

**DRAFT INTERLOCAL AGREEMENT FOR
MOBILE INTEGRATED HEALTH SERVICES PILOT PROGRAM**

This **INTERLOCAL AGREEMENT FOR MOBILE INTEGRATED HEALTH SERVICES** (“Agreement”) is made and entered into this _____ day of _____, 2026 (the “Effective Date”), by and between **SAN JUAN COUNTY FIRE PROTECTION DISTRICT NO. 2** (“Orcas Fire”), and **SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT NO. 3 D/B/A ORCAS ISLAND HEALTH CARE DISTRICT** (“OIHCD”). Orcas Fire and OIHCD may be referred to together as the “Parties,” and individually as a “Party.”

I. RECITALS

WHEREAS, Chapter 39.34 RCW authorizes local governments to enter into agreements for joint and cooperative undertakings;

WHEREAS, RCW 35.21.930 authorizes Orcas Fire, as a fire protection district, to develop and establish a Community Assistance, Referral, and Education Services (“CARES”) program to provide community outreach and assistance to residents of Orcas Island who frequently rely on 911 and emergency services for low-acuity or non-emergent needs;

WHEREAS, OIHCD and Orcas Fire have jointly developed a Mobile Integrated Health (“MIH”) pilot program for Orcas Island that will be funded, administered, and operated under the statutory authority referenced above;

WHEREAS, the Parties collaborated to develop a proposal that identifies (i) program objectives; (ii) target population; (iii) roles and responsibilities; (iv) staffing structure; (v) program budget; (vi) funding and reimbursement considerations; (vii) program authority; (viii) clinical oversight, governance, oversight and program advisory body, evaluation metrics, and an implementation timeline, among other elements, and further, the Parties have established a scope of services for a pilot program as outlined in the attached **Exhibit A** (Orcas Island Mobile Integrated Health Scope of Services);

WHEREAS, Orcas Fire affirms it has the capacity and ability to provide qualified personnel to perform the activities described in this Agreement;

WHEREAS, the Parties acknowledge that a continuation of the MIH Program beyond the pilot period will require an updated, separate agreement between the Parties; and

WHEREAS, the Parties agree that a joint undertaking structured generally as follows is the appropriate structure for the pilot program to provide MIH services: (i) Orcas Fire will employ program staff, provide operational control, and contract for third-party services as needed; (ii) OIHCD will serve as a joint funder of the program as defined and limited in this Agreement; and (iii) the Parties will establish a Joint Oversight Advisory Committee, as defined herein.

II. AGREEMENT

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and obligations contained herein, the Parties mutually agree as follows:

1. **RECITALS.** The “whereas” recitals set forth above are incorporated herein as a material part of this Agreement.

2. **DEFINITIONS.**

2.1. “Allowable Expense” means any direct cost or expenditure identified in **Exhibit B**. Allowable Expenses are those expenses intended to be applied against the Total Expense Budget amount (the funds established via direct funding), as further defined herein, and against any Outside Program Income when such expenses are actually incurred and documented by Orcas Fire. Additional costs and expenses may be incurred by the Parties to perform under this Agreement.

2.2. “Effective Date” means the date this Agreement is signed by both Parties.

2.3. “Fiscal Period” means the twelve (12)-month period beginning on January 1st and ending on December 31st of each calendar year.

2.4. “Joint Oversight Advisory Committee” or “Committee” means the oversight committee comprised of representatives of both Parties that will provide advisory program oversight as further defined below.

2.5. “Key Performance Indicator” or “KPI” means a measurable factor or metric used to objectively assess the MIH Program’s performance.

2.6. “MIH Program Account” means a distinct account or set of accounts within the Orcas Fire’s existing accounting system that will be used to track all revenues, expenditures, assets, and liabilities associated with the Agreement to allow for generating discrete financial reports for the MIH Program to satisfy audit and monitoring requirements, all in accordance with generally accepted accounting principles for governmental entities. For clarity, such MIH Program Account will not be a separate enterprise fund.

