



COCHISE COUNTY PROCUREMENT DEPARTMENT

1415 Melody Lane, Building C, Bisbee, AZ 85603
Phone: (520) 432-8390 | Fax: (520) 432-8397

Professional Services Agreement

Health Department Safer Use Practices For the Smart & Safe Arizona Fund / Justice Reinvestment Fund

26-09-HEA-01

THIS AGREEMENT is made and entered into this November 01, 2025 by and between COCHISE COUNTY, hereinafter referred to as the COUNTY, and Cochise Harm Reduction (“CHR”) hereinafter referred to as the CONTRACTOR.

1.0 SCOPE OF SERVICES

The Contractor shall provide the labor, materials, transportation, expertise, and any other necessary resources to perform the services outlined throughout this document and its attachments, specifically those outlined within Exhibit B – Scope of Work.

2.0 COMPENSATION AND METHOD OF PAYMENT

In consideration for the performance of the services described herein, the County shall pay the Contractor the amounts as described in Attachment 2 – Pricing Schedule.

The Contractor shall not commence any billable work or provide any material or services under this Contract until Contractor receives an executed copy of the Professional Service Contract and/or purchase order or is otherwise directed to do so in writing by the County Procurement Office. The County will pay the Contractor within thirty (30) days of services rendered following the submission of itemized invoice(s) including the Contractor company name, phone, invoice number, email address, mailing address, itemized hourly accounting, case number, case name, prior County approval and for any services rendered. No payment shall be issued prior to receipt of service and correct invoice. Each payment request must bear written certification by an authorized County representative confirming the services for which payment is requested have been performed and received.

COUNTY: Barbara Lang
Director
Health and Social Services
520-432-9400
BLang@cochise.az.gov
1415 Melody Lane, Building A
Bisbee, Az 85603

COUNTY PROCUREMENT: Anne Coppola
Contract Administrator
Cochise County Procurement Department
(520) 432-8394
ACoppola@cochise.az.gov
1415 W Melody Lane, Building C
Bisbee, AZ 85603

CONTRACTOR: Lu Funk
Director, Cochise Harm Reduction
520-678-5266
lu@cochiseharmreduction.org
3041 South Box Turtle Road
Bisbee, AZ 85603

3.0 DURATION/RENEWALS

This Contract will remain in effect beginning on November 01, 2025, and remain in effect until October 31, 2026, unless terminated or canceled earlier pursuant to Section 4.0. The County may extend this Contract by furnishing an amendment before the expiration date of this contract.

4.0 TERMINATION/CANCELLATION

The County may cancel this Contract without penalty or further obligation pursuant to A.R.S. §38-511 if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the County is or becomes, at any time while the Contract or any extension of the Contract is in effect any employee of, or Contractor to any other party to this Contract with respect to the subject matter of the Contract. Such cancellation shall be effective when written notice from the County is received by the parties to this Contract unless the notice specifies a later time.

This Contract may also be terminated at any time by mutual written consent, or by the County, with or without cause, upon giving the thirty (30) days written notice to the Contractor. The County at its convenience, by written notice, may terminate this Contract, in whole or in part. If this Contract is terminated, the County shall be liable only for payment under the payment provisions of this Contract for services rendered and accepted material received by the County before the effective date of termination.

The County reserves the right to cancel the whole or any part of this Contract due to failure of the Contractor to carry out any term, promise or condition of the Contract. If the County intends to terminate the contract for cause, the County will issue a written ten (10) day notice of default to the Contractor for acting or failing to act any of the following, in the opinion of the County:

1. Contractor provides personnel who do not meet the requirements of the Contract.
2. Contractor fails to adequately perform the stipulations, conditions, or services/specifications required in the Contract.
3. Contractor attempts to impose on the County personnel, materials, products, or workmanship that is not of an acceptable quality.
4. Contractor fails to furnish the required service and/or product within the time stipulated in the Contract.

5. Contractor fails to make progress in the performance of the requirements of the Contract and/or gives the County a positive indication that Contractor will not or cannot perform to the requirements of the Contract.

5.0 ENFORCEMENT, LAWS, AND ORDINANCES

This contract shall be enforced under the laws of the State of Arizona. Contractor must comply with all applicable federal, state, and local laws, ordinances, and regulations. Contractor shall ensure payment of all taxes, licenses, permits, and other expenses of any nature associated with the provision of services herein. Contractor shall remain current with all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor.

