



MAYOR AND COUNCIL

Meeting No. 01-26
Monday, January 5, 2026 - 5:30 PM

AGENDA

Agenda item times are estimates only. Items may be considered at times other than those indicated.

Ways to Participate

If you require a reasonable accommodation, for community forum or a public hearing and need reasonable accommodations, please contact the City Clerk's Office by the Wednesday before the Monday meeting at 240-314-8280 or cityclerk@rockvillemd.gov or by filling this form: <https://www.rockvillemd.gov/FormCenter/City-Manager-2/Request-a-Reasonable-Accommodation-50>

Translation Assistance

If you wish to participate in person at a Mayor and Council meeting during community forum or a public hearing and may need translation assistance in a language other than English, please contact the City Clerk's Office by the Wednesday before the Monday meeting at 240-314-8280, or cityclerk@rockvillemd.gov, or by using this form: <https://www.rockvillemd.gov/FormCenter/City-Clerk-11/Sign-Up-for-Translation-Assistance-at-Co-368>

In-Person Attendance

Community members attending in-person who wish to speak during Community Forum, or a Public Hearing, should sign up using the form at the entrance to the Mayor and Council Chamber. In-person speakers will be called upon in the order they are signed to speak and before virtual speakers.

Note: In-Person Speakers will be called upon to speak before those who have signed up to speak virtually for Community Forum and Public Hearings.

Viewing Mayor and Council Meetings

The Mayor and Council are conducting hybrid meetings. The virtual meetings can be viewed on Rockville 11, Comcast, Verizon cable channel 11, livestreamed at www.rockvillemd.gov/rockville11, and available a day after each meeting at www.rockvillemd.gov/videoondemand.

Participating in Community Forum & Public Hearings:

If you wish to submit comments in writing for Community Forum or Public Hearings:

- Please email the comments to mayorandcouncil@rockvillemd.gov no later than 10:00 am on the date of the meeting.

If you wish to participate in-person or virtually in Community Forum or Public Hearings during the live Mayor and Council meeting:

1. Send your Name, Phone number, For Community Forum and Expected Method of Joining the Meeting (computer or phone) to mayorandcouncil@rockvillemd.gov no later than 10:00 am on the day of the meeting. Each speaker will receive 3 minutes.
2. Send your Name, Phone number, the Public Hearing Topic and Expected Method of Joining the Meeting (computer or phone) to mayorandcouncil@rockvillemd.gov no later than 10:00 am on the day of the meeting.
3. On the day of the meeting, you will receive a confirmation email with further details, and two Webex invitations: 1) Optional Webex Orientation Question and Answer Session and 2) Mayor & Council Meeting Invitation.
4. Plan to join the meeting no later than approximately 20 minutes before the actual meeting start time.
5. Read for <https://www.rockvillemd.gov/DocumentCenter/View/38725/Public-Meetings-on-Webex> meeting tips and instructions on joining a Webex meeting (either by computer or phone).
6. If joining by computer, Conduct a WebEx test: <https://www.webex.com/test-meeting.html> prior to signing up to join the meeting to ensure your equipment will work as expected.

Participating in Mayor and Council Drop-In (Mayor Ashton and Councilmember Valeri)

The next scheduled Drop-In Session will be held by phone or in-person on Monday, January 12 from 5:15 pm - 6:15 pm with Mayor Ashton and Councilmember Valeri. Please sign up by 10 am on the meeting day using the form at:

<https://www.rockvillemd.gov/formcenter/city-clerk-11/sign-up-for-dropin-meetings-227>

1. Convene - 5:30 PM

2. Pledge of Allegiance

3. Proclamation and Recognition - 5:35 PM

- A. Proclamation Declaring January 19, 2026, as Martin Luther King, Jr. Day in Rockville, Maryland
- B. Proclamation Declaring July 4, 2026 as the 250th Anniversary of America
- C. Recognition to the City of Rockville Recreation and Parks as a 2025 National Gold Medal Finalist for Excellence in Park and Recreation Management

4. Agenda Review 6:30 PM

5. City Manager's Report 6:35 PM

6. Boards and Commissions Appointments and Reappointments - NONE

7. Community Forum - 6:40 PM**8. Special Presentations - NONE****9. Consent Agenda - 7:00 PM**

- A. Award and Authorize the City Manager to Execute a Rider Agreement with Electric Advantage, Inc., a Maryland corporation, in the amount not-to-exceed \$250,000 for the initial term, with terms, including optional extensions for the same annual not-to-exceed amount, through April 18, 2029, and pricing consistent with Montgomery County Contract #1166626, for time and electrical maintenance, testing, and repair services.
- B. Award and Authorize the City Manager to Execute a Rider Agreement with Kiara's Landscaping Inc., a Maryland corporation, in the amount not-to-exceed \$500,000 for the initial term, with terms and pricing consistent with Montgomery County Contract #1175974, for time and material fencing services.
- C. Staff recommends the Mayor and Council award and authorize the City Manager to execute an agreement for the purchase of software, support, and professional services with UKG of Lowell, Massachusetts to replace the City's end-of-life employee time-keeping software in the amount of \$96,252 per year through July 14, 2029, with the possibility of three additional one-year renewals.
- D. Approval of Minutes

10. Public Hearing - NONE**11. Action Items - 7:05 PM**

- A. Adoption of an Ordinance to Amend Chapter 2 (Administration), Article II, Division 2 (Mayor and Council) of the Rockville City Code to, among other things, provide for certain rules and procedures for Mayor and Council meetings.

12. Worksession - 7:45 PM

- A. Mayor and Council Budget Priorities Discussion

13. Mock Agenda - 8:15 PM

- A. Mock Agenda

14. Old / New Business - 8:20 PM**15. Adjournment - 8:30 PM**



MAYOR AND COUNCIL Meeting Date: January 5, 2026
Agenda Item Type: PROCLAMATION
Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE
Responsible Staff: DANNY WINBORNE

Subject

Proclamation Declaring January 19, 2026, as Martin Luther King, Jr. Day in Rockville, Maryland

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff recommends Mayor and Council read, approve, and present proclamation to James Stowe, Director of the Montgomery County Office of Human Rights.

Discussion

Rev. Dr. Martin Luther King, Jr. (born Michael Luther King Jr., January 15, 1929 – April 4, 1968) was an American Baptist minister, activist, and political philosopher who was one of the most prominent leaders in the civil rights movement from 1955 until his assassination in 1968. Dr. King supported and advanced the civil rights for people of color in the United States through the use of nonviolent resistance and nonviolent civil disobedience against Jim Crow laws and other forms of legalized discrimination.

As a black church leader, Dr. King participated and lead marches for the right to vote, fair and equal wage rights desegregation, labor rights, and other civil rights afforded to other people. In 1963, Dr. King was one of the leaders and organizers of the “March on Washington,” where he delivered his most famous speech, “I Have a Dream.” Dr. King helped to organized two of the three Selma to Montgomery marches during the Selma voting rights movement.

The civil rights movement achieved significant legislative wins including the Civil Rights Act of 1964, the Voting Rights Act of 1965, and the Fair Housing Act of 1968. There were several dramatic and violent standoffs with segregationist authorities during these turbulent times.

Dr. King was jailed multiple times and became a target of constant surveillance, threats and harassment by J. Edgar Hoover, the director of the Federal Bureau of Investigation (FBI).

On October 14, 1964, it was announced that that Dr. King was awarded the Nobel Peace Prize for working to end racial inequality through nonviolent resistance.

On April 4, 1968, Rev. Dr. Martin Luther King, Jr. was assassinated in Memphis, Tennessee at the Lorraine Motel.

Dr. King was posthumously awarded Presidential Medal of Freedom in 1977, and the Congressional Gold Medal in 2004. The Martin Luther King, Jr. Memorial on the National Mall in Washington D.C. was dedicated in 2011. Source: Wikipedia.

Mayor and Council History

This is the second time the Mayor and Council have presented this proclamation.

Attachments

Proclamation Declaring January 19, 2026, as Martin Luther King, Jr. Day in Rockville, Maryland



WHEREAS, on November 2, 1983, a bill was signed into law, making the third Monday in January a federal holiday to honor and commemorate the incredible life and legacy of the **Rev. Dr. Martin Luther King, Jr.**; and

WHEREAS, **Dr. Martin Luther King, Jr.**, dedicated his life to peaceful, non-violent social change, the struggle for equality of all people, irrespective of their race, ethnicity, religion or color; and

WHEREAS, **Dr. Martin Luther King, Jr.**, became an activist by organizing and leading the Montgomery Bus Boycott, which lasted 382 days, and Dr. King was arrested nearly 30 times throughout his life, including for his role in the Montgomery Bus Boycott, during a sit-in in Atlanta, and for speeding; and

WHEREAS, in 1964, at the age of 35, Dr. King became the youngest person to receive the Nobel Peace Prize for his nonviolent struggle against racial oppression and tyranny, and this helped to strengthen Dr. King's resolve to continue to work tirelessly and courageously for peace, justice, racial equity, and fairness; and

WHEREAS, we can all learn from Dr. King's words: *"Make a career of humanity. Commit yourself to the noble struggle for equal rights. You will make a better person of yourself, a greater nation of your country, and a finer world to live in."*

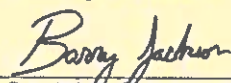
NOW, THEREFORE, the Mayor and Council, of the City of Rockville, Maryland, do hereby proclaim **January 19, 2026**, as **Martin Luther King, Jr. Day** in Rockville, Maryland, and call upon the residents of Rockville to observe this day by helping our families, friends, neighbors, co-workers, and leaders to better understand the value of providing grace, peace, dignity, tolerance and respect to everyone equally.




Monique Ashton, Mayor


Kate Fulton, Councilmember


Izola (Zola) Shaw, Councilmember


Barry Jackson, Councilmember


Mahsa Valeri, Councilmember


David Myles, Councilmember


Adam Van Grack, Councilmember

January 5, 2026



MAYOR AND COUNCIL Meeting Date: January 5, 2026

Agenda Item Type: PROCLAMATION

Department: CITY MANAGER'S OFFICE (CMO)

Responsible Staff: BARACK MATITIE

Subject

Proclamation Declaring July 4, 2026 as the 250th Anniversary of America

Department

City Manager's Office (CMO)

Recommendation

Staff recommends that the Mayor and Council read, approve, and present the proclamation to Debra Liverpool and Nancy Pickard from Peerless Rockville.

Discussion

July 1, 2026, marks the 250th anniversary of the United States of America (USA). Debra Liverpool, President of Peerless Rockville, and Nancy Pickard, Executive Director, will accept the proclamation. The celebration of the 250th anniversary of the USA is a major milestone and an opportunity to honor the resilience and contributions of all peoples who have built and enriched the nation while reaffirming our shared hope for a future rooted in justice, belonging, and civic responsibility – where every resident can thrive and participate fully in the community. The nation's 250th anniversary is also an opportunity for the City of Rockville to honor the full, complex nature of our nation's history and to affirm its ongoing commitment to building a strong future for all who call this community home.

Today's proclamation is the City's kick-off of a year-long celebration of our nation's 250th Anniversary. Throughout 2026, the City will incorporate the 250th Anniversary into City events, including a Town Center flag display, upgrades to Hometown Holidays and Fourth of July events, and event decor and giveaways. America 250 will be incorporated into remarks made by the Mayor and Councilmembers at events. Rockville has created a logo to commemorate America 250 and will create a website that will provide all the details.

Additionally, the City is engaged with Peerless Rockville. They are developing programming for America 250, and we will continue to work with them as they develop the details. The City of Rockville looks forward to celebrating this important milestone for our nation with the Rockville community.

Mayor and Council History

This is the first time that the Mayor and Council have issued a proclamation on this topic.

Attachments

Proclamation Declaring the 250th Anniversary of America in Rockville, Maryland



WHEREAS, the *American Revolution* (1765-1783) was a political conflict that involved the settlers of the **Thirteen Original Colonies** and Great Britain; and

WHEREAS, conflict began as **Great Britain** demanded loyalty from and sovereignty over the New Lands of America, its subjects, and continued taxation over its resources; and

WHEREAS, the people rebelled against the tyranny of **King George, III**, and **Britain**, and various taxes imposed on the **Thirteen Original Colonies**; and

WHEREAS, the Lee Resolution, also known as "*The Resolution for Independence*," was the formal assertion passed by the **Second Continental Congress** on **July 2, 1776**, holding that the Thirteen Colonies are "**free and independent States**" and separate from the British Empire; and

WHEREAS, the **Declaration of Independence**, formally **The Unanimous Declaration of the Thirteen United States of America**, the founding document of the United States, was unanimously adopted by the **Second Continental Congress** at the Pennsylvania State House on **July 4, 1776**; and

WHEREAS, we acknowledge that the **Thirteen Original Colonies** were built upon lands originally inhabited by *Indigenous Peoples* such as the **Shawnee, Seneca, Iroquois, Algonquian, Leni, Lenape, Mohegan, Pequot, Piscataway, Anacostank, Pamunkey, Mattapanient, Nangemeick, and Tauxehent**, and many others; and

WHEREAS, the **250th Anniversary** of the **United States** invites reflection on a national story marked by profound achievement and profound complexity—moments of courage, innovation, and aspiration alongside histories of injustice and at time exclusion, that shape communities across the country, including Rockville; and

WHEREAS, this milestone offers an opportunity for the City of Rockville to honor the resilience and contributions of all peoples who have built and enriched the nation while reaffirming our shared hope for a future rooted in justice, belonging, and civic possibility—where every resident is able to thrive and participate fully in the community we create together.

NOW THEREFORE, the Mayor and Council of the City of Rockville, Maryland, do hereby proclaim **July 4, 2026**, as the **250th Anniversary of America** in Rockville, Maryland, honoring the full, complex nature of our nation's history and affirming Rockville's ongoing commitment to building a strong future for all who call this community home.




Marissa Valeri, Mayor


Kate Fulkerson, Councilmember


Izola (Zola) Shaw, Councilmember


Barry Jackson, Councilmember


Marissa Valeri, Councilmember


David Myles, Councilmember


Adam Van Grack, Councilmember

January 5, 2026



MAYOR AND COUNCIL Meeting Date: January 5, 2026

Agenda Item Type: RECOGNITION

Department: RECREATION & PARKS

Responsible Staff: TERRI HILTON

Subject

Recognition to the City of Rockville Recreation and Parks as a 2025 National Gold Medal Finalist for Excellence in Park and Recreation Management

Department

Recreation & Parks

Recommendation

Staff recommends that Roslyn Johnson, Director of the City of Annapolis Department of Recreation and Parks present the 2025 National Gold Medal Finalist plaque to the City Manager, Mayor and Councilmembers and Recreation and Parks team members.

Discussion

Congratulations to the City of Rockville Department of Recreation and Parks for being a 2025 Gold Medal Finalist in the population category of 30,001 to 75,000.

The National Gold Medal Award honors public recreation and parks agencies and state park systems throughout the United States and armed forces recreation programs worldwide that demonstrate excellence in long-range planning, resource management, and innovative approaches to delivering superb recreation and park services with fiscally sound business practices.

The National Gold Medal Award Program is governed and administered by the American Academy of Parks and Recreation (AAPRA) in partnership with the National Recreation and Park Association (NRPA). The National Gold Medal Award Program is sponsored by Musco Lighting, LLC.

Each completed application is independently judged by a panel of five (5) recreation and parks professionals selected by AAPRA based on their management experience, agency size and type, geographic location, and diversity. From the pool of applications, the judges select four (4) agencies in each population category, the armed forces, and state parks as finalists.

The four (4) finalists in each category are announced at the end of April. The finalist and Grand Plaque Awards were presented at the 2025 NRPA Annual Park & Recreation Conference in Orlando, Florida.

Roslyn Johnson, Director for the City of Annapolis Department of Recreation and Parks and esteemed board member on AAPRA, is here at tonight's Mayor and Council Meeting to present the finalist plaque to the City Manager, Mayor, and Council members and Recreation and Parks team members.

Mayor and Council History

This is a special recognition of the Department of Recreation and Parks as a Gold Medal Award finalist for their Excellence in Park and Recreation Management.

Attachments



MAYOR AND COUNCIL Meeting Date: January 5, 2026

Agenda Item Type: CONSENT

Department: RECREATION & PARKS

Responsible Staff: STEVE MADER

Subject

Award and Authorize the City Manager to Execute a Rider Agreement with Electric Advantage, Inc., a Maryland corporation, in the amount not-to-exceed \$250,000 for the initial term, with terms, including optional extensions for the same annual not-to-exceed amount, through April 18, 2029, and pricing consistent with Montgomery County Contract #1166626, for time and electrical maintenance, testing, and repair services.

Department

Rec & Parks - Parks & Facilities

Recommendation

Staff recommends that the Mayor and Council award and authorize the City Manager to execute a rider agreement for an amount not to exceed \$250,000 for the initial term, with terms and pricing consistent with Montgomery County Contract #1166626 for time and electrical maintenance, testing, and repair services to Electric Advantage, Inc. of Rockville, Maryland through April 18, 2026, with the option to extend for (3) three additional years through April 18, 2029, for the same annual not-to-exceed amount, consistent with Montgomery County's extensions and renewals.

Discussion

The Department of Recreation and Parks will utilize this rider agreement at parks and facilities citywide. The Department of Public Works also plans to utilize this rider agreement to increase efficiency in implementing electrical upgrades associated with portions of the Electrical Vehicle (EV) Infrastructure CIP (GA23). Staff coordinated with several contractors to assess site and electrical conditions for EV infrastructure planning at several facilities. For a small subset of upcoming EV projects, staff determined that riding the Montgomery County Contract #116626 provides competitive pricing to effectively and efficiently implement electrical improvements needed to support fleet electrification and meet Maryland Energy Administration grant deadlines. For example, electrical panel upgrades are needed at the Recreation Services Building for safety and code compliance to support the installation of EV charging stations to serve Construction Management inspectors. Utilizing the Montgomery County Contract #116626 via this rider agreement also allows for these improvements to be made in a timely manner so that Construction Management inspectors driving EVs will no longer need to charge offsite at Fleet Services. The rider agreement is also needed to implement electrical upgrades for EV charging at 6 Taft Court to align with upcoming occupancy schedules.

Mayor and Council History

This is the first time this has been brought before Mayor and Council.

Procurement

Staff believes that this rider agreement is the best for the City because the scope fits the City's needs and the Montgomery County Contract #116626 has multiple line items with estimated quantities larger than the City's and, as such, provide more competitive pricing based on higher volume.

Electric Advantage is certified as a Small Business but is not MWBE certified.

In accordance with Section 17-71 of the Rockville City Code, Cooperative Procurement; (b) The City may contract with any contractor who offers goods, services, insurance or construction on the same terms as provided other state or local governments or agencies thereof who have arrived at those terms through a competitive procurement procedure similar to the procedure used by the City.

In accordance with Section 17-39 of the Rockville City Code, Awarding Authority, (a) All contracts involving more than two hundred and fifty thousand dollars (\$250,000.00) shall be awarded by the Council. Since the contract amount for the initial term plus all renewal options exceeds \$250,000, approval is required by Mayor and Council.

The Rider Agreement is attached to this agenda item as Attachment 1.

The Montgomery County Contract #116626, Exhibit A to the Rider Agreement, can be found at the following link:

<https://rockvillemd.legistar.com/View.ashx?M=AO&ID=170447&GUID=0bb8a47a-7894-44b0-ae33-0a07fd8d6662&N=RXhoaWJpdCBBIC1FbGVjdHJpYyBBZHZhbnRhZ2UgSW5jLiAtIGV4ZWN1dGVkIE1vbRnb21lcnkgQ291bnR5IENvbnRyYWN0IE5vIDExNjY2MjYgd2l0aCBhbWVuZG1lbnQucA%3d>

The Montgomery County RFP #116626 can be found at the following link:

<https://rockvillemd.legistar.com/View.ashx?M=AO&ID=170446&GUID=e7e21dcf-2d59-4aaa-891e-b918add11eb9&N=TW9udGdvbWVyeSBDb3VudHkgUkZQMTE2NjYyNiBFbGVjdHJpY2FslE1haW50ZW5hbmNlIFRlc3RpbmcgYW5kIFJlcGFpciBTZXJ2aWNlcy5wZGY%3d>

The Electric Advantage Response to the Montgomery County RFP #116626 with pricing can be found at the following link:

<https://rockvillemd.legistar.com/View.ashx?M=AO&ID=170445&GUID=fa594c8f-c8d6-4f0a-8c11->

[7f72521348d0&N=RWxIY3RyaWMgQWR2YW50YWdlIEluYy4gUmVzcG9uc2UgdG8gQ291bnR5IFJGUCAxMTY2Njl2IHdpdGggRmVlcY5wZGY%3d](https://www.montgomeryal.gov/7f72521348d0&N=RWxIY3RyaWMgQWR2YW50YWdlIEluYy4gUmVzcG9uc2UgdG8gQ291bnR5IFJGUCAxMTY2Njl2IHdpdGggRmVlcY5wZGY%3d)

Fiscal Impact

Funds are available in the operating budget of Recreation and Parks within the Parks and Facilities Maintenance Division and in the capital budget of Public Works within the Electric Vehicle Infrastructure (GA23) project (Attachment 2).

Funding in future years is subject to Mayor and Council appropriation.

Next Steps

Upon the Mayor and Council approval, the Procurement Department will obtain the Contractor's insurance, complete execution of the Rider Agreement, and issue a Master Agreement to Electric Advantage, Inc., for services.

Attachments

ATTACHMENT 1 - Rider Agreement RV-Montgomery Electric Advantage 20251110 Final,
ATTACHMENT 2 - GA23 CIP PAGE

**CITY OF ROCKVILLE
RIDER AGREEMENT**

This **CITY OF ROCKVILLE, MARYLAND RIDER AGREEMENT** (this “**Rider Agreement**”) is, made this ____ day of _____, 2025 (the “**Effective Date**”), by and between **THE MAYOR AND COUNCIL OF ROCKVILLE**, a body politic and municipal corporation of the State of Maryland, acting through its City Manager (the “**Mayor and Council**” or the “**City**”), and **ELECTRIC ADVANTAGE, Inc.**, a Maryland corporation (the “**Contractor**”). Individually, the Mayor and Council and the Contractor may each be referred to hereinafter as the “**Party**,” or collectively as the “**Parties**.”

RECITALS

1. **WHEREAS**, the Mayor and Council desire to procure, on behalf of the City of Rockville Departments of Recreation and Parks and Public Works (collectively, the “**Departments**”), certain services for electrical maintenance, testing and repair services (“**Services**”) which will enable the Departments to, among other things, update electric vehicle charging stations and otherwise maintain City facilities; and
2. **WHEREAS**, in accordance with Section 17-71(b) of the Rockville City Code, the City may enter into a contract to procure the Services from the Contractor without utilizing the City’s formal solicitation process if (a) the Contractor has entered into a contract to provide the Services to “other state or local governments or agencies,” (b) the other state or local government or agency arrived at the contract terms for the Services with the Contractor “through a competitive procurement procedure similar to the procedure used by the City,” and (c) the City obtains the same contract terms the Contractor offered to the other state or local government or agency for the Services; and
3. **WHEREAS**, Montgomery County is a county of the State of Maryland (“**County**” or “**Montgomery County**”) and issued a Request for Proposals RFP #1166626, soliciting competitive proposals for electrical maintenance, testing and repair services (the “**Montgomery RFP**”),
4. **WHEREAS**, on January 8, 2025 the Contractor submitted a bid in response to the Montgomery RFP agreeing to provide the County with the Services (“**Bidder Response**”); and
5. **WHEREAS**, on April 18, 2025, Montgomery County entered into a requirements-type contract with the Contractor incorporating the Bidder Response, and clarified by email thread dated July 3, 2025 (the “**Montgomery County Procurement Agreement**”), attached hereto as **Exhibit A**, and incorporated by this reference, pursuant to which the Contractor agreed to provide the County, among other things, the Services; and
6. **WHEREAS**, the City determined the County’s competitive procurement procedure is similar to the competitive procurement procedure utilized by the City; and

7. **WHEREAS**, the Parties agree that (i) the terms and conditions of the Montgomery County Procurement Agreement are modified by the specific modifications, if any, identified herein and on the attached **Exhibit B** and incorporated by this reference, and (ii) where the terms of this Rider Agreement vary from the terms and conditions of the Montgomery County Procurement Agreement, the terms and conditions of this Rider Agreement shall prevail.
8. **WHEREAS**, the Contractor agrees to provide the Services to the City on the same terms and conditions as provided in the Montgomery County Procurement Agreement, subject to the terms and conditions of this Rider Agreement.

NOW, THEREFORE, IN CONSIDERATION of the foregoing and the covenants, warranties and agreements of the Parties hereto, as are hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party hereto, the Parties hereby agree as follows:

OPERATIVE PROVISIONS

ARTICLE I. CONTRACTOR PROVISION OF GOODS AND/OR SERVICES

Section 1.01. Scope of Work. The Contractor shall, in the usual and customary manner consistent with the highest quality industry standards and in accordance with the terms and conditions of this Agreement, provide to the City those Services specified in the “**Scope of Work**” attached hereto as **Exhibit B** and incorporated by this reference.

Section 1.02. Project Administrators. The following staff members of the Departments are the City’s designated “**Project Administrators**”:

Heather Gewandter, Public Works
(240) 314-8873
hgewandter@rockvillemd.gov

Jason Bible, Park Manager
(240) 314-8703
jbible@rockvillemd.gov

Charles Reed, Park Manager
(240) 314-8711
creed@rockvillemd.gov

It shall be the Contractor’s responsibility to ensure that the applicable Project Administrator is kept informed on the progress of the Scope of Work for the Notice to Proceed submitted by that Project Administrator. The City Manager or authorized designee may modify the forgoing list of Project Administrators by notifying the Contractor of such modification in writing.

Section 1.03. Notices to Proceed. When the City requires Services, the Contractor will provide those services pursuant to the terms and conditions of this Rider Agreement, upon request, as follows:

(a) A Project Administrator will issue a request for Services by providing the Contractor (i) the task needed, and service required (ii) the location where the work will be performed and the Services provided, and (iii) a detailed preliminary timeline for the scope of work.

(b) The Contractor will acknowledge the request via email within 48 hours of the date of request.

(c) The Contractor will respond in writing within 8 business days of the date of request by providing to the City a quote confirming (i) description of the work to be performed; (ii) number of labor hours and types of labor; (iii) materials cost estimate; (iv) estimated completion date and time; (v) total cost not to exceed estimate the task needed and service required consistent with the fee schedule (“**Contractor Quote**”) OR indicate the specific additional time needed to respond, and will provide a Contractor Quote as described within that timeframe.

(d) Upon receipt and if acceptable, the Project Administrator will provide the Contractor with a City of Rockville Notice to Proceed (“**Notice to Proceed**”) and attach the Contractor Quote. All changes including, without limitation, scope and timeline must be communicated to the Project Administrator and if acceptable confirmed by the supplemental Notice to Proceed.

(e) Any work performed outside the scope of a written Notice to Proceed is at Contractor’s risk and faces the probability of delayed or denied payment.

(f) Any agreements or stipulations in a request for services or response that are contrary to the terms of this Agreement shall be void unless the Parties have expressly agreed in writing that such agreement shall supersede the terms of this Agreement.

ARTICLE II. CONTRACT TERM

Section 2.01. Contract Term. The term of this Rider Agreement shall begin on the Effective Date and shall expire on on April 18, 2026. Montgomery County at its sole discretion may exercise an option to renew three (3) times for one (1)-year each. If Montgomery County exercises its option to extend the term of the Montgomery Procurement Agreement the City may extend the term of this Rider Agreement in accordance with Montgomery County’s extension by notifying Contractor of such extension and confirmation of pricing in writing at least 60 days in advance and subject to Mayor and Council appropriation of adequate funds.

Section 2.02. Time of Essence. Time is of the essence in the performance of the Scope of Work.

ARTICLE III. COMPENSATION AND PAYMENT

Section 3.01. Compensation; Required Appropriation of Funds.

(a) In order to compensate the Contractor for its provision of Services, the Mayor and Council agrees to pay the Contractor, subject to any limitations set forth in this Rider Agreement, the amounts specified in the “**Compensation and Fee Schedule**” attached hereto as **Exhibit D** and incorporated herein by reference, which total amount, including reimbursements for actual expenses, shall not exceed **TWO HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$250,000.00)** for the initial term of this Rider Agreement (the “**Contract Sum**”). If the term of this Rider Agreement is extended in accordance with Section 2.01, the annual maximum total compensation shall not exceed Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) for each fiscal year the term of this Rider Agreement is extended, subject to appropriation by the Mayor and Council. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum compensation set forth in this Section 3.01 shall be at no cost to the Mayor and Council.

(b) The Mayor and Council appropriates funds on a fiscal year basis; the City’s fiscal year runs from July 1 through June 30. Funds have been appropriated for the first year of this Rider Agreement through the end of the fiscal year, June 30, 2026. All payments made under this Rider Agreement after June 30, 2026, are contingent upon appropriation and encumbrance of funds. If the Mayor and Council fails to approve an appropriation to fund this Rider Agreement for a subsequent fiscal year, this Rider Agreement shall terminate on the first day of that fiscal year without further cost to the City.

(c) This Rider Agreement does not guarantee any minimum level of purchases or any minimum amount of compensation.

Section 3.02. Manner and Method of Payment; Invoices.

(a) Manner and Method of Payment. The City shall pay the Contractor in accordance with the Compensation and Fee Schedule. The Contractor is not entitled to a total payment, including fees for expenses, that exceed the Contract Sum. The method of compensation is detailed in the Compensation and Fee Schedule, and may include (i) a lump sum payment upon completion and acceptance of Services, (ii) payment in accordance with specified tasks or the percentage of completion of the provision of the Services, (iii) payment for time and materials based upon the Contractor’s rates as specified in the Compensation and Fee Schedule, provided that time estimates are provided for the performance of sub tasks, but not exceeding the Contract Sum, or (iv) such other methods as may be specified in the Compensation and Fee Schedule.

(b) Invoices.

(i) In accordance with the Compensation and Fee Schedule, the Contractor shall submit to the Contract Manager identified at section 3.02(b)(iii) below invoices, in duplicate, for all work performed, tasks and deliverable completed, and expenses incurred during the

preceding month. The invoice shall include a reference number, detailed charges for all necessary and actual expenses by the following categories: labor (by sub-category), materials, equipment, supplies, and Subcontractor contracts. Subcontractor charges shall also be detailed by such categories.

(ii) The Contract Manager or authorized designee will independently review the invoices submitted by the Contractor to determine whether the work performed, tasks and deliverables completed, and expenses incurred for the provision of Services comply with the provisions of this Rider Agreement. Except as to any charges for work performed or expenses incurred by the Contractor which are disputed by the City, or as provided in Section 9.03, the City will use its best efforts to cause the Contractor to be paid within thirty (30) days of receipt the Contractor's correct and undisputed invoice. In the event any charges or expenses are disputed by the City, the original invoice shall be returned by the City to the Contractor for correction and resubmission.