2.7. “MIH Services” or “MIH Program” means the services, including administrative and operational support, outlined in **Exhibit A**, and limited to those activities authorized by applicable law.

2.8. “Pilot Period” means the twenty-four (24)-month period commencing on the Effective Date.

2.9. “Outside Program Income” means revenue received by either Party designated for the MIH Program from outside sources such as donations, grants, or billing.

2.10. “Third-Party Service Providers” means contracted service providers that may be used by Orcas Fire in the provision of MIH Services, if needed.

2.11. “Total Expense Budget” means the amount approved by the governing bodies of the Parties for a Fiscal Period for direct funding of this Agreement. By way of example, the 2026 Total Expense Budget is Fifty Thousand Dollars (\$50,000.00).

3. **EXHIBITS.** The following documents are attached to this Agreement for the purpose of further defining the relationship between the Parties:

3.1. **Exhibit A** – Orcas Island Mobile Integrated Health Scope of Services; and

3.2. **Exhibit B** – Pilot Period Budget

4. **RESPONSIBILITIES OF THE PARTIES.** The Parties will work cooperatively with each other and with the Joint Oversight Advisory Committee. Each Party's responsibilities in furtherance of this purpose are identified as follows:

4.1. Orcas Fire shall be responsible for the following:

4.1.1. Establish and maintain an MIH Program Account.

4.1.2. Contribute Twenty-Five Thousand Dollars (\$25,000.00) to the MIH Program Account.

4.1.3. Provide defined MIH Services throughout Orcas Island using Orcas Fire employees or through Third-Party Service Providers.

4.1.4. Provide all equipment and supplies necessary for the MIH operations, including, but not limited to, Cardiac Monitors, MIH equipment, MIH response SUV, and a laptop.

4.1.5. Train Emergency Medical Technicians ("EMTs") to conduct MIH intake and resource coordination.

4.1.6. Train all Orcas Fire field staff regarding the purpose of the MIH Program and when and how to refer patients to the MIH Program.

4.1.7. Employ and undertake the duties of an employer for all Orcas Fire MIH staff.

4.1.8. Procure and administer all contracts needed to support the MIH Program.

4.1.9. Serve as the program administrator as envisioned in RCW 39.34.030(4)(a), and provide administrative and operational oversight for the MIH Services, including financial management, personnel management, operational functions, and legal matters.

4.1.10. Collect, collate, and share MIH Program data subject to all applicable confidentiality requirements imposed by law. Subject to such confidentiality requirements and, when necessary, the establishment of business associate agreements, MIH Program data will be shared with OIHCD and the Joint Oversight Advisory Committee, and may be shared with other providers and partners.

4.1.11. Endeavor to ensure program performance and reporting to the Joint Oversight Advisory Committee.

4.1.12. Jointly develop a shared community engagement and communication plan with OIHCD to promote the MIH Program.

4.1.13. Appoint two (2) Orcas Fire Commissioner members to the Joint Oversight Advisory Committee and cooperate with OIHCD to coordinate meetings of the Committee.

4.2. OIHCD shall be responsible for the following:

4.2.1. Provide funding to Orcas Fire for the MIH Program as detailed below in Section 5.

4.2.2. Provide project implementation support via the OIHCD Community Health Project Manager, an employee of OIHCD, up to a maximum of ten (10) hours per week.

4.2.3. Endeavor to ensure MIH Program performance through the Joint Oversight Advisory Committee.

4.2.4. Jointly develop a shared community engagement and communication plan with Orcas Fire to promote the MIH Program.

4.2.5. Appoint two (2) OIHCD Commissioner members to the Joint Oversight Advisory Committee and cooperate with Orcas Fire to coordinate meetings of the Committee.