6.0 INDEPENDENT CONTRACTOR CONTRACT

It is clearly understood that each party shall act in its individual capacity and not as an agent, employee, partner, joint ventures, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other party for any purpose whatsoever.

The Contractor is advised that taxes or social security payments shall not be withheld from a County payment issued hereunder and that Contractor should arrange to directly pay such expenses, if any. The County will not provide any insurance coverage to the Contractor including Workmen's Compensation coverage.

7.0 MODIFICATIONS

This Contract may be modified unilaterally or bilaterally. A unilateral modification shall only require the signature of an authorized representative of the County Procurement Department and shall only be used to enforce statutes, and/or regulations or to correct administrative errors. A bilateral modification shall require an amendment to the contract through a written modification signed by an authorized representative of the County Procurement Department and an authorized representative for the Contractor.

8.0 WAIVER

The failure of either party of this Contract to take affirmative action with respect to any conduct of the other which is in violation of the terms of this Contract shall not be construed as a waiver thereof, or of any future breach or subsequent wrongful conduct.

9.0 INDEMNIFICATION

To the extent allowed by law, Contractor shall indemnify, defend, and hold harmless Cochise County, and its officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses, including court costs, attorneys' fees, and costs of claim processing, investigation and litigation (hereinafter referred to as "Claims") for bodily injury (including death), personal injury, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors.

This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or

omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this Contract, the Contractor agrees to waive all rights of subrogation against Cochise County, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for Cochise County. The scope of this indemnity will not be limited by the Insurance Requirements contained herein.

10.0 INSURANCE

Contractor shall procure and maintain the required insurance until all their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, and/or employees.

The insurance requirements herein are minimum requirements for this Contract and in no way, limit the indemnity covenants contained in this Contract. The County of Cochise in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his/her agents, representatives, employees, and Contractor is free to purchase additional insurance as may be determined necessary.

10.1 MINIMUM SCOPE AND LIMITS OF INSURANCE

Contractor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a “following form” basis.

10.1.1 PROFESSIONAL LIABILITY (ERRORS AND OMISSION LIABILITY)

The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

Each Claim	\$1,000,000
Annual Aggregate	\$1,000,000

In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two (2) years beginning at the time work under this contract is completed. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

10.1.2 WORKER’S COMPENSATION AND EMPLOYER’S LIABILITY.

<u>Workers' Compensation</u>	<u>Statutory Employers' Liability</u>
Each Accident	\$1,000,000
Disease – Each Employee	\$1,000,000
Disease – Policy Limit	\$1,000,000

Policy shall contain a Waiver of Subrogation Endorsement, as required by the contract, in favor of the COUNTY.

This requirement shall not apply when a Contractor is exempt under A.R.S. 23-901, and when such Contractor executes the appropriate sole proprietor waiver form.

10.2 ADDITIONAL INSURANCE REQUIREMENTS

The policies shall include, or be endorsed to include the following provisions:

- 1 The Contractors insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
2. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

10.3 NOTICE OF CANCELLATION

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the County of Cochise. Within two (2) business days of receipt, Contractor must provide notice to the County of Cochise if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Cochise County Procurement Department, Attn: 25-03-HEA-01, 1415 Melody Lane, Building C, Bisbee, Arizona 85603.

10.4 ACCEPTABILITY OF INSURERS

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an “A.M. Best” rating of not less than A- VII. The County of Cochise in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

10.5 VERIFICATION OF COVERAGE

Contractor shall furnish the County with certificates of insurance (valid ACORD form or equivalent approved by the County) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

All such certificates of insurance and policy endorsements must be received by the County before work commences. The County’s receipt of any certificates of insurance or policy endorsements that do not comply with this written contract shall not waive or otherwise affect the requirements of this contract.

Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to:

Cochise County
Procurement Department
1415 Melody Lane Building C
Bisbee, Arizona 85603

The County project/contract number and project description shall be noted on the certificate of insurance. The County reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. DO NOT SEND CERTIFICATES OF INSURANCE TO THE COUNTY'S RISK MANAGEMENT DIVISION.

10.6 APPROVAL AND MODIFICATIONS

Any modification or variation from the insurance requirements in this Contract shall be made by the Contracting Agency in consultation with the Risk Management Department, whose decision shall be final. Such action will not require a formal Contract amendment but may be made by administrative action.

11.0 LEGAL ARIZONA WORKERS ACT COMPLIANCE

Contractor hereby warrants that it will, at all times, during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 23-214(A) (together the "State and Federal Immigration Laws"). The Contractor shall further ensure that each sub-Contractor who performs any work for the Contractor under this Contract likewise complies with the State and Federal Immigration Laws.