(iii) All invoices shall be forwarded to the following address:

Ms. Alex Kramer
Parks and Facilities Administrative Manager
Recreation and Parks Department
City of Rockville
240-314-8700 (Main)
240-314-8712 (Direct)
240-314-8719 (Fax)
akramer@rockvillemd.gov

(iv) Electronic Payment Option. The City's Vendor ACH Payment Program allows payments to be deposited directly to a designated financial institution account. Funds will be deposited into the account identified automatically and on time. There is no additional cost to participate. All transactions are conducted in a secure environment.

(v) Payment to Subcontractor. Within seven days after receipt of amounts paid by the City for work performed by a subcontractor under this Rider Agreement, the Contractor shall either: (A) pay the subcontractor for the proportionate share of the total payment received from the City attributable to the work performed by the subcontractor under this Rider Agreement; or (B) notify the City and the subcontractor, in writing, of the Contractor's intention to withhold all or a part of the subcontractor's payment and the reason for non-payment. In no event shall the City be liable for the Contractor's failure to pay a subcontractor. It is the Contractor's responsibility to ensure that no lien for work performed by the Contractor or subcontractor is placed on the City.

Section 3.03. Waiver. Payment to the Contractor for work performed and expenses incurred for the provision of Services pursuant to this Rider Agreement shall not be deemed to waive defects in the work performed by the Contractor.

Section 3.04. Errors and Omissions. The Contractor is solely responsible for costs, including, but not limited to, increases in the cost of providing the Services, arising from or caused by the Contractor's errors and omissions, as applicable, including, but not limited to, the costs of corrections of such errors and omissions, any change order markup costs, or costs arising from delay caused by the errors and omissions or unreasonable delay in correcting the errors and omissions.

ARTICLE IV. COORDINATION OF WORK

Section 4.01. Representatives and Personnel of Contractor. The following key personnel of the Contractor (the "Key Personnel") are hereby designated as being the principals and representatives of the Contractor, authorized to act on its behalf with respect to the work related to the provision of the Services and make all decisions in connection therewith.

Gazment Sosoli, President

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing personnel were a substantial inducement for the City to enter into this Rider Agreement. Therefore, the foregoing Key Personnel shall be responsible during the Term of this Rider Agreement for directing all activities of the Contractor and devoting sufficient time to personally supervising the work hereunder.

Section 4.02. Status of Contractor. The Contractor shall have no authority to bind the officials, officers, employees or agents of the City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against the City, whether by contract or otherwise, unless such authority is expressly conferred under this Rider Agreement or is otherwise expressly conferred in writing by the City Manager. The Contractor shall not at any time or in any manner represent that the Contractor or any of the Contractor's officers, employees, agents, or subcontractors, if any, are in any manner officials, officers, employees or agents of the City. Neither the Contractor, nor any of the Contractor's officers, employees, agents, or subcontractors, if any, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to the City's employees. The Contractor expressly waives any claim the Contractor may have to any such rights.

Section 4.03. Independent Contractor. Neither the City, nor any of its officials, officers, employees or agents shall (i) have control over the manner, mode or means by which the Contractor, its employees, agents, or subcontractors perform the work related to the provision of the Services, except as otherwise set forth herein; or (ii) have a voice in the selection, discharge, supervision or control of the Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. The Contractor shall perform all services required herein as an independent contractor of the City and shall always remain as to the City a wholly independent contractor with only such obligations as are consistent with that role. The City shall not in any way or for any purpose become or be deemed to be a partner of the Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with the Contractor.

Section 4.04. Intentionally Omitted.

ARTICLE V. CONTRACTOR COVENANTS AND OBLIGATIONS

Section 5.01. Contractor Qualifications. The Contractor covenants that it, its employees, agents and subcontractors, if any, have and shall maintain during the term of this Rider Agreement all licenses, permits, qualifications, insurance and approvals of whatever nature that are legally required to perform Scope of Work related to the provision of the Services.

Section 5.02. Standard of Care. The Contractor covenants that it shall follow the highest professional standards in performing the work related to the provision of the Services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Rider Agreement, the phrase “highest professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

Section 5.03. Compliance with Law. The Contractor covenants that it shall keep itself informed concerning and shall perform all Services in accordance with all ordinances, resolutions, rules, and regulations of the City and any applicable Federal, State or local governmental entity having jurisdiction in effect at the time services are rendered and the Scope of Work performed.

Section 5.04. Licenses, Permits, Fees and Assessments. The Contractor covenants that it shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the Scope of Work required by this Rider Agreement. The Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor’s performance of the Scope of Work required by this Rider Agreement, and shall indemnify, defend and hold harmless the City, its officers, employees or agents of the City, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against the City hereunder.

Section 5.05. Conflict of Interest. The Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of the City or which would in any way hinder the Contractor’s performance of work related to the provision of the Services. The Contractor further covenants that in the provision of the Services, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, if any, without the express written consent of the City Manager. The Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of the City in the performance of this Rider Agreement. The Contractor further covenants that, in the performance of this Rider Agreement, it will not employ subcontractors or other persons or parties having such an interest. The Contractor certifies that no person who has or will have any financial interest under this Rider Agreement is a member, officer or employee of the City; this provision will be interpreted in accordance with the applicable

provisions of the Rockville City Code, as amended from time to time. The Contractor agrees to notify the City Manager or authorized designee if any conflict arises.

Section 5.06. Compliance with ADA. The Contractor covenants and agrees that pursuant to the Americans with Disabilities Act of 1990, as amended (the “ADA”), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor or subcontractor, are required to be accessible to the disabled public. The Contractor will perform the Scope of Work specified in this Rider Agreement in a manner that complies with the ADA and any other applicable federal, state and local disability rights laws and regulations, as amended from time to time. The Contractor will not discriminate against persons with disabilities in the performance of the Scope of Work for the provision of services, benefits or activities provided under this Rider Agreement.

ARTICLE VI. RECORDS, REPORTS, AND RELEASE OF INFORMATION

Section 6.01. Records. The Contractor shall keep, and require subcontractors, if any, to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, records, reports, studies, documents or other information relating to the disbursements charged to City and services performed hereunder (the “**Books and Records**”), as shall be necessary to perform the work related to the provision of the Services required by this Rider Agreement and enable the Contract Administrator to evaluate the performance of such Services. All such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The City Manager and authorized designee shall have full and free access to such Books and Records at all times during normal business hours of the City of Rockville, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the Scope of Work hereunder and final payment, and the City shall have access to such records in the event any audit is required. In the event of dissolution of the Contractor’s business, custody of the Books and Records may be given to City, and access shall be provided by the Contractor’s successor in interest.

Section 6.02. Reports. The Contractor shall periodically prepare and submit to the City Manager or authorized designee such reports concerning the performance related to the provision of the Services as the City Manager or authorized designee shall require. The Contractor hereby acknowledges that the cost of work and services to be performed pursuant to this Rider Agreement is a priority for the City. For this reason, the Contractor agrees that if the Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if the Contractor is providing design services, the cost of the project being designed, the Contractor shall promptly notify the Contract Administrator of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if the Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

Section 6.03. Intentionally Omitted.

Section 6.04. Intentionally Omitted.

Section 6.05. Confidentiality and Release of Information.

(a) All information gained or work product produced by the Contractor in performance of this Rider Agreement shall be considered confidential, unless such information is in the public domain or already known to the Contractor. The Contractor shall not release or disclose any such information or work product to persons or entities other than the City without prior written authorization from the Contract Administrator.

(b) The Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or authorized designee or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Rider Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided the Contractor gives City notice of such court order or subpoena.

(c) If the Contractor, or any officer, employee, agent or subcontractor of the Contractor, provides any information or work product in violation of this Rider Agreement, then the City shall have the right to reimbursement and indemnity from the Contractor for any damages, costs and fees, including attorneys' fees, caused by or incurred because of the Contractor's conduct.

(d) The Contractor shall promptly notify the City should the Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Rider Agreement and the work performed there under. The City retains the right, but has no obligation, to represent the Contractor or be present at any deposition, hearing or similar proceeding. The Contractor agrees to cooperate fully with the City and to provide the City with the opportunity to review any response to discovery requests provided by the Contractor. However, this right to review any such response does not imply or mean the right by the City to control, direct, or rewrite said response.

ARTICLE VII. INSURANCE AND INDEMNIFICATION

Section 7.01. Insurance Requirement.

(a) The Contractor shall be required to obtain and maintain, at its sole cost and expense, in a form and content satisfactory to the Risk Manager for the City of Rockville (the "**Risk Manager**") during the entire term of this Rider Agreement including any extensions thereof, the insurance coverages described in Exhibit E, entitled "**Insurance Requirements**", which Insurance Requirements shall cover the Mayor and Council, its appointed officers, and employees and agents of the City of Rockville.

(b) In the event the Contractor subcontracts any portion of the Scope of Work hereunder, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to Section 7.01, and such certificates and endorsements shall be provided to the Risk Manager.

Section 7.02. Indemnification. To the full extent permitted by law, the Contractor agrees to indemnify, defend and hold harmless the Mayor and Council and its appointed officers, employees and agents (“**Indemnified Parties**”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “**Claims or Liabilities**”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of the Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which the Contractor is legally liable (“**Indemnors**”), or arising from the Contractor’s reckless or willful misconduct, or arising from the Contractor’s Indemnors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Rider Agreement, and in connection therewith:

(a) The Contractor will defend any action or actions filed in connection with any of said Claims or Liabilities and will pay all costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

(b) The Contractor will promptly pay any judgment rendered against the Mayor and Council, its appointed officers, agents or employees for any such Claims or Liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of the Contractor hereunder; and the Contractor agrees to save and hold the Mayor and Council, its appointed officers, agents, and employees harmless therefrom;

(c) In the event the Mayor and Council, its appointed officers, agents or employees is made a party to any action or proceeding filed or prosecuted against the Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of the Contractor hereunder, the Contractor agrees to pay to the Mayor and Council, its appointed officers, agents or employees, any and all costs and expenses incurred by the Mayor and Council, its appointed officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys’ fees.

The Contractor shall incorporate similar, indemnity agreements with its subcontractors and if it fails to do so the Contractor shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes Claims or Liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of the Contractor in the performance of services hereunder. The provisions of this Section do not apply to Claims or Liabilities occurring as a result of City’s sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City’s negligence, except that design

professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of the Contractor and shall survive termination of this Rider Agreement.

Section 7.03. Intentionally Omitted.

Section 7.04. Sufficiency of Insurer or Surety. Insurance or bonds required by this Rider Agreement shall be satisfactory only if issued by companies qualified to do business in Maryland, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager due to unique circumstances. If this Rider Agreement continues for more than 3 years duration, or in the event the Risk Manager determines that the work or services to be performed under this Rider Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies and the performance bond (if any) may be changed accordingly upon receipt of written notice from the Risk Manager; provided that the Contractor shall have the right to appeal a determination of increased coverage by the Risk Manager to the City Manager within 10 days of receipt of notice from the Risk Manager.

ARTICLE VIII. CONTRACTOR REPRESENTATIONS AND WARRANTIES

As a material inducement to the Mayor and Council's entry into this Rider Agreement, the Contractor hereby (i) makes the following representations and warranties to the Mayor and Council, as of the Effective Date, (ii) covenants that until the expiration or earlier termination of this Rider Agreement, upon learning of any fact or condition which would cause any of the warranties and representations in this Rider Agreement not to be true, the Contractor shall promptly give written notice of such fact or condition to the City Manager or authorized designee, (iii) acknowledges that the Mayor and Council shall rely upon the Contractor's representations made herein notwithstanding any investigation made by or on behalf of the Mayor and Council, and (iv) agrees that such representations and warranties shall survive until the expiration or termination of this Rider Agreement:

Section 8.01. Organization. The Contractor is duly organized, validly existing and in good standing under the laws of the state in which it is organized and is duly qualified to conduct business in the State of Maryland.

Section 8.02. Authority of the Contractor. The Contractor has full power and authority to execute and deliver this Rider Agreement, and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Rider Agreement, and to perform and observe the terms and provisions of all the above.

Section 8.03. Authority of Persons Executing Documents. This Rider Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Rider Agreement have been executed and delivered by persons who are duly

authorized to execute and deliver the same for and on behalf of the Contractor, and all actions required under the Contractor's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Rider Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Rider Agreement, have been duly taken (to the extent such actions are required as of the date of execution and delivery of the above-named documents).

Section 8.04. No Breach of Law or Agreement. To the Contractor's knowledge, neither the execution nor delivery of this Rider Agreement or any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Rider Agreement, nor the performance of any provision, condition, covenant or other term hereof or thereof, will conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission or agency whatsoever binding on the Contractor, or any provision of the organizational documents of the Contractor, or will materially conflict with or constitute a material breach of or a material default under any agreement to which the Contractor is a party, or will result in the creation or imposition of any lien upon assets or property of the Contractor, other than liens established pursuant hereto.

Section 8.05. Qualifications. The Contractor, its employees, agents and subcontractors, if any, possess the necessary professional expertise, qualifications and capabilities, and all required licenses and certifications to perform the Scope of Work and provide the Services.

ARTICLE IX. ENFORCEMENT OF AGREEMENT AND TERMINATION

Section 9.01. Maryland Law. This Rider Agreement shall be interpreted, construed and governed both as to validity and to performance of the Parties in accordance with the laws of the State of Maryland. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Rider Agreement shall be instituted in the Circuit Court of Montgomery County, State of Maryland, and the Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the State of Maryland, Southern Division.

Section 9.02. Disputes; Default. If the Contractor is in default under the terms of this Rider Agreement, the City shall not have any obligation or duty to continue compensating the Contractor for any work performed after the date of default. Instead, the City may give notice to the Contractor of the default and the reasons for the default. The notice shall include the timeframe in which the Contractor may cure the default. This timeframe is presumptively twenty (20) days, but may be extended, though not reduced, if circumstances warrant. During the period that the Contractor is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all the outstanding invoices during the period of default. If the Contractor does not cure the default, the City may take necessary steps to terminate this Rider Agreement under this Article. Any failure on the part of the City to give notice of the Contractor's default shall not be deemed

to result in a waiver of the City's legal rights or any rights arising out of any provision of this Rider Agreement.

Section 9.03. Retention of Funds. The Contractor hereby authorizes the City to deduct from any amount payable to the Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate the City for any losses, costs, liabilities, or damages suffered by the City, and (ii) all amounts for which the City may be liable to third parties, by reason of the Contractor's acts or omissions in performing or failing to perform the Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by the Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, the City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of the City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect the City as elsewhere provided herein.

Section 9.04. Waiver. Waiver by either Party to this Rider Agreement of any term, condition, or covenant of this Rider Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Rider Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Rider Agreement. Acceptance by the City of any work or services by the Contractor shall not constitute a waiver of any of the provisions of this Rider Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Rider Agreement.

Section 9.05. Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Rider Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

Section 9.06. Legal Action. In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Rider Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Rider Agreement.

Section 9.07. Intentionally Omitted.

Section 9.08. Termination Prior to Expiration of Term. This Section shall govern any termination of this Rider Agreement except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Rider Agreement at any time, with or without cause, upon thirty (30) days' written notice to the Contractor, except that where

termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the City Manager or authorized designee. Upon receipt of any notice of termination, the Contractor shall immediately cease all work hereunder except such as may be specifically approved by the City Manager or authorized designee. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all portions of the Scope of Work performed prior to the effective date of the notice of termination for any Scope of Work authorized by the City Manager or his designee thereafter in accordance with the Compensation and Fee Schedule or such as may be approved by the City Manager or his designee, except as provided in Section 7.02. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 9.02.

Section 9.09. Termination for Default by Contractor. If termination is due to the failure of the Contractor to fulfill its obligations under this Rider Agreement, the City may, after compliance with the provisions of Section 9.02, take over the work related to the provision of the Services and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and the City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

Section 9.10. Attorneys' Fees. If either Party to this Rider Agreement is required to initiate or defend or make a party to any action or proceeding in any way connected with this Rider Agreement, the Parties agree each is responsible for its attorney's fees unless otherwise required by this Rider Agreement.

ARTICLE X. MISCELLANEOUS PROVISIONS

Section 10.01. Notices, Demands, and Communications Between the Parties. Formal notices, demands, and communications between the Contractor and the City shall be given either by (a) personal service, (b) delivery by reputable overnight document delivery service such as Federal Express that provides a receipt showing date and time of delivery, or (c) mailing utilizing a certified or mail postage prepaid service of the United States Postal Service that provides a receipt showing date and time of delivery, addressed to:

To the City:

Mayor and Council of Rockville
c/o Office of the City Clerk / Director of Council
Operations
111 Maryland Avenue
Rockville, Maryland 20850
Attn: City Clerk / Director of Council Operations
Email: cityclerk@rockvillemd.gov

Telephone: (240) 314-8283

With copies to:

Office of the City Manager
111 Maryland Avenue
Rockville, Maryland 20850
Attn: City Manager
Email: cmo@rockvillemd.gov
Telephone: (240) 314-8102

Office of the City Attorney
111 Maryland Avenue
Rockville, Maryland 20850
Attn: City Attorney
Email: cityattorney@rockvillemd.gov
Telephone: (240) 314-8150

Department of Procurement
111 Maryland Avenue
Rockville, Maryland 20850
Attn: Director
Email: procurement@rockvillemd.gov
Telephone: (240) 314-8432

To the Contractor:

Electric Advantage, Inc.
1084 Taft Street
Rockville, MD 20850
Attn: Gazment Sosoli, President
service@electricadvantage.com
Telephone: (301) 424-9590

Notices personally delivered shall be deemed effective upon receipt or refusal thereof. Notices given by a reputable overnight document delivery service shall be deemed effective one (1) business day after delivery by such service. Notices mailed shall be deemed effective on the fifth (5th) business day following deposit in the United States mail. Such written notices, demands, and communications shall be sent in the same manner to such other addresses as any Party may from time to time designate in writing. As used herein, “business day” means a day other than Saturday, Sunday, or a federal holiday, state holiday in the State of Maryland, or a city holiday in the City of Rockville, Maryland.

Section 10.02. Incorporation of Recitals; Interpretation.

(a) Incorporation of Recitals. The Recitals and Exhibits are an integral part of this Rider Agreement and set forth the intentions of the Parties and the premises on which the Parties have decided to enter into this Rider Agreement. Accordingly, the Recitals above and Exhibits attached are fully incorporated into this Rider Agreement by this reference as if fully set forth and

state the obligations as if the parties to the Montgomery County Procurement Agreement were identical to the parties of this Rider Agreement.

(b) Interpretation. The terms of this Rider Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against any Party by reason of the authorship of this Rider Agreement or any other rule of construction which might otherwise apply. The Section headings are for purposes of convenience only and shall not be construed to limit or extend the meaning of this Rider Agreement. In the event of any conflict or inconsistency between the provisions of this Rider Agreement and provisions of the Montgomery County Procurement Agreement, the provisions of this Rider Agreement will prevail and govern the interpretation thereof.

Section 10.03. Non-Liability of Officials, Employees and Agents. No member, official, employee or agent of the Mayor and Council shall be personally liable to the Contractor in the event of any default or breach by the Mayor and Council or for any amount which may become due to the Contractor or its successors or assigns or on any obligation under the terms of this Rider Agreement.

Section 10.04. No Waiver of Sovereign Immunity by Mayor and Council. Notwithstanding any other provisions of this Rider Agreement to the contrary, nothing in this Rider Agreement nor any action taken by the Mayor and Council pursuant to this Rider Agreement nor any document which arises out of this Rider Agreement shall constitute or be construed as a waiver of either the sovereign immunity or governmental immunity of the Mayor and Council and its appointed officials, officers and employees.

Section 10.05. No Third-Party Beneficiaries. No provision of this Rider Agreement shall be construed to confer any rights upon any person or entity who is not a Party hereto, whether a third-party beneficiary or otherwise.

Section 10.06. Equal Opportunity Employment. Contractor will not discriminate against any employee or applicant for employment because of age (in accordance with applicable law), sex, race, ancestry, color, religion, sexual orientation, gender identity or expression, physical or mental handicap, marital status, or political expression. Contractor will take affirmative action to ensure that applicants are employed, and the employees are treated fairly and equally during employment regarding the above. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment, layoff or termination, rates of pay or other form of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

If Contractor fails to comply with nondiscrimination clauses of this Rider Agreement or fails to include such contract provisions in all subcontracts, this Rider Agreement may be declared void AB INITIO, cancelled, terminated or suspended in whole or in part and Contractor may be declared ineligible for further contracts with the Mayor and Council. Any employee, applicant for employment, or prospective employee with information concerning any breach of these

requirements may communicate such information to the City Manager who shall commence a prompt investigation of the alleged violation. Pursuant to such investigation, the Contractor will permit access to Contractor's books, records, and accounts. If the City Manager concludes that the Contractor has failed to comply with nondiscrimination clauses, the remedies set out above may be invoked.

Section 10.07. Authority of the City Manager in Disputes. Any dispute concerning a question of fact arising under the agreement signed by the City and the Contractor which is not disposed of by this Rider Agreement shall be decided by the City Manager who shall notify the Contractor in writing of his determination. The Contractor shall be afforded the opportunity to be heard and offer evidence in support of the claim. Pending final decision of the dispute herein, the Contractor shall proceed diligently with performance under this Rider Agreement. The decision of the City Manager shall be final and conclusive unless an appeal is taken pursuant to the City Purchasing Ordinance.

Section 10.08. Tax Exemption. The City is exempt from the payment of any federal excise or any Maryland sales tax.

Section 10.09. Local Government. Notwithstanding anything herein contained to the contrary, Contractor acknowledge the Mayor and Council is a political subdivision and its obligations hereunder are given on the to the extent permitted by applicable law, contingent upon the appropriation and encumbrance of funding, and subject to the notice requirements and damage limitations stated in applicable law, including, but not limited to, the Local Government Tort Claims Act, Md. Code Ann., Ct & Jud Proc. § 5-301, et seq. (2013 Repl. Vol.), as amended from time to time.

Section 10.10 Severability. If any term, provision, covenant, or condition of this Rider Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of this Rider Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Rider Agreement. In the event that all or any portion of this Rider Agreement is found to be unenforceable, this Rider Agreement or that portion which is found to be unenforceable shall be deemed to be a statement of intention by the Parties; and the Parties further agree that in such event, and to the maximum extent permitted by law, they shall take all steps necessary to comply with such procedures or requirements as may be necessary in order to make valid this Rider Agreement or that portion which is found to be unenforceable.

Section 10.11. Entire Agreement, Waivers and Amendments. This Rider Agreement integrates all the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the Parties. All waivers of the provisions of this Rider Agreement must be in writing and signed by the appropriate authorities of the Party to be charged, and all amendments and modifications hereto must be in writing and signed by the appropriate authorities of the Parties.

Section 10.11. Counterparts. This Rider Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

Section 10.12. Electronic Signatures. This Agreement may be executed by electronic signature, which will be construed as an original signature for all purposes and have the same force and effect as an original signature. For these purposes, “electronic signature” means electronically scanned and transmitted versions (e.g., via pdf file or facsimile transmission) of an original signature, or signatures electronically inserted via software such as DocuSign or Adobe Sign.

(Signature pages to follow)

FINAL
DRAFT

IN WITNESS WHEREOF, the Parties have each executed, or caused to be duly executed, this Rider Agreement in the name and behalf of each of them (acting individually or by their respective officers or appropriate legal representatives thereunto duly authorized) as of the day and year first written above.

MAYOR AND COUNCIL

Approved as to form:

**THE MAYOR AND COUNCIL OF
ROCKVILLE**, a body corporate and municipal
corporation of the State of Maryland

Robert Dawson, City Attorney

By: _____
Jeff Mihelich, City Manager

CONTRACTOR

ELECTRIC ADVANTAGE, Inc., a Maryland
corporation

By: _____
Gazment Sosoli, President

EXHIBIT A
Montgomery County Procurement Agreement

Please See Attached.

FINAL
DRAFT

Re: Clarification of Travel-Time, Tax, and Rental Pricing Language – Contract #1166626

From Boykin, Gregory <Gregory.Boykin@montgomerycountymd.gov>

Date Thu 7/3/2025 9:04 AM

To Gazment Sosoli <GazmentSosoli@electricadvantage.com>; Ogbodo, Yemisi M. <Yemisi.Ogbodo@montgomerycountymd.gov>

Cc MontesDeOca, Gus <Gus.MontesDeOca@montgomerycountymd.gov>; Kapoor, Pooja <Pooja.Kapoor@montgomerycountymd.gov>

Gazment,

This documentation is sufficient.

Gregory T. Boykin

Deputy Director & Chief Operating Officer
Department of General Services
101 Monroe Street
Rockville MD 20850
443-534-5405 (Cell)

Stay connected



From: Gazment Sosoli <GazmentSosoli@electricadvantage.com>

Sent: Wednesday, July 2, 2025 9:54 PM

To: Boykin, Gregory <Gregory.Boykin@montgomerycountymd.gov>; Ogbodo, Yemisi M. <Yemisi.Ogbodo@montgomerycountymd.gov>

Cc: MontesDeOca, Gus <Gus.MontesDeOca@montgomerycountymd.gov>; Kapoor, Pooja <Pooja.Kapoor@montgomerycountymd.gov>

Subject: Re: Clarification of Travel-Time, Tax, and Rental Pricing Language – Contract #1166626

[EXTERNAL EMAIL]

Good evening, Mr. Boykin,

Thank you for confirming that drill bits, hole saws, and similar wear-item tooling are considered consumable goods and therefore not billable. We will comply with the contract.

For our records, is this e-mail chain sufficient documentation, or would Procurement prefer to issue a brief clarification letter? I'm happy to countersign any form that helps keep the file complete.

(As an observation for future solicitations, including this level of detail in the RFP could help all bidders align their pricing up front.)

Thanks again for your time. Please let me know if anything further is needed.

Sincerely,



Gazment Sosoli

Electric Advantage, Inc. | Managing Partner

C: 202-805-2849 | www.electricadvantage.com

gazmentsosoli@electricadvantage.com

1084 Taft Street Rockville, MD 20850

From: Boykin, Gregory <Gregory.Boykin@montgomerycountymd.gov>
Sent: Wednesday, July 2, 2025 10:17 AM
To: Gazment Sosoli <GazmentSosoli@electricadvantage.com>; Ogbodo, Yemisi M. <Yemisi.Ogbodo@montgomerycountymd.gov>
Cc: MontesDeOca, Gus <Gus.MontesDeOca@montgomerycountymd.gov>; Kapoor, Pooja <Pooja.Kapoor@montgomerycountymd.gov>
Subject: RE: Clarification of Travel-Time, Tax, and Rental Pricing Language – Contract #1166626

Good morning Gazment,

Please see the answer to your question below in RED. Could you please confirm whether the County considers **drill bits, hole saws, and similar wear-item tooling** to be “consumable goods provided at no additional cost,” or whether such items (when job-specific and approved on the JAF) may be invoiced under the MSRP – 15 % materials schedule?

The County considers drill bits, hole saws, and similar wear-item tooling to be “consumable goods provided at no additional cost” to the County. They may not be billed individually.

Thanks.

Gregory T. Boykin

Deputy Director & Chief Operating Officer
Department of General Services
101 Monroe Street
Rockville MD 20850
443-534-5405 (Cell)

Stay connected



From: Gazment Sosoli <GazmentSosoli@electricadvantage.com>
Sent: Wednesday, June 25, 2025 7:52 PM
To: Ogbodo, Yemisi M. <Yemisi.Ogbodo@montgomerycountymd.gov>
Cc: Boykin, Gregory <Gregory.Boykin@montgomerycountymd.gov>; MontesDeOca, Gus <Gus.MontesDeOca@montgomerycountymd.gov>; Kapoor, Pooja <Pooja.Kapoor@montgomerycountymd.gov>
Subject: Re: Clarification of Travel-Time, Tax, and Rental Pricing Language – Contract #1166626

[EXTERNAL EMAIL]

Good evening, Ms. Ogbodo,

Thank you for reviewing the items I raised and for confirming that

- 1. pre-authorized rental equipment may be invoiced **at cost**, and
- 2. off-site engineering/CAD hours may be billed under the applicable labor rate.

I have one quick follow-up question regarding consumables:

Could you please confirm whether the County considers **drill bits, hole saws, and similar wear-item tooling** to be “consumable goods provided at no additional cost,” or whether such items (when job-specific and approved on the JAF) may be invoiced under the MSRP – 15 % materials schedule? These tools can be significant on core-drilling or heavy steel-conduit projects, and I want to apply the policy consistently. In my proposal to the County, I stated that we would consider these items to be listed on the JAF at cost since there's usually no discount by suppliers. However, I'd be happy to do so at MSRP-15% (technically-21% given that I have to pay tax) which would be favorable to the County.

Kind regards,



Gazment Sosoli

Electric Advantage, Inc. | Managing Partner

C: 202-805-2849 | www.electricadvantage.com

gazmentsosoli@electricadvantage.com

1084 Taft Street Rockville, MD 20850

From: Ogbodo, Yemisi M. <Yemisi.Ogbodo@montgomerycountymd.gov>
Sent: Wednesday, June 25, 2025 4:44 PM
To: Gazment Sosoli <GazmentSosoli@electricadvantage.com>
Cc: Boykin, Gregory <Gregory.Boykin@montgomerycountymd.gov>; MontesDeOca, Gus <Gus.MontesDeOca@montgomerycountymd.gov>; Kapoor, Pooja <Pooja.Kapoor@montgomerycountymd.gov>
Subject: RE: Clarification of Travel-Time, Tax, and Rental Pricing Language – Contract #1166626

Good afternoon,

Thank you for your email. Please see the responses to your concerns, highlighted in your email below, regarding Contract #1166626. Let me know if you have any further concerns or questions.

Regards,
Yemisi Ogbodo, Manager

Division of Central Services

Telephone: 240-777-6183

Montgomery County DEPARTMENT OF GENERAL SERVICES



Delivering Great Service!

Stay connected



From: Gazment Sosoli <GazmentSosoli@electricadvantage.com>

Sent: Friday, June 20, 2025 10:02 AM

To: Ogbodo, Yemisi M. <Yemisi.Ogbodo@montgomerycountymd.gov>

Cc: Boykin, Gregory <Gregory.Boykin@montgomerycountymd.gov>; MontesDeOca, Gus <Gus.MontesDeOca@montgomerycountymd.gov>

Subject: Re: Clarification of Travel-Time, Tax, and Rental Pricing Language – Contract #1166626

[EXTERNAL EMAIL]

Good morning, Ms. Ogbodo,

Thank you for your acknowledgement and willingness to looking into it. I look forward to hearing from you.

Kind regards,



Gazment Sosoli

Electric Advantage, Inc. | Managing Partner

C: 202-805-2849 | www.electricadvantage.com

gazmentsosoli@electricadvantage.com

1084 Taft Street Rockville, MD 20850

From: Ogbodo, Yemisi M. <Yemisi.Ogbodo@montgomerycountymd.gov>

Sent: Friday, June 20, 2025 8:26 AM

To: Gazment Sosoli <GazmentSosoli@electricadvantage.com>

Cc: Boykin, Gregory <Gregory.Boykin@montgomerycountymd.gov>; MontesDeOca, Gus <Gus.MontesDeOca@montgomerycountymd.gov>

Subject: Re: Clarification of Travel-Time, Tax, and Rental Pricing Language – Contract #1166626

Good morning,

Thank you for your email. I will review the details and discuss them internally before getting back to you.