5. **BUDGET AND PAYMENTS.**

5.1. **Budget.** The Parties shall jointly establish the budget for the MIH Program, including the Total Expense Budget and Allowable Expense amounts. The Parties have jointly established a Total Expense Budget in the amount of Fifty Thousand Dollars (\$50,000.00) for the 2026 Fiscal Period. The Parties have also tentatively established the budget for the period following 2026 to cover the duration of the Pilot Period provided, however, that such budget amounts are subject to change and must be approved through the Parties' regular budget adoption process. The budget amounts for the Pilot Period are detailed in **Exhibit B**. Adjustments to **Exhibit B** based on the Parties' budget adoption process or Outside Program Income shall be reflected in an updated exhibit and attached to this Agreement.

5.2. **Allocation.** For 2026, the Parties agree to provide direct funding to cover the Total Expense Budget according to the following allocation:

5.2.1. OIHCD – Twenty-Five Thousand Dollars (\$25,000.00); and

5.2.2. Orcas Fire – Twenty-Five Thousand Dollars (\$25,000.00).

5.3. **Amount and Method of Payment.** OIHCD shall provide funding to Orcas Fire via fixed-amount, monthly lumpsum advances as follows:

5.3.1. In the 2026 Fiscal Period, OIHCD shall pay Orcas Fire a total payment amount of Twenty-Five Thousand Dollars (\$25,000.00), to be paid in equal monthly installments of Four Thousand One Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$4,166.67) commencing July 1, 2026, based on invoices issued by Orcas Fire.

5.3.2. Orcas Fire shall submit an invoice to OIHCD based on the agreed-upon fixed amount and shall not be required to submit supporting documentation for individual expenditures. OIHCD shall remit payment to Orcas Fire within thirty (30) days of receipt of the invoice, and Orcas Fire shall deposit the funds into the MIH Program Account.

5.4. **Expenditure Tracking and Pilot Period Financial Report.** Orcas Fire shall track all MIH Program-related expenditures within the MIH Program Account, including Allowable Expenses. No later than the three (3) months following the end of the Pilot Period, Orcas Fire shall submit a financial report to OIHCD. This report will, at a minimum, (i) detail all Allowable Expense expenditures applied against the lump-sum advances provided by OIHCD, Orcas Fire's direct funding contribution, and the Outside Program Income; and (ii) calculate the total Allowable Expense expenditures for the Pilot Period.

5.5. **Cost Sharing Application.** Advanced funds from OIHCD and Orcas Fire's direct funding contribution shall be applied to cover the total Allowable Expenses on a pro rata basis based on each Parties' direct funding contribution.

5.6. **Budget Surplus.** Subject to any requirements or conditions of grant funding and other Outside Program Income, in the event OIHCD funds advanced in the Pilot Period exceed OIHCD's pro rata share of Allowable Expenses, the pro rata surplus amount shall be reimbursed to OIHCD; provided, however, that the Parties may mutually agree in writing to apply any unspent funds to continuing services or as otherwise allowed by law.

5.7. **Budget Shortfall.** The Parties intend that the maximum direct funding obligations of OIHCD and Orcas Fire under this Agreement are limited to the Total Expense Budget. Orcas Fire shall notify OIHCD in writing promptly, and in no event later than thirty (30) days prior, if it has reason to believe that the Allowable Expenses for the MIH Program will exceed the Total Expense Budget and Outside Program Income. Such notice shall include a revised estimate and a detailed justification for the additional costs. Upon receipt of such notice, the Parties shall meet in good faith to determine whether to (i) increase the Total Expense Budget via a written amendment; (ii) modify the scope of work to remain within the existing Total Expense Budget; or (iii) terminate the Agreement.

5.8. **Subsequent Fiscal Period(s).** For each Fiscal Period following 2026, the Total Expense Budget and OIHCD's monthly payment shall be updated after approval of the direct funding contribution by each of the governing bodies of the Parties.

