changes in the inmate population result in the higher utilization of routine supplies and services. However, the per diem is not intended to provide for any additional fixed costs, such as new fixed staffing positions that might prove necessary if the inmate population grows significantly and if the population increase is sustained. In such cases, SHP reserves the right to negotiate for an increase to its staffing complement and its contract price in order to continue to provide services to the increased number of inmates and maintain the quality of care. This would be done with the full knowledge and agreement of the Sheriff and other involved County officials, and following appropriate notification to County.

7.3 Future Years' Compensation. The amount of compensation (i.e., annual base price and per diem rate as defined in Section Nos. 7.1 and 7.2, respectively) to SHP shall increase at the beginning of each contract year. Annual pricing for the second year of the contract, effective July 1, 2025, and for the third year of the contract, effective July 1, 2026, shall be adjusted to account for inflation based on the Consumer Price Index (CPI) for medical care as published by the United States Department of Labor, or by 4%, whichever is higher. SHP shall provide written notice to County of the amount of compensation increase requested for subsequent annual periods effective on or after July 1, 2027, or shall otherwise negotiate mutually agreeable terms with County prior to the beginning of each annual contract period.

7.4 Inmates From Other Jurisdictions. Medical care rendered within the Jail to inmates from jurisdictions outside Polk County, and housed in the Jail pursuant to written contracts between County and such other jurisdictions shall be the responsibility of SHP, but as limited by Section No. 1.7. Medical care that cannot be rendered within the Jail shall be arranged by SHP, but SHP shall have no financial responsibility for such services to those inmates. County shall be financially responsible for the cost of all inmate prescription medications, specialized medical equipment and supplies in the event of a refusal to pay on the part of the jurisdiction with which Polk County has entered into such contract.

7.5 Responsibility For Work Release Inmates. SHP and County agree that SHP shall be responsible for providing on-site medical services as reasonable and appropriate to County inmates assigned to work release and/or release for community service work for government or nonprofit agencies upon an inmate's presentation to SHP medical staff at the Jail. Notwithstanding any other provisions of this Agreement to the contrary, SHP and County agree that County inmates assigned to work release, including work for Polk County agencies, are themselves personally responsible for the costs of any medical services performed by providers other than SHP, when the illness or injury is caused by and results directly or indirectly from the work being performed, or when such illness or injury is treated while the inmate is on work release. The costs of medical services associated with a particular illness or injury incurred by an inmate

while on work-release may be covered by workers' compensation, medical insurance, accident insurance, or any other policy of insurance or source of payment for medical and hospital expenses, but such costs shall not otherwise be the financial responsibility of SHP. In all cases, SHP shall be responsible for providing medical care for any inmate who presents to medical staff on-site at the Jail, including any inmate injured or infirmed while on work release or release for community service, to the extent such care can be reasonably provided on-site, or shall assist with arrangements to obtain outside medical care as necessary.

ARTICLE VIII: LIABILITY AND RISK MANAGEMENT.

8.1 Insurance. At all times during this Agreement, SHP shall maintain professional liability insurance covering SHP for its work at County, its employees and its officers in the minimum amount of at least one million dollars ($1,000,000.00) per occurrence and seven million dollars ($7,000,000.00) in the aggregate. SHP shall provide County with a Certificate of Insurance evidencing such coverage and shall have County named as an additional insured. In the event of any expiration, termination or modification of coverage, SHP shall notify County in writing.

8.2 Lawsuits Against County. In the event that any lawsuit (whether frivolous or otherwise) is filed against County, its elected officials, employees and agents based on or containing any allegations concerning SHP's medical care of inmates and the performance of SHP's employees, agents, subcontractors or assignees, the parties agree that SHP, its employees, agents, subcontractors, assignees or independent contractors, as the case may be, may be joined as parties defendant in any such lawsuit and shall be responsible for their own defense and any judgments rendered against them in a court of law.

Nothing herein shall prohibit any of the parties to this Agreement from joining the remaining parties hereto as defendants in lawsuits filed by third parties.