Regards,

Yemisi Ogbodo, Contracts Manager

Division of Central Services

From: Gazment Sosoli <GazmentSosoli@electricadvantage.com>
Sent: Thursday, June 19, 2025 9:22:28 PM
To: Ogbodo, Yemisi M. <Yemisi.Ogbodo@montgomerycountymd.gov>
Cc: Boykin, Gregory <Gregory.Boykin@montgomerycountymd.gov>; MontesDeOca, Gus <Gus.MontesDeOca@montgomerycountymd.gov>
Subject: Clarification of Travel-Time, Tax, and Rental Pricing Language – Contract #1166626

[EXTERNAL EMAIL]

Dear Ms. Ogbodo,

I hope this email finds you well. While reconciling our internal cost model to the fully executed contract, I have discovered several wording changes that differ from the language published in the original RFP and Amendment #1. I regret not catching these sooner—the contract arrived during an exceptionally overwhelming period—but I want to be transparent and ensure we perform exactly as intended, while also remaining financially sustainable. Because these items materially affect our pricing—and therefore our ability to deliver consistent service—I wanted to raise them with you. I can be available for in-depth discussion at you and your team's convenience.

1. Rental-Equipment Pricing

- **Solicitation + Amendment #1:** Amendment #1 (Q-1) stated that approved rentals may be invoiced “at the flat cost of the rental, without markup.”
- **Executed Contract:** Section F now groups rentals with parts and materials and requires the same 15 % discount below MSRP.
- **Operational impact:** Specialty rentals have fixed supplier rates and delivery/pickup charges that are not negotiable. The extra 15 % discount would turn each rental into a loss, contrary to the at-cost language in Amendment #1. We already provide all of our owned equipment to the County at no cost. This would be an extra burden I didn't factor in my price.

Response/Clarification: You may bill the County at cost for pre-authorized rental equipment

2. Travel-Time Billing

- **Solicitation + Amendment #1:** RFP required the contractor to furnish “all transportation” but did not specify whether technician travel hours were billable. The pricing sheet simply said labor rates must be “all-inclusive, including overhead, benefits, profit, etc.” Overhead, benefits, profit, machinery, tools, and uniforms are all things I factored in my bid. The RFP did not specifically state that the labor rate could not be billable for technician travel from warehouse to jobsite when they are on the clock performing work for the County. State law requires us to pay technicians and so does prevailing wage law that's applicable to this contract for working hours and it's practical to think this is billable time to the County at quoted rates. The previous IFB Contract stated, “No payment for travel time to or from a jobsite shall be charged.” This clause was removed from the latest RFP, and I thought it was intentional.
- **Executed Contract:** Section F of the contract now states that “Prices are net, inclusive of all charges for transportation ... and all other charges necessary for performance.”
- **Operational impact:** Technicians are on the clock once dispatched from our warehouse or while moving between County sites (usually when starting a new service or job because they need material and need to be debrief by the office on the scope if the scope

is complex — typically 10-30 minutes). If that time cannot be invoiced, the cost must be absorbed entirely by Electric Advantage.

Response/Clarification: Unfortunately, the County is unable to amend the contract or approve this request. The County cannot pay for Travel time

3. Sales/Use Tax on Materials

- **Solicitation + Amendment #1:** Neither the RFP nor Amendment #1 addressed sales tax separately; the only material rule was the MSRP – 15 % discount on parts.
- **Executed Contract:** Section F now adds: “Prices shall be less all Federal, State, and local taxes; Montgomery County is exempt...,” indicating that any tax we must pay must be absorbed within the 15 % discount.
- **Operational impact:** Vendors **ALWAYS** charge Maryland sales tax to Contractors to comply with MD law; absorbing that tax in addition to the 15 % discount narrows our already tight margin on materials. Furthermore, on a lot of materials from retailers like Home Depot and others for special items we're not able to get any discount so we're already having to pay the 15% discount out of pocket plus the 6% tax as well (21% discount to the County). For simplicity below are two examples for cases where we don't get a preferred discount from Vendors:

Example A - New Understanding based on new contract language:

1. MSRP: \$100
2. 6% Tax = \$6
3. Cost to EAI $\$100 + \$6 = \$106$
4. Cost to County: MSRP $\$100 - \15 (15% discount) = **\$85**
5. Impact to EAI/Discount to County: $\$106 - \$85 =$ **\$21**

Example B - Understanding at Bid Time per RFP language:

1. MSRP: **\$100**
2. 6% Tax = \$6
3. Cost to EAI $\$100 + \$6 = \$106$
4. Cost to County: MSRP $\$100 - \15 (15% discount) + \$6 (6% Tax of actual cost of item) = **\$91**
5. Impact to EAI/Discount to County: $\$106 - \$85 =$ **\$15**

Response/Clarification: Unfortunately, the County is unable to amend the contract or approve this request, as it is a tax-exempt entity.

4. Common Trade Materials / Consumable Goods

- **Solicitation + Amendment#1:** “Materials and parts must be provided at a minimum discount of 15 % off the Manufacturer’s Suggested Retail Price (MSRP) ... unless the retailer has a lower price.” No other wording distinguishes between consumable shop supplies and installed materials; every physical item furnished for County work falls under the single MSRP – 15 % rule.
- **Executed Contract (F, Compensation):** “The Contractor agrees that billable materials and supplies shall conform in the strength, quality of material, and appearance to that usually provided by the trade. Common trade materials (consumable goods) must be utilized at *no additional cost* to the County. Common trade materials refer to items material and compensated to perform the electrical control service work. Items that become the property of the County ... will be considered material and compensated as Materials and Supplies.”
- **Practical effect:** This distinction—and the “no additional cost” requirement for consumables—was not present in the solicitation or Amendment #1, so it shifts additional cost to the contractor after bids were evaluated. **No bidder had the chance to price the risk.** Because the RFP stayed silent, all offerors likely embedded consumable cost in their

MSRP discount calculus. The post-award clause effectively **lowers the price evaluated at award**. Consumables should be MSRP-15% like everything else.

Response/Clarification: Unfortunately, the County is unable to amend the contract or approve this request.

5. Engineering / Layout Design Work:

Our Journeyman Electricians and NICET Fire-Alarm Technicians occasionally need to create CAD drawings and other design documents (e.g., load calculations, riser diagrams, 2-D pre-build / as-built drawings) at our office. Because the solicitation does not restrict labor hours to on-site work, we have assumed these hours may be billed on the Job Authorization Form (JAF) at the Journeyman or Fire-Alarm rate. Off-site preparation is essential—proper computers, licensed software, and secure network access are not available at most County facilities.

On the prior contract, an amendment confirmed this approach. We want to make sure the same intent applies to Contract #1166626.

Example: Broome School & MCCF Fire Alarm Install Projects: Both projects require a complete redesign of the fire-alarm system: new load calculations, building-layout drawings with equipment risers, device schedules, etc. Neither the multipurpose Broome School facility nor the Montgomery County Correctional Facility has the space or equipment necessary for this work, so it must be performed in our office.

Request for Guidance:

The first four clauses were **absent from the solicitation on which all bidders based their pricing** and were inserted only in the final agreement. Each one transfers cost from the County to the contractor after competition closed, materially affecting our ability to perform and remain sustainable.

Please let me know your thoughts on these provisions and whether the County intends to:

1. enforce these post-award provisions as written, with hopefully fair & equitable adjustment to the contract **or**
2. revert to the language—and cost basis—published in the RFP and Amendment #1 so that all parties operate under the terms that governed the original bid evaluation.

Response/Clarification: You may bill for costs, including expenses associated with design personnel working in the office.

Thank you for your time and guidance. I look forward to your response and to continuing our successful partnership.

Sincerely,



Gazment Sosoli

Electric Advantage, Inc. | Managing Partner

C: 202-805-2849 | www.electricadvantage.com

gazmentsosoli@electricadvantage.com

1084 Taft Street Rockville, MD 20850

For more helpful Cybersecurity Resources, visit:
<https://www.montgomerycountymd.gov/cybersecurity>



For more helpful Cybersecurity Resources, visit:
<https://www.montgomerycountymd.gov/cybersecurity>

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EXHIBIT B
Scope of Work

Mayor and Council may request any or all the Services described in the Montgomery County Procurement Agreement to accomplish, as needed:

- a. Installation, repair, and upgrade of electric vehicle supply equipment within Rockville city limits based on a clear assessment of upgrades needed.
 - a. Work to be performed in accordance with equipment specific manufacturing instructions and current Codes, standards and recommended practices.
 - b. By qualified personnel understood to be individuals with demonstrated skills and knowledge related to construction and operation of electrical equipment and installation and have received safety training to identify hazards and reduce associated risk.
- b. Various kinds of electrical projects as needed at city parks and other city facilities which may include operating, servicing, inspecting, testing, maintaining, calibrating, repairing and reconditioning electrical equipment and components and may require specialized skills.
- c. Any or all other work as described in the Montgomery County Procurement Agreement.

Modifications

Notwithstanding the Parties enter this Agreement for the same contract terms as the Montgomery County Procurement Agreement, the following modify the Montgomery County Procurement Agreement to state more particularly the post award requirements among these Parties:

- i. All references in the Montgomery County Procurement Agreement to “County,” “Montgomery County, or “County Executive and Council” are herein revised to refer to the Mayor and Council of Rockville.
- ii. Contractor’s representations, covenants and certifications are made hereby relative to Mayor and Council of Rockville.
- iii. Reference to locations for the performance of work are revised to refer to work to be performed within Rockville city limits.
- iv. Contractor will provide list price of custom or obsolete materials not listed in the price book in its response to work request and invoice.
- v. Expedited shipping fees for urgent parts requested by the City to be billed at cost and itemized in its response to work request and invoice.

EXHIBIT C
Intentionally Omitted

Work to be scheduled as needed, in accordance with this Agreement, section 1.

FINAL
DRAFT

EXHIBIT D
Compensation and Fee Schedule

Contractor to provide labor, materials, and services necessary for and reasonably incidental to providing Services, as follows:

All equipment, materials, parts and rentals will be discounted 15% off from the Manufacturer's Suggested Retail Price (MSRP) found on the catalog website, as identified in Contract 1166626. In cases where the retailer's published price list reflects a lower price than the MSRP minus the 15% discount, the lower price will apply.

All subcontracting will be billed at cost with no mark-up.

Prices are net, inclusive of all changes for transportation, FOB, destination to the City, inside delivery and all other charges necessary for the performance of work outlined in this Rider Agreement. Prices shall be less all Federal, State, and local taxes.

Expedited shipping fees for urgent parts requested by the City to be billed at cost and itemized in Contractor's response to work request and invoice.

Contractor will provide list price of custom or obsolete materials not listed in the price book on the response to the work request and invoice.

Drill bits, hole saws, and similar wear-item tooling are agreed to be considered consumable goods and therefore not billable, as clarified by Montgomery County by email thread dated July 3, 2025

Pre-authorized rental equipment may be invoiced at cost, as clarified by Montgomery County email thread dated July 3, 2025.

No payment for travel time to or from a jobsite shall be charged, as clarified by Montgomery County email thread dated July 3, 2025.

Contractor may bill for costs, including expenses associated with design personnel working in the office and off-site engineering/CAD hours under the applicable labor rate, as clarified by Montgomery County email thread dated July 3, 2025.

Labor rates will be consistent with attachment F of the contractor's proposal, reproduced here.

[Bid sheet on next page]

EXHIBIT D
Compensation and Fee Schedule

ATTACHMENT F

EAI

PART A -LABOR

1. HOURLY RATE

| LABOR CLASS | HOURLY RATE | ESTIMATED ANNUAL QUANTITY | SUBTOTAL |
|------------------------------|-------------|---------------------------------|---------------|
| Master Electrician | \$ 75.77 | 1000 | \$ 75,770.00 |
| Journeyman Electrician | \$ 138.75 | 1000 | \$ 138,750.00 |
| Electrician Apprentice | \$ 73.65 | 1000 | \$ 73,650.00 |
| Electrician Helper | \$ 17.60 | 1000 | \$ 17,600.00 |
| Control Specialist | \$ 76.00 | 500 | \$ 38,000.00 |
| PLC Control Specialist | \$ 35.00 | 500 | \$ 17,500.00 |
| Fire Alarm Technician | \$ 97.50 | 500 | \$ 48,750.00 |
| Junior Fire Alarm Technician | \$ 54.48 | 500 | \$ 27,240.00 |
| Fire Watch Person | \$ 52.68 | 240 | \$ 12,643.20 |
| Subtotal (add C7-C15) | | | \$ 449,903.20 |

2. OVERTIME HOURLY RATE

| LABOR CLASS | HOURLY RATE | ESTIMATED ANNUAL QUANTITY | SUBTOTAL |
|------------------------------|-------------|---------------------------------|---------------|
| Master Electrician | \$ 75.77 | 1000 | \$ 75,770.00 |
| Journeyman Electrician | \$ 176.64 | 1000 | \$ 176,640.00 |
| Electrician Apprentice | \$ 81.06 | 1000 | \$ 81,060.00 |
| Electrician Helper | \$ 17.60 | 1000 | \$ 17,600.00 |
| Control Specialist | \$ 76.00 | 500 | \$ 38,000.00 |
| PLC Control Specialist | \$ 35.00 | 500 | \$ 17,500.00 |
| Fire Alarm Technician | \$ 120.20 | 500 | \$ 60,100.00 |
| Junior Fire Alarm Technician | \$ 68.10 | 500 | \$ 34,050.00 |
| Fire Watch Person | \$ 60.24 | 240 | \$ 14,457.60 |
| Subtotal (add C20-C28) | | | \$ 515,177.60 |

EXHIBIT E

Insurance Requirements

Prior to the execution of the contract by the City, the Contractor must obtain at their own cost and expense and keep in force and effect during the term of the contract including all extensions, the following insurance with an insurance company/companies licensed to do business in the State of Maryland evidenced by a certificate of insurance and/or copies of the insurance policies. The Contractor's insurance shall be primary. The Contractor must submit to the Purchasing Division, 111 Maryland Avenue, Rockville, MD 20850 a certificate of insurance prior to the start of any work. In no event may the insurance coverage be less than shown below.

Unless otherwise described in this Rider Agreement the successful contractor and subcontractors will be required to maintain for the life of the contract and to furnish the City evidence of insurance as follows:

MANDATORY REQUIREMENTS FOR INSURANCE

Contractor's insurance coverage shall be primary insurance as respects the City, its elected and appointed officials, officers, consultants, agents and employees and any insurance or self-insurance maintained by the City, shall be excess of the Contractor's insurance and shall not be called upon to contribute with it.

| Type of Insurance | Amounts of Insurance | Endorsements and Provisions |
|---|---|---|
| 1. Workers' Compensation 2. Employers' Liability | Bodily Injury by Accident: \$100,000 each accident Bodily Injury by Disease: \$500,000 policy limits Bodily Injury by Disease: \$100,000 each employee | Waiver of Subrogation: WC 00 03 13 Waiver of Our Rights to Recover From Others Endorsement signed and dated. |
| 3. Commercial General Liability a. Bodily Injury b. Property Damage c. Contractual Liability d. Premise/Operations e. Independent Contractors f. Products/Completed Operations g. Personal Injury | Each Occurrence: \$1,000,000 | City to be listed as additional insured and provided 30 day notice of cancellation or material change in coverage. CG 20 37 07 04 and CG 20 10 07 04 forms to be both signed and dated. |
| 4. Automobile Liability a. All Owned Autos b. Hired Autos c. Non-Owned Autos | Combined Single Limit for Bodily Injury and Property Damage - (each accident): \$1,000,000 | City to be listed as additional insured and provided 30 day notice of cancellation or material change in coverage. Form CA20 48 02 99 form to be both signed and dated. |
| 5. Excess/Umbrella Liability | Each Occurrence/Aggregate: \$1,000,000 | City to be listed as additional insured and provided 30 day notice of cancellation or material change in coverage. |
| 6. Professional Liability | Each Occurrence/Aggregate: | |

EXHIBIT E
Insurance Requirements

| | | |
|--|-------------|--|
| | \$1,000,000 | |
|--|-------------|--|

Alternative and/or additional insurance requirements, when outlined under the special provisions of this Rider Agreement, shall take precedence over the above requirements in part or in full as described therein.

POLICY CANCELLATION

No change, cancellation or non-renewed shall be made in any insurance coverage without a thirty (30) day written notice to the City Purchasing Division. The Contractor shall furnish a new certificate prior to any change or cancellation date. The failure of the Contractor to deliver a new and valid certificate will result in suspension of all payments and cessation of on-site work activities until a new certificate is furnished.

ADDITIONAL INSURED

The Mayor and Council of Rockville, which includes its elected and appointed officials, officers, consultants, agents and employees must be named as an additional insured on the Contractor's Commercial and Excess/Umbrella Insurance for liability arising out of contractor's products, goods, and services provided under this Rider Agreement. Additionally, The Mayor and Council of Rockville must be named as additional insured on the Contractor's Automobile and General Liability Policies. Endorsements reflecting the Mayor and Council of Rockville as an additional insured are required to be submitted with the insurance certificate.

SUBCONTRACTORS

All subcontractors shall meet the requirements of this Section before commencing work. In addition, Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all the requirements stated herein.

CERTIFICATE HOLDER

The Mayor and Council of Rockville
(Contract #, title)
City Hall
111 Maryland Avenue
Rockville, MD 20850

Electric Vehicle Infrastructure (GA23)



Description: This project plans, procures, designs, permits, and installs a phased approach to electric vehicle (EV) charging infrastructure on city property and possibly rights-of-way to serve the city fleet, community, and employees. The project includes tools and equipment to maintain the electric vehicle fleet. Phase 1 covers the electrification of light duty fleet per the fleet replacement cycle, and Phase 2 covers electrification of heavy duty fleet.

Changes from Previous Year: The city received grant and rebate funding during FY 2025 that offset a portion of paygo funding, keeping the project total the same.

Current Project Appropriations

| | |
|-------------------------------|-----------|
| Prior Appropriations: | 1,155,000 |
| Less Expended as of 4/15/25: | 26,532 |
| Total Carryover: | 1,128,468 |
| New Funding: | - |
| Total FY 2026 Appropriations: | 1,128,468 |

Guiding Principle: Stewardship of the Env. and Infrastructure

Mandate/Plan: Climate Action Plan; Comprehensive Plan; EV Readiness Plan; Sustainable Fleet Policy

Anticipated Project Outcome: Reduced greenhouse gases and air pollution; increased electrification capabilities to serve city and community needs.

Project Timeline and Total Cost by Type: The unfunded portion of this project for EV charging infrastructure for heavy duty fleet was moved to FY 2027, extending the project timeline by one year.

| Type | Estimated Start | | Estimated Completion | | Estimated Cost | | | |
|---------------------|-----------------|---------|----------------------|---------|----------------|-----------|-----------|----------|
| | Original | Current | Original | Current | Original | Current | \$ Change | % Change |
| Planning / Design | FY 2023 | FY 2023 | FY 2025 | FY 2025 | 300,000 | 300,000 | - | - |
| Construction | FY 2023 | FY 2023 | FY 2027 | FY 2028 | 1,180,000 | 855,000 | (325,000) | -28% |
| Other | - | - | - | - | - | - | - | - |
| Project Total (\$): | | | | | 1,480,000 | 1,155,000 | (325,000) | -22% |

Project Funding: This project is partially funded. Rebates and state grants were received during FY 2025 reducing capital funding. Staff will strategically seek outside funding and grants when projects align with funding requirements and schedules. The unfunded amount includes the purchase and installation of charging stations for heavy duty fleet.

| Source | Prior | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | Future | Total |
|------------------------------|------------------|----------|----------------|----------|----------|----------|----------|------------------|
| Paygo (Cap) | 1,101,368 | - | - | - | - | - | - | 1,101,368 |
| Grants (Cap) | 48,000 | - | - | - | - | - | - | 48,000 |
| Rebates (Other-Cap) | 5,632 | - | - | - | - | - | - | 5,632 |
| Total Funded (\$) | 1,155,000 | - | - | - | - | - | - | 1,155,000 |
| Unfunded (Cap) | - | - | 325,000 | - | - | - | - | 325,000 |
| Total w/Unfunded (\$) | 1,155,000 | - | 325,000 | - | - | - | - | 1,480,000 |

Operating Cost Impact: Operating costs of EV charging infrastructure will be funded by fuel savings.

| Fund | Prior | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | Future | Total |
|---------|-------|---------|---------|---------|---------|---------|--------|-------|
| General | - | - | - | - | - | - | - | - |

Project Manager: Denzel John, Sustainability Program Manager, 240-314-8881.

Notes: The project first appeared in the FY 2023 CIP. FY 2026 work includes design and construction of EV charging infrastructure at Recreation Services, 6 Taft Court, Rothgeb Maintenance Facility, Swim and Fitness Center, and the Senior Center. EV charging infrastructure funded by Pepco (installed), Maryland, and federal grants are not reflected in this project's funding.



MAYOR AND COUNCIL Meeting Date: January 5, 2026

Agenda Item Type: CONSENT

Department: RECREATION & PARKS

Responsible Staff: STEVE MADER

Subject

Award and Authorize the City Manager to Execute a Rider Agreement with Kiara's Landscaping Inc., a Maryland corporation, in the amount not-to-exceed \$500,000 for the initial term, with terms and pricing consistent with Montgomery County Contract #1175974, for time and material fencing services.

Department

Rec & Parks - Parks & Facilities

Recommendation

Staff recommends that the Mayor and Council award and authorize the City Manager to execute a rider agreement for an amount not to exceed \$500,000 with terms and pricing consistent with Montgomery County Contract #1175974 for time and material fencing services to Kiara's Landscaping Inc. of Damascus, Maryland for a period of one (1) year through August 27, 2026 with the option to extend for (2) two additional years through August 27, 2028.

Mayor and Council History

This is the first time this has been brought before Mayor and Council.

Procurement

Staff believes that riding the Montgomery County Contract provides the best value and benefit for the City as the Contractor has the staffing and equipment to handle the City's diverse fencing project needs, which range from split rail fences to 15-foot backstops, where the scope fits the City's needs and the Montgomery County Contract has multiple line items with estimated quantities larger than the City's and, as such, provides more competitive pricing based on higher volume.

In accordance with Section 17-71 of the Rockville City Code, Cooperative Procurement; (b) The City may contract with any contractor who offers goods, services, insurance or construction on the same terms as provided other state or local governments or agencies thereof who have arrived at those terms through a competitive procurement procedure similar to the procedure used by the City.

In accordance with Section 17-39 of the Rockville City Code, Awarding Authority, (a) All contracts involving more than two hundred fifty thousand dollars (\$250,000.00) shall be awarded by the Council.

Kiara's Landscaping Inc. is a non-Minority, Female, Disabled, or Veterans (non-MFD-V) business.

The rider agreement is provided as Attachment 1. To view all contract documents, please click the link provided below:

<https://www.swisstransfer.com/d/2901a988-b737-45ec-93e3-9f2788837b4c>

Fiscal Impact

Funding is available in the operating budget of Recreation and Parks within the Parks and Facilities Maintenance Division and the Recreation and Parks Administration Division. Funding is also available in the capital budget of Recreation and Parks within the Asphalt/Concrete Improvements: FY26-FY30 (RA26) project (Attachment 2).

All future years funding is subject to Mayor and Council appropriation.

Next Steps

Upon the Mayor and Council approval, the Procurement Department will secure insurance, issue the rider agreement and issue a Master Agreement to Kiara's Landscaping Inc. for Time and Material Fencing Services.

Attachments

ATTACHMENT 1, ATTACHMENT 2

**CITY OF ROCKVILLE
RIDER AGREEMENT**

This **CITY OF ROCKVILLE, MARYLAND RIDER AGREEMENT** (this “**Rider Agreement**”) is, made this ____ day of _____, 2025 (the “**Effective Date**”), by and between **THE MAYOR AND COUNCIL OF ROCKVILLE**, a body politic and municipal corporation of the State of Maryland, acting through its City Manager (the “**Mayor and Council**” or the “**City**”), and **KIARA’S LANDSCAPING.**, a Maryland corporation (the “**Contractor**”). Individually, the Mayor and Council and the Contractor may each be referred to hereinafter as the “**Party**,” or collectively as the “**Parties**.”

RECITALS

1. **WHEREAS**, the Mayor and Council desire to procure, on behalf of the City of Rockville Department of Recreation and Parks (“**Department**”), certain time and materials fencing services (“**Services**”) which will enable the Departments to, among other things, install, repair and replace fencing at City-owned and City-leased facilities; and
2. **WHEREAS**, in accordance with Section 17-71(b) of the Rockville City Code, the City may enter into a contract to procure the Services from the Contractor without utilizing the City’s formal solicitation process if (a) the Contractor has entered into a contract to provide the Services to “other state or local governments or agencies,” (b) the other state or local government or agency arrived at the contract terms for the Services with the Contractor “through a competitive procurement procedure similar to the procedure used by the City,” and (c) the City obtains the same contract terms the Contractor offered to the other state or local government or agency for the Services; and
3. **WHEREAS**, Montgomery County is a county of the State of Maryland (“**County**” or “**Montgomery County**”) and on March 27, 2025 issued an Invitation for Bids IFB #1175974; on April 24, 2025 issued Amendment 1; and on May 2, 2025 issued Amendment 2, soliciting competitive proposals for time and material fencing services (collectively, the “**Montgomery IFB**”),
4. **WHEREAS**, on April 25, 2025 the Contractor submitted a bid in response to the Montgomery RFP agreeing to provide the County with the Services, and acknowledged the amendments on May 7, 2025 (“**Bidder Response**”); and
5. **WHEREAS**, on August 8, 2025, Montgomery County entered into a time and materials contract with the Contractor incorporating the Bidder Response (the “**Montgomery County Procurement Agreement**”), attached hereto as **Exhibit A** and incorporated by this reference, pursuant to which the Contractor agreed to provide the County, among other things, the Services; and
6. **WHEREAS**, the City determined the County’s competitive procurement procedure is similar to the competitive procurement procedure utilized by the City; and

7. **WHEREAS**, the Parties agree that (i) the terms and conditions of the Montgomery County Procurement Agreement are modified by the specific modifications, if any, identified herein and on the attached **Exhibit B** and incorporated by this reference, and (ii) where the terms of this Rider Agreement vary from the terms and conditions of the Montgomery County Procurement Agreement, the terms and conditions of this Rider Agreement shall prevail.
8. **WHEREAS**, the Contractor agrees to provide the Services to the City on the same terms and conditions as provided in the Montgomery County Procurement Agreement, subject to the terms and conditions of this Rider Agreement.

NOW, THEREFORE, IN CONSIDERATION of the foregoing and the covenants, warranties and agreements of the Parties hereto, as are hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party hereto, the Parties hereby agree as follows:

OPERATIVE PROVISIONS

ARTICLE I. CONTRACTOR PROVISION OF GOODS AND/OR SERVICES

Section 1.01. Scope of Work. The Contractor shall, in the usual and customary manner consistent with the highest quality industry standards and in accordance with the terms and conditions of this Agreement, provide to the City those Services specified in the “**Scope of Work**” attached hereto as **Exhibit B** and incorporated by this reference.

Section 1.02. Project Administrators. The following staff members of the Departments are the City’s designated “**Project Administrators**”:

Jason Bible, Park Manager
(240) 314-8703
jbible@rockvillemd.gov

Charles Reed, Park Manager
(240) 314-8711
creed@rockvillemd.gov

It shall be the Contractor’s responsibility to ensure that the applicable Project Administrator is kept informed on the progress of the Scope of Work for the Notice to Proceed submitted by that Project Administrator. The City Manager or authorized designee may modify the forgoing list of Project Administrators by notifying the Contractor of such modification in writing.

Section 1.03. Notices to Proceed. When the City requires Services, the Contractor will provide those services pursuant to the terms and conditions of this Rider Agreement, upon request, as follows:

- (a) A Project Administrator will issue a request for Services by providing the Contractor (i) the task needed, and service required (ii) the location where the work will be

performed and the Services provided, and (iii) a detailed preliminary timeline for the scope of work.

(b) The Contractor will acknowledge the request via email within 48 hours of the date of request.

(c) The Contractor will respond in writing within 8 business days of the date of request by providing to the City a quote confirming (i) description of the work to be performed; (ii) number of labor hours and types of labor; (iii) materials cost estimate; (iv) estimated completion date and time; (v) total cost not to exceed estimate the task needed and service required consistent with the fee schedule (“**Contractor Quote**”) OR indicate the specific additional time needed to respond, and will provide a Contractor Quote as described within that timeframe.

(d) Upon receipt and if acceptable, the Project Administrator will provide the Contractor with a City of Rockville Notice to Proceed (“**Notice to Proceed**”) and attach the Contractor Quote. All changes including without limitation scope and timeline must be communicated to the Project Administrator and if acceptable confirmed by the supplemental Notice to Proceed.

(e) Any work performed outside the scope of a written Notice to Proceed is at Contractor’s risk and faces the probability of delayed or denied payment.

(f) Any agreements or stipulations in a request for services or response that are contrary to the terms of this Agreement shall be void unless the Parties have expressly agreed in writing that such agreement shall supersede the terms of this Agreement.

ARTICLE II. CONTRACT TERM

Section 2.01. Contract Term. The term of this Rider Agreement shall begin on the Effective Date and shall expire on August 27, 2026. Montgomery County at its sole discretion may exercise an option to renew two (2) times for one (1)-year each. If Montgomery County exercises its option to extend the term of the Montgomery Procurement Agreement the City may extend the term of this Rider Agreement in accordance with Montgomery County’s extension by notifying Contractor of such extension and confirmation of pricing in writing at least 60 days in advance and subject to Mayor and Council appropriation of adequate funds.

Section 2.02. Time of Essence. Time is of the essence in the performance of the Scope of Work.

ARTICLE III. COMPENSATION AND PAYMENT

Section 3.01. Compensation; Required Appropriation of Funds.

(a) In order to compensate the Contractor for its provision of Services, the Mayor and Council agrees to pay the Contractor, subject to any limitations set forth in this Rider Agreement, the amounts specified in the “**Compensation and Fee Schedule**” attached hereto as **Exhibit D** and incorporated herein by reference, which total amount, including reimbursements for actual expenses, shall not exceed **FIVE HUNDRED THOUSAND AND 00/100 DOLLARS (\$500,000.00)** for the initial term of this Rider Agreement (the “**Contract Sum**”). If the term of this Rider Agreement is extended in accordance with Section 2.01, the annual maximum total compensation shall not exceed Five Hundred Thousand and 00/100 Dollars (\$500,000.00) for each fiscal year the term of this Rider Agreement is extended, subject to appropriation by the Mayor and Council. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum compensation set forth in this Section 3.01 shall be at no cost to the Mayor and Council.