6. **REOPENER FOR OUTSIDE PROGRAM INCOME.** Exhibit B reflects Outside Program Income from certain grants known as of the Effective Date of this Agreement. After the Effective Date of this Agreement, the Parties may receive other Outside Program Income. In the event Orcas Fire or OIHCD intends to begin receiving other Outside Program Income, such Party shall provide notice to the other Party of this intention, and the Parties and/or the Joint Oversight Advisory Committee will meet to negotiate in good faith to amend the financial terms of this Agreement. The scope of these negotiations shall include, but not be limited to, (i) whether

Outside Program Income will be used to reduce direct funding obligations, applied to other costs, or applied to expand services; or (ii) otherwise used in support of the MIH Program. If the Parties cannot reach a written agreement on the modified financial terms within sixty (60) days of the initial notice, either Party may terminate this Agreement.

7. **QUARTERLY REPORTS.** Within thirty (30) days following the end of each calendar quarter, Orcas Fire shall provide the Joint Oversight Advisory Committee with a comprehensive financial report detailing the MIH Program's financial activity (the "Quarterly Report"). The content and format of the Quarterly Report shall be developed jointly by the Parties or the Committee, and shall include (i) costs, including Allowable Expenses identified in **Exhibit B**; (ii) Outside Program Income if any; (iii) net MIH Program costs; and (iv) any Total Expense Budget variance(s) and other variance(s). Upon request of OIHCD or the Committee, Orcas Fire shall provide supporting documentation related to the Quarterly Report.

8. **JOINT OVERSIGHT ADVISORY COMMITTEE.**

8.1. **Membership.** The Parties shall jointly establish a committee comprised of the following representatives:

a. Two (2) Orcas Fire Commissioners, appointed by the Orcas Fire Board of Commissioners;

b. Two (2) OIHCD Commissioners, appointed by the OIHCD Board of Commissioners;

c. The Fire Chief of Orcas Fire; and

d. The Superintendent of OIHCD.

8.1.1. The representatives shall serve at the pleasure of their appointing governing body.

8.2. **Authority of Committee.** The Joint Oversight Advisory Committee shall be an advisory body that will oversee the implementation and performance of this Agreement and the implementation, operation, and administration of the MIH Program, to include reviewing the program budget, finances, staffing model, performance outcomes (including KPI framework), potential expansion, and operational matters (collectively, the "Program Elements"), and the consideration of adjustments to Program Elements. The role of the Committee shall be to advise the Parties and their governing bodies, and to facilitate communication between the Parties. Each Party shall, within its respective responsibilities, coordinate and implement the MIH Services in accordance with best practices and Committee recommendations. Neither the Committee nor its members are delegated authority to act on behalf the governing bodies of Orcas Fire or OIHCD. The Committee will not receive public comment or testimony. The Committee shall not have the authority to amend this Agreement, to bind the Parties to expenditures exceeding the authorized Total Expense Budget, or to amend the budget. The governing body of each Party reserves ultimate decision-making authority over its respective expenditures and budgets.

8.3. **Committee Meetings and Process.** The Committee shall meet at least quarterly. Special meetings may be called by either Party. The Committee shall endeavor to reach consensus prior to voting on recommendations. The Committee will adopt its own rules of procedure to govern its meetings and process, so long as they do not contradict this Agreement, including rules regarding quorum, voting rights, minimum affirmative votes for making a recommendation, and inclusion of ad hoc members and other participants. Meetings shall be held at a mutually agreed-upon location or via remote means. The administrative staff of each Party shall, on a rotating basis, assume administrative support responsibility for meetings, including coordination, facilitation, minute-taking, and other administrative duties. All records, including minutes, documents, and electronic communications generated by the Committee, shall be retained and disclosed in accordance with the Public Records Act.

9. **PROPERTY.** Orcas Fire shall be responsible for the acquisition, holding, repair, maintenance, upkeep, and disposing of any personal property needed or used for purpose of this Agreement.

10. **DURATION.** This Agreement shall commence on the Effective Date and continue for the duration of the Pilot Period.

11. **TERMINATION.**

11.1. **Termination for Convenience.** Either Party may terminate this Agreement, in whole or in part, without cause and for its own convenience, or if the governing body of such Party fails to appropriate funds for this Agreement for any Fiscal Period, upon providing ninety (90) days' written notice to the other Party.

