



**AMENDMENT NO. 2  
TO  
CONTRACT NO. MA-042-24011001  
FOR  
BEHAVIORAL HEALTH SERVICES IN  
SHORT-TERM RESIDENTIAL THERAPEUTIC PROGRAMS**

This Amendment ("Amendment No.2) to Contract No. MA-042-24011001 for Behavioral Health Services in Short-Term Residential Therapeutic Programs Services is made and entered into on July 1, 2026 ("Effective Date") between New Alternatives, Inc. ("Contractor"), with a place of business at 3589 Fourth Avenue San Diego, CA 92103, and the County of Orange, a political subdivision of the State of California ("County"), through its Health Care Agency, with a place of business at 405 W. 5th St., Ste. 600, Santa Ana, CA 92701. Contractor and County may sometimes be referred to individually as "Party" or collectively as "Parties".

**RECITALS**

WHEREAS, the Parties executed Contract No. MA-042-24011001 for Behavioral Health Services in Short-Term Residential Therapeutic Programs Services, effective July 1, 2024 through June 30, 2026, in an amount not to exceed \$24,000,000 ("Contract"); and

WHEREAS, the Parties executed Amendment No. 1 to amend various provisions of the Contract and Exhibit A of the Contract and to add Exhibit D to the Contract; and

WHEREAS, the Parties now desire to enter into this Amendment No. 2 to renew the Contract for three years for County to continue receiving and Contractor to continue providing the services set forth in the Contract and to amend Exhibit A of the Contract.

NOW THEREFORE, Contractor and County agree to amend the Contract as follows:

1. The Master Contract is renewed for a term of three (3) years, effective July 1, 2026, through June 30, 2029, in an amount not to exceed \$36,000,000 for this renewal term, for a revised aggregate amount not to exceed \$60,000,000.
2. Referenced Contract Provisions, Term provision and Aggregate Amount Not to Exceed provision, of the Master Contract are deleted in their entirety and replaced with the following:

"Term: July 1, 2024 through June 30, 2029

Period One means the period from July 1, 2024 through June 30, 2025

Period Two means the period from July 1, 2025 through June 30, 2026

Period Three means the period from July 1, 2026 through June 30, 2027

Period Four means the period from July 1, 2027 through June 30, 2028

Period Five means the period from July 1, 2028 through June 30, 2029

Aggregate Amount Not to Exceed:

Period One Aggregate Amount Not to Exceed: \$ 12,000,000

Period Two Aggregate Amount Not to Exceed: \$ 12,000,000

Period Three Aggregate Amount Not to Exceed: \$ 12,000,000

Period Four Aggregate Amount Not to Exceed: \$ 12,000,000

Period Five Aggregate Amount Not to Exceed: \$ 12,000,000

TOTAL AGGREGATE AMOUNT NOT TO EXCEED: \$ 60,000,000”

3. Exhibit A, Paragraph II. Budget, subparagraph A., of the Master Contract is deleted in its entirety and replaced with the following:

<u>“ADMINISTRATIVE COST</u>	<u>PERIOD ONE</u>	<u>PERIOD TWO</u>	<u>PERIOD THREE</u>	<u>PERIOD FOUR</u>	<u>PERIOD FIVE</u>
Salaries	212,992	N/A	N/A	N/A	N/A
<u>Benefits</u>	<u>51,118</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
SUBTOTAL ADMINISTRATIVE COST	\$261,110	N/A	N/A	N/A	N/A
PROGRAM COST					
Salaries	1,804,560	N/A	N/A	N/A	N/A
Benefits	433,094	N/A	N/A	N/A	N/A
Services & Supplies	326,632	N/A	N/A	N/A	N/A
Subcontracts	<u>247,880</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
SUBTOTAL PROGRAM COST	\$2,812,166	N/A	N/A	N/A	N/A
TOTAL GROSS COST	\$3,076,276	N/A	N/A	N/A	N/A
REVENUE					
Federal Medi-Cal	\$1,538,138.00	\$3,076,276	\$3,076,276	\$3,076,276	\$3,076,276
State (MHSA Prop 63)	<u>\$1,538,138.00</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
TOTAL REVENUE	\$3,076,276	\$3,076,276	\$3,076,276	\$3,076,276	\$3,076,276
TOTAL AMOUNT NOT TO EXCEED	\$3,076,276	\$3,076,276	\$3,076,276	\$3,076,276	\$3,076,276

1. Period Two through Period Five will be paid through a Fee for Service Structure, as outlined in the Payments Paragraph of this Exhibit A to the Contract. The Total Amount Not to Exceed is listed for reference purposes only. “

This Amendment No. 2 modifies the Contract, including all previous amendments, only as expressly set forth herein. Wherever there is a conflict in the terms or conditions between this Amendment No. 2 and the Contract, including all previous amendments, the terms and conditions of this Amendment No. 2 shall prevail. In all other respects, the terms and conditions of the Contract, including all previous amendments, not specifically changed by this Amendment No. 2 remain in full force and effect.

**SIGNATURE PAGE FOLLOWS**

**SIGNATURE PAGE**

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 2. If Contractor is a corporation, Contractor shall provide two signatures as follows: 1) the first signature must be either the Chairman of the Board, the President, or any Vice President; 2) the second signature must be either the Secretary, an Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution or by-laws demonstrating the legal authority of the signature to bind the company.

**NEW ALTERNATIVES, INC.**

klea galasso

Senior Manager

Print Name

Title

Signed by:

  
3B93878FEE2243E...

3/12/2026

Date

**County of Orange**, a political subdivision of the State of California

Purchasing Agent/Designee Authorized Signature:

Print Name

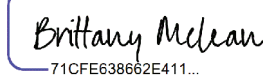
Title

Signature

Date

APPROVED AS TO FORM  
OFFICE OF THE COUNTY COUNSEL  
ORANGE COUNTY, CALIFORNIA

Signed by:

  
71CFE638662E411...

3/16/2026

DEPUTY