(b) The Mayor and Council appropriates funds on a fiscal year basis; the City’s fiscal year runs from July 1 through June 30. Funds have been appropriated for the first year of this Rider Agreement through the end of the fiscal year, June 30, 2026. All payments made under this Rider Agreement after June 30, 2026, are contingent upon appropriation and encumbrance of funds. If the Mayor and Council fails to approve an appropriation to fund this Rider Agreement for a subsequent fiscal year, this Rider Agreement shall terminate on the first day of that fiscal year without further cost to the City.

(c) This Rider Agreement does not guarantee any minimum level of purchases or any minimum amount of compensation.

Section 3.02. Manner and Method of Payment; Invoices.

(a) **Manner and Method of Payment.** The City shall pay the Contractor in accordance with the Compensation and Fee Schedule. The Contractor is not entitled to a total payment, including fees for expenses, that exceed the Contract Sum. The method of compensation is detailed in the Compensation and Fee Schedule, and may include (i) a lump sum payment upon completion and acceptance of Services, (ii) payment in accordance with specified tasks or the percentage of completion of the provision of the Services, (iii) payment for time and materials based upon the Contractor’s rates as specified in the Compensation and Fee Schedule, provided that time estimates are provided for the performance of sub tasks, but not exceeding the Contract Sum, or (iv) such other methods as may be specified in the Compensation and Fee Schedule.

(b) **Invoices.**

(i) In accordance with the Compensation and Fee Schedule, the Contractor shall submit to the Contract Manager identified at section 3.02(b)(iii) invoices, in duplicate, for all work performed, tasks and deliverable completed, and expenses incurred during the preceding

month. The invoice shall include this Rider Agreement number, detailed charges for all necessary and actual expenses by the following categories: labor (by sub-category), materials, equipment, supplies, and Subcontractor contracts. Subcontractor charges shall also be detailed by such categories.

(ii) The Contract Manager or authorized designee will independently review the invoices submitted by the Contractor to determine whether the work performed, tasks and deliverables completed, and expenses incurred for the provision of Services comply with the provisions of this Rider Agreement. Except as to any charges for work performed or expenses incurred by the Contractor which are disputed by the City, or as provided in Section 9.03, the City will use its best efforts to cause the Contractor to be paid within thirty (30) days of receipt the Contractor's correct and undisputed invoice. In the event any charges or expenses are disputed by the City, the original invoice shall be returned by the City to the Contractor for correction and resubmission.

(iii) All invoices shall be forwarded to the following address:

Ms. Alex Kramer
Parks and Facilities Administrative Manager
Recreation and Parks Department
City of Rockville
240-314-8700 (Main)
240-314-8712 (Direct)
240-314-8719 (Fax)
akramer@rockvillemd.gov

(iv) Electronic Payment Option. The City's Vendor ACH Payment Program allows payments to be deposited directly to a designated financial institution account. Funds will be deposited into the account identified automatically and on time. There is no additional cost to participate. All transactions are conducted in a secure environment.

(v) Payment to Subcontractor. Within seven days after receipt of amounts paid by the City for work performed by a subcontractor under this Rider Agreement, the Contractor shall either: (A) pay the subcontractor for the proportionate share of the total payment received from the City attributable to the work performed by the subcontractor under this Rider Agreement; or (B) notify the City and the subcontractor, in writing, of the Contractor's intention to withhold all or a part of the subcontractor's payment and the reason for non-payment. In no event shall the City be liable for the Contractor's failure to pay a subcontractor. It is the Contractor's responsibility to ensure that no lien for work performed by the Contractor or subcontractor is placed on the City.

Section 3.03. Waiver. Payment to the Contractor for work performed and expenses incurred for the provision of Services pursuant to this Rider Agreement shall not be deemed to waive defects in the work performed by the Contractor.

Section 3.04. Errors and Omissions. The Contractor is solely responsible for costs, including, but not limited to, increases in the cost of providing the Services, arising from or caused by the Contractor's errors and omissions, as applicable, including, but not limited to, the costs of corrections of such errors and omissions, any change order markup costs, or costs arising from delay caused by the errors and omissions or unreasonable delay in correcting the errors and omissions.

ARTICLE IV. COORDINATION OF WORK

Section 4.01. Representatives and Personnel of Contractor. The following key personnel of the Contractor (the "Key Personnel") are hereby designated as being the principals and representatives of the Contractor, authorized to act on its behalf with respect to the work related to the provision of the Services and make all decisions in connection therewith.

Julio A. Ortiz, President

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing personnel were a substantial inducement for the City to enter into this Rider Agreement. Therefore, the foregoing Key Personnel shall be responsible during the Term of this Rider Agreement for directing all activities of the Contractor and devoting sufficient time to personally supervising the work hereunder.

Section 4.02. Status of Contractor. The Contractor shall have no authority to bind the officials, officers, employees or agents of the City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against the City, whether by contract or otherwise, unless such authority is expressly conferred under this Rider Agreement or is otherwise expressly conferred in writing by the City Manager. The Contractor shall not at any time or in any manner represent that the Contractor or any of the Contractor's officers, employees, agents, or subcontractors, if any, are in any manner officials, officers, employees or agents of the City. Neither the Contractor, nor any of the Contractor's officers, employees, agents, or subcontractors, if any, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to the City's employees. The Contractor expressly waives any claim the Contractor may have to any such rights.

Section 4.03. Independent Contractor. Neither the City, nor any of its officials, officers, employees or agents shall (i) have control over the manner, mode or means by which the Contractor, its employees, agents, or subcontractors perform the work related to the provision of the Services, except as otherwise set forth herein; or (ii) have a voice in the selection, discharge, supervision or control of the Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. The Contractor shall perform all services required herein as an independent contractor of the City and shall always remain as to the City a wholly independent contractor with only such obligations as are consistent with that role. The City shall not in any way or for any purpose become or be deemed to be a partner of the Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with the Contractor.

Section 4.04. Intentionally Omitted.

ARTICLE V. CONTRACTOR COVENANTS AND OBLIGATIONS

Section 5.01. Contractor Qualifications. The Contractor covenants that it, its employees, agents and subcontractors, if any, have and shall maintain during the term of this Rider Agreement all licenses, permits, qualifications, insurance and approvals of whatever nature that are legally required to perform Scope of Work related to the provision of the Services.

Section 5.02. Standard of Care. The Contractor covenants that it shall follow the highest professional standards in performing the work related to the provision of the Services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Rider Agreement, the phrase “highest professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

Section 5.03. Compliance with Law. The Contractor covenants that it shall keep itself informed concerning and shall perform all Services in accordance with all ordinances, resolutions, rules, and regulations of the City and any applicable Federal, State or local governmental entity having jurisdiction in effect at the time services are rendered and the Scope of Work performed.

Section 5.04. Licenses, Permits, Fees and Assessments. The Contractor covenants that it shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the Scope of Work required by this Rider Agreement. The Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor’s performance of the Scope of Work required by this Rider Agreement, and shall indemnify, defend and hold harmless the City, its officers, employees or agents of the City, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against the City hereunder.

Section 5.05. Conflict of Interest. The Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of the City or which would in any way hinder the Contractor’s performance of work related to the provision of the Services. The Contractor further covenants that in the provision of the Services, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, if any, without the express written consent of the City Manager. The Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of the City in the performance of this Rider Agreement. The Contractor further covenants that, in the performance of this Rider Agreement, it will not employ subcontractors or other persons or parties having such an interest. The Contractor certifies that no person who has or will have any financial interest under this Rider Agreement is a member, officer or employee of the City; this provision will be interpreted in accordance with the applicable

provisions of the Rockville City Code, as amended from time to time. The Contractor agrees to notify the City Manager or authorized designee if any conflict arises.

Section 5.06. Compliance with ADA. The Contractor covenants and agrees that pursuant to the Americans with Disabilities Act of 1990, as amended (the “ADA”), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor or subcontractor, are required to be accessible to the disabled public. The Contractor will perform the Scope of Work specified in this Rider Agreement in a manner that complies with the ADA and any other applicable federal, state and local disability rights laws and regulations, as amended from time to time. The Contractor will not discriminate against persons with disabilities in the performance of the Scope of Work for the provision of services, benefits or activities provided under this Rider Agreement.

ARTICLE VI. RECORDS, REPORTS, AND RELEASE OF INFORMATION

Section 6.01. Records. The Contractor shall keep, and require subcontractors, if any, to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, records, reports, studies, documents or other information relating to the disbursements charged to City and services performed hereunder (the “**Books and Records**”), as shall be necessary to perform the work related to the provision of the Services required by this Rider Agreement and enable the Contract Administrator to evaluate the performance of such Services. All such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The City Manager and authorized designee shall have full and free access to such Books and Records at all times during normal business hours of the City of Rockville, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the Scope of Work hereunder and final payment, and the City shall have access to such records in the event any audit is required. In the event of dissolution of the Contractor’s business, custody of the Books and Records may be given to City, and access shall be provided by the Contractor’s successor in interest.

Section 6.02. Reports. The Contractor shall periodically prepare and submit to the City Manager or authorized designee such reports concerning the performance related to the provision of the Services as the City Manager or authorized designee shall require. The Contractor hereby acknowledges that the cost of work and services to be performed pursuant to this Rider Agreement is a priority for the City. For this reason, the Contractor agrees that if the Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if the Contractor is providing design services, the cost of the project being designed, the Contractor shall promptly notify the Contract Administrator of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if the Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

Section 6.03. Intentionally Omitted.

Section 6.04. Intentionally Omitted.

Section 6.05. Confidentiality and Release of Information.

(a) All information gained or work product produced by the Contractor in performance of this Rider Agreement shall be considered confidential, unless such information is in the public domain or already known to the Contractor. The Contractor shall not release or disclose any such information or work product to persons or entities other than the City without prior written authorization from the Contract Administrator.

(b) The Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or authorized designee or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Rider Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided the Contractor gives City notice of such court order or subpoena.

(c) If the Contractor, or any officer, employee, agent or subcontractor of the Contractor, provides any information or work product in violation of this Rider Agreement, then the City shall have the right to reimbursement and indemnity from the Contractor for any damages, costs and fees, including attorneys' fees, caused by or incurred because of the Contractor's conduct.

(d) The Contractor shall promptly notify the City should the Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Rider Agreement and the work performed there under. The City retains the right, but has no obligation, to represent the Contractor or be present at any deposition, hearing or similar proceeding. The Contractor agrees to cooperate fully with the City and to provide the City with the opportunity to review any response to discovery requests provided by the Contractor. However, this right to review any such response does not imply or mean the right by the City to control, direct, or rewrite said response.

ARTICLE VII. INSURANCE AND INDEMNIFICATION

Section 7.01. Insurance Requirement.

(a) The Contractor shall be required to obtain and maintain, at its sole cost and expense, in a form and content satisfactory to the Risk Manager for the City of Rockville (the "**Risk Manager**") during the entire term of this Rider Agreement including any extensions thereof, the insurance coverages described in **Exhibit E**, entitled "**Insurance Requirements**", which Insurance Requirements shall cover the Mayor and Council, its appointed officers, and employees and agents of the City of Rockville.

(b) In the event the Contractor subcontracts any portion of the Scope of Work hereunder, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to Section 7.01, and such certificates and endorsements shall be provided to the Risk Manager.

Section 7.02. Indemnification. To the full extent permitted by law, the Contractor agrees to indemnify, defend and hold harmless the Mayor and Council and its appointed officers, employees and agents (“**Indemnified Parties**”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “**Claims or Liabilities**”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of the Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which the Contractor is legally liable (“**Indemnors**”), or arising from the Contractor’s reckless or willful misconduct, or arising from the Contractor’s Indemnors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Rider Agreement, and in connection therewith:

(a) The Contractor will defend any action or actions filed in connection with any of said Claims or Liabilities and will pay all costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

(b) The Contractor will promptly pay any judgment rendered against the Mayor and Council, its appointed officers, agents or employees for any such Claims or Liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of the Contractor hereunder; and the Contractor agrees to save and hold the Mayor and Council, its appointed officers, agents, and employees harmless therefrom;

(c) In the event the Mayor and Council, its appointed officers, agents or employees is made a party to any action or proceeding filed or prosecuted against the Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of the Contractor hereunder, the Contractor agrees to pay to the Mayor and Council, its appointed officers, agents or employees, any and all costs and expenses incurred by the Mayor and Council, its appointed officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys’ fees.

The Contractor shall incorporate similar, indemnity agreements with its subcontractors and if it fails to do so the Contractor shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes Claims or Liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of the Contractor in the performance of services hereunder. The provisions of this Section do not apply to Claims or Liabilities occurring as a result of City’s sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City’s negligence, except that design

professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of the Contractor and shall survive termination of this Rider Agreement.

Section 7.03. Intentionally Omitted.

Section 7.04. Sufficiency of Insurer or Surety. Insurance or bonds required by this Rider Agreement shall be satisfactory only if issued by companies qualified to do business in Maryland, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager due to unique circumstances. If this Rider Agreement continues for more than 3 years duration, or in the event the Risk Manager determines that the work or services to be performed under this Rider Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies and the performance bond (if any) may be changed accordingly upon receipt of written notice from the Risk Manager; provided that the Contractor shall have the right to appeal a determination of increased coverage by the Risk Manager to the City Manager within 10 days of receipt of notice from the Risk Manager.

ARTICLE VIII. CONTRACTOR REPRESENTATIONS AND WARRANTIES

As a material inducement to the Mayor and Council's entry into this Rider Agreement, the Contractor hereby (i) makes the following representations and warranties to the Mayor and Council, as of the Effective Date, (ii) covenants that until the expiration or earlier termination of this Rider Agreement, upon learning of any fact or condition which would cause any of the warranties and representations in this Rider Agreement not to be true, the Contractor shall promptly give written notice of such fact or condition to the City Manager or authorized designee, (iii) acknowledges that the Mayor and Council shall rely upon the Contractor's representations made herein notwithstanding any investigation made by or on behalf of the Mayor and Council, and (iv) agrees that such representations and warranties shall survive until the expiration or termination of this Rider Agreement:

Section 8.01. Organization. The Contractor is duly organized, validly existing and in good standing under the laws of the state in which it is organized and is duly qualified to conduct business in the State of Maryland.

Section 8.02. Authority of the Contractor. The Contractor has full power and authority to execute and deliver this Rider Agreement, and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Rider Agreement, and to perform and observe the terms and provisions of all the above.

Section 8.03. Authority of Persons Executing Documents. This Rider Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Rider Agreement have been executed and delivered by persons who are duly

authorized to execute and deliver the same for and on behalf of the Contractor, and all actions required under the Contractor's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Rider Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Rider Agreement, have been duly taken (to the extent such actions are required as of the date of execution and delivery of the above-named documents).

Section 8.04. No Breach of Law or Agreement. To the Contractor's knowledge, neither the execution nor delivery of this Rider Agreement or any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Rider Agreement, nor the performance of any provision, condition, covenant or other term hereof or thereof, will conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission or agency whatsoever binding on the Contractor, or any provision of the organizational documents of the Contractor, or will materially conflict with or constitute a material breach of or a material default under any agreement to which the Contractor is a party, or will result in the creation or imposition of any lien upon assets or property of the Contractor, other than liens established pursuant hereto.

Section 8.05. Qualifications. The Contractor, its employees, agents and subcontractors, if any, possess the necessary professional expertise, qualifications and capabilities, and all required licenses and certifications to perform the Scope of Work and provide the Services.

ARTICLE IX. ENFORCEMENT OF AGREEMENT AND TERMINATION

Section 9.01. Maryland Law. This Rider Agreement shall be interpreted, construed and governed both as to validity and to performance of the Parties in accordance with the laws of the State of Maryland. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Rider Agreement shall be instituted in the Circuit Court of Montgomery County, State of Maryland, and the Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the State of Maryland, Southern Division.

Section 9.02. Disputes; Default. If the Contractor is in default under the terms of this Rider Agreement, the City shall not have any obligation or duty to continue compensating the Contractor for any work performed after the date of default. Instead, the City may give notice to the Contractor of the default and the reasons for the default. The notice shall include the timeframe in which the Contractor may cure the default. This timeframe is presumptively twenty (20) days, but may be extended, though not reduced, if circumstances warrant. During the period that the Contractor is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all the outstanding invoices during the period of default. If the Contractor does not cure the default, the City may take necessary steps to terminate this Rider Agreement under this Article. Any failure on the part of the City to give notice of the Contractor's default shall not be deemed

to result in a waiver of the City's legal rights or any rights arising out of any provision of this Rider Agreement.

Section 9.03. Retention of Funds. The Contractor hereby authorizes the City to deduct from any amount payable to the Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate the City for any losses, costs, liabilities, or damages suffered by the City, and (ii) all amounts for which the City may be liable to third parties, by reason of the Contractor's acts or omissions in performing or failing to perform the Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by the Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, the City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of the City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect the City as elsewhere provided herein.

Section 9.04. Waiver. Waiver by either Party to this Rider Agreement of any term, condition, or covenant of this Rider Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Rider Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Rider Agreement. Acceptance by the City of any work or services by the Contractor shall not constitute a waiver of any of the provisions of this Rider Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Rider Agreement.

Section 9.05. Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Rider Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

Section 9.06. Legal Action. In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Rider Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Rider Agreement.

Section 9.07. Intentionally Omitted.

Section 9.08. Termination Prior to Expiration of Term. This Section shall govern any termination of this Rider Agreement except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Rider Agreement at any time, with or without cause, upon thirty (30) days' written notice to the Contractor, except that where

termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the City Manager or authorized designee. Upon receipt of any notice of termination, the Contractor shall immediately cease all work hereunder except such as may be specifically approved by the City Manager or authorized designee. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all portions of the Scope of Work performed prior to the effective date of the notice of termination for any Scope of Work authorized by the City Manager or his designee thereafter in accordance with the Compensation and Fee Schedule or such as may be approved by the City Manager or his designee, except as provided in Section 7.02. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 9.02.

Section 9.09. Termination for Default by Contractor. If termination is due to the failure of the Contractor to fulfill its obligations under this Rider Agreement, the City may, after compliance with the provisions of Section 9.02, take over the work related to the provision of the Services and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and the City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

Section 9.10. Attorneys' Fees. If either Party to this Rider Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Rider Agreement, the Parties agree each is responsible for its attorney's fees unless otherwise required by this Rider Agreement.

ARTICLE X. MISCELLANEOUS PROVISIONS

Section 10.01. Notices, Demands, and Communications Between the Parties. Formal notices, demands, and communications between the Contractor and the City shall be given either by (a) personal service, (b) delivery by reputable overnight document delivery service such as Federal Express that provides a receipt showing date and time of delivery, or (c) mailing utilizing a certified or mail postage prepaid service of the United States Postal Service that provides a receipt showing date and time of delivery, addressed to:

To the City:

Mayor and Council of Rockville
c/o Office of the City Clerk / Director of Council
Operations
111 Maryland Avenue
Rockville, Maryland 20850
Attn: City Clerk / Director of Council Operations
Email: cityclerk@rockvillemd.gov

Telephone: (240) 314-8283

With copies to:

Office of the City Manager
111 Maryland Avenue
Rockville, Maryland 20850
Attn: City Manager
Email: cmo@rockvillemd.gov
Telephone: (240) 314-8102

Office of the City Attorney
111 Maryland Avenue
Rockville, Maryland 20850
Attn: City Attorney
Email: cityattorney@rockvillemd.gov
Telephone: (240) 314-8150

Department of Procurement
111 Maryland Avenue
Rockville, Maryland 20850
Attn: Director
Email: procurement@rockvillemd.gov
Telephone: (240) 314-8432

To the Contractor:

Kiara's Landscaping, Inc.
Attn: Julio A. Ortiz
8521 Gue Road
Damascus, MD 20872
Julio@kiaraslandscaping.net
(240)848-1356

Notices personally delivered shall be deemed effective upon receipt or refusal thereof. Notices given by a reputable overnight document delivery service shall be deemed effective one (1) business day after delivery by such service. Notices mailed shall be deemed effective on the fifth (5th) business day following deposit in the United States mail. Such written notices, demands, and communications shall be sent in the same manner to such other addresses as any Party may from time to time designate in writing. As used herein, "business day" means a day other than Saturday, Sunday, or a federal holiday, state holiday in the State of Maryland, or a city holiday in the City of Rockville, Maryland.

Section 10.02. Incorporation of Recitals; Interpretation.

(a) Incorporation of Recitals. The Recitals and Exhibits are an integral part of this Rider Agreement and set forth the intentions of the Parties and the premises on which the Parties have decided to enter into this Rider Agreement. Accordingly, the Recitals above and Exhibits

attached are fully incorporated into this Rider Agreement by this reference as if fully set forth and state the obligations as if the parties to the Montgomery County Procurement Agreement were identical to the parties of this Rider Agreement.

(b) **Interpretation.** The terms of this Rider Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against any Party by reason of the authorship of this Rider Agreement or any other rule of construction which might otherwise apply. The Section headings are for purposes of convenience only and shall not be construed to limit or extend the meaning of this Rider Agreement. In the event of any conflict or inconsistency between the provisions of this Rider Agreement and provisions of the Montgomery County Procurement Agreement, the provisions of this Rider Agreement will prevail and govern the interpretation thereof.

Section 10.03. Non-Liability of Officials, Employees and Agents. No member, official, employee or agent of the Mayor and Council shall be personally liable to the Contractor in the event of any default or breach by the Mayor and Council or for any amount which may become due to the Contractor or its successors or assigns or on any obligation under the terms of this Rider Agreement.

Section 10.04. No Waiver of Sovereign Immunity by Mayor and Council. Notwithstanding any other provisions of this Rider Agreement to the contrary, nothing in this Rider Agreement nor any action taken by the Mayor and Council pursuant to this Rider Agreement nor any document which arises out of this Rider Agreement shall constitute or be construed as a waiver of either the sovereign immunity or governmental immunity of the Mayor and Council and its appointed officials, officers and employees.

Section 10.05. No Third-Party Beneficiaries. No provision of this Rider Agreement shall be construed to confer any rights upon any person or entity who is not a Party hereto, whether a third-party beneficiary or otherwise.

Section 10.06. Equal Opportunity Employment. Contractor will not discriminate against any employee or applicant for employment because of age (in accordance with applicable law), sex, race, ancestry, color, religion, sexual orientation, gender identity or expression, physical or mental handicap, marital status, or political expression. Contractor will take affirmative action to ensure that applicants are employed, and the employees are treated fairly and equally during employment regarding the above. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment, layoff or termination, rates of pay or other form of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

If Contractor fails to comply with nondiscrimination clauses of this Rider Agreement or fails to include such contract provisions in all subcontracts, this Rider Agreement may be declared void AB INITIO, cancelled, terminated or suspended in whole or in part and Contractor may be declared ineligible for further contracts with the Mayor and Council. Any employee, applicant for

employment, or prospective employee with information concerning any breach of these requirements may communicate such information to the City Manager who shall commence a prompt investigation of the alleged violation. Pursuant to such investigation, the Contractor will permit access to Contractor's books, records, and accounts. If the City Manager concludes that the Contractor has failed to comply with nondiscrimination clauses, the remedies set out above may be invoked.

Section 10.07. Authority of the City Manager in Disputes. Any dispute concerning a question of fact arising under the agreement signed by the City and the Contractor which is not disposed of by this Rider Agreement shall be decided by the City Manager who shall notify the Contractor in writing of his determination. The Contractor shall be afforded the opportunity to be heard and offer evidence in support of the claim. Pending final decision of the dispute herein, the Contractor shall proceed diligently with performance under this Rider Agreement. The decision of the City Manager shall be final and conclusive unless an appeal is taken pursuant to the City Purchasing Ordinance.

Section 10.08. Tax Exemption. The City is exempt from the payment of any federal excise or any Maryland sales tax.

(a) **Section 10.09. Local Government.** Notwithstanding anything herein contained to the contrary, Contractor acknowledge the Mayor and Council is a political subdivision and its obligations hereunder are given on the to the extent permitted by applicable law, contingent upon the appropriation and encumbrance of funding, and subject to the notice requirements and damage limitations stated in applicable law, including, but not limited to, the Local Government Tort Claims Act, Md. Code Ann., Ct & Jud Proc. § 5-301, et seq. (2013 Repl. Vol.), as amended from time to time. In the event federal or state funding used to pay for services under this Agreement is reduced, withdrawn, frozen or otherwise cannot be made in full, this Agreement shall automatically terminate, unless both parties agree to a modification of the obligations under this Agreement. The effective date of such termination shall be ninety (90) days after the Contractor receives written notice of the reduction in payment, unless available funds are insufficient to continue payments in full during the ninety (90) day period. A reduction in federal or state funding does not reduce monies due and owing to the Contractor on or before the effective date of the termination of the Agreement.

Section 10.10 Severability. If any term, provision, covenant, or condition of this Rider Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of this Rider Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Rider Agreement. In the event that all or any portion of this Rider Agreement is found to be unenforceable, this Rider Agreement or that portion which is found to be unenforceable shall be deemed to be a statement of intention by the Parties; and the Parties further agree that in such event, and to the maximum extent permitted by law, they shall take all steps necessary to comply with such procedures or requirements as may be necessary in order to make valid this Rider Agreement or that portion which is found to be unenforceable.

Section 10.11. Entire Agreement, Waivers and Amendments. This Rider Agreement integrates all the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the Parties. All waivers of the provisions of this Rider Agreement must be in writing and signed by the appropriate authorities of the Party to be charged, and all amendments and modifications hereto must be in writing and signed by the appropriate authorities of the Parties.

Section 10.11. Counterparts. This Rider Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

Section 10.12. Electronic Signatures. This Agreement may be executed by electronic signature, which will be construed as an original signature for all purposes and have the same force and effect as an original signature. For these purposes, “electronic signature” means electronically scanned and transmitted versions (e.g., via pdf file or facsimile transmission) of an original signature, or signatures electronically inserted via software such as DocuSign or Adobe Sign.

(Signature pages to follow)

IN WITNESS WHEREOF, the Parties have each executed, or caused to be duly executed, this Rider Agreement in the name and behalf of each of them (acting individually or by their respective officers or appropriate legal representatives thereunto duly authorized) as of the day and year first written above.

MAYOR AND COUNCIL

Approved as to form:

**THE MAYOR AND COUNCIL OF
ROCKVILLE**, a body corporate and municipal
corporation of the State of Maryland

Robert Dawson, City Attorney

By: _____
Jeff Mihelich, City Manager

CONTRACTOR

KIARA'S LANDSCAPING, INC., a Maryland
corporation

By: _____
Julio A. Ortiz, President

EXHIBIT A
Montgomery County Procurement Agreement

Please See Attached.

FINAL DRAFT

EXHIBIT B
Scope of Work

Mayor and Council may request any or all the Services described in the Montgomery County Procurement Agreement to accomplish, as needed:

- a. Installation, repair, and replacement of fencing
 - a. In accordance with equipment specific manufacturing instructions and current Codes, standards and recommended practices.
 - b. By qualified personnel understood to be individuals with demonstrated skills and knowledge
- b. Any or all other work as described in the Montgomery County Procurement Agreement.

Modifications

Notwithstanding the Parties enter this Agreement for the same contract terms as the Montgomery County Procurement Agreement, the following modify the Montgomery County Procurement Agreement to state more particularly the post award requirements among these Parties:

- i. All references in the Montgomery County Procurement Agreement to “County,” “Montgomery County, or “County Executive and Council” are herein revised to refer to the Mayor and Council of Rockville.
- ii. Contractor’s representations, covenants and certifications are made hereby relative to Mayor and Council of Rockville.
- iii. Reference to locations for the performance of work are revised to refer to work to be performed within Rockville city limits.

EXHIBIT C
Intentionally Omitted

Work to be scheduled as needed, in accordance with this Agreement, section 1.

FINAL DRAFT

EXHIBIT D
Compensation and Fee Schedule

Contractor to provide labor, materials, and services necessary for and reasonably incidental to providing Services, as follows:

- Prices are net, inclusive of all charges for transportation, FOB destination.
- Contractor will provide all materials at cost, no markup. Materials charges shall be based on established catalog or list price in effect when material is furnished, less all applicable discount and in no event shall the price exceed the Contractor's sales price to its most favored customer for the same item in like quantity, or the current market price, whichever is lower.
- Material handling costs included as part of material costs, shall include only costs clearly excluded from the labor hour rate.
- No payment for travel time to or from the site shall be charged.
- Prices must be less federal, state and local taxes.

Labor and material rates in accordance with the contractor's bid, reproduced here.

[Bid Sheet on next page]

EXHIBIT D

Compensation and Fee Schedule

IFB #1175974

QUOTATION SHEET

TIME AND MATERIAL FENCING SERVICES

Awards will be based on the lowest aggregate total. If there are discrepancies in the arithmetic calculation, the unit price will prevail and the County reserves the right to recalculate the extended price. The Yearly Estimated Annual Hours is no guarantee of annual usage. The offerors are required to fill in below the unit cost for each bid item. **These unit costs shall represent the total cost (materials labor, equipment, mobilization, insurance, overhead, profit, employee benefits, etc.) and are the only basis on which payment will be made. Labor Unit Prices are intended for use on fence repair, maintenance and non-pre-price item work. For all new or replacement of 4', 6' and 8' Chain Link fence work, unit prices provided in Schedule of Prices shall be used.**

| ITEM NO | DESCRIPTION | UNIT | UNIT PRICE | APPROX QTY | EXTENDED PRICES |
|--|--|-------------|------------------|------------|-----------------------|
| A – Labor (Regular Time) | | | | | |
| 1 | Working Foreman (Regular hours) | Hour | 45 ⁰⁰ | 400 | 18,000 ⁰⁰ |
| 2 | Welder with equipment (Regular Hours) | Hour | 55 ⁰⁰ | 125 | 6,875 ⁰⁰ |
| 3 | Fence Installer (Regular Hours) | Hour | 35 ⁰⁰ | 1500 | 52,500 ⁰⁰ |
| 4 | Laborer (Regular Hours) | Hour | 35 ⁰⁰ | 1500 | 52,500 ⁰⁰ |
| Subtotal A (items 1 thru 4) | | | | | 129,875 ⁰⁰ |
| B – Labor (Overtime) | | | | | |
| 5 | Working Foreman (Overtime hours) | Hour | 67 ⁵⁰ | 120 | 8,100 ⁰⁰ |
| 6 | Welder with equipment (Overtime Hours) | Hour | 82 ⁵⁰ | 50 | 4,125 ⁰⁰ |
| 7 | Fence Installer (Overtime Hours) | Hour | 52 ⁵⁰ | 200 | 10,500 ⁰⁰ |
| 8 | Laborer (Overtime Hours) | Hour | 52 ⁵⁰ | 200 | 10,500 ⁰⁰ |
| Subtotal B (items 5 thru 8) | | | | | |
| C – Pre-Priced Items (Fully burdened, includes labor, materials, equipment, overhead and all associated costs) | | | | | |
| 9 | 4' Galvanized Chain Link Fence | Linear Foot | 750 | 400 | 3,000 ⁰⁰ |

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EXHIBIT D

Compensation and Fee Schedule

IFB #1175974

| | | | | | |
|------------------------------|--|--------------------|------------------|-----|----------------------|
| 10 | 6' Galvanized Chain Link Fence | Linear Foot | 950 | 200 | 1,900 ⁰⁰ |
| 11 | 8' Galvanized Chain Link Fence | Linear Foot | 1150 | 600 | 6,900 ⁰⁰ |
| 12 | Gate for 4' Galvanized Chain Link Fence | Linear Foot | 15 ⁰⁰ | 50 | 750 ⁰⁰ |
| 13 | Gate for 6' Galvanized Chain Link Fence | Linear Foot | 17 ⁰⁰ | 20 | 340 ⁰⁰ |
| 14 | Gate for 8' Galvanized Chain Link Fence | Linear Foot | 19 ⁰⁰ | 60 | 1,140 ⁰⁰ |
| 15 | <i>Temporary 6' Galvanized Chain Link Fence</i> | <i>Linear Foot</i> | 8 ⁰⁰ | 200 | 1,600 ⁰⁰ |
| 16 | <i>Gate for Temporary 6' Galvanized Chain Link Fence</i> | <i>Linear Foot</i> | 17 ⁰⁰ | 20 | 340 ⁰⁰ |
| Subtotal C (items 9 thru 16) | | | | | 15,970 ⁰⁰ |

Add subtotals to yield the Aggregate Total. This is the basis for award. The Aggregate Total should not be interpreted as an estimated contract value.