11.2. **Termination for Cause.** Either Party may terminate this Agreement effective immediately upon written notice if the other Party materially breaches any of the terms, covenants, or conditions of this Agreement; provided, however, that the breaching Party is given a thirty (30)-day opportunity to cure the breach following receipt of such written notice detailing the breach. If the breach is not cured within said thirty (30)-day period, the non-breaching Party may terminate this Agreement upon further written notice. Material breaches include, but are not limited to:

11.2.1. Failure of OIHCD to provide payment as provided by this Agreement;
and

11.2.2. Failure of Orcas Fire to perform MIH Services according to the terms or conditions of this Agreement.

11.3. **Termination for Impasse.** Either Party may terminate this Agreement by providing at least sixty (60) days' prior written notice to the other Party upon reaching impasse in the negotiations contemplated in Sections 5.7 and 6.

11.4. **Effect of Termination.** Upon notice of termination by either Party, Orcas Fire, for the duration of the notice period, will continue to provide MIH Services at the same level and quality as previously required, Orcas Fire will provide all necessary data, records, or documentation to OIHCD for purposes of closing out the Agreement, and the Parties covenant to cooperate to transition services and funding in the best interests of the public. OIHCD shall

continue to make the agreed-upon monthly payments through the effective date of termination, which shall be prorated for any partial month of service.

12. **CONTRACT REPRESENTATIVES.** The following individuals are designated as representatives under this Agreement. The representatives shall be responsible for administration, coordination, and monitoring their Party's performance under this Agreement. Each Party shall notify the other Party in writing of changes to the following designations:

12.1. Orcas Fire's representative shall be the Fire Chief of San Juan County Fire District No. 2, or their designee(s); and

12.2. OIHCD's representative shall be the District Superintendent of the Orcas Island Health Care District, or their designee(s).

13. **IMPRACTICABILITY AND FORCE MAJEURE.** Neither Party shall be required to perform any obligation to the extent the performance or the provision of such becomes impracticable as a result of a cause or causes outside of the reasonable control of the respective Party, or to the extent the performance of such requires the Party to violate applicable laws, rules, or regulations, or results in the breach of any license, permit, or applicable contract. The obligations of the Parties under this Agreement are subject to conditions of force majeure, including an act of God, act of a public enemy, war, revolution, riot, or any other cause which is not reasonably within the control of the Party.

14. **INDEMNIFICATION.** Each Party (referred to in this Section 14 as the "Indemnifying Party") agrees to be responsible for and assume all liability, losses, and damages arising out of its own acts or omissions under this Agreement, or those of its officers, agents, or employees, to the fullest extent permitted by law. The Indemnifying Party agrees to save, indemnify, defend, and hold the other Party (referred to in this Section 14 as the "Indemnified Party"), its officers, and employees, harmless from and against any and all claims, demands, causes of action, or administrative proceedings arising from such acts or omissions, including but not limited to statutory and tort liability.

14.1. Notwithstanding the foregoing, the Indemnifying Party's obligations under this Section 14 shall be reduced in proportion to the degree that the act or omission by an Indemnified Party contributed to the loss, damage, or claim. Further, no Party shall be required to indemnify another Party for losses caused by that Party's own sole negligence or intentional wrongful acts.

14.2. It is further specifically and expressly understood that the indemnification provided herein constitutes each Party's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification and for the benefit of the other Party. This waiver has been mutually negotiated by both Parties. The provisions of this Section 14 shall survive the expiration or termination of this Agreement.

15. **INSURANCE.**

15.1. Each Party will carry throughout the period of this Agreement at its own expense the following minimum insurance, which must be primary and non-contributory, except that only Orcas Fire is required to carry Professional Liability insurance:

15.1.1. Comprehensive Commercial General Liability insurance in the amount of no less than One Million Dollars (\$1,000,000.00) for combined, single-limit bodily injury, including wrongful death, or property damage to defend and indemnify all activities and services covered by this Agreement with a commercial insurance carrier protected under the State of Washington Guaranty Fund or with a risk pool approved by the Insurance Commissioner of the State of Washington.