8.3 Hold Harmless. SHP agrees to indemnify and hold harmless the County, its agents and employees from and against any and all claims, actions, lawsuits, damages, judgments or liabilities of any kind arising solely out of the aforementioned program of health care services provided by SHP. This duty to indemnify shall include all attorneys' fees and litigation costs and expenses of any kind whatsoever. County or Sheriff shall promptly notify SHP of any incident, claim, or lawsuit of which County or Sheriff becomes aware and shall fully cooperate in the defense of such claim, but SHP shall retain sole control of the defense while the action is pending, to the extent allowed by law. In no event shall this agreement to indemnify be construed to require SHP to indemnify the County, its agents and/or employees from the County's, its agents' and/or employees' own negligence and/or their own actions or inactions.

County does hereby agree to indemnify and hold harmless SHP, its agents and employees from and against any and all claims, actions, lawsuits, damages, judgments or liabilities of any kind arising solely out of the operation of the facility and the negligence and/or action or inaction of the Sheriff, the County or their employees or agents. This duty to indemnify shall include all attorneys' fees and litigation costs and expenses of any kind whatsoever. SHP shall promptly notify the County of any incident, claim, or lawsuit of which SHP becomes aware and shall fully cooperate in the defense of such claim, but the County shall retain sole control of the defense while the action is pending, to the extent allowed by law. In no event shall this agreement to indemnify be construed to require the County to indemnify SHP, its agents and/or employees from SHP's, its agents' and/or employees' own negligence and/or their own actions or inactions.

ARTICLE IX: MISCELLANEOUS.

9.1 Independent Contractor Status. The parties acknowledge that SHP is an independent contractor engaged to provide for the delivery of health services to inmates at the Jail, as set forth in this Agreement. Nothing in this Agreement is intended nor shall be construed to create an agency relationship, an employer/employee relationship, or a joint venture relationship between the parties.

9.2 Assignment. Neither party may transfer, sell or assign its rights or obligations under this Agreement to any third party without the other party's express written consent, which consent shall not be unreasonably withheld; except that SHP may transfer or assign its rights or obligations under this Agreement to any corporate affiliate of SHP, or in connection with the sale of all or substantially all of the stock assets of the business of SHP, without the express written consent of the other party.

9.3 Notice. Unless otherwise provided herein, all notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally in hand or delivered by certified or registered first-class mail (return receipt requested, postage prepaid) or Federal Express, UPS or other reputable overnight courier service (with signed delivery confirmation), and transmitted by electronic mail transmission, including PDF (with delivery and read receipt confirmation), and addressed to the appropriate party at the following address and regularly-monitored electronic mail address of such party, or to any other person at any other address and regularly-monitored electronic mail address as may be designated in writing by the parties:

a. County: Polk County Board of Commissioners
40 Courthouse Street
Post Office Box 308
Columbus, NC 28722
Email: _____

b. SHP: Southern Health Partners, Inc.
2030 Hamilton Place Boulevard, Suite 140
Chattanooga, TN 37421
Attn: President
Email: jennifer.hairsine@southernhealthpartners.com and lacey.lafuze@southernhealthpartners.com

Notices shall be effective upon receipt regardless of the form used.

9.4 Governing Law and Disputes. This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of North Carolina, except as specifically noted. Disputes between the Parties shall, first, be formally mediated by a third party or entity agreeable to the Parties, in which case the Parties shall engage in good faith attempts to resolve any such dispute with the Mediator before any claim or suit arising out of this Agreement may be filed in a court of competent jurisdiction.

9.5 Entire Agreement. This Agreement constitutes the entire agreement of the parties and is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions and agreements that have been made in connection with the subject matter hereof. No modifications or amendment to this Agreement shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto. All prior negotiations, agreements and understandings with respect to the subject matter of this Agreement are superseded hereby.

9.6 Amendment. This Agreement may be amended or revised only in writing and signed by all parties.

9.7 Waiver of Breach. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof.

9.8 Other Contracts and Third-Party Beneficiaries. The parties acknowledge that SHP is neither bound by nor aware of any other existing contracts to which County is a party and which relate to the providing of medical care to inmates at the Jail. The parties agree that they have not entered into this Agreement for the benefit of any third person or persons, and it is their express intention that the Agreement is intended to be for their respective benefit only and not for the benefit of others who might otherwise be deemed to constitute third-party beneficiaries hereof.