AGGREGATE TOTAL (A+B+C) = \$ 179,070⁰⁰

Contractor's Twenty-Four (24) Hour Emergency Service Telephone Number 240-848-1356 Julio
 (Answering Machine is not acceptable)
240-452-9901 Kim

Revised Page E-2
Per Solicitation Amendment #1

EXHIBIT D

Compensation and Fee Schedule

IFB #1097622

QUOTATION SHEET (continued)

QUOTATION SHEET (continued)

Names to two (2) full-time (40 hours per week) Working Foremen

1. Julio Ortiz

2. Elmer Montano

Name of one (1) full-time (40 hours per week) Welder

1. Carlos Hernandez

Names of three (3) full-time (40 hours per week) Fence Installers

1. Nasario Pu Tum

2. Oscar Perez

3. Antonio Centano

Regular working hours will be 7:30 a.m. to 4:00 p.m. Monday through Friday. Overtime hours are any hours after 4:00 p.m. and before 7:30 a.m. Monday through Friday and any hours on Saturday, Sunday, or Contract Holidays. Contract holidays are as follows:

New Year's Day
Martin Luther King, Jr. Day
Presidents Day
Memorial day

Juneteenth Day
Independence Day
Labor Day
Veterans Day

Thanksgiving Day
Christmas Day

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EXHIBIT E

Insurance Requirements

Prior to the execution of the contract by the City, the Contractor must obtain at their own cost and expense and keep in force and effect during the term of the contract including all extensions, the following insurance with an insurance company/companies licensed to do business in the State of Maryland evidenced by a certificate of insurance and/or copies of the insurance policies. The Contractor's insurance shall be primary. The Contractor must submit to the Purchasing Division, 111 Maryland Avenue, Rockville, MD 20850 a certificate of insurance prior to the start of any work. In no event may the insurance coverage be less than shown below.

Unless otherwise described in this Rider Agreement the successful contractor and subcontractors will be required to maintain for the life of the contract and to furnish the City evidence of insurance as follows:

MANDATORY REQUIREMENTS FOR INSURANCE

Contractor's insurance coverage shall be primary insurance as respects the City, its elected and appointed officials, officers, consultants, agents and employees and any insurance or self-insurance maintained by the City, shall be excess of the Contractor's insurance and shall not be called upon to contribute with it.

| Type of Insurance | Amounts of Insurance | Endorsements and Provisions |
|---|---|---|
| 1. Workers' Compensation 2. Employers' Liability | Bodily Injury by Accident: \$100,000 each accident Bodily Injury by Disease: \$500,000 policy limits Bodily Injury by Disease: \$100,000 each employee | Waiver of Subrogation: WC 00 03 13 Waiver of Our Rights to Recover From Others Endorsement signed and dated. |
| 3. Commercial General Liability a. Bodily Injury b. Property Damage c. Contractual Liability d. Premise/Operations e. Independent Contractors f. Products/Completed Operations g. Personal Injury | Each Occurrence: \$1,000,000 | City to be listed as additional insured and provided 30 day notice of cancellation or material change in coverage. CG 20 37 07 04 and CG 20 10 07 04 forms to be both signed and dated. |
| 4. Automobile Liability a. All Owned Autos b. Hired Autos c. Non-Owned Autos | Combined Single Limit for Bodily Injury and Property Damage - (each accident): \$1,000,000 | City to be listed as additional insured and provided 30 day notice of cancellation or material change in coverage. Form CA20 48 02 99 form to be both signed and dated. |
| 5. Excess/Umbrella Liability | Each Occurrence/Aggregate: \$1,000,000 | City to be listed as additional insured and provided 30 day notice of cancellation or material change in coverage. |

EXHIBIT E
Insurance Requirements

Alternative and/or additional insurance requirements, when outlined under the special provisions of this Rider Agreement, shall take precedence over the above requirements in part or in full as described therein.

POLICY CANCELLATION

No change, cancellation or non-renewed shall be made in any insurance coverage without a thirty (30) day written notice to the City Purchasing Division. The Contractor shall furnish a new certificate prior to any change or cancellation date. The failure of the Contractor to deliver a new and valid certificate will result in suspension of all payments and cessation of on-site work activities until a new certificate is furnished.

ADDITIONAL INSURED

The Mayor and Council of Rockville, which includes its elected and appointed officials, officers, consultants, agents and employees must be named as an additional insured on the Contractor's Commercial and Excess/Umbrella Insurance for liability arising out of contractor's products, goods, and services provided under this Rider Agreement. Additionally, The Mayor and Council of Rockville must be named as additional insured on the Contractor's Automobile and General Liability Policies. Endorsements reflecting the Mayor and Council of Rockville as an additional insured are required to be submitted with the insurance certificate.

SUBCONTRACTORS

All subcontractors shall meet the requirements of this Section before commencing work. In addition, Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all the requirements stated herein.

CERTIFICATE HOLDER

The Mayor and Council of Rockville
(Contract #, title)
City Hall
111 Maryland Avenue
Rockville, MD 20850

Asphalt/Concrete Improvements: FY26-FY30 (RA26)



Description: This project funds improvements to the infrastructure of the city's parks and buildings, including roadways, sidewalks, pathways, parking lots, retaining walls, plazas, drains, culverts, curbs and gutters, railings, fences, light fixtures, bollards, line striping, bleachers, and related ADA compliance repairs and renovations. Projects are identified in a five year plan that is updated annually.

Changes from Previous Year: None.

Current Project Appropriations

| | |
|-------------------------------|---------|
| Prior Appropriations: | - |
| Less Expended as of 4/15/25: | - |
| Total Carryover: | - |
| New Funding: | 595,000 |
| Total FY 2026 Appropriations: | 595,000 |

Guiding Principle: Stewardship of the Env. and Infrastructure

Mandate/Plan: 2016 ADA Transition Plan; 2020 Recreation & Parks Strategic Plan; Vision Zero Action Plan

Anticipated Project Outcome: Infrastructure and safety improvements to the asphalt and concrete within and around city parks and buildings.

Project Timeline and Total Cost by Type: No change.

| Type | Estimated Start | | Estimated Completion | | Estimated Cost (FY 2026 through FY 2030 only) | | | |
|---------------------|-----------------|---------|----------------------|---------|---|-----------|-----------|----------|
| | Original | Current | Original | Current | Original | Current | \$ Change | % Change |
| Planning / Design | FY 2026 | FY 2026 | FY 2030 | FY 2030 | 25,000 | 25,000 | - | - |
| Construction | FY 2026 | FY 2026 | FY 2030 | FY 2030 | 2,960,000 | 2,960,000 | - | - |
| Other (inspections) | - | - | - | - | - | - | - | - |
| Project Total (\$): | | | | | 2,985,000 | 2,985,000 | - | - |

Project Funding: This project is fully funded. This project is considered a routine capital maintenance project and is funded in five year increments.

| Source | Prior | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | Future | Total |
|------------------------------|-------|----------------|----------------|----------------|----------------|----------------|--------|------------------|
| Paygo (Cap) | - | 595,000 | 595,000 | 585,000 | 595,000 | 615,000 | - | 2,985,000 |
| Total Funded (\$) | - | 595,000 | 595,000 | 585,000 | 595,000 | 615,000 | - | 2,985,000 |
| Unfunded (Cap) | - | - | - | - | - | - | - | - |
| Total w/Unfunded (\$) | - | 595,000 | 595,000 | 585,000 | 595,000 | 615,000 | - | 2,985,000 |

Operating Cost Impact: No measurable impact.

| Fund | Prior | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | Future | Total |
|---------|-------|---------|---------|---------|---------|---------|--------|-------|
| General | - | - | - | - | - | - | - | - |

Project Manager: Mauricio Daza, Parks and Facilities Development Coordinator, 240-314-8608.

Notes: FY 2026 work includes repairs and modifications at multiple city locations and facilities as prioritized based on current conditions. Budget based on cost estimates for specific asphalt/concrete improvements as identified and prioritized in a five year plan that is updated annually.



MAYOR AND COUNCIL Meeting Date: January 5, 2026
Agenda Item Type: CONSENT
Department: IT
Responsible Staff: NICHOLAS OBODO

Subject

Staff recommends the Mayor and Council award and authorize the City Manager to execute an agreement for the purchase of software, support, and professional services with UKG of Lowell, Massachusetts to replace the City's end-of-life employee time-keeping software in the amount of \$96,252 per year through July 14, 2029, with the possibility of three additional one-year renewals.

Department

IT

Recommendation

Staff recommends that the City execute the contract to upgrade our current Kronos timekeeping software to UKG Ready in the amount of \$96,252 per year through July 14, 2029, with the possibility of three additional one-year renewals.

Discussion

The City's employee timekeeping solution reached End of Engineering (EOE) on December 31, 2025, indicating that no improvements will be made to our version of the software. Furthermore, the vendor, UKG, has indicated that the software End of Life (EOL) will be March 31, 2027. We will need to migrate from our current on-premise version of the software, called Kronos, to the new cloud version, called UKG ready. This is a significant effort that involves approximately 12 months of implementation time from the vendor and City staff. Therefore, we are requesting authorization to proceed with the upgrade to protect the ability of the City to maintain and protect the timekeeping records of our staff.

One of the major benefits of moving from the current on-premises version is no longer performing the major costly server & database upgrades required every 2-3 years.

Strategic and Operational Benefits of Cloud Migration

- Elimination of On-Prem Infrastructure Costs: No future hardware upgrades, server maintenance, storage, backups, or disaster recovery provisioning.

- No need to license, patch, or maintain 4 Windows servers and 1 Microsoft SQL server that currently support Kronos.
- Periodic Updates & Enhancements: The cloud platform is always the most current version and receives continuous improvements without additional cost or IT burden.
- Enhanced Security & Compliance: UKG maintains FedRAMP Moderate authorization and SOC 2 compliance, aligning with increasing regulatory expectations.
- Improved Accessibility: Anywhere, anytime access for supervisors and employees, supporting hybrid/remote work environments.
- Scalability & Support: Enhanced support services, including post-go-live support and access to a modern user interface.
- Reduces Disaster Recovery Overhead: Offsite backup and DR planning is streamlined.
- Frees IT Support Capacity: Staff time previously spent on OS patching, SQL maintenance, and Kronos security remediation can now be redirected toward higher-value tasks such as:
 - User training and adoption
 - Advanced reporting and analytics
 - System optimization to align with department operations
- Simplified licensing structure – the City no longer has to purchase separate licenses for managers or mobile users.

Alternatives were explored, including extending our Financial/ERP system, CGI Advantage, to cover timekeeping. However:

- Functionality Limitations: CGI cannot fully support all employee types or existing Kronos use cases without costly customization.
- Implementation Constraints: Integrating timekeeping into CGI now would require revisiting system design, likely resulting in even higher implementation costs than the UKG migration. Due to competing priorities, timekeeping was not included in the Phase 1 configuration, and adding it now would introduce significant rework, delays, and integration challenges.
- Operational Risk: Switching to an entirely new platform would require retraining, reconfiguration, and significantly more support.
- Loss of Capabilities: CGI and other vendors lack certain Kronos-native features (e.g., biometric integration, mobile geolocation, rules-based scheduling).
- Cost Comparison: Based on early estimates, configuring CGI for timekeeping would require a new implementation scope and budget amendment — likely exceeding the \$100K UKG implementation cost and still not match UKG’s depth of functionality.

We also conducted a limited scan of other timekeeping platforms, but none offered the same level of maturity, functionality, and seamless continuation from our existing setup. Other compelling reasons include:

- Integration & Continuity: UKG has already been tightly integrated into our payroll and scheduling processes. Moving to a new platform would require reengineering processes and integrations.

- Vendor Mandate: As our current vendor, Kronos is ending support for our version and offering significant incentives to retain existing clients and bring them onto UKG Ready.

Mayor and Council History

This is the first time this item has come before the Mayor and Council.

Procurement

This purchase rides the OMNIA Partners, Public Sector, Inc f/k/a National Intergovernmental Purchasing Alliance Company. Cobb County, Georgia Procurement Department, acting as lead agency for OMNIA, issued Request for Proposal #24-6833 to procure for human resources information systems and related products.

The Rockville City Code states: Sec. 17-71. - Cooperative procurement authorized (b) The City may contract with any contractor who offers goods, services, insurance, or construction on the same terms as provided other state or local governments or agencies thereof who have arrived at those terms through a competitive procurement procedure similar to the procedure used by the City.

The City is an OMNIA Partners Participating Public Agency, OMNIA Partners number 4012934.

The RFP conducted by the Cobb County, Georgia Procurement Department was awarded on July 14, 2025, with a contract term of four (4) years. The term may be extended to three (3) additional twelve (12) month periods. The term of this Rider Agreement is from the Effective Date until July 14, 2029 with the option to extend.

Kronos SaaS HR, Inc (UKG) is offering the goods and services on the same terms as provided to the Georgia/OMNIA Partners Procurement Agreement referenced as Master Agreement #24-6833. This procurement is beneficial to the City to obtain the items in a timely and efficient manner and at a fair cost.

Kronos SaaS HR, Inc. (UKG) is a non-Minority, Female, Disabled or Veterans (non-MFD-V) business.

To view the draft contract, please see Attachment 1.

To view additional contract documents, please click the link below:

[Attachment 2 - Exhibit A Georgia - OMNIA Agreement.pdf](#)

Fiscal Impact

The agreement is effective when signed and the term aligns with the underlying contract through July 14, 2029. The FY 2027 operating budget will need to be increased in the IT Department, IT Operations Division to support this award with an annual cost of \$96,252. There are one-time implementation costs of \$86,580 associated with the upgrade of the timekeeping system that are separate from the agreement.

Next Steps

If approved, the City Manager will sign the contract with UKG and project kickoff will be scheduled to begin implementation of the upgrade.

Attachments

Attachment 1 - Draft Contract UKG 12.18.25

CITY OF ROCKVILLE, MARYLAND
Rider Agreement

This **RIDER AGREEMENT** (this “**Rider Agreement**”) is made this is made this ___ day of _____ 2025 (the “**Effective Date**”), by and between **THE MAYOR AND COUNCIL OF ROCKVILLE**, a body politic and municipal corporation of the State of Maryland, acting through its City Manager (the “**Mayor and Council**” or the “**City**” or “**Customer**”), and **KRONOS SaaSHR, INC.**, a Massachusetts Limited Liability Company (the “**Contractor**” or “**UKG**”). Individually, the Mayor and Council and the Contractor may each be referred to as the “**Party**,” or collectively as the “**Parties**.”

RECITALS

1. **WHEREAS**, the Mayor and Council desires to procure, through its Department of Information Technology on behalf of Human Resources (the “**IT Department**”), UKG Work Force Ready software as a service offering (“**WFR SaaS**”) to migrate from existing Workforce Central perpetual software licenses for timekeeping purposes; and
2. **WHEREAS**, in accordance with Section 17-71(b) of the Rockville City Code, the City may enter into a contract to procure the WFR SaaS from the Contractor without utilizing the City’s formal solicitation process if (i) if the Contractor has entered into a contract to provide the WFR SaaS to “other state or local governments or agencies,” (ii) the other state or local government or agency arrived at the contract terms for the WFR SaaS with the Contractor “through a competitive procurement procedure similar to the procedure used by the City,” and (iii) the City obtains the same contract terms the Contractor offered to the other state or local government or agency; and
3. **WHEREAS**, OMNIA Partners, Public Sector, Inc. f/k/a National Intergovernmental Purchasing Alliance Company, a Delaware corporation (“**OMNIA**”) offers cooperative procurement solutions to government entities and the City is an OMNIA Participating Public Agency, OMNIA Partners number 4012934; and
4. **WHEREAS**, on or about July 10, 2024 the Cobb County, Georgia Procurement Department (“**Georgia**”), acting as lead agency for OMNIA, issued Request for Proposal #24-6833 (“**Georgia RFP**”) to solicit the procurement of human resources information systems and related products, including WFR SaaS; and on August 8, 2024 the Contractor submitted a response to Georgia and OMNIA’s participating entities for human resources information systems, including WFR SaaS; and
5. **WHEREAS**, on July 14, 2025, the Cobb County, Georgia Board of Commissioners entered into a Contract with the Contractor referred to as Master Agreement No. 24-68333 (the “**Georgia/OMNIA Procurement Agreement**”), attached hereto as **Exhibit A** and incorporated by this reference, pursuant to which the Contractor agreed to provide Georgia with, among other things, the WFR SaaS; and

6. **WHEREAS**, the City of Rockville determined that Georgia’s competitive procurement procedure is similar to the competitive procurement procedure utilized by the City; and
7. **WHEREAS**, the Georgia/OMNIA Procurement Agreement includes an exhibit labeled UKG Public Sector MSA (beginning at p. 473 of the Procurement Agreement) with reference by link to additional information in the Procurement Agreement and on the website (collectively, the “User Agreement”); the City agrees to the terms of the User Agreement, subject however to the Parties’ agreement that (i) the terms and conditions of the User Agreement included in the Georgia Procurement Agreement are modified by the specific modifications identified herein and on the attached Exhibit B and incorporated by this reference; and (ii) that where the terms of this Rider Agreement vary from the terms and conditions of the Georgia/OMNIA Procurement Agreement, the terms and conditions of this Rider Agreement shall prevail; and
8. **WHEREAS**, the City of Rockville, as an eligible Participating Public Agency, shall assume the rights and obligations of the Customer (as defined in the Georgia/OMNIA Procurement Agreement) and the Contractor agrees to provide the WFR SaaS to the City on the same terms and conditions as provided in the Georgia/OMNI Procurement Agreement, subject to the terms and conditions of this Rider Agreement.

NOW, THEREFORE, IN CONSIDERATION of the foregoing and the covenants, warranties and agreements of the Parties hereto, as are hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party hereto, the Parties hereby agree as follows:

OPERATIVE PROVISIONS

ARTICLE I. CONTRACTOR PROVISION OF GOODS AND/OR WFR SAAS

Section 1.01. Order Form. The Contractor shall, in accordance with the terms and conditions of this Agreement, provide to the City the subscription services that comprise the WFR SaaS specified in Quote#: Q-144308 referred to as the “**UKG Order Form**” (or “**Order Form**”) attached hereto as **Exhibit C**, and incorporated by this reference. The parties agree the City is migrating from its existing UKG Kronos Workforce Central Perpetual software license, (the “**Existing Applications**”) to the UKG Ready software as a service offering (WFR SaaS), and Customer’s software support for the Existing Applications shall continue, for up to two payroll cycles within 60 days after migration to WFR SaaS, but in no event beyond December 31, 2025 and shall terminate thereafter..

Section 1.02. Intentionally Omitted.

Section 1.03. Contract Administrator. The IT Department is the “**Contract Administrator**” for this Rider Agreement. The Contractor shall provide the Scope of Work to the City under the direction of the following designated representative of the Contract Administrator:

Donnie Johnson, IT Business Manager
111 Maryland Avenue, Rockville, MD 20850
(240) 314-8161
djohnson@rockvillemd.gov

The Contractor shall refer any decisions which must be made by the City to the Contract Administrator. The City Manager or authorized designee may modify the forgoing Contract Administrator by notifying the Contractor of such modification in writing.

Section 1.04. Requirement to Proceed. Upon execution of this Rider Agreement Contractor will provide the Customer with access to WFR SaaS.

ARTICLE II. CONTRACT TERM AND PERFORMANCE SCHEDULE

Section 2.01. Contract Term. The duration of this Rider Agreement shall be from the Effective Date through July 14, 2029, to align with the term of the Georgia/ OMNIA Procurement Agreement (the “**Initial Contract Term**”), unless earlier terminated in accordance with Article IX below. Georgia at its sole discretion may exercise an option to renew three (3) times for one (1) year each. Per the Georgia/OMNIA Procurement Agreement the local agreements with Participating Public Agencies accessing the contract through OMNIA Partners may contract for the full potential terms (any combination of initial and renewal periods) not to exceed seven (7) years, so long as the effective date of such agreement is prior to the expiration of the Georgia/OMNI Procurement Agreement.

If Georgia exercises its option to extend the term of the Georgia Procurement Agreement the City may extend the term of this Rider Agreement in accordance with Georgia’s extension by notifying Contractor of such extension and confirmation of pricing and length of the local agreement term in writing at least 60 days in advance and subject to Mayor and Council appropriation of adequate funds.

Section 2.02. Intentionally Omitted..

ARTICLE III. COMPENSATION AND PAYMENT

Section 3.01. Compensation, Required Appropriation of Funds. In order to compensate the Contractor for its performance of the services and the provision of the WFR SaaS, the Mayor and Council agrees to pay the Contractor, subject to any limitations set forth in this Rider Agreement, the amounts specified in the “**UKG Order Form**” attached hereto as **Exhibit**

C, which total amount, including reimbursements for actual expenses, shall not exceed Ninety-Six Thousand Two Hundred Fifty-Two Dollars and zero cents (**\$96,252.00**) per year to be billed and paid in accordance with the UKG Order Form (the “**Contract Sum**”).

Section 3.02. Manner and Method of Payment.

(a) The City shall pay the Contractor in accordance with the terms of the Georgia/OMNIA Procurement Agreement (described at section 3 of the User Agreement attached herein at Exhibit B) and the UKG Order Form (attached herein at Exhibit C). The Contractor is not entitled to a total payment, including fees for expenses, that exceed the Contract Sum.

Section 3.03. Invoice Disputes. Invoice disputes are addressed at User Agreement, section 3 (attached herein as Exhibit B).

Section 3.04. Warranties. Warranties are addressed at User Agreement, section 6 if services do not conform (attached herein at Exhibit B).

Section 3.05. Intentionally Omitted.

ARTICLE IV. COORDINATION OF WORK

Section 4.01. Representatives and Personnel of Contractor. Intentionally Omitted.

Section 4.02. Status of Contractor. The Contractor shall have no authority to bind the officials, officers, employees or agents of the City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against the City, whether by contract or otherwise, unless such authority is expressly conferred under this Rider Agreement or is otherwise expressly conferred in writing by the City Manager. The Contractor shall not at any time or in any manner represent that the Contractor or any of the Contractor’s officers, employees, agents, or subcontractors, if any, are in any manner officials, officers, employees or agents of the City. Neither the Contractor, nor any of the Contractor’s officers, employees, agents, or subcontractors, if any, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to the City’s employees. The Contractor expressly waives any claim the Contractor may have to any such rights.

Section 4.03. Independent Contractor. Neither the City, nor any of its officials, officers, employees or agents shall (i) have control over the manner, mode or means by which the Contractor, its employees, agents, or subcontractors perform the work related to the provision of the WFR SaaS, except as otherwise set forth herein; or (ii) have a voice in the selection, discharge, supervision or control of the Contractor’s employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. The Contractor shall provide all WFR SaaS required herein as an independent contractor of the City and shall remain at all times as to the City a wholly independent contractor with only such obligations as are consistent with that role. The Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of the City. The City shall not in any way or for any purpose become or

be deemed to be a partner of the Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with the Contractor.

Section 4.04. Intentionally Omitted.

ARTICLE V. CONTRACTOR COVENANTS AND OBLIGATIONS

Section 5.01. Contractor Qualifications. Contractor agrees to maintain a trained and knowledgeable staff capable of providing support for WFR SaaS as described in User Agreement, Section 1.

Section 5.02. Intentionally Omitted.

Section 5.03. Compliance With Law. Contractor agrees to comply with Applicable Law as described in User Agreement, Section 2.5 and provide services that conform to Federal and State laws and regulations as applicable to its business and to the specifications contained in the Documentation.

Section 5.04. Intentionally Omitted.

Section 5.05. Conflict of Interest. The Contractor confirms to the best of its knowledge and belief at the time of signature, that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of the City or which would in any way hinder the Contractor's performance of work related to the provision of the WFR SaaS. The Contractor further confirms that in the provision of the WFR SaaS, no person having any such interest shall be knowingly employed by it as an officer, employee, agent or subcontractor, if any, without the express written consent of the City Manager. The Contractor agrees to at all times use reasonable efforts to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of the City in the performance of this Rider Agreement. The Contractor further confirms that, in the performance of this Rider Agreement, it will not knowingly employ subcontractors or other persons or parties having such an interest. The Contractor certifies that to the best of its knowledge and belief at the time of signature, no person who has or will have any financial interest under this Rider Agreement is a member, officer or employee of the City; this provision will be interpreted in accordance with the applicable provisions of the Rockville City Code, as amended from time to time. The Contractor agrees to notify the City Manager or designee if any conflict arises.

Section 5.06. Compliance with ADA. The Contractor will provide the City its then-current Accessibility Conformance Report for UKG Ready and will use commercially reasonable efforts to respond promptly to the City's requests for information regarding accessibility compliance of its products. Customer remains solely responsible for all non-compliance of accessibility requirements which may result from modifications or preference setting during implementation of the SaaS solutions system configurations performed by Customer.

ARTICLE VI. RECORDS, REPORTS, AND RELEASE OF INFORMATION

Section 6.01. Records. The Contractor shall maintain, and the City and its representatives shall have the right to review all invoices associated with any Order incurred for the services under the Agreement, and similar materials relating to work performed for the City under this Agreement on file for at least three (3) years following the date of final payment to the Contractor by the City. The City shall maintain all invoices or applicable records for at least three (3) years following the date of final payment to the Contractor by the City. Any duly authorized representative(s) of the City shall have access to such invoices or applicable records upon a 30 day prior request at reasonable times, during usual and customary business hours.

Section 6.02. Intentionally Omitted.

Section 6.03. Intentionally Omitted.

Section 6.04. Intentionally Omitted.

Section 6.05. Confidentiality. Confidentiality is addressed at User Agreement, section 5, and acknowledges the Customer may be compelled to disclose Confidential Information pursuant to the Maryland Public Information Act.

ARTICLE VII. INSURANCE

Section 7.01. Insurance Requirement.

(a) The Contractor shall be required to obtain and maintain at all times and at its own expense, during the term of the Order entered into between the City and the Contractor, the types of insurance(s) specified in **Exhibit E**, entitled “**Insurance Requirements**”.

Section 7.02. Indemnification. User Agreement section 8 and modifications attached herein at Exhibit B address indemnification.

Section 7.03. Intentionally Omitted.

Section 7.04. Sufficiency of Insurer. Upon request, the Contractor shall supply the City with proof of insurance upon the signing of this Agreement. All insurance companies for each of the coverages set forth above must be rated A- or better with a financial rating of VII or better in the most recent A.M. Best's Rating Guide.

ARTICLE VIII. CONTRACTOR REPRESENTATIONS AND WARRANTIES.

The Parties refer to the representations regarding organization, authority to enter this Agreement, and warranties pursuant to Georgia/OMNI Procurement Agreement, and the warranties described at User Agreement, section 6 (attached herein as Exhibit B).

ARTICLE IX. ENFORCEMENT OF AGREEMENT AND TERMINATION

Section 9.01. Maryland Law. This Rider Agreement shall be interpreted, construed and governed both as to validity and to performance of the Parties in accordance with the laws of the State of Maryland. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Rider Agreement shall be instituted in the Circuit Court of Montgomery County, State of Maryland, and the Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the State of Maryland, Southern Division.

Section 9.02. Intentionally Omitted.

Section 9.03 Non-Appropriation of Funds. Customer is a local governmental entity. Termination for non-appropriation of funds is addressed in User Agreement, section 7.2.3.

Section 9.04. Waiver. Waiver by either Party to this Rider Agreement of any term, condition, or covenant of this Rider Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Rider Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Rider Agreement. Acceptance by the City of WFR SaaS by the Contractor shall not constitute a waiver of any of the provisions of this Rider Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Rider Agreement.

Section 9.05. Intentionally Omitted.

Section 9.06. Legal Action. In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Rider Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Rider Agreement.

Section 9.07. Intentionally Omitted.

Section 9.08. Termination Prior to Expiration of Term. This Section shall govern any termination of this Rider Agreement except as specifically provided in the Georgia/Omnia Agreement Section for termination. Twelve (12) months after the Billing Start Date, the City reserves the right to terminate this Rider Agreement at any time, with or without cause, upon ninety (90) days' written notice to the Contractor. Upon termination Customer shall pay all the launch fees invoices and outstanding Subscription Services fees for the Subscription Services performed up to the effective date of termination.

Section 9.09. Intentionally Omitted.

Section 9.10. Intentionally Omitted.

ARTICLE X. MISCELLANEOUS PROVISIONS

Section 10.01. Notices, Demands, and Communications Between the Parties. Formal notices, demands, and communications between the Contractor and the City shall be given either by (a) personal service, (b) delivery by reputable overnight document delivery service such as Federal Express that provides a receipt showing date and time of delivery, or (c) mailing utilizing a certified or mail postage prepaid service of the United States Postal Service that provides a receipt showing date and time of delivery, addressed to:

To the City:

Mayor and Council of Rockville
c/o Office of the City Clerk / Director of Council
Operations
111 Maryland Avenue
Rockville, Maryland 20850
Attn: City Clerk / Director of Council Operations
Email: cityclerk@rockvillemd.gov

With copies to:

Office of the City Manager
111 Maryland Avenue
Rockville, Maryland 20850
Attn: City Manager
Email: cmo@rockvillemd.gov

Office of the City Attorney
111 Maryland Avenue
Rockville, Maryland 20850
Attn: City Attorney
Email: cityattorney@rockvillemd.gov

Department of Procurement
111 Maryland Avenue
Rockville, Maryland 20850
Attn: Director
Email: procurement@rockvillemd.gov

To the Contractor:

EVP Chief Legal Officer
UKG, Inc.
900 Chelmsford Street
Lowell, MA 01851
UKGLegal@ukg.com

Notices personally delivered shall be deemed effective upon receipt or refusal thereof. Notices given by a reputable overnight document delivery service shall be deemed effective one (1) business day after delivery by such service. Notices mailed shall be deemed effective on the fifth (5th) business day following deposit in the United States mail. Such written notices, demands, and communications shall be sent in the same manner to such other addresses as any Party may from time to time designate in writing. As used herein, “business day” means a day other than Saturday, Sunday, or a federal holiday, state holiday in the State of Maryland, or a city holiday in the City of Rockville, Maryland.