15.1.2. Auto liability insurance with limits of no less than One Million Dollars (\$1,000,000.00) for each person and/or One Million Dollars (\$1,000,000.00) for each occurrence for owned, hired, and non-owned automobiles used for any activities and services covered by this Agreement.

15.1.3. Statutory workers' compensation insurance and employer's liability insurance to cover employees and volunteers as required by Washington State and federal law.

15.1.4. Orcas Fire will carry Professional Liability insurance covering errors and omissions in the rendering of or failure to render medical or other health-related services by nurses and other MIH Program staff, with limits of not less than One Million Dollars (\$1,000,000.00) per claim and Two Million Dollars (\$2,000,000.00) in the aggregate.

15.2. Each Party shall provide evidence of insurance in the form of a Certificate of Insurance satisfactory to each Party, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth above. Each Party may request a duplicate (photocopy) of each insurance policy and endorsements noted above and the name, address, and telephone number of the broker who issued each one as evidence of coverage. Approval of insurance is a condition precedent to full execution, including continued compensation, of this Agreement. The maintenance of said insurance will not in any manner affect either Party's obligation to hold harmless and indemnify the other Parties as provided in this Agreement.

16. MAINTENANCE AND INSPECTION OF RECORDS.

16.1. Each Party shall maintain books, records, and documents, which sufficiently and properly reflect all work related to the performance of the Agreement. In addition, each Party shall maintain all accounting records in a form necessary to assure proper accounting of all funds paid pursuant to this Agreement. All of the above shall be subject at all reasonable times to inspection, review, or audit by either Party, its authorized representative, the Washington State Auditor, or other governmental officials authorized by law to monitor this Agreement.

16.2. Each Party shall retain all books, records, documents, and other material relevant to this Agreement for six (6) years after its expiration. Each Party agrees that its designee(s) shall have full access and right to examine any of said materials at all reasonable times during said period.

17. OWNERSHIP OF WORK PRODUCTS. Each Party shall have the right to use and distribute any and all documents, writings, programs, data, public records, or other materials prepared by either Party (and/or either Party's contractors, consultants, and/or subcontractors), in connection with performance of the Agreement. The Parties recognize and agree that any

documents and/or materials arising from and/or related to this Agreement may be subject to public disclosure pursuant to applicable law.

18. **INDEPENDENT CONTRACTOR RELATIONSHIP.** The Parties intend that an independent contractor relationship between the Parties will be created by this Agreement. Subject to the provisions herein, the implementation of services will lie solely within the discretion of Orcas Fire. No agent, employee, servant, or representative of a Party shall be deemed to be an agent, employee, servant, or representative of the other Party for any purpose, and the employees of a Party are not entitled to any of the benefits the other Party provides for its employees. Each Party shall be solely responsible for supervision of its employees.

19. **INDEPENDENT MUNICIPAL GOVERNMENTS.** The Parties hereto are independent municipal corporations. Except for the specific terms herein, nothing herein shall be construed to limit the discretion of the governing bodies of each Party. Nothing in this Agreement shall be construed to create a joint entity between the Parties.

20. **MEDIATION.** The Parties shall attempt to resolve any controversies or disputes arising out of or relating to this Agreement through a good faith attempt at mediation. Each Party will pay its own attorneys' fees and costs.

21. **ARBITRATION.**

21.1. Any controversy or claim arising out of or relating to this Agreement that is not resolved through mediation, as outlined in Section 20, above, shall be resolved by final and binding arbitration pursuant to RCW 7.04A. A demand for arbitration shall be made in writing to the other Party subject to the dispute. The arbitration shall be held in San Juan County before a single arbitrator selected by the Agreement of the Parties. If the Parties cannot agree upon an arbitrator within fifteen (15) days after the demand for arbitration is made, the arbitrator shall be selected by a judge in the Superior Court of San Juan County in accordance with the procedures set out in RCW 7.04A.110.