The County shall have the right at any time to inspect the books and records of the Contractor and any sub-Contractor to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of the Contractor's or any sub-Contractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting the Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a sub-Contractor, and the sub-contract is suspended or terminated as a result, the Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the sub-contract or retain a replacement sub-Contractor, (subject to County approval if MWBE preferences apply) as soon as possible so as not to delay project completion.

The Contractor shall advise each sub-Contractor of the County's rights, and the sub-Contractor's obligations, under this Section by including a provision in each sub-contract substantially in the following form:

"The subcontractor hereby warrants that it will, at all times, during the term of this Contract comply with all federal laws applicable to the sub-Contractor's employees and with the requirements of A.R.S. §23-

214(A). The sub-Contractor further agrees that the County may inspect the sub-Contractor's books and records to ensure that the sub-Contractor is in compliance with these requirements. Any breach of this paragraph by the sub-Contractor will be deemed to be a material breach of this Contract subjecting the sub-Contractor to penalties up to and including suspension or termination of this Contract.”

Any additional costs attributable directly or indirectly to remedial action under this Section shall be responsibility of the Contractor. In the event that remedial action under this Section results in delay to one or more tasks on the critical path of the Contractor's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which the Contractor shall be entitled to an extension of time, but not costs.

12.0 LEGAL REMEDIES

If the Contractor and Cochise County are unable to mutually resolve disputes arising under this contract, all disputes arising under or relating to this Contract shall be settled by binding Arbitration. Any decision or award because of any such arbitration proceeding shall be in writing and shall provide an explanation for all conclusions of law and fact and shall include the assessment of costs, expenses, and reasonable attorneys' fees. Any such Arbitration shall be conducted by an experienced and knowledgeable Arbitrator(s) and shall include a written record of the Arbitration hearing. If the Contractor and Cochise County can mutually agree upon an Arbitrator, that Arbitrator shall be selected. If not, the Contractor and Cochise County shall each select an Arbitrator and those two Arbitrators shall select a third Arbitrator (or the Contractor and Cochise County shall request a third Arbitrator from the Arizona Arbitration Association). All Arbitrations will be held in the State of Arizona and under the Arizona Rules of Arbitration. All claims and controversies shall be subject to A.R.S. § 12-1518 et. seq.

13.0 APPLICABLE LAW

This Contract shall be governed by local jurisdiction and the County and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this Contract or in statutes pertaining specifically to the State. The Law of the State of Arizona shall govern this Contract, and suits pertaining to this Contract shall be brought only in Federal or State Courts in the State of Arizona. This provision does not supersede or invalidate the arbitration requirement in Paragraph 12.0. titled Legal Remedies.

14.0 ATTACHMENTS

The following documents

1. Exhibit A – Pricing Schedule
2. Exhibit B – Scope of Work

15.0 AUTHORIZATION

The following parties are authorized to enter into legally binding contracts/contracts, respective to the organization they represent. Therefore, by signing below, all parties agree to the terms and conditions outlined herein, those incorporated by reference, as well as any attachments to this contract. This Contract represents the entire contract between the COUNTY and the CONTRACTOR relating to this requirement and shall prevail over all previous verbal and written contracts.

APPROVED BY:

CONTRACTOR

COCHISE COUNTY

Contractor Signature

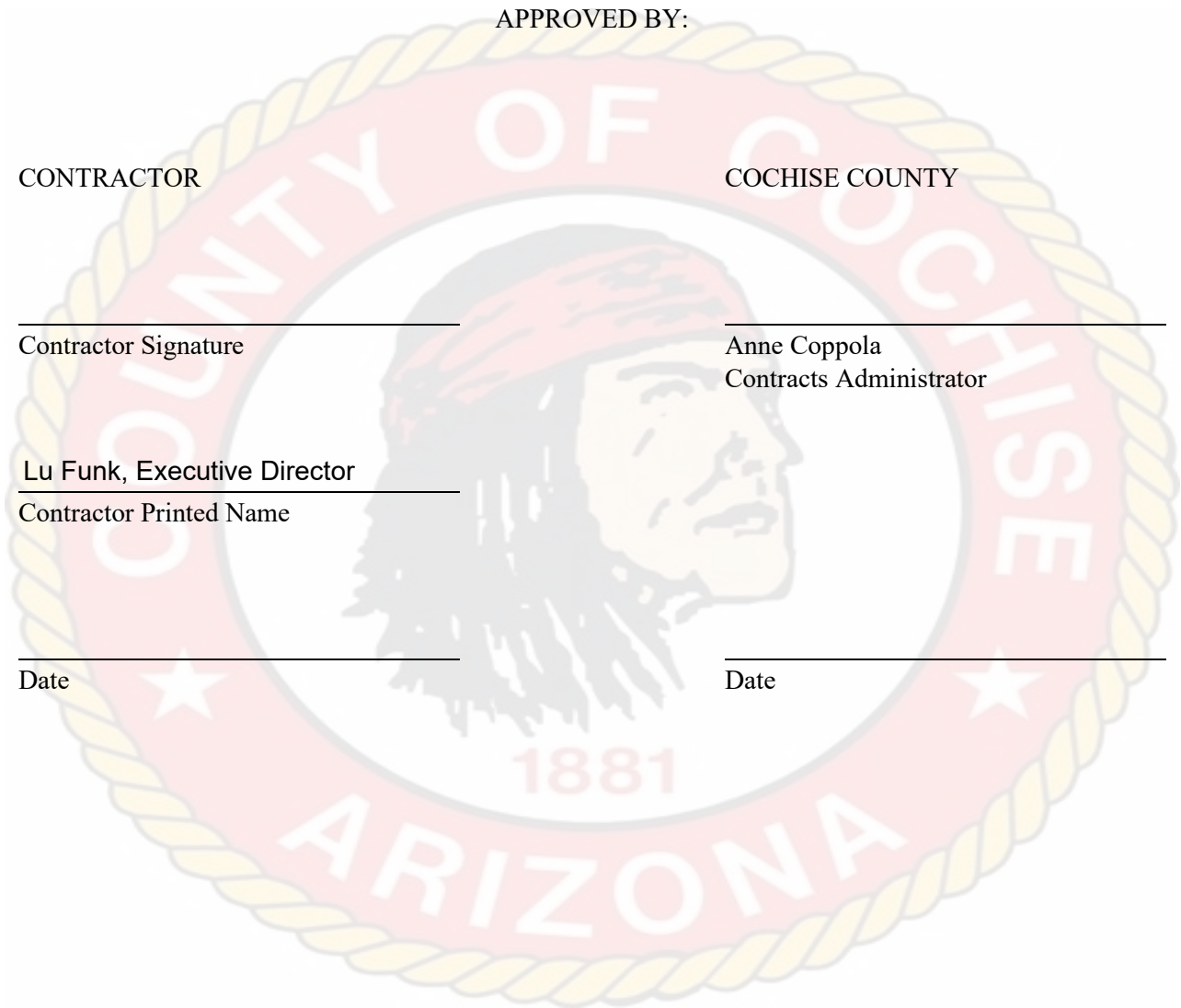
Anne Coppola
Contracts Administrator

Lu Funk, Executive Director

Contractor Printed Name

Date

Date





**COCHISE COUNTY
PROCUREMENT DEPARTMENT**

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PSA 26-09-HEA-01

Exhibit A – Fee Schedule

Cochise County Health and Social Services (CCHSS) will compensate CHR a total of \$145,000.00. All funds are to be expensed by October 31, 2026.

Contractor agrees to perform the services outlined in Exhibit B and provide a monthly, itemized invoice to CCHSS.

CCHSS will process the invoice within thirty (30) days of approval.



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Exhibit B – Scope of Work

Background: CHR is a grassroots harm reduction organization serving Cochise County. This organization mitigates the barriers to health care faced by those impacted by substance abuse. Their mission is to minimize the spread of infectious disease and the occurrence of overdose fatalities in the community. CHR provides direct services, education, outreach, and advocacy to Cochise County residents experiencing inequity in their health care needs.

In accordance with PSA 26-09-HEA-01, the Contracted Vendor shall provide all labor, materials, transportation, and expertise in order to accomplish Syringe Exchange and Harm Reduction Services. The Contractor shall complete the following tasks:

Task 1- Develop a work plan for the Initiative with significant detail.

Task 2- Deliver services to residents of Cochise County who use illicit drugs.

Task 3- Ensure services are made available throughout Cochise County.

Task 4- Submit quarterly narrative reports of efforts and how funds were expensed. CCHSS will communicate with Contractor on expected due dates of reports.

Reports will include:

- Documentation of expenses
- Number of clients served
- Number of services provided
- Success and Barriers
- A list of costs paid by the funds from this agreement with receipts.

Task 5- Maintain receipts for documentation in the event of an audit.