Section 10.02. Incorporation of Recitals, Interpretation.

(a) **Incorporation of Recitals.** The Recitals and Exhibits are an integral part of this Rider Agreement and set forth the intentions of the Parties and the premises on which the Parties have decided to enter into this Rider Agreement. Accordingly, the Recitals above and Exhibits attached are fully incorporated into this Rider Agreement by this reference as if fully set forth and state the obligations as if the parties to the Georgia/ OMNI Procurement Agreement were identical to the parties of this Rider Agreement.

(b) **Interpretation.** The terms of this Rider Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against any Party by reason of the authorship of this Rider Agreement or any other rule of construction which might otherwise apply. The Section headings are for purposes of convenience only and shall not be construed to limit or extend the meaning of this Rider Agreement. In the event of any conflict or inconsistency between the provisions of this Rider Agreement and provisions of the Georgia/OMNI Procurement Agreement, the provisions of this Rider Agreement will prevail and govern the interpretation thereof.

Section 10.03. Non-Liability of Officials, Employees and Agents. No member, official, employee or agent of the Mayor and Council shall be personally liable to the Contractor in the event of any default or breach by the Mayor and Council or for any amount which may become due to the Contractor or its successors or assigns or on any obligation under the terms of this Rider Agreement.

Section 10.04. No Waiver of Sovereign Immunity by Mayor and Council. Notwithstanding any other provisions of this Rider Agreement to the contrary, nothing in this Rider Agreement nor any action taken by the Mayor and Council pursuant to this Rider Agreement nor any document which arises out of this Rider Agreement shall constitute or be construed as a waiver of either the sovereign immunity or governmental immunity of the Mayor and Council and its appointed officials, officers and employees. Notwithstanding the foregoing, the Parties acknowledge and agree that this Rider Agreement and the Georgia/OMNIA Procurement Agreement create valid and enforceable contractual obligations, and as such, pursuant to Maryland law, the City may be subject to suit for breach of the terms the contract. Accordingly, the Contractor shall have the right to pursue all remedies available at law or in equity for the enforcement of the City’s contractual obligations under this Agreement, provided that such remedies do not exceed those expressly authorized by Maryland law or statute.

Section 10.05. No Third-Party Beneficiaries. No provision of this Rider Agreement shall be construed to confer any rights upon any person or entity who is not a Party hereto, whether a third-party beneficiary or otherwise.

Section 10.06. Equal Opportunity Employment. Contractor will not discriminate against any employee or applicant for employment because of age (in accordance with applicable law), sex, race, ancestry, color, religion, sexual orientation, gender identity or expression, physical or mental handicap, marital status, or political expression.

Section 10.07. Intentionally Omitted.

Section 10.08. Tax Exemption. The City is exempt from the payment of any federal excise or any Maryland sales tax and upon request shall provide Contractor with a valid tax exemption certificate authorized and honored by applicable taxing authorities that covers all Taxes.

Section 10.09. Intentionally Omitted.

Section 10.10. Severability. If any term, provision, covenant, or condition of this Rider Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of this Rider Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Rider Agreement. In the event that all or any portion of this Rider Agreement is found to be unenforceable, this Rider Agreement or that portion which is found to be unenforceable shall be deemed to be a statement of intention by the Parties; and the Parties further agree that in such event, and to the maximum extent permitted by law, they shall take all steps necessary to comply with such procedures or requirements as may be necessary in order to make valid this Rider Agreement or that portion which is found to be unenforceable.

Section 10.11. Entire Agreement, Waivers and Amendments. This Rider Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the Parties. All waivers of the provisions of this Rider Agreement must be in writing and signed by the appropriate authorities of the Party to be charged, and all amendments and modifications hereto must be in writing and signed by the appropriate authorities of the Parties.

Section 10.12. Surviving Provisions. Provisions of this Agreement which by their nature are intended to survive in the event of a dispute or because their obligations continue past termination of the Agreement, including provisions relating to acknowledgements, reservation of rights, use restrictions, fees, confidentiality, limits of liability, indemnification, and termination will so survive.

Section 10.13. Counterparts. This Rider Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

Section 10.14. Electronic Signatures. This Agreement may be executed by electronic signature, which will be construed as an original signature for all purposes and have the same force and effect as an original signature. For these purposes, “electronic signature” means electronically scanned and transmitted versions (e.g., via pdf file or facsimile transmission) of an original signature, or signatures electronically inserted via software such as DocuSign or Adobe Sign.

(Signature pages to follow)

IN WITNESS WHEREOF, the Mayor and Council and the Contractor have each executed, or caused to be duly executed, this Rider Agreement for the procurement of the WFR SaaS under seal in duplicate, in the name and behalf of each of them (acting individually or by their respective officers or appropriate legal representatives thereunto duly authorized) as of the day and year first written above.

MAYOR AND COUNCIL

Approved as to form:

**THE MAYOR AND COUNCIL OF
ROCKVILLE**, a body corporate and municipal
corporation of the State of Maryland

Robert Dawson, City Attorney

By: _____
Jeff Mihelich, City Manager

CONTRACTOR

KRONOS SaaSHR, INC., a Massachusetts
Limited Liability Company

By: _____
Mei Deng
Director, Finance Business Operations
Duly Authorized

EXHIBIT A
Georgia/Omnia Procurement Agreement

See Attached

EXHIBIT B
User Agreement, UKG Public Sector MSA

User Agreement and associated policies and DPA, reproduced BELOW.

SUBJECT TO MODIFICATIONS:

Notwithstanding any provisions to the contrary which may appear in the Georgia/OMNIA Procurement Agreement and UKG Public Sector MSA, both incorporated herein, the parties agree as follows:

1. Contractor acknowledges the Mayor and Council of Rockville is a tax-exempt, governmental entity and reserves all sovereign and governmental immunities provided by Maryland law to a municipal corporation. Md. Const., Art XI-E; COMAR 21.07.03.02.
2. Contractor acknowledges that the Mayor and Council, its officers, employees and agents are obligated to comply with Rockville Charter, Art.VII, Sec. 3.
3. Payments will be made only upon receipt of a proper invoice detailing the goods/services, no taxes, and no interest charges contrary to the Maryland prompt payment law (COMAR 21.07.03.02; Maryland Code, chapter 30 and 31).
4. The Mayor and Council shall not assume any obligation to indemnify, hold harmless, or pay attorneys' fees that may arise from or in any way be associated with the performance or operation of this agreement. COMAR 21.07.03.23 Contractor acknowledges that as a municipal corporation Mayor and Council is subject to the limitations and immunities provided by the Local Government Tort Claims Act, Maryland Code, Court and Judicial Proceedings § 5-301 *et seq.*, cannot accept liability limitations caused by another party's gross negligence or willful misconduct and Mayor and Council does not accept any term that creates any obligation for the City to hold Contractor harmless from, or defend Contractor against, such claims.
5. In accordance with the terms of Section 8 of the User Agreement, Contractor agrees to indemnify and save harmless the State, its officers, agents and employees with respect to any claim, action, cost or judgment for patent infringement, or trademark or copyright violation arising out of purchase or use of materials, supplies, equipment or services covered by this contract. COMAR 21.07.03.18.
6. The parties agree the Contract and any dispute will be decided according to Maryland law (COMAR 21.07.03.19).
7. The Contractor agrees not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, sexual orientation, gender identity, marital status, national origin, ancestry, or physical or mental disability of a qualified individual with a disability and to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause. COMAR 21.07.03.06; Rockville Code 17-116 and 11-2.

Exhibit “C”
UKG Public Sector MSA

Exhibit “C”
UKG Public Sector MSA

(also referred to as the UKG Kronos Systems, LLC Commercial Terms and Conditions)

These Public Sector Master Terms and Conditions (this “**Agreement**”) are made between the UKG entity, which may include UKG Kronos Systems LLC, Kronos SaaS Inc. or UKG Inc. (“**UKG**”) and the Public Agency signing the Order (“**Customer**”) which makes reference to the Master Agreement and sets forth the terms and conditions governing Customer’s use of UKG Software as a Services offerings, Equipment and other related Professional Training and Support Services that are stated on the Order or Statement of Work, including any attachments thereto. This Agreement is effective as of the date of the last Party to sign the Order (“**Effective Date**”). Capitalized terms used but not defined in this Agreement will have the meanings ascribed to them in the applicable Order or SOW.

1. Services

- 1.1 Subscription Services.** The Subscription Services will be identified in the Order. During the Initial Term and all applicable Renewal Terms defined in the Order, UKG will provide the Subscription Services to Customer and Customer may use such Subscription Services solely for its internal business purposes to manage the type and number of its employees subject to and conditioned on payment by Customer of all fees and Customer’s compliance with this Agreement, the Services Description, the Documentation, and the Order. Customer agrees that its purchases are not contingent on the delivery of any future functionality or features, or dependent on any oral or written public comments made by UKG regarding future functionality or features.
- 1.2 Support Services.** UKG shall maintain a trained and knowledgeable staff capable of providing support for the Subscription Services. UKG will use commercially reasonable diligence to correct reproducible errors when reported to UKG and provide phone, email, or online support 24 hours a day / 7 days a week as set forth in the UKG Support Policy located in the applicable Services Description and also available at <https://www.ukg.com/saas-support-policies-and-services>. UKG will also provide scheduled and periodic enhancements and modifications to the Subscription Services, including bug fixes, to correct reproducible errors reported to UKG.
- 1.3 Professional Services.** UKG will provide the Professional Services listed in the Order, in accordance with the applicable Statement of Work. If Customer requests additional Services that were not previously identified on an Order or Statement of Work, then the Parties may need to execute additional Orders or Statements of Work.
- 1.4 Training Services.** In connection with a Subscription Service, UKG will provide (a) live virtual training facilitated by a knowledgeable instructor and delivered remotely via a published schedule intended for (i) the core team to help key functional and technical users make informed solution design and configuration decisions and to provide fundamental product knowledge, and (ii) an application and system administrator to

prepare functional and technical super users to perform their most common tasks in the solution; and (b) self-paced product training. Training Services outside the scope of this section shall be provided by UKG as described in the Order and Statement of Work.

2. Acknowledgements

- 2.1 Reservation of Rights.** The Subscription Services are provided with a limited right to use and are not sold, and UKG reserves and retains all rights not expressly granted in this Agreement. UKG has and shall maintain sole and exclusive ownership of all rights, title, and interests in the Services and Documentation, and all modifications and enhancements thereof (including ownership of all trade secrets, copyrights, trademarks, brands, and other intellectual property rights pertaining thereto). There will be no “work for hire” created as part of the Services or any deliverables owned by Customer, and all works, customizations, models, and developments created by UKG shall be considered a part of the Services.
- 2.2 Use Restrictions.** Except as expressly provided in this Agreement, no other use of the Subscription Services is permitted. Customer may not, and may not cause or permit others to: (a) reverse engineer, disassemble, adapt, translate, or decompile the Subscription Services, including, without limitation, any third party components, or otherwise attempt to derive source code, trade secrets, or knowhow from the Subscription Services; (b) license, sell, transfer, assign, distribute, or outsource use of the Subscription Services or Documentation, or provide service bureau, data processing, or time sharing access to the Subscription Services, or otherwise use the Subscription Services to provide payroll or human resource record keeping for third parties; (c) create Internet “links” to the Subscription Services or “frame” or “mirror” the Subscription Services on any other server, or wireless or Internet-based device; (d) access or use the Subscription Services or Documentation to build or support, directly or indirectly, products or services competitive to UKG; (e) interfere with or disrupt the integrity or performance of any Subscription Services or any data contained therein; (f) attempt to gain unauthorized access to any Subscription Services or its related data, systems, or networks; or (g) remove or alter any proprietary notices or marks on the Subscription Services or Documentation.
- 2.3 Customer Feedback.** Customer has no obligation to provide UKG with any suggestion, enhancement request, recommendation, evaluation, correction, or other feedback about the Services (“**Feedback**”), but if it does, Customer grants to UKG and its affiliates a worldwide, perpetual, irrevocable, royalty-free license to use, copy, modify, distribute, disclose, create derivative works, and make and incorporate such Feedback into its Services for any purpose. UKG has no obligation to incorporate or apply any Feedback to the Services.
- 2.4 Consent to Subcontract.** Customer hereby consents to UKG subcontracting Services to persons or companies qualified by UKG to provide Services on UKG’s behalf. UKG may also fulfill its obligations related to certain Services through its affiliates. UKG shall be responsible for the actions of its subcontractors and Affiliates.

2.5 Compliance with Laws. UKG shall comply with Applicable Laws in performing its obligations hereunder. Customer shall comply with Applicable Laws when using the Services and remains solely responsible for its compliance with Applicable Laws, including, but not limited to, with respect to the configuration and use of the Services and regardless of whether UKG provides assistance with Customer compliance matters. Customer acknowledges that the specific record retention requirements established under Applicable Laws relating to Customer are the responsibility of Customer and not UKG.

2.6 Upgrades and Modifications.

2.6.1 Upgrades. The Subscription Services may be upgraded or changed at any time as required by normal business conditions, provided that such changes will not materially diminish the functionality of the Subscription Services. Any changes to the Subscription Services will be applicable to all UKG customers of the Subscription Services and material changes will be deployed with reasonable advance notice.

2.6.2 Modifications. UKG may unilaterally revise its Master Services Agreement ("MSA") terms if they are not material. For revisions that will materially change the terms of the Agreement, the revised MSA terms must be incorporated into the Agreement which will be published. Any MSA terms or conditions unilaterally revised that are inconsistent with any material term or provision of this Agreement shall not be enforceable against the Customer, and the Customer shall not be deemed to have consented to them.

2.7 Acceptable Use. Customer will use the Subscription Services in full compliance with the Acceptable Use Policy attached as Exhibit 1 and which could be found in <http://www.ukg.com/acceptable-use-policy> ("**Acceptable Use Policy**"), which requires Customer not to (a) use, or encourage, promote, facilitate or instruct others to use, the Services for any illegal, harmful or offensive use, or to transmit, store, display, distribute or otherwise make available content that is illegal, harmful, or offensive, (b) use the Services to violate the security or integrity of any network, computer or communications system, software application, or network or computing device, (c) interfere with or fail to cooperate with any UKG investigation of a security incident involving any UKG system, infrastructure or customer data, (d) make network connections to any users, hosts, or networks unless Customer has permission to communicate with them, and (e) use the Service to distribute, publish, send, or facilitate the sending of unsolicited mass e-mails or other messages.

2.8 Access Credentials. Except as otherwise provided herein, Customer will not provide any third party with access credentials to the Subscription Services and will safeguard and compel all users to safeguard the access credentials. Customer will be responsible for all acts and omissions of its users. Customer will notify UKG promptly if it learns of any unauthorized use of any access credentials or any other known or suspected breach of security. If Customer allows use of the Subscription Services by any of its departments or public agencies which Customer controls without requiring such department or public

agency to execute a separate Order with UKG to establish its own tenant environment, then Customer will be fully responsible and liable for all use and misuse of the Subscription Services by such Affiliate, and will fully cooperate with UKG in enforcing all of its rights to, interests in, and protection of the Services, including in seeking equitable remedies against any Affiliate that breaches this Agreement. Customer may also allow use of the Subscription Services by its legally bound contractors, provided such use is solely on Customer's behalf, is strictly in compliance with the terms and conditions of this Agreement, Customer at all times remains in control of and retains management over the Subscription Services, and Customer is liable for all breaches of this Agreement by such contractor. Customer authorizes UKG to provide such Customer contractors access to the Subscription Services.

- 2.9 Connectivity.** Customer is responsible for securing, paying for, and maintaining connectivity to the Subscription Services from Customer's location(s) via the internet, including any and all related hardware, software, third party services, and related equipment and components for such connectivity. Customer agrees that UKG will have no liability for such connectivity and Customer will not be excused from any of its obligations under the Agreement due to the quality, speed, or interruption of the communication lines from the Customer's location(s) to the internet.

3. Fees and Taxes

UKG understands that Customer may be subject to Applicable Laws governing payment, including availability of funds, timing of payments, late payment interest penalties, and taxes.

- 3.1 Fees.** Customer will pay the fees on the payment terms and in the currency indicated in the Order. For each Order, the billing period of the fees will start on the Billing Start Date as set forth in the Order and will continue for the time period indicated as the Initial Term and all Renewal Terms, each as defined on the Order. Customer is responsible to pay for the Services for the entire Initial Term and each Renewal Term. UKG may increase the fees as set forth in the Order. The increased fees will be set forth in the applicable invoice. Except as otherwise specified in the Order and this Agreement (a) subscription fees are based on Subscription Services purchased and not time of actual usage; (b) minimum quantities purchased cannot be decreased during the relevant the then current Initial Term or Renewal Term; (c) additional quantities may be purchased; and (d) payment obligations are non-cancelable and fees paid are non-refundable.

- 3.2 Taxes.** *This section applies only if Customer has not provided with a valid tax exemption certificate authorized and honored by applicable taxing authorities that covers all Taxes.* The fees exclude, and Customer will be responsible for, all applicable sales, use, excise, withholding, VAT, and any other similar taxes, duties and charges of any kind imposed by any governmental entity in connection with the Services (excluding taxes based solely on UKG's income) ("Taxes").

3.3 Late Payment. Any invoices not reasonably disputed in writing within thirty (30) days from the date of receipt will be deemed undisputed and due. All undisputed invoices not paid within thirty (30) days after the date such amounts are due and payable may accrue interest at a rate up to the maximum allowable by applicable law. Customer will reimburse UKG for any additional reasonable cost incurred by UKG in connection with collecting any amounts payable under this Agreement. If Customer is more than thirty (30) days overdue in its payment of an undisputed amount due, then UKG reserves the right to suspend the Services provided under the applicable Order, but only until such payment is made to UKG and provided that UKG gives Customer at least ten (10) business days prior written notice of the overdue amount before UKG suspends the Services. Upon payment in full of all overdue amounts, UKG will restore the Services.

4. Data, Security and Privacy

4.1 Ownership of Customer Data. Customer shall retain ownership of all rights, title, and interests in and to Customer Data. No ownership rights in Customer Data will transfer to UKG. UKG will maintain backup copies of Customer Data as required to maintain and provide the Services, but Customer is responsible for maintaining backup copies of all data and information that Customer inputs into the Services or otherwise provides to UKG.

4.2 Use of Customer Data. Consistent with common Software as a Service (SaaS) industry practices and in accordance with Applicable Laws, UKG collects Customer Data to keep Services regularly up to date with appropriate market standards and security. All Customer Data collected is used solely for the purpose of providing and improving the Services and enhancing the customer experience with new functionalities.

4.3 Collection of Personal Information. Services may employ applications and tools that collect and process Personal Information that may be required by UKG to provide the requested Services or functionality included in or related to those Services. If Customer wishes to stop the collection and processing of Personal Information, Customer may need to uninstall or discontinue using certain Services.

4.4 Data Privacy and Security. Each Party agree to comply with Applicable Laws in its processing of Personal Information. UKG and its subprocessors will process Personal Information in accordance with UKG's DPA. All Customer Data will be secured and protected as set forth in the Technical and Organizational Measures of UKG's DPA.

5. Confidentiality

5.1 Definition. “**Confidential Information**” is any non-public information relating to a Party that is disclosed pursuant to any Order or this Agreement, and which reasonably should be understood by the recipient of such information to be confidential because of (a)

legends or other markings; (b) the circumstances of the disclosure; or (c) the nature of the information itself.

5.2 Exceptions. Information will not be considered Confidential Information if the information was (a) in the public domain without any breach of this Agreement; (b) disclosed to the receiving Party on a non-confidential basis from a source lawfully in possession of such Confidential Information and, to the knowledge of the receiving Party, is not prohibited from disclosing such Confidential Information to receiving Party; (c) released in writing from confidential treatment by disclosing Party; or (d) is independently developed by the receiving Party without use of or reference to the Confidential Information.

5.3 Nondisclosure. Except as expressly permitted in this section, neither Party will disclose the other Party's Confidential Information to any third party.

5.4 Protection. Each Party will secure and protect the Confidential Information of the other Party with a reasonable standard of care commensurate with the sensitivity of such Confidential Information and using precautions that are at least as stringent as it takes to protect its own Confidential Information of like nature, but no less than reasonable precautions.

5.5 Use. Each Party will only use the Confidential Information of the other Party as expressly permitted by or as required to exercise their rights, duties, and obligations under this Agreement.

5.6 Disclosure Exceptions. Confidential Information may be shared with and disclosed to (a) any Affiliate, subcontractor, or other third party who has a need to know to enable the receiving Party to exercise its rights or perform its obligations in connection with this Agreement and have non-disclosure obligations at least as stringent as the confidentiality provisions of this Agreement that apply to the Confidential Information; or (b) any court or governmental agency of competent jurisdiction, pursuant to a subpoena, order, civil investigative demand or similar process with which the receiving Party is legally obligated to comply, and of which the receiving Party notifies disclosing Party as required by a legal process, including in connection with any proceeding to establish a Party's rights or obligations under this Agreement (provided however that, when permitted by Applicable Law, a Party will give the other reasonable prior written notice so that the disclosing Party has an opportunity to contest any disclosure required by a legal process).

5.7 FOIA/Public Disclosure Laws. Notwithstanding any confidentiality obligations in the Agreement, UKG acknowledges that Customer may be compelled to disclose Confidential Information pursuant to the Federal Freedom of Information Act and any state equivalents or other open-records or public disclosure Applicable Laws. Customer may disclose such information to third parties upon written request to the extent compelled by such Applicable

Laws; provided that, prior to any such disclosure, Customer provides prior written notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at UKG's cost, if UKG wishes to limit or contest the scope of the disclosure in whole or in part.

6. Warranty

6.1 Mutual Warranties. Each Party hereby warrants that (a) it has the full right and authority to enter into this Agreement; and (b) the performance of its obligations and duties under this Agreement does not conflict with or result in a breach of any other agreement of such Party or any judgment, order, or decree by which such Party is bound.

6.2 Subscription Services Warranty. UKG warrants that the Subscription Services will substantially conform with the Documentation and that the functionality of the Subscription Services will not be materially diminished or adversely modified. In the event of a breach of the warranty described in this Section, as Customer's exclusive remedy and UKG's sole obligation, at UKG's cost, UKG will make commercially reasonable efforts to remedy such breach, provided that if UKG cannot substantially remedy such breach, then Customer may terminate the affected Subscription Services in accordance with Section 7.2.2. Customer agrees to report any non-conformance of the Subscription Services within thirty (30) days of its discovery and provide UKG with reasonable information and assistance to enable UKG to reproduce or verify the non-conforming aspect of the Subscription Services.

6.3 Professional, Support, and Training Services Warranty. UKG warrants that the Professional Services, Support Services, and Training Services will be performed by qualified personnel in a good and professional manner. In the event UKG breaches the warranty described in this Section, as Customer's exclusive remedy and UKG's sole obligation, UKG will reperform the deficient Professional, Support, or Training Service, at UKG's cost, provided that if UKG cannot substantially remedy such breach, then UKG will refund any fees prepaid by Customer for the affected Services. Customer must report any deficiencies in such Services, including Professional Services, within thirty (30) days of the completion of the Services.

6.4 Disclaimer. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, UKG DISCLAIMS ALL OTHER WARRANTIES NOT SET FORTH IN THIS AGREEMENT, EITHER EXPRESS OR IMPLIED, INCLUDING ALL WARRANTIES OF MERCHANTABILITY, QUALITY, PERFORMANCE, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, TITLE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE, IN CONNECTION WITH THIS AGREEMENT, THE SERVICES, AND ANY PRODUCTS PROVIDED BY UKG. UKG DOES NOT REPRESENT, WARRANT, OR COVENANT THAT THE SERVICES OR ANY

OTHER PRODUCT OR SERVICE PROVIDED HEREUNDER WILL BE UNINTERRUPTED, ERROR-FREE, VIRUS-FREE, OR SECURE. THIS DISCLAIMER OF WARRANTY MAY NOT BE VALID IN SOME JURISDICTIONS AND CUSTOMER MAY HAVE WARRANTY RIGHTS UNDER LAW WHICH MAY NOT BE WAIVED OR DISCLAIMED; HOWEVER, ANY SUCH WARRANTY RIGHTS EXTEND ONLY FOR THIRTY (30) DAYS FROM THE EFFECTIVE DATE OF THIS AGREEMENT (UNLESS AND ONLY TO THE EXTENT SUCH LAW PROVIDES OTHERWISE).

6.5 Customer Warranty. Customer warrants that it has all rights and required consents to provide Customer Data to UKG.

7. Term and Termination

7.1 Term of the Agreement. The term of this Agreement commences on the Effective Date and continues until the stated term in each applicable Order or as otherwise terminated as permitted in this Agreement. At the expiration of the Initial Term, and at the expiration of each Renewal Term, each as indicated on the Order, the Services will automatically renew for the duration indicated on the Order as the Renewal Term.

7.2 Types of Termination

7.2.1 Non-renewal. Either Party may terminate any Service identified in an Order upon at least sixty (60) days prior written notice to be effective at the expiration of the then current Initial Term or a Renewal Term.

7.2.2 For Cause. Either Party may terminate this Agreement, or any Service identified in an Order, if the other Party fails to perform any material obligation under this Agreement, and such Party is not able to cure the non-performance within thirty (30) days of written notice of such default with reasonably sufficient detail regarding the alleged breach, provided that UKG may immediately terminate or suspend Customer's access to the Services without notice if Customer is in breach of the "Use Restrictions" or "Confidentiality" sections of this Agreement, or the Acceptable Use Policy to prevent further harm. Either Party may immediately terminate this Agreement and all Orders if the other Party has a receiver or similar party appointed for its property, becomes insolvent, acknowledges its insolvency in any manner, ceases to do business, makes an assignment for the benefit of its creditors, or files a petition in bankruptcy. Other than as expressly permitted in this Agreement, or an Order, SOW, or Services Description, neither Party may terminate this Agreement and each Party remains fully obligated to the terms and conditions herein.

7.2.3 For Non-Appropriation of Funds. If Customer is a US Federal, State, or Local

governmental entity that relies on funding which is allocated at the federal, state and/or local level to fund the Service in the Agreement, then, to the extent required by law, the following will apply: Customer may terminate the Service in the event of a reduction in appropriations to any fund(s) from which UKG is to be paid for Services ordered under this Agreement but not yet delivered. Customer will provide a ninety (90) day prior written notice in the event of such termination to UKG and Customer agrees to pay for the products delivered and the services performed by UKG prior to the effective date of such notice. In the event of such termination, Customer shall not be entitled to a refund of pre-paid Services, such as the support fees. Customer acknowledges that by executing an Order Form for the Services, Customer has received fiscal appropriations for the amounts due during the Initial or Renewal Term (as applicable) as indicated on such Order.

7.3 Effects of Termination. The following terms apply if an Order is terminated for any reason:

7.3.1 Fees. All fees will be paid by Customer for amounts owed through the effective date of termination, and, if the Order is terminated for UKG's breach of the Agreement, any fees prepaid by Customer for the Service not rendered prior to the effective date of termination will be credited against Customer's account, with any remaining amounts refunded to Customer within thirty (30) days of the effective date of termination.

7.3.2 Cessation of Services. UKG will cease to provide the Services to Customer and Customer's right to use and access the Subscription Services will end as of the effective date of termination. If Customer requires access to the Subscription Services after the effective date of termination or transition assistance, such access and assistance will be subject to mutual agreement and additional fees, under a separate Order or SOW, and will be subject to the terms and conditions of this Agreement.

7.3.3 Deletion of Customer Data. UKG will delete Customer Data after Customer's rights to access the Subscription Services and retrieve Customer Data have ended, unless otherwise provided under this Agreement, a Services Description, Order, SOW, or another document. UKG will delete Customer Data in a series of steps and in accordance with UKG's standard business practices for destruction of Customer Data and system backups. UKG has no obligation to retain Customer Data and Customer Data may be permanently deleted as part of UKG's data management program(s) or practice(s), and in accordance with Applicable Laws.

7.3.4 Confidential Information. UKG and Customer will each return or destroy any Confidential Information of the other Party, with any retained Confidential Information remaining subject to this Agreement.

8. Indemnification

- 8.1 Claims Against Customer.** UKG will defend Customer and Customer's respective directors, officers, and employees, who are acting on behalf of Customer ("**Customer Indemnified Parties**"), from and against any and all third party Claims to the extent the Services or Documentation infringe or misappropriate any registered copyright or patent. UKG will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, damages, costs, or expenses (including, without limitation, reasonable attorneys' fees) actually awarded by a court of applicable jurisdiction to the extent resulting from such third party Claim, or as a result of UKG's settlement of such third party Claim.
- 8.2 Mitigation.** In the event that a final injunction is obtained against Customer's use of the Subscription Services by reason of infringement or misappropriation, or if in UKG's opinion, the use of the Subscription Services is likely to become the subject of a successful Claim of infringement or misappropriation, UKG (at its option and expense) will use commercially reasonable efforts to either (a) procure for Customer the right to continue using the Subscription Services as provided in the Agreement; or (b) replace or modify the Subscription Services so that they become non-infringing but remain substantively similar to the affected Subscription Services. Should neither (a) nor (b) be commercially reasonable, either Party may terminate the applicable Subscription Services and the rights granted hereunder upon written notice, at which time UKG will provide a refund to Customer of any fees paid by Customer for the infringing elements covering the period of their unavailability.
- 8.3 Exceptions.** UKG will have no liability to indemnify or defend Customer to the extent the alleged infringement or misappropriation of the Subscription Services is based on (a) use other than as expressly permitted by this Agreement or by UKG in writing; or (b) use in conjunction with any equipment, service, or software not provided by UKG, where the Subscription Services would not otherwise infringe, misappropriate, or become the subject of the third party Claim.
- 8.4 Qualifications.** Customer will provide written notice to UKG promptly after receiving notice of a third party Claim. If defense of such third party Claim is materially prejudiced by a delay in providing notice, UKG will be relieved from providing such indemnity to the extent of the delay's impact on the defense. UKG will have sole control of the defense of any indemnified third party Claim and all negotiations for its settlement or compromise, provided that UKG will not enter into any settlement which imposes any obligations on Customer without the prior written consent of Customer. Customer will cooperate fully (at UKG's request and expense) with UKG in the defense, settlement, and compromise of any such action. Customer may retain its own counsel at its own expense, subject to UKG's rights above.
- 8.5 Government Control of Defense.** If Customer is a US Federal, State, or Local governmental entity, then, to the extent required by law, the following will apply: Any

provision of the Agreement requiring UKG to defend or indemnify Customer is hereby amended, solely to the extent required by Applicable Laws, to provide that the U.S. Department of Justice (for a Federal Customer) or applicable State Attorney General's Office (for a SLED Customer) has the right to represent the respective Federal or SLED entity in litigation and other formal proceedings at its own cost. Subject to approval of the U.S. Department of Justice (for a Federal Customer) or applicable State Attorney General's Office (for a SLED Customer), if applicable, Customer shall tender defense of action to UKG upon request by UKG.