9.9 Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of the Agreement which shall remain in full force and effect and enforceable in

accordance with its terms.

9.10 Liaison. The Polk County Sheriff or his designee shall serve as the liaison with SHP.

9.11 Cooperation. On and after the date of this Agreement, each party shall, at the request of the other, make, execute and deliver or obtain and deliver all instruments and documents and shall do or cause to be done all such other things which either party may reasonably require to effectuate the provisions and intentions of this Agreement.

9.12 Time of Essence. Time is and shall be of the essence of this Agreement.

9.13 Authority. The parties signing this Agreement hereby state that they have the authority to bind the entity on whose behalf they are signing.

9.14 Binding Effect. This Agreement shall be binding upon the parties hereto, their heirs, administrators, executors, successors and assigns.

9.15 Cumulative Powers. Except as expressly limited by the terms of this Agreement, all rights, powers and privileges conferred hereunder shall be cumulative and not restrictive of those provided at law or in equity.

9.16 Non-solicitation. SHP takes pride in its staff and has a significant investment in the training and professional development of our employees and independent contractors; they are valued members of our business. As such, during the term of this Agreement or within one (1) year after this Agreement's termination, the County and its agents agree not to solicit any employee or independent contractor of SHP on behalf of the County or any other business enterprise, nor to induce any employee or independent contractor associated with SHP to terminate or breach an employment, contractual or other relationship with the SHP. The County hereby acknowledges (1) that SHP will suffer irreparable harm if the obligations under this Agreement are breached; and, (2) the County agrees to pay a professional replacement fee of Seven Thousand Five Hundred Dollars ($7,500.00) per employee or independent contractor to compensate SHP for the estimated cost of replacing said employee or independent contractor. The foregoing shall not apply to any SHP employee or independent contractor who may have been employed by the County directly prior to this agreement start date.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement in their official capacities with legal authority to do so.

POLK COUNTY, NC
BY:

_____

_____

_____

Date: _____

ATTEST:

_____

Date: _____

SOUTHERN HEALTH PARTNERS, INC.
BY:

_____
Jennifer Hairsine, President and Chief Executive Officer

Date: _____

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act.

_____
Sandra Hughes, Government Unit Finance Officer

BUDGET AMENDMENT: CONTINGENCY
DATE: 7/22/2024 BOC Meeting
Dept.: **Sheriff**

BATCH #: _____ LINE_____
(for accounting use only)

Amendment # : **1 Contingency**

INCREASE EXPENSE

Description	GL ACCOUNT #		Amount
10-4310-1330-0	Overtime pay	$	10,047
10-4310-1810-0	FICA	$	768
10-4310-1820-0	Retirement	$	2,013
		$	12,828

DECREASE CONTINGENCY

Description		Amount	GL ACCOUNT #
Contingency	$	(12,828)	10-9300-9910-0

EXPLANATION: To pay overtime to 2 officers working for 10 hours every Saturday and Sunday from 6/29 - 8/11 in the Green River Cove area

Date approved & entered into the BOC minutes

COUNTY MANAGER

FINANCE OFFICER

Polk County Finance
Contingency Balance - FY25
Schedule of Budget Amendments

Contingency

Original Budget at July 1, 2024		$ 100,000	
Department	Unbudgeted Expense	Amount	
Sheriff	OT for Green River Cove area	12,828	07/22/24 *if approved*
	Total to date	$ 12,828	

Note: Negative amounts are increases to contingency NOT uses of contingency

Budget in contingency if approved **$ 87,172**

White Oak Manor

RECEIVED
JUN 19 2024
Polk County, NC

June 14, 2024

Polk County Emergency Medical Service
PO Box 308
Columbus, NC 28722

Re: **Agreement for Ambulance Services**, set forth on Exhibit A (the "Agreements")

Dear Sir or Madam:

The purpose of this letter is to notify you that White Oak Manor, Inc., its various subsidiaries and its affiliate White Oak Pharmacy, Inc. (collectively, "White Oak") have entered into a Purchase and Sale Agreement with NHC/OP, L.P., an affiliate of National HealthCare Corporation ("NHC") dated May 31, 2024 (the "Purchase Agreement"), pursuant to which NHC through its affiliate designees ("NHC Affiliate Designees") will acquire substantially all of the assets of White Oak (the "Transaction"). It is currently anticipated that the Transaction will close on July 31, 2024 and become effective as of **August 1, 2024** (such time as the Transactions actually close, the "Effective Time"). In connection with the Transaction, White Oak wishes to assign the Agreements to the applicable NHC Affiliate Designee set forth on Exhibit A), so that the applicable NHC Affiliate Designee may assume all of White Oak's rights and obligations under the Agreements arising after the Effective Time. Neither NHC nor any NHC Affiliate Designee will be liable for any obligations of White Oak which were incurred under the Agreements prior to the Effective Time.

White Oak respectfully requests you provide your consent to the assignment by White Oak of White Oak's rights, title and interest under the Agreements to the applicable NHC Affiliate Designee, and the assumption by such NHC Affiliated Designee of White Oak's post-Effective Time obligations thereunder by signing the Consent to Assignment and Assumption (the "Consent") on the following page and returning it in the manner set forth below. I would appreciate receiving an executed copy of the Consent as soon as possible. Once executed, please send the Consent to the attention of Kim Camby via overnight delivery service to our office at 130 East Main Street, Spartanburg, SC 29306, by United States mail to P.O. Box 3347, Spartanburg, SC 29304, or by e-mail to kcamby@WhiteOakManor.com. If the Transaction is not consummated for any reason whatsoever, the Consent shall be null and void, and of no legal force or effect.

Thank you in advance for your cooperation.

Sincerely,

Douglas M. Cecil
President

CONSENT TO ASSIGNMENT AND ASSUMPTION

In response to the request of White Oak Manor, Inc., set forth in that certain notice letter dated June 14, 2024 (the "Notice Letter"), which is hereby incorporated herein by reference, **Polk County Emergency Medical Service** hereby (i) consents to the assignment by White Oak of White Oak's right, title and interest under the Agreements to the applicable NHC Affiliate Designee set forth on Exhibit A hereto, (ii) waives any and all breaches of or defaults under the Agreements by White Oak which may occur as a result of or in connection with the proposed assignment, and (iii) waives any and all rights it may have to terminate the Agreements, in whole or in part, as a result of or in connection with the proposed Assignment. **Polk County Emergency Medical Service** hereby acknowledges that it has no knowledge of any breach or default by White Oak of any terms of the Agreements.

Polk County Emergency Medical Service further consents to the assumption of White Oak's post –Effective Time obligations under the Agreements by the applicable NHC Affiliate Designee; provided, however, that **Polk County Emergency Medical Service** acknowledges and agrees that neither NHC nor any NHC Affiliate Designee is assuming any obligations of White Oak under the Agreements (i) other than those obligations required to be performed after the Effective Time, (ii) that relate to arise from any breach, violation or default by White Oak prior to the Effective Time, or (iii) for the payment of money or the incurrence of other consideration or material liabilities to **Polk County Emergency Medical Service** which may be required by **Polk County Emergency Medical Service** as a condition to **Polk County Emergency Medical Service's** consent to the above described assignment to and assumption by the applicable NHC Affiliate Designee.

Capitalized terms used but not defined in this Consent to Assignment and Assumption shall have the meanings ascribed to them in the Notice Letter.

CONSENTED, ACKNOWLEDGED AND AGREED:

Polk County Emergency Medical Service

By:_____

Print Name:_____

Title:_____

Exhibit A

1. Agreement for Ambulance Services, by and between The County of Polk operating as the Polk County Emergency Medical Service and White Oak Manor Tryon, dated January 1, 2001, to be assigned to NHC HealthCare/Tryon, LLC.