21.2. Unless the Parties agree otherwise in writing, the arbitration hearing shall occur no later than sixty (60) days after the date the arbitrator is appointed.

21.3. The Parties agree that, with the exception of the circumstances set out in RCW 7.04A.230, the arbitrator's decision shall be binding, final, and not appealable to any court of law.

21.4. Each Party shall pay its own costs of arbitration, including attorneys' fees and costs. The arbitrator's fee and any administrative expenses imposed by the arbitrator shall be shared equally by the Parties.

21.5. This Agreement shall be governed by the laws of the state of Washington, both as to interpretation and performance.

22. **PRIVACY.** The Parties acknowledge and agree that medical and other healthcare-related records are protected by and subject to numerous laws, rules, and regulations regarding privacy, security, confidentiality, consent, access, and disclosure. The Parties shall comply with all privacy, security, confidentiality, consent, access, and disclosure requirements, including all

documentation and access requirements, of applicable federal and Washington State laws, rules, and regulations, including, without limitation, (i) the Washington State Uniform Health Care Information Act (RCW 70.02) Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. 1320d; and (ii) the implementing administrative simplification regulations codified at 45 C.F.R. Subtitle A, Subchapter C, Part 160 et. seq. (“HIPAA”), as they now exist or are hereafter amended. The Parties acknowledge and agree that neither Party is a “business associate,” as that term is defined by HIPAA, of the other Party with respect to each Party’s obligations hereunder as of the Effective Date. If either Party later becomes a business associate of the other Party with respect to a Party’s obligations hereunder, the Parties shall enter into or otherwise ensure that a mutually agreeable business associate agreement has been entered into by and between the Parties.

23. **COMPLIANCE WITH LAWS.** The Parties, in performance of this Agreement, agree to comply with all applicable local, Washington State, and/or federal laws and ordinances, including standards for the licensing, certification, and operation of facilities, programs, and accreditation, and the licensing of individuals and any other standards or criteria as described or implied in this Agreement to assure quality of services.

24. **NO THIRD-PARTY BENEFICIARIES.** This Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns. Nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

25. **NON-DISCRIMINATION.** The Parties are equal opportunity employers. Both Parties agree that they shall not discriminate against any employee or applicant on the grounds of race, color, religion, sex, sexual orientation, national origin, creed, marital status, age, veteran status, or the presence of any disability; provided, however, that the prohibition against discrimination in employment because of disability shall not apply if the particular disability prevents the particular worker involved from performing the occupational requirements of the job.

26. **POLITICAL ACTIVITY PROHIBITED.** None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition.

27. **NEUTRAL AUTHORSHIP.** Each Party represents and warrants that it has retained legal counsel to assist them in the preparation of this Agreement, and the Exhibits attached hereto. Each of the provisions of this Agreement have been reviewed and negotiated, and represent the combined work product of the Parties. No presumption or other rules of construction which would interpret the provisions of this Agreement in favor of or against the Party preparing the same shall be applicable in connection with the construction or interpretation of any of the provisions of this Agreement.

28. **WAIVER.** The waiver of, or the failure to take action with respect to, a Party’s breach of any term, covenant, or condition of this Agreement shall not be deemed to be a waiver of such term, covenant, or condition on any subsequent breach. All remedies afforded in this Agreement shall be taken as cumulative; that is, in addition to every other remedy provided herein or by law.

ORCAS FIRE:

**SAN JUAN COUNTY FIRE PROTECTION
DISTRICT NO. 2**

By: Chad Kimple
Its: Fire Chief

OIHCD:

ORCAS ISLAND HEALTH CARE DISTRICT

By: Chris Chord
Its: District Superintendent

EXHIBIT A
ORCAS ISLAND MOBILE INTEGRATED HEALTH SCOPE OF SERVICES

**EXHIBIT B
PILOT PERIOD BUDGET**