- 8.6** This "Indemnification" section states UKG's sole liability and Customer's exclusive remedy for all third party Claims and damages.

9. Limitations of Liability

- 9.1 Monetary Cap.** DURING ANY TWELVE (12) MONTH CONTRACT TERM (BEGINNING ON THE EFFECTIVE DATE OF THE APPLICABLE ORDER), UKG'S TOTAL AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS IN CONNECTION WITH ANY SERVICE PROVIDED TO CUSTOMER SHALL IN NO EVENT EXCEED THE AMOUNT PAID OR PAYABLE TO UKG DURING SUCH TWELVE (12) MONTH CONTRACT TERM FOR THE SERVICE GIVING RISE TO SUCH CLAIM(S).
- 9.2 Exclusion of Damages.** UKG WILL NOT BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES; FOR THE COST OF ACQUIRING SUBSTITUTE OR REPLACEMENT SERVICES; OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES, BUSINESS INTERRUPTION, LOST GOODWILL, OR LOST DATA RESULTING FROM OR RELATED TO THE SERVICES OR THIS AGREEMENT, HOWEVER CAUSED; OR ANY DAMAGES TO THE EXTENT CAUSED BY CUSTOMER'S DATA OR APPLICATIONS, CUSTOMER'S ALLOWANCE OF UNAUTHORIZED THIRD PARTY ACCESS, OR CUSTOMER'S INTRODUCTION OF MALICIOUS CODE.
- 9.3 Applicability of Limitations.** THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF LEGAL THEORY AND THE REASON LIABILITY IS ASSERTED, EVEN IF UKG HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NOTHING IN THIS SECTION OR ELSEWHERE IN THIS AGREEMENT SHALL OPERATE TO EXCLUDE OR LIMIT THE LIABILITY OF ANY PARTY TO THE EXTENT SUCH LIABILITY CANNOT LAWFULLY BE SO LIMITED OR EXCLUDED UNDER APPLICABLE LAW. INSOFAR AS APPLICABLE LAW PROHIBITS ANY LIMITATION ON LIABILITY HEREIN, THE PARTIES AGREE THAT SUCH LIMITATION WILL BE AUTOMATICALLY MODIFIED, BUT ONLY TO THE EXTENT SO AS TO MAKE THE LIMITATION COMPLIANT WITH APPLICABLE LAW. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITIES SET FORTH HEREIN ARE AGREED ALLOCATIONS OF RISK AND SUCH

LIMITATIONS WILL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

10. General

10.1 Jurisdiction & Dispute Resolution. This Agreement is governed by and is to be interpreted solely in accordance with the laws of the Commonwealth of Massachusetts, without regard to any conflict of law provision that would result in the application of a different body of law, and each Party agrees to submit to exclusive venue in the courts in Boston, Massachusetts in any dispute arising out of or relating to this Agreement. The United Nations Commission on International Trade Law, the United Nations Convention on Contracts for the International Sale of Goods, and the Uniform Computer Information Transactions Act (UCITA) will not apply to this Agreement.

10.2 Federal Government Use Provision. If the ultimate end user is a U.S. federal government entity, then it acknowledges that the Subscription Services, Equipment and Documentation consist of “commercial services” and “commercial products,” as defined in FAR 2.101, consisting of “commercial computer software,” “commercial computer software documentation” and “technical data” as these terms are used in FAR 12.211-12.212 and in DFARS 227.7202, as applicable. All such government end users will comply with this Agreement while using Subscription Services, Equipment and Documentation. the rights of the U.S. Government to use, modify, reproduce, release, perform, display, or disclose commercial computer software, commercial computer software documentation, and technical data furnished in connection with the Subscription Services, Equipment and Documentation shall be as provided in this Agreement, except that, for U.S. Department of Defense end users, technical data customarily provided to the public is furnished in accordance with DFARS 252.227-7015. If such Customer needs any additional rights, it must negotiate a mutually agreed addendum to these Agreement specifically granting those rights.

10.3 Export. Each Party shall comply with the export laws and regulations of the United States and other applicable jurisdictions in providing and using the Services. Without limiting the generality of the foregoing, Customer represents that it is not on any U.S. government denied- party list and it shall not make the Services available to any person or entity that (a) is located in a country that is subject to a U.S. government embargo; (b) is listed on any U.S. government list of prohibited or restricted parties; or (c) is engaged in activities directly or indirectly related to proliferation of weapons of mass destruction.

10.4 UKG’s Employer Obligations. UKG is responsible for compliance with all requirements and obligations relating to its employees under all Applicable Laws including, but not limited to, employer’s obligations under laws relating to: payroll, income tax withholding and reporting; civil rights; equal employment opportunity; discrimination on the basis of age, sex, race, color, religion, disability, national origin, or veteran status; overtime;

minimum wage; social security contribution and withholding; unemployment insurance; employer's liability insurance; worker's compensation; veteran's rights; and all other employment, labor, or benefits related laws.

10.5 Human Trafficking and Modern Slavery. UKG shall comply with all Applicable Laws regarding slavery and human trafficking of the state, province, and country/countries in which they are performing the Services and doing business, including, but not limited to, the California Transparency in Supply Chains Act and the United Kingdom Modern Slavery Act.

10.6 E-Verify. To the extent required by Applicable Laws, UKG agrees to utilize the U.S. Department of Homeland Security's E-Verify system, to verify the employment eligibility of all persons assigned by UKG to perform work in the United States pursuant to this Agreement.

10.7 Severability and Waiver. The invalidity or illegality of any provision in this Agreement will not affect the validity of any other provision. All unaffected provisions remain in full force and effect. The waiver of any breach of this Agreement will not constitute a waiver of any subsequent breach or default and will not negate the rights of the waiving Party.

10.8 Surviving Provisions. Provisions in this Agreement which by their nature are intended to survive in the event of a dispute or because their obligations continue past termination of the Agreement, including provisions relating to acknowledgements, reservation of rights, use restrictions, fees, confidentiality, limits of liability, indemnification, and termination, will so survive.

10.9 Assignment. This Agreement cannot be assigned by a Party, whether by operation of law or otherwise, without the prior written consent of the other Party; provided, however, that either Party may assign this Agreement in its entirety (including all Orders and Statements of Work) as part of a merger, acquisition, transfer, or sale of all or substantially all of its assets, stock or business, including to an Affiliate, so long as the assignee agrees to be bound by all of the terms and conditions of this Agreement, the Orders, and Statements of Work. In the event of such an assignment, the non-assigning party shall be entitled to request from the assignee reasonable information to demonstrate that the assignee has the necessary resources and expertise to provide the Service. In no event shall Customer have the right to assign the Agreement to a direct competitor of UKG. This Agreement shall be binding on and inure to the benefit of all permitted predecessors, successors, and assigns of each Party.

10.10 Force Majeure. If an unforeseeable event reasonably beyond the control of either of the Parties arises to prevent a Party from performing its obligations under this Agreement, including, but not limited to, acts of war, terrorism, uprising, acts of nature like earthquakes or floods, measures of any governmental authority in response to pandemics, epidemics or other viral or bacterial outbreaks, civil unrest, embargoes, riots, sabotage,

labor shortages, changes in laws or regulations, the failure of the internet or communications via common networks, failure of payment transfer mechanisms (but not lack of funds to make payments), power or system failure, or a delay in transportation (collectively “**Force Majeure**”), each Party will be excused from performance of its obligations under this Agreement, for the duration of the Force Majeure affecting such Party, provided that the affected Party will use reasonable efforts to mitigate the impact of the Force Majeure. Notwithstanding the foregoing, UKG remains obligated to provide disaster recovery portions of the Services to the extent not also prevented by the Force Majeure.

10.11 Publicity. UKG will not publicize matters relating to Customer’s use of the Services without Customer’s prior consent. Despite the foregoing, UKG may identify the Customer as a UKG customer and use Customer’s name, trademark, and logo, in any and all media, including without limitation, UKG’s advertising literature, marketing materials, websites, and lists of UKG’s customers; however, such usage shall not be classified as an advertisement but only identification as an entity who receives the Service from UKG. For the avoidance of doubt, this section does not prohibit UKG from referencing Customer’s name in a verbal format.

10.12 Notice. When either Party needs to provide notification or consent under this Agreement, those notices and consents must be in writing and considered delivered upon actual receipt. All notices to UKG must be sent to the following: UKGLegal@ukg.com with a copy to EVP Chief Legal Officer, UKG Inc., 900 Chelmsford Street, Lowell, MA 01851. All notices to Customer will be sent to the contact listed on the applicable Order. Notices sent elsewhere will not be considered effective under this Agreement. Any cure period required under this Agreement will begin on the date the notice is received.

10.13 eSignature. Each Party agrees that an eSignature (or a facsimile signature by the authorized representative) is evidence of acceptance of a valid and enforceable agreement.

10.14 No Third Party Beneficiaries. The provisions of this Agreement are for the sole benefit of the Parties and they will not be construed as conferring any rights on any third party nor are there any third party beneficiaries to this Agreement.

10.15 Titles and Headings. Titles and headings of sections of this Agreement are for convenience only and shall not affect the construction of any provision of this Agreement.

10.16 Relationship of the Parties. The Parties are independent contractors. Nothing in this Agreement shall be deemed to constitute a partnership or joint venture between the Parties or constitute any Party to be the agent of the other Party for any purpose.

10.17 Entire Agreement. This Agreement (and any information in referenced herein, including in an exhibit, schedule, attachment, annex, or at any URL) along with any corresponding Order, SOW, and Services Description constitute the entire agreement between the Parties pertaining to each Order. This Agreement supersedes all prior and contemporaneous representations, negotiations, and communications between the Parties relating to the Services and its subject matter. Customer acknowledges that it has not relied upon any such representations, negotiations, and communications, and waives any rights or claims arising from such representations, negotiations, and communications, including any claims for fraud or misrepresentation. This Agreement may only be amended in writing signed by each of the Parties. If Customer uses its own purchase order or similar document, any terms or conditions in such purchase order are null and void. In the event of a conflict between the provisions contained in this Agreement and those contained in an Order, SOW, or Services Description, the following order of precedence shall apply: (1) the Order, (2) this Agreement, (3) Services Description, and (4) the SOW.

11. Definitions

- 11.1 “Affiliates”** means, as to UKG, those entities that are directly or indirectly controlled by UKG Inc.; and as to Customer, those Customer entities that directly or indirectly control, are controlled by, or are under common control with Customer. “Control” (in this context) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and operating policies of the entity in respect of which the determination is being made through the ownership of the majority of its voting or equity securities, contract, or otherwise.
- 11.2 “Applicable Law(s)”** means all laws, codes, legislative acts, regulations, ordinances, administrative rules, rules of court, and court orders applicable to a Party’s respective business.
- 11.3 “Claim(s)”** means any and all notices, charges, claims, proceedings, actions, causes of action and suits.
- 11.4 “Customer Data”** means all content, information, and data Customer inputs into the Subscription Services, including but not limited to Personal Information.
- 11.5 “Documentation”** means the written specifications for the Subscription Services or other published online by UKG on its community pages accessible at <https://www.ukg.com/support> and <https://library.ukg.com/>, such as user manuals and administrator guides, as well as the Services Descriptions.
- 11.6 “DPA”** means UKG’s U.S. Data Processing Agreement located at <https://www.ukg.com/us-dpa>.
- 11.6 “Order”** means an order form, agreed by both Parties, which is subject to this Agreement or otherwise references this Agreement, setting out, among other things, the type and quantity of employees that may be managed in the Subscription Services, the term of the

Order, price and payment terms of the Services to be provided by UKG, and the fees to be paid by Customer.

11.7 “Party” or “Parties” means UKG or Customer, or both, as the context dictates.

11.8 “Personal Information” means Customer Data related to a Data Subject as defined under U.S Privacy Laws, including “personal information” as defined under the California Consumer Privacy Act (“CCPA”) and any similar terms, such as “personally identifiable information”.

11.9 “Professional Services” means the deployment, launch, configuration, implementation, integration, delivery, consulting, managed, and other similar services provided hereunder.

11.10 “Services” means the (a) Subscription Services; (b) Support Services; (c) Professional Services; (d) Training Services; and (e) other services or offerings as set forth in an Order.

11.11 “Services Description” means the supplemental terms applicable to a Subscription Service or other offerings located at <http://www.ukg.com/services-descriptions>.

11.12 “Statement of Work” or “SOW” means a document executed by both Parties, which is subject to this Agreement and the applicable Order or otherwise references this Agreement, detailing the scope of Professional Services or Training Services, the associated fees, and other applicable terms.

11.13 “Subscription Services” means those UKG software-as-a-service (“SaaS”) applications set forth on the Order, including the UKG data accessible therein, and made available to Customer via a hosted multi-tenant environment to use on a subscription basis.

11.15 “Support Services” means support and maintenance services provided by UKG for the Subscription Services, as described in this Agreement.

11.16 “Training Services” means in person and virtual instructor-led training and courses, including online, on-demand, in-product, and on-site courses provided by UKG.

11.17 “UKG” means UKG Kronos Systems, LLC., a Massachusetts limited liability company with its principal place of business at 900 Chelmsford Street, Lowell, MA 01851.

Exhibit “C-2” UKG Support Policy



SaaS Support Policies and Services

[FRENCH >](#) [GERMAN >](#)

Customer Support Service Level Agreement for PRO, DIMENSIONS, READY, and HRSD

UKG provides support for all customer environments on UKG Subscription Services. Configuration of new features may be subject to additional cost depending on complexity.

Priority Based Support

UKG provides support on a "priority" basis. As such, customers with the most critical request(s) will be serviced first, pursuant to the following UKG guidelines:

| Priority Level Description | | Target Response Time |
|----------------------------|---|---|
| High | A critical Customer issue with no available workaround where the Subscription Services cannot be accessed, or where the Subscription Services are experiencing major system degradation, such as: | Thirty (30) minutes or immediately via Rapid Response |

Priority Level Description

Target Response Time

- Cloud outage
- Unable to sign-off time cards
- Payroll data accuracy or unable to process payroll
- Totals are not accurate
- Unable to collect punches from terminals
- Unable to access a critical function within the Subscription Services

Medium

A serious Customer issue which impacts ability to utilize the Subscription Services effectively, such as:

- Intermittent or inconsistent functionality results or data accuracy (e.g., accrual balances not matching pay codes but balances are accurate)
- Data display inaccuracies or inconsistencies across multiple tasks
- Application performance is inconsistent or fluctuates

One (1) business hour or immediately via Rapid Response

Low

Non-critical Customer issue generally entailing use and usability issues or "how to" questions, such as:

- How do I set up a holiday pay rule?
- How do I run a report?

Within two business (2) hours

Service Coverage Period

UKG provides support 24 hours a day, seven days a week, 365 days a year, for high priority issues. UKG provides support during business hours for medium and low priority issues.

Support Language

Support is provided in English and may be provided in French, German and Spanish in some regions during local business hours.

Support Exclusions

Support services do not include service to the Subscription Services resulting from, or associated with:

1. Failure to use the Subscription Services in accordance with UKG's published specifications;
2. Customer's end user computer or operating system malfunctions, including browser and internet connection, or failure of the internet;
3. Services required for Subscription Services programs or conversions from products or software not supplied by UKG; or
4. Implementation services, configuration changes, and custom reports.

Critical Outages

UKG will provide continuous effort on all high priority events through either bug identification, the development of a workaround, or problem resolution. If this effort goes beyond normal business hours, the case may be passed to the after-hours team. On-going continuous effort may also be dependent on the customer's ability to provide a resource to work with UKG during this period.

Technical Escalation

UKG's case resolution process is a team based approach structured around specific features within the Subscription Services and staffed by UKG support engineers covering the full spectrum of skill sets and technical expertise. The teams are empowered to dynamically apply the appropriate resources to a case based on severity and complexity for the fastest resolution time possible.

The teams are also integrated with the development engineering and cloud operations staff and engage their assistance and technical guidance when necessary and/or directly escalate depending on case severity and time to resolve considerations.

For situations that contain multiple cases, an account or relationship manager may be assigned to act as a single point of contact and communication regarding case resolution status, action plan development, resource integration and implementation co-ordination. The account or relationship manager remains engaged until the situation has been successfully remediated.

Management Escalation

Customers may, at any time, ask to speak to a UKG global support manager if they experience dissatisfaction with the level of service received with respect to a specific case or service in general. To contact a UKG global support manager, please telephone your UKG support services center and ask to speak to a manager. Phone numbers are listed on the UKG Community at

<https://community.kronos.com/s/article/KB13193>.

Remote Support

UKG utilizes a web-based screen-sharing tool of its choosing that enables UKG to support Customers by empowering our support representatives to remotely view the computer of a Customer's user. By connecting through the internet or via intranets and extranets, support representatives will work in real time with Customer's users and quickly escalate to desktop sharing, which features mutual mouse and keyboard control and whiteboard capability.

UKG Community

UKG provides Customers with access to the UKG Community, which includes access to how-to articles and discussion boards, as well as the ability to open support cases. The UKG Community helps Customers make the most of its UKG solutions by putting tools and resources at its fingertips in a collaborative, intuitive online space — a space that makes opening a case, accessing support, and viewing all Customer's account information easier than ever. Streamlined and searchable, the information Customers need is just a click away.

Additional Support Options

As part of the Support Services, UKG may also provide:

- UKG Onboarding Experience: Step-by-step guidance to assist Customer during onboard activities
- Success Manager: A UKG resource to provide guidance on best practices in using Subscription Services
- Integration/API Support: Assistance with enhancing and updating existing APIs and integrations
- New Feature Review and Activation Assistance: Guidance on new features of Subscription Services and how to enable them
- Industry Best Practices Review: Review configuration and use of Subscription Services against industry peers and provide recommendations
- Configuration Review: Assistance with optimizing the use of Subscription Services based on your current usage patterns

Exhibit “C-3” (also labeled as Exhibit 1): Acceptable Use Policy

Exhibit "C-3" (also labeled as Exhibit 1): Acceptable Use Policy

Exhibit 1

Acceptable Use Policy

This Acceptable Use Policy (this "Policy") describes prohibited uses of the Services. In accordance with the Agreement, Customer agrees to use the Services in accordance with the latest version of this Policy.

1. Prohibited Use.

Customer agrees that it shall not use the Services, nor authorize, encourage, promote, facilitate or instruct others including its authorized users or Affiliates to use the Services as set forth below:

| PROHIBITED USE | DESCRIPTIONS AND EXAMPLES |
|--|---|
| (a) No Illegal, Harmful, or Offensive Use or Content | <p>Customer may not use, or encourage, promote, facilitate or instruct others to use, the Services for any illegal, harmful or offensive use, or to transmit, store, display, distribute or otherwise make available content that is illegal, harmful, or offensive. Prohibited activities or content include, but are not limited to:</p> <ul style="list-style-type: none"> • Illegal Activities. Any illegal activities, including advertising, transmitting, or otherwise making available gambling sites or services or disseminating, promoting or facilitating child pornography. • Harmful or Fraudulent Activities. Activities that may be harmful to others, UKG's operations or reputation, including offering or disseminating fraudulent goods, services, schemes, or promotions (e.g., make-money-fast schemes, ponzi and pyramid schemes, phishing, or pharming), or engaging in other deceptive practices. • Infringing Content. Content that infringes or misappropriates the intellectual property or proprietary rights of others. • Offensive Content. Content that is defamatory, obscene, abusive, invasive of privacy, or otherwise objectionable, including content that constitutes child pornography, relates to bestiality, or depicts non-consensual sex acts. • Harmful Content. Content or other computer technology that may damage, interfere with, surreptitiously intercept, or expropriate any system, program, or data, including viruses, Trojan horses, worms, time bombs, or cancelbots. |
| (b) No Security Violations | <p>Customer may not use the Services to violate the security or integrity of any network, computer or communications system, software application, or network or computing device (each, a "System"). Prohibited activities include, but are not limited to:</p> <ul style="list-style-type: none"> • Unauthorized Access. Accessing or using any System without permission, including attempting to probe, scan, or test the vulnerability of a System or to breach any security or authentication measures used by a System. Customer will not perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan on any System. • Interception. Monitoring of data or traffic on a System without permission. • Falsification of Origin. Forging TCP-IP packet headers, e-mail headers, or any part of a message describing its origin or route. This prohibition does not include the use of aliases or anonymous remailers. • No Use of Robots. Customer will not use any tool designed to automatically emulate the actions of a human user (e.g., robots) |
| (c) No Network Abuse | <p>Customer may not make network connections to any users, hosts, or networks unless Customer has permission to communicate with them. Prohibited activities include, but are not limited to:</p> <ul style="list-style-type: none"> • Monitoring or Crawling. Monitoring or crawling of a System that impairs or disrupts the System being monitored or crawled. • Denial of Service (DoS). Inundating a target with communications requests so the target either cannot respond to legitimate traffic or responds so slowly that it becomes ineffective. • Intentional Interference. Interfering with the proper functioning of any System, including any deliberate attempt to overload a system by mail bombing, news bombing, broadcast attacks, or flooding techniques. |

| PROHIBITED USE | DESCRIPTIONS AND EXAMPLES |
|--------------------------------------|---|
| | <ul style="list-style-type: none"> • Operation of Certain Network Services. Operating network services like open proxies, open mail relays, or open recursive domain name servers. • Avoiding System Restrictions. Using manual or electronic means to avoid any use limitations placed on a System, such as access and storage restrictions. |
| (d) No E-Mail or Other Message Abuse | Customer will not use the Service to distribute, publish, send, or facilitate the sending of unsolicited mass e-mail or other messages, promotions, advertising, or solicitations (like "spam"), including commercial advertising and informational announcements. Customer will not alter or obscure mail headers or assume a sender's identity without the sender's explicit permission. Customer will not collect replies to messages sent from another internet service provider if those messages violate this Policy or the acceptable use policy of that provider. |

2. Monitoring and Enforcement

UKG reserves the right, but does not assume the obligation, to investigate any violation of this Policy or misuse of the Services. UKG may:

- investigate violations of this Policy or misuse of the Services; or
- remove, disable access to, or modify any content or resource that violates this Policy.

If Customer violates the Policy or authorizes or helps others to do so, UKG may suspend use of the Services until the violation is corrected or terminate the Agreement for cause in accordance with the terms of the Agreement. UKG may modify this Policy at any time upon written notice to Customer of a revised version.

UKG may report any activity that it suspects violates any law or regulation to appropriate law enforcement officials, regulators, or other appropriate third parties. UKG's reporting may include disclosing appropriate customer information. UKG also may cooperate with appropriate law enforcement agencies, regulators, or other appropriate third parties to help with the investigation and prosecution of illegal conduct by providing network and systems information related to alleged violations of this Policy.

3. Reporting of Violations of this Policy by Customer

If Customer becomes aware of any violation of this Policy, Customer will immediately notify UKG and provide UKG with assistance, as requested, to stop or remedy the violation.

Exhibit “C-3” Acceptable Use Policy

Exhibit “C-3” Acceptable Use Policy

Exhibit 1

Acceptable Use Policy

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| PROHIBITED USE | DESCRIPTIONS AND EXAMPLES |
|---|--|
| (a) No Illegal, Harmful, or Offensive Use or Content | <p>Customer may not use, or encourage, promote, facilitate or instruct others to use, the Services for any illegal, harmful or offensive use, or to transmit, store, display, distribute or otherwise make available content that is illegal, harmful, or offensive. Prohibited activities or content include, but are not limited to:</p> <p>Illegal Activities. Any illegal activities, including advertising, transmitting, or otherwise making available gambling sites or services or disseminating, promoting or facilitating child pornography.</p> <p>Harmful or Fraudulent Activities. Activities that may be harmful to others, UKG's operations or reputation, including offering or disseminating fraudulent goods, services, schemes, or promotions (e.g., make-money-fast schemes, ponzi and pyramid schemes, phishing, or pharming), or engaging in other deceptive practices.</p> <p>Infringing Content. Content that infringes or misappropriates the intellectual property or proprietary rights of others.</p> <p>Offensive Content. Content that is defamatory, obscene, abusive, invasive of privacy, or otherwise objectionable, including content that constitutes child pornography, relates to bestiality, or depicts non-consensual sex acts.</p> <p>Harmful Content. Content or other computer technology that may damage, interfere with, surreptitiously intercept, or expropriate any system, program, or data, including viruses, Trojan horses, worms, time bombs, or cancelbots.</p> |

| PROHIBITED USE | DESCRIPTIONS AND EXAMPLES |
|---|---|
| (b) No Security Violations | <p>Customer may not use the Services to violate the security or integrity of any network, computer or communications system, software application, or network or computing device (each, a “System”). Prohibited activities include, but are not limited to:</p> <p>Unauthorized Access. Accessing or using any System without permission, including attempting to probe, scan, or test the vulnerability of a System or to breach any security or authentication measures used by a System. Customer will not perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan on any System.</p> <p>Interception. Monitoring of data or traffic on a System without permission.</p> <p>Falsification of Origin. Forging TCP-IP packet headers, e-mail headers, or any part of a message describing its origin or route. This prohibition does not include the use of aliases or anonymous remailers.</p> <p>No Use of Robots. Customer will not use any tool designed to automatically emulate the actions of a human user (e.g., robots)</p> |
| (c) No Network Abuse | <p>Customer may not make network connections to any users, hosts, or networks unless Customer has permission to communicate with them. Prohibited activities include, but are not limited to:</p> <p>Monitoring or Crawling. Monitoring or crawling of a System that impairs or disrupts the System being monitored or crawled.</p> <p>Denial of Service (DoS). Inundating a target with communications requests so the target either cannot respond to legitimate traffic or responds so slowly that it becomes ineffective.</p> <p>Intentional Interference. Interfering with the proper functioning of any System, including any deliberate attempt to overload a system by mail bombing, news bombing, broadcast attacks, or flooding techniques.</p> <p>Operation of Certain Network Services. Operating network services like open proxies, open mail relays, or open recursive domain name servers.</p> <p>Avoiding System Restrictions. Using manual or electronic means to avoid any use limitations placed on a System, such as access and storage restrictions.</p> |
| (d) No E-Mail or Other Message Abuse | <p>Customer will not use the Service to distribute, publish, send, or facilitate the sending of unsolicited mass e-mail or other messages, promotions, advertising, or solicitations (like “spam”), including commercial advertising and informational announcements. Customer will not alter or obscure mail headers or assume a sender’s identity without the sender’s explicit permission. Customer will not collect</p> |

| PROHIBITED USE | DESCRIPTIONS AND EXAMPLES |
|----------------|--|
| | replies to messages sent from another internet service provider if those messages violate this Policy or the acceptable use policy of that provider. |

2. Monitoring and Enforcement

UKG reserves the right, but does not assume the obligation, to investigate any violation of this Policy or misuse of the Services. UKG may:

- investigate violations of this Policy or misuse of the Services; or
- remove, disable access to, or modify any content or resource that violates this Policy.

If Customer violates the Policy or authorizes or helps others to do so, UKG may suspend use of the Services until the violation is corrected or terminate the Agreement for cause in accordance with the terms of the Agreement. UKG may modify this Policy at any time upon written notice to Customer of a revised version.

UKG may report any activity that it suspects violates any law or regulation to appropriate law enforcement officials, regulators, or other appropriate third parties. UKG's reporting may include disclosing appropriate customer information. UKG also may cooperate with appropriate law enforcement agencies, regulators, or other appropriate third parties to help with the investigation and prosecution of illegal conduct by providing network and systems information related to alleged violations of this Policy.

3. Reporting of Violations of this Policy by Customer

If Customer becomes aware of any violation of this Policy, Customer will immediately notify UKG and provide UKG with assistance, as requested, to stop or remedy the violation.

Exhibit 2

EQUIPMENT ADDENDUM

This Equipment Addendum (“Addendum”) supplements the Agreement (as defined in the Order that incorporates this Addendum) by setting forth certain additional terms and conditions that apply to the purchase and/or rental of Equipment and Equipment Support Services (as applicable).

In the event of conflict or inconsistency between any provision contained in the Agreement and any provision contained in this Addendum, with respect to the purchase and/ or rental of Equipment and Equipment Support Services, the provisions contained in this Addendum shall prevail.

1. Definitions.

In this Addendum, capitalized terms shall have the meanings set out below. Capitalized terms not otherwise defined below have the meaning given to them in the Agreement.

“Depot Exchange Service” means the Equipment Support Services option where UKG ships a replacement unit on an advance exchange basis in accordance with the Section 6 below.

“Depot Repair Service” means the Equipment Support Services option where Customer has its own inventory of spare terminals and UKG repairs the terminal in accordance with Section 6 below.

“Equipment” means UKG equipment such as time clocks, that are included on the Order.

“Equipment Description” means the supplemental terms attached hereto as Exhibits for purchased Equipment or Rental Equipment, as applicable.

“Equipment Documentation” means Equipment specifications, such as user manuals and administrator guides, published by UKG via the UKG community portal, accessible at <https://www.ukg.com/support>.

“Equipment Support Services” means Equipment maintenance and support services option stated on the Order.

2. Purchase or Rental Equipment. Customer may purchase or rent Equipment from UKG and receive related Equipment Support Services if included on the Order. If Customer purchases Equipment, Exhibit A applies, and if Customer rents Equipment, Exhibit B applies.

3. Payment and Invoicing. The price payable by Customer for the purchase or rental of Equipment, and Equipment Support Services as applicable, is set out on the Order. Each Party shall pay shipping costs and fees pursuant to the shipping terms stated on the Order.

4. Shipping and Title.

4.1 Shipping. UKG shall ship Equipment to Customer in accordance with the following shipping terms, unless otherwise stated on the Order.

4.2 Shipments to United States Destinations. All shipments to or from Customer to destinations within the United States are FOB (Free On Board) Shipping Point, and the shipping party is responsible for all costs and risks of loss, except that for shipments from UKG to Customer utilizing UKG's preferred carrier, UKG is responsible for the risk of loss during shipment until delivery to the identified destination. For UKG's initial shipment of purchased Equipment to Customer destinations within the United States, title of the Equipment passes to Customer upon shipment to the identified destination.

4.3 Shipments to Destinations Outside of the United States. Shipments to Customer destinations located in countries where UKG or one of its affiliates has an office are DDP (Delivered Duty Paid), and UKG is responsible for all duties and Value Added Taxes (VAT). Shipments to Customer destinations located in countries where UKG or one of its affiliates does not have an office are DAP (Delivered At Place), and Customer is responsible for import clearance, all duties and VAT. Shipments to UKG from a Customer location outside of the United States are DDP, and Customer is responsible for all duties and VAT. For the initial shipment of purchased Equipment to Customer outside of the United States, title of the Equipment passes to Customer upon delivery to the identified destination.

4.4 Title. Title to rented Equipment shall always remain with UKG. Except as expressly provided in this Addendum, UKG has and shall maintain sole and exclusive ownership of all rights, title, and interest in the intellectual property of the Equipment and its firmware.