HARPER | GENERAL CONTRACTORS

Polk County 911 Call Center
BaseBid
GMP Final
Schedule of Values
7/12/2024

Number	Description	Totals
00 70 00	General Conditions	296,282
01 20 00	Price and Payment Procedures (Allowances)	25,000
02 40 00	Demolition and Asbestos Abatement	139,650
03 30 00	Cast-in-Place Concrete	60,554
03 40 00	Precast Concrete	15,355
04 20 00	Unit Masonry	20,000
05 10 00	Structural Metal Framing	51,600
06 10 00	Rough Carpentry	15,000
06 40 00	Architectural Woodwork	91,770
07 20 00	Thermal Protection	8,080
07 50 00	Membrane Roofing (Patching)	12,598
07 80 00	Fire and Smoke Protection	14,850
07 90 00	Joint Protection	2,704
08 10 00	Doors and Frames	98,310
08 40 00	Entrances, Storefronts, and Curtain Walls	61,886
09 20 00	Plaster and Gypsum Board	227,864
09 30 00	Tiling	15,560
09 60 00	Flooring	50,385
09 90 00	Painting and Coating	27,770
10 10 00	Information Specialties	3,485
10 20 00	Interior Specialties	20,373
22 00 00	Plumbing	184,410
23 00 00	HVAC	606,477
26 00 00	Electrical	1,274,500
32 10 00	Asphalt patching	15,504
32 30 00	Site Improvements (Security Fencing)	87,519
	Cost of Work - Subtotal	3,427,486
	Building Permit	1926
	Bond	25,743
	Builder's Risk Insurance	4,624
	Procore	4,238
	AGC	385
	Business License	4,623
	Construction Contingency	187,656
	CMAR Contractor Fee	210,780
	CMAR GMP For Construction	**3,867,461**
	Original Grant Construction Budget	**-3,317,306**
	7.22.24 Grant Project Budget Amendment - Cost Difference	**$550,155**

COUNTY OF POLK, NORTH CAROLINA

PROJECT BUDGET ORDINANCE
Polk County 911 Grant

BUDGET EXPENDITURES

	Budget	Original 12/6/2021	Amended 2/21/2022	Amended 7/22/2024
Professional Fees	41-4326-5800-2	$ 747,760	$ 747,760	$ 747,760
Building/Improvements	41-4326-5800-0	3,317,306	3,317,306	3,867,461
Capital Outlay	41-4326-5000-0	287,628	287,628	287,628
Total Expenditures		$ 4,352,694	$ 4,352,694	$ 4,902,849

REVENUES

Transfer-in -ARPA Grant Funds	41-3981-9822	$ 1,939,730	-	
NC911 Grant Funds	41-3258-0000	2,412,964	2,412,964	2,412,964
General Fund Appropriation	41-3330-0800	-	1,939,730	2,489,885
Total Revenues		$ 4,352,694	$ 4,352,694	$ 4,902,849

12/06/2021: Polk County 911 Grant Master Budget using ARPA funds transferred from the Special Revenue Fund as the match to the NC911 Grant

2/21/2022: Use GF fund balance instead of ARPA funds based on the Final Rule

7/22/2024: Increasing Building Improvements $550,155 based on current construction costs funded by GF appropriation

Date approved & entered into the BOC minutes

COUNTY MANAGER

FINANCE OFFI FINANCE OFFICER

-Project Ordinance: 911 Grant & Match

POLK COUNTY FINANCE

BUDGET AMENDMENT: GENERAL FUND BALANCE

DATE: 7/22/2024 BOC Meeting BATCH #: _____ LINE_____

Dept.: Transfer to 911 Project

Amendment # : 1-F Fund balance

INCREASE EXPENSE			INCREASE FUND BALANCE APPROPRIATED		
GL ACCOUNT #			GL ACCOUNT #		
10-9800-9841-0	Transfer Out	$ 550,155	10-3991-0000	Fund Balance Approp	$ (550,155)
		550,155			(550,155)

EXPLANATION: To appropriate fund balance for the NC911 Capital Project

_____

Date approved & entered into the BOC minutes

_____ _____

COUNTY MANAGER **FINANCE OFFICER**