5. Customer Responsibilities.

5.1 Use of Equipment. Customer shall (i) use the Equipment in accordance with the Equipment Documentation, (ii) use UKG's carrier of choice when shipping any Equipment, and ensure that Equipment returned to UKG is reasonably packaged to prevent damage in transit, and (iii) remove Customer Data from Equipment before sending Equipment to UKG. UKG reserves the right to delete Customer Data from Equipment that it receives from Customer. Customer is solely responsible for the backup of Customer Data. Customer acknowledges and agrees that UKG shall have no liability for Customer's failure to backup Customer Data.

5.2 Returning Equipment. When returning Equipment as permitted by the Addendum, Customer shall (i) request a Return Material Authorization Number (“RMA”) from UKG and place the RMA conspicuously on the outside of the return shipping package; and (ii) promptly return any failed Equipment. Customer acknowledges that any batch shipping of Equipment will result in a longer turnaround time and a surcharge to Customer.

5.3 Restrictions. In addition to the Use Restrictions set out in Section 2.2 of the Agreement, Customer will not, and will not cause or permit others to: (a) reverse engineer, disassemble, adapt, translate, or decompile the Equipment or any firmware component included with the Equipment, including, without limitation, any third party components, or otherwise attempt to derive source code, trade secrets, or knowhow from the Equipment, (b) probe, scan or test the vulnerability, or attempt to gain unauthorized access to the Equipment or its firmware, or (c) remove or alter any proprietary notices or marks on the Equipment or Documentation.

6. Support Services.

6.1 Description. UKG shall provide Equipment Support Services as set forth in the applicable Equipment Description for rented or purchased equipment attached hereto.

6.2. Support Process.

(a) Troubleshooting and return. In the event of an Equipment issue covered by the Depot Exchange Service or the Depot Repair Service, Customer shall notify UKG of such issue in writing and UKG will attempt to resolve the issue via remote support. However, if UKG deems an issue to require Equipment repair or replacement, UKG shall provide Customer with a RMA for such Equipment, and Customer will ship the applicable Equipment to UKG at a location specified by UKG.

(b) Additional terms for Depot Exchange Service. UKG will replace Equipment subject to Section 6.2(a). UKG will ship such replacement Equipment to the address provided by Customer. Upon receipt of such replacement Equipment, Customer shall package the defective Equipment using the materials provided by UKG for that purpose, display the RMA on the packaging in accordance with Section 5.2 above, and promptly return the Equipment to UKG. UKG may suspend the Depot Exchange Service if Customer does not return replaced Equipment to UKG within ten (10) business days of receiving the applicable replacement. In such event, UKG shall restore the service when Customer either (i) ships the replaced Equipment to UKG, or (ii) pays UKG the then-current UKG list price of the replaced Equipment. For the avoidance of doubt, the Depot Exchange Service will not be extended or otherwise affected by such suspension.

(c) Additional terms for Depot Repair Service. Subject to Section 6.2(a), Customer shall ship applicable Equipment to UKG. UKG will use reasonable efforts to repair the Equipment and ship it to Customer within ten (10) business days of receipt.

(d) Device Software Maintenance. If Customer has active Device Software Maintenance, UKG will provide Customer with service packs for the applicable Equipment (which contain system updates) available for download at UKG's community portal ("Equipment Service Packs"). Customer is responsible for installing Equipment Service Packs. UKG may verify if Customer has downloaded any Equipment Service Packs to which Customer is not entitled. Device Software Maintenance is included with Depot Exchange and Depot Repair, however, if Device Software Maintenance is purchased alone it does not include any repair or exchange services.

(e) Per-event Repair Service. Per-event rates apply to customers without an equipment support agreement. The Equipment will be returned by regular surface transportation. This service does not include Device Maintenance Software or Equipment Service Packs. Subject to Section 6.2(a), upon failure of installed Equipment, Customer shall ship such Equipment to UKG. UKG will attempt to repair any repairable defective item within fifteen (15) business days after receipt at the current per-event pricing.

6.3 Spare Equipment. For business continuity purposes, UKG recommends that Customer retains a sufficient number of spare Equipment, and it is Customer's sole responsibility to retain such Equipment.

6.4 Exclusions. UKG is not liable for, and the Equipment Support Services do not include, the repair of damages, and Customer will not attempt to return damaged Equipment, resulting from:

- (a) Any cause external to the Equipment including, but not limited to Force Majeure causes;
- (b) Customer's failure to continually provide a suitable installation environment (as indicated in UKG's published installation guidelines) including, but not limited to, adequate electrical power;
- (c) Customer's improper use, location, packaging, refinishing, management, maintenance or supervision of the Equipment or other failure to use Product in accordance with the Equipment Documentation;
- (d) Customer's use of the Equipment for purposes other than those for which they are designed or the use of accessories or supplies not approved by UKG;
- (e) Government imposed sanctions, rules, regulations or laws preventing the shipment of the Equipment; or

(f) Customer's repair, attempted repair or modification of the Equipment.

7. Export. Section 10.3 of the Agreement shall apply to the provision and use of Equipment under this Addendum.

8. Warranties.

8.1 Equipment Support Services. UKG warrants that all Equipment Support Services performed under this Addendum will be performed in a good and professional manner.

8.2 Equipment Service Packs. UKG warrants that all Equipment Service Packs provided under this Addendum shall materially perform in accordance with the applicable Equipment Documentation for ninety (90) days after download by Customer, provided that Customer's use, installation and maintenance thereof conforms to the Equipment Documentation.

8.3 Remedies. To the extent permitted by Applicable Law, Customer's exclusive remedies for any breach of UKG's warranties outlined in this Addendum shall be, at UKG's option, the repair or replacement of the applicable Equipment Service Pack(s) or firmware update(s).

8.4 Disclaimer. Section 6.4 of the Agreement shall apply to the provision of Equipment under this Addendum. References to Services in such Section 6.4 shall be taken to mean Equipment for the purposes of this Addendum.

8.5 Customer Warranty. Customer warrants that it has obtained all the information it requires to fully evaluate the Equipment and determine that the Equipment is suited to its organization, needs and objectives. All Equipment will be supplied based upon the information provided by Customer or on behalf of Customer to UKG. Customer is responsible to provide all such information in a timely, complete and accurate manner. Customer will be responsible for any adverse effect that any Customer delay or instruction may have on the supply and operation of the Equipment.

9. Limitation of Liability.

9.1 Monetary Cap. THE TOTAL AGGREGATE LIABILITY OF UKG IN CONNECTION WITH THIS ADDENDUM WILL BE LIMITED TO ACTUAL AND DIRECT DAMAGES PROVEN BY CUSTOMER. FOR RENTAL EQUIPMENT, UKG'S TOTAL AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS IN CONNECTION WITH ANY SUCH EQUIPMENT WILL NOT EXCEED THE AMOUNT OF TOTAL NET PAYMENTS RECEIVED BY UKG FOR THE APPLICABLE EQUIPMENT IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE IN WHICH THE DAMAGES ARISE. FOR PURCHASED EQUIPMENT, UKG'S TOTAL AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS IN CONNECTION WITH ANY SUCH EQUIPMENT WILL NOT EXCEED THE AMOUNT OF TOTAL NET PAYMENTS RECEIVED BY UKG FOR THE APPLICABLE EQUIPMENT FROM WHICH THE DAMAGES ARISE. UKG'S

TOTAL AGGREGATE LIABILITY FOR EQUIPMENT SUPPORT SERVICES AND EQUIPMENT SERVICE PACKS IS SUBJECT TO SECTION 9 OF THE AGREEMENT.

9.2 Exclusion of Damages. UKG WILL NOT BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES; FOR THE COST OF ACQUIRING SUBSTITUTE OR REPLACEMENT OF EQUIPMENT OR SERVICES; OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES, BUSINESS INTERRUPTION, LOST GOODWILL, OR LOST DATA RESULTING FROM OR RELATED TO THIS ADDENDUM, HOWEVER CAUSED.

9.3 Applicability of Limitations. THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF ANY LEGAL THEORY AND FOR WHATEVER REASON LIABILITY IS ASSERTED, EVEN IF UKG HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE. INSOFAR AS APPLICABLE LAW PROHIBITS ANY LIMITATION ON LIABILITY HEREIN, THE PARTIES AGREE THAT SUCH LIMITATION WILL BE AUTOMATICALLY MODIFIED, BUT ONLY TO THE EXTENT SO AS TO MAKE THE LIMITATION COMPLIANT WITH APPLICABLE LAW. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITIES SET FORTH HEREIN ARE AGREED ALLOCATIONS OF RISK AND SUCH LIMITATIONS WILL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

10 Finger Scan (FS) and Facial Recognition (FR) Equipment.

10.1 FS/FR Warranty. For Customer's use of Equipment containing finger scan sensor and/or facial recognition technology ("FS/FR Equipment"), Customer has the option to configure the FS/FR Equipment settings to capture or not, and to provide the option to its employees. Customer warrants that it will assess and will maintain its compliance with all applicable biometric privacy laws with respect to its use of FS/FR Equipment (including but not limited to undertaking a legitimate interest assessment, where required). If required by law, Customer further warrants that prior to using finger scan sensor and/or facial recognition technology in FS/FR Equipment it shall, where applicable : (i) obtain signed releases from employees consenting to the use of the applicable FS/FR Equipment for employee timekeeping purposes (where appropriate); (ii) issue policies to their employees and the public regarding its retention and destruction of the finger scan or facial recognition data, and (iii) shall expressly apply any releases, consents, or policies required by applicable law to UKG, its affiliates and its authorized subcontractors.

10.2 FS/FR Responsibility. CUSTOMER AGREES TO BE RESPONSIBLE FROM ANY AND ALL DAMAGES, LOSSES, LIABILITIES, COSTS, PENALTIES, AND FINES ACTUALLY AWARDED TO A THIRD PARTY AS A RESULT OF SUCH A FS/FR EQUIPMENT CLAIM. UPON RECEIPT OF NOTICE OF SUCH AN EQUIPMENT CLAIM, UKG SHALL BE ENTITLED TO PARTICIPATE IN THE DEFENSE OF SUCH CLAIM AND TO EMPLOY COUNSEL AT ITS OWN EXPENSE TO ASSIST IN THE HANDLING OF SUCH CLAIM, ON A MONITORING AND A NON-CONTROLLING BASIS; (II) CUSTOMER SHALL NOT SETTLE ANY

EQUIPMENT CLAIM ON ANY TERMS OR IN ANY MANNER THAT ADVERSELY AFFECTS THE RIGHTS OF UKG WITHOUT ITS PRIOR WRITTEN CONSENT; AND (III) UKG SHALL PROVIDE REASONABLE COOPERATION AND ASSISTANCE AT CUSTOMER'S SOLE COST AND EXPENSE.

Exhibit A

Purchased Equipment Description

This Purchase Equipment Description is supplemental to the Equipment Addendum and contains additional or different terms with respect to the purchase of Equipment and related Support Services by Customer.

1. Definitions.

In this Exhibit A, capitalized terms shall have the meanings set out below:

“Initial Term” – means the initial billing term of the Equipment Support Service as set forth in Section 4.2 below.

“Renewal Term” – means the renewal billing term of the Equipment Support Service as set forth in Section 4.2 below.

“Term” – means the Initial Term and any Renewal Terms, together.

- 2. Invoicing of Purchased Equipment and Support Services.** UKG shall invoice Customer for purchased Equipment and Equipment Support Services upon shipment of such purchased Equipment.

3. Renewal and Termination.

3.1 Upon expiry of the Initial Term, the term of the Equipment Support Services will renew for successive Renewal Terms unless either Party notifies the other in writing of its intent not to renew at least thirty (30) days prior to expiry of the then-current Initial Term or a Renewal Term.

3.2 The fees for Equipment Support Services may change on the commencement of each applicable Renewal Term, provided that UKG gives Customer at least thirty (30) days' prior written notice of such change through the renewal quote or invoice, and the fees for the same quantity of such Equipment and the same Equipment Support Service may increase as set forth in the Order over the previous year. The increased fees will be set forth in the applicable invoice.

4. Support Services.

4.1 Option. Customer may purchase the following Equipment Support Services packages:

- (a) Depot Exchange Service;
- (b) Depot Repair Service; or

(c) Device Software Maintenance.

Each package includes access to UKG online and phone support services. All Equipment of the same type, including spare Equipment (described in Section 6.3 of the Addendum), must be covered by the same Equipment Support Services package. If Customer requests Equipment support from UKG for Equipment not covered by Equipment Support Services, UKG's per-event rates will apply.

4.2 Term. Unless expressly agreed by the Parties in writing, the Initial Term and each Renewal Term of Equipment Support Services for purchased Equipment is one (1) year, with the Initial Term commencing upon the expiration of the warranty period described in Section 5 below and the Renewal Term commencing on the expiry of the Initial Term or the previous Renewal Term.

5. Warranty. Unless otherwise expressly agreed in writing, UKG warrants that purchased Equipment, under normal usage and with regular recommended Equipment Support Service, shall be free from defects in materials and workmanship, as set forth in the Equipment Documentation, for a period of ninety (90) days from the date of delivery of the purchased Equipment. This warranty is provided to Customer only, and does not apply to any Equipment: (a) damage or malfunction resulting from misuse, neglect, tampering, modification or replacement of any UKG components on any boards supplied with the Equipment, unusual physical or electrical stress, or any other cause besides normal and intended use; (b) use, installation or maintenance by Customer that does not conform to the applicable Equipment Documentation; or (c) malfunctions resulting from the use of a badge not approved by UKG. UKG's entire liability for a breach of this warranty shall be for UKG, at its option and cost, to repair or replace the affected Equipment, and, if UKG is unable to repair or replace within a reasonable time, then upon return of such Equipment to UKG, UKG will refund the amount Customer paid for the affected Equipment as depreciated on a straight-line basis over a five (5) year period.

Exhibit B

Equipment Rental Description

This Equipment Rental Description is supplemental to the Equipment Addendum and contains additional or different terms with respect to Equipment rented by Customer.

1. Definitions.

In this Exhibit B, capitalized terms shall have the meanings set out below:

“Billing Start Date” – means the date Equipment Rental Fees begin to accrue, as set forth on the Order.

“Billing Frequency” – means the invoice frequency of Equipment Rental Fees, as set forth on the Order.

“Equipment Rental Fees” – means the fees payable to UKG for rented Equipment, as applicable that are set forth on the Order.

“Initial Term” – means the initial billing term of the rented Equipment as set forth on the Order which commences on the Billing Start Date.

“Renewal Term” – means the renewal billing term of the rented Equipment as set forth on the Order.

“Term” – means the Initial Term and any Renewal Terms, together.

2. Payment and Invoicing.

UKG shall invoice Customer on the Billing Frequency indicated on the Order. The billing period of the Equipment Rental Fees will start on the Billing Start Date and will continue for the Initial Term. The Equipment Rental Fees include the cost of the Depot Exchange Service (as described below) for such Equipment.

3. Renewal and Return

3.1 On expiry of the Initial Term and expiry of each Renewal Term, each as indicated on the Order, the Term of the rented Equipment will automatically renew for the duration indicated on the Order as the Renewal Term unless either Party notifies the other in writing of its intent not to renew at least thirty (30) days prior to expiry of the then-current Initial Term or a Renewal Term.

3.2 The fees for rented Equipment may increase on the commencement of each applicable Renewal Term, provided that UKG gives Customer at least thirty (30) days’ prior written notice

of such change through the renewal quote or invoice. The fees for the same quantity of such Equipment may increase over the previous year as set forth in the Order. The increased fees will be set forth in the applicable invoice.

3.3 Within thirty (30) days of the date of termination or expiration of the Term, Customer shall, at Customer's expense, return all rented Equipment to UKG in the same condition as it was in when originally received by Customer, reasonable wear and tear excepted. Customer shall pay UKG the then-current list price of any rented Equipment that Customer fails to return as required under this Addendum.

4. Ownership. Rented Equipment is and shall remain the sole and exclusive personal property of UKG and will not become a fixture if attached to other equipment or real property. Customer shall not do or allow to occur anything which might adversely affect UKG's right, title or interest in the Equipment. Customer shall not sell or otherwise encumber rented Equipment and shall not make any alterations or remove rented Equipment from the place where such Equipment is originally installed without UKG's prior written consent.

5. Support Services. The Depot Exchange Service applies to all rented Equipment at no additional cost.

6. Warranty. Unless otherwise expressly agreed in writing, rented Equipment is provided "AS IS" with all faults. UKG's sole obligation for defective equipment shall be for UKG, at its option and cost, to repair or replace the affected Equipment, and, if UKG is unable to repair or replace within a reasonable time, then upon return of such Equipment to UKG, UKG will refund prepaid rental fees made by the Customer for use of affected Equipment after such return date.

Exhibit “C-4” (also labeled as Exhibit 2): US Data Protection Addendum

Exhibit 2

US Data Protection Addendum

This United States Data Processing Addendum ("DPA") is by and between (i) the UKG entity set forth in the Order that references the UKG Master Services Agreement, or any other currently effective agreement, (the "Agreement"), ("UKG"), and (ii) the person or entity who is named on such Order on behalf of itself as customer and Customer Affiliates based in the United States ("Customer") and is an addendum to the Agreement. Customer and UKG are referred to individually as a "Party" and collectively as the "Parties".

WHEREAS, in the course of providing the Services to Customer pursuant to the Agreement, UKG may Process Personal information on behalf of Customer, and the Parties agree to comply with the following provisions with respect to the Processing of Customer Personal information.

This DPA applies to the extent Customer and/or its Affiliates are subject solely to U.S. Privacy Laws. Should Customer become subject to any other privacy laws such as the EU General Data Protection Regulation, the Parties agree the processing of Personal information will be subject to UKG's international Data Protection Addendum located at <https://www.ukg.com/ukg-unified-dpa> unless otherwise agreed to in writing by the Parties. UKG shall comply with all U.S. Privacy Laws applicable to it as a "Service Provider" or in its role as a processor of Personal information. Customer shall comply with all U.S. Privacy Laws applicable to it as a "Business" or the controller of Personal information. Notwithstanding, UKG is not responsible for complying with U.S. Privacy Laws applicable only to Customer or Customer's industry.

1. Definitions

1.1 In this DPA, capitalized terms will have the meanings set out below. Capitalized terms not otherwise defined below will have the meaning given to them in the Agreement.

"Affiliates" means, as to UKG, those entities that are directly or indirectly controlled by UKG Inc.; and as to Customer, those Customer entities that directly or indirectly control, are controlled by, or are under common control with Customer and which are doing business in the United States. "Control" (in this context) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and operating policies of the entity in respect of which the determination is being made through the ownership of the majority of its voting or equity securities, contract, or otherwise.

"Applicable Laws" means any applicable provisions of all U.S. laws, codes, legislative acts, regulations, ordinances, rules of court, and court orders which govern the Party's respective business operations. UKG shall comply with all Applicable Laws applicable to UKG in its role as a Data Processor Processing Personal information. For the avoidance of doubt, UKG is not responsible for complying with Applicable Laws applicable to Customer or Customer's industry. Customer shall comply with all Applicable Laws to Customer as a Data Controller

"Core Subscription Services" means UKG Pro, UKG Pro Workforce Management, UKG Ready, and UKG Pro People Assist and UKG Pro Document Manager offerings identified in the Order.

"Data Subject" means an identified or identifiable natural person.

"Personal Information" means Customer Data related to a Data Subject as defined under U.S Privacy Laws, including "personal information" as defined under the California Consumer Privacy Act ("CCPA") and any similar terms, such as "personally identifiable information".

"Processing", "Process", "Processes" and "Processed" means any operation or set of operations which is performed on personal information or on sets of personal information, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

"Pseudonymized Data" means the processing of Personal information in a manner that renders the personal information no longer attributable to a specific consumer without the use of additional information, provided that the additional information is kept separately and is subject to technical and organizational measures to ensure that the personal information is not attributed to an identified or identifiable consumer.

"Services" means Core Services and any other UKG Products and Services.

"Subprocessor" means any person (including any third party and any UKG Affiliate) appointed by or on behalf of UKG to Process Personal information on behalf of Customer in connection with the Agreement, a list of which is available on [ukg.com](https://www.ukg.com), and which is incorporated herein by reference.

"UKG Processor" means UKG or a UKG Subprocessor.

"UKG Other Products & Services" means Professional Services and UKG products and services other than Core Subscription Services, which are subject to the specific Supplement for UKG Other Products and Services available on ukg.com.

"U.S. Privacy Laws" have the same meaning as in Applicable Laws and regulations concerning the privacy and security of information reasonably identifying or linked to an individual, including, without limitation, the California Consumer Privacy Act, Cal. Civ. Code § 1798.100 et seq. or its successor the California Privacy Rights Act, Cal. Civ. Code § 1798.100 et seq., and their accompanying regulations as promulgated by the California Attorney General or California Privacy Protection Agency, as then applicable (collectively the "CPRA"); the Colorado Privacy Act, Colo. Rev. Stat. § 6-1-1309 et seq. (the "CPA"); the Connecticut Data Privacy Act, Public Act No. 22-15 (the "CTDPA"); the Utah Consumer Privacy Act, Utah Code § 13-61-101 et seq. (the "UCPA"); and the Virginia Consumer Data Protection Act, Virginia Code § 59.1-571 et seq. (the "VCDPA").

2. Processing of Customer Personal information

2.1 UKG will only Process Personal information for the purpose, and in accordance with, the relevant Customer's instructions as documented in the Agreement and this DPA, unless Processing is required by the Applicable Laws to which the relevant UKG Processor is subject, in which case UKG to the extent permitted by the Applicable Laws, will inform Customer of that legal requirement before the Processing of that Customer Personal information. Schedule 1 to this DPA sets out certain information regarding UKG's Processing of Customer Personal Data.

2.2 UKG will not: (i) Sell or Share (as both terms are defined under U.S Privacy Laws) any Personal information; (ii) retain, use, or disclose such Personal information for any purpose other than performing the Services, the business purpose stated in the Agreement or as otherwise permitted by the U.S. Privacy Laws; (iii) retain, use, or disclose the Personal information for a commercial purpose other than providing the Services unless otherwise permitted under the Agreement; (iv) retain, use, or disclose Personal information outside of the direct business relationship between Customer and UKG unless otherwise permitted under the Agreement; (v) combine Personal information UKG receives from, or on behalf of, Customer with personal information that it receives from, or on behalf of, another person or persons or collects from its own interaction with a consumer, provided that UKG may combine personal information to perform the Services or as set forth in the Agreement. UKG shall notify Customer if it makes a determination that it can no longer meet its obligations under U.S Privacy Laws and Customer may take reasonable and appropriate steps to stop and remediate the unauthorized Processing of Personal information. Customer may take reasonable and appropriate steps to ensure UKG uses Personal information collected pursuant to the Agreement and this DPA in a manner consistent with Customer's obligations under U.S Privacy Laws.

2.3 Customer hereby (i) instructs UKG (and authorizes UKG to instruct each Subprocessor) to (a) Process Personal information; and (b) in particular, transfer Personal information to any country or territory as reasonably necessary for the provision of the Services and consistent with the Agreement, (ii) warrants and represents that it is and will at all relevant times remain duly and effectively authorized to give the instructions set out in this section on behalf of each relevant Customer Affiliate; and (iii) warrants and represents that it has all necessary rights in relation to the Personal information and/or has collected all necessary consents from Data Subjects to Process Personal information to the extent required by Applicable Law.

3. UKG Personnel

UKG will take steps to ensure that access to Personal information is limited to those individuals who: (a) need to know or access the relevant Personal information as necessary for the purposes of providing the Services under the Agreement or to comply with Applicable Laws in the context of that individual's duties to UKG; and (b) are subject to written confidentiality undertakings or professional or statutory obligations of confidentiality.

4. Security

UKG shall implement reasonable and appropriate safeguards to protect Personal information as set forth in Schedule 2 to this DPA and incorporated by this reference.

5. Subprocessing

5.1 Customer generally authorizes UKG to appoint Subprocessors in accordance with this Section 7, including without limitation those Subprocessors provided [herein](#) and any new Subprocessors. Subprocessors used for UKG Other Products and Services may be listed under each applicable Services Description or Order Form or in an addendum to this DPA.

5.2 UKG will provide Customer with a mechanism to obtain notification of the appointment of any new Subprocessor, including material details of the Processing to be undertaken by the Subprocessor at least thirty (30) days before said Subprocessor carries out Processing activities on Customer Personal information on behalf of Customer. Customer may object, on reasonable data protection grounds, to any new Subprocessor by providing notice of an objection by email to

privacy@ukg.com to UKG within ten (10) days of Customer's receipt of notification of the addition of the new Subprocessor by UKG. In the event UKG, in its sole discretion, is unable to forego the utilization of a new Subprocessor that has been objected to for the Processing of Customer Personal information or is otherwise unable to reasonably address the Customer's objection within thirty (30) days of UKG's receipt of such objection from Customer, the Customer may terminate the impacted services upon written notice to UKG. This termination right is Customer's sole and exclusive remedy if Customer objects to any new Subprocessor and is not a termination for cause. UKG will cease providing the impacted services thirty (30) days following the notice of termination.

5.3 With respect to each Subprocessor, UKG will verify that the arrangement between UKG and the Subprocessor is governed by a written contract including terms which offer at least equivalent level of protection for Customer Personal information as those set out in this DPA.

6. Data Subject Requests

6.1 If Customer receives a request from a Data Subject related to Personal information Processed by UKG, Customer can either: (a) retrieve the information necessary to fulfill the request from the Services; or (b) to the extent such information is not available to Customer through the Services, UKG will reasonably assist Customer in fulfilling the request upon written request.

6.2 If UKG receives a request from a Data Subject related to Personal information Processed by UKG, UKG will promptly redirect the Data Subject to its Customer and not respond to the request except on the documented instructions of Customer or as required by Applicable Laws to which UKG is subject, in which case UKG, to the extent permitted by the Applicable Laws, shall inform Customer of that legal requirement before UKG responds to the Data Subject request.

7. Personal information Breach

7.1 UKG will notify Customer without undue delay and in accordance with U.S. Privacy Laws upon UKG or any Subprocessor becoming aware of a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Personal information transmitted, stored or otherwise processed by UKG ("Personal information Breach") affecting Personal information, providing Customer with sufficient information to allow Customer to meet its obligations to report or inform Data Subjects of the Personal information Breach under the U.S. Privacy Laws.

7.2 In the event of a Personal information Breach, the Parties will reasonably cooperate with each other, and UKG shall take commercially reasonable steps to keep Customer informed as to the investigation, mitigation, and remediation of any such Personal information Breach.

7.3 Except as may be required by Applicable Laws, UKG will not notify Customer's affected Data Subjects about a Personal information Breach without Customer's prior written consent.

8. Deletion or Return of Customer Personal information

8.1 Subject to Sections 9.2 and 9.3, following the latter of either (i) termination or expiration of the Agreement or (ii) cessation of the Processing of Customer Personal information, (the "Cessation Date"), UKG will, in accordance with the terms of the Agreement, promptly return or delete Customer Personal information that can be reasonably identified and extracted in accordance with the requirements of the relevant Applicable Laws.

8.2 Notwithstanding Section 9.1 above, each UKG Processor may retain Personal information to the extent and for such period as required by Applicable Laws, provided that UKG will ensure the confidentiality of all such Personal information and will ensure that such Personal information is only Processed as necessary for the purpose(s) specified in the Applicable Laws requiring its storage.

8.3 Upon receipt of written request from Customer, UKG will provide written certification to Customer that it has complied with this Section 9.

9. Audit rights

UKG shall demonstrate appropriate technical and organizational measures to Customer throughout the term. Customer may exercise such audit right either personally or by appointing a third party, so long as said third party is acceptable to UKG and bound to confidentiality and non-disclosure obligations at least as stringent as Customer's obligations with respect to UKG Confidential Information as set forth in the Agreement. Customer is responsible and liable for any and all acts or omissions of any such third party. Customer may exercise such audit right on an annual basis with reasonable notice. Any such audits shall be limited to a robust customer due diligence package consisting of details on UKG's information security/risk practices, examination of the results of the annual AICPA SSAE 18 SOC 1 and SOC 2 Type II audits conducted by an independent third party, executive summaries of the annual penetration test results or verification of such testing through the SOC 2 report for Core Subscription Services, and reasonable access to knowledgeable personnel to discuss the controls in place, including a meeting at UKG corporate headquarters. In the event Customer requests support or information beyond the content described above, then, upon customer's audit request, the Parties will mutually agree on the terms of the audit plan, which shall include details regarding the scope, duration, fees, and

scheduling of the audit. In no event shall Customer or its designees be permitted to access UKG systems, network servers, scan summaries or activities logs.

10. Law Enforcement Requests

UKG agrees to notify Customer of any request from law enforcement authority or other governmental authority with competent authority and jurisdiction over UKG for disclosure of Customer Personal information processed under this DPA ("Disclosure Request") to the extent permitted by applicable law. UKG shall not respond to Disclosure Requests without notifying Customer and receiving written authorization from Customer to respond to such Disclosure Request, except as required under Applicable Laws or order of court or governmental authority with competent authority and jurisdiction over same.

11. General Terms

11.1 DPA Priority. Nothing in this DPA reduces UKG's obligations under the Agreement in relation to the protection of Personal information or permits UKG to Process (or permit the Processing of) Personal information in a manner which is prohibited by the Agreement. With regard to the subject matter of this DPA, in the event of inconsistencies between the provisions of this DPA and the Agreement, the provisions of this DPA will prevail.

11.2 Claims. Any claims brought under this DPA shall be subject to the terms and conditions of the Agreement, including but not limited to, the exclusions and limitations set forth in the Agreement.

11.3 Severability. Should any provision of this DPA be invalid or unenforceable, then the remainder of this DPA will remain valid and in force. The invalid or unenforceable provision will be either (i) amended as necessary to ensure its validity and enforceability, while preserving the Parties' intentions as closely as possible or, if this is not possible, (ii) construed in a manner as if the invalid or unenforceable part had never been contained there.

11.4 This DPA supersedes all prior and contemporaneous representations, negotiations, and communications between the Parties relating to processing Customer Personal Data, including without limitation, any terms that may be imposed upon UKG by means of any "click-through", forms, applications, or any other terms and conditions which are presented to UKG in the course of UKG's engagement with Customer.

EXHIBIT C
UKG Order Form and Fee Schedule

UKG Ready Monthly Subscription Service Fee shall be due annual in advance, invoiced sixty (60) days in advance of the Billing Start Date and annual anniversary in accordance with Order Form #Q-144308.

The Billing Start Date is: July 1, 2026.

Quote#: Q-144308 reproduced here



HR, Pay, & Workforce Management

ORDER FORM

Quote#: Q-144308
Expires: 31 Jan, 2026
Sales Executive: Alison Mercier
Effective Date: Effective as of the date of last signature of this Order

Order Type: Quote
Date: 25 Nov, 2025

Customer Legal Name:
CITY OF ROCKVILLE

Ship To: CITY OF ROCKVILLE
111 MARYLAND AVE
ROCKVILLE, MD 20850 USA

Customer Legal Address:
111 MARYLAND AVE, ROCKVILLE, MD 20850 USA

Bill To: CITY OF ROCKVILLE
111 MARYLAND AVE
ROCKVILLE, MD 20850 USA

Bill To Contact:

Ship To Contact: Dom Perez

Ship to Phone: 240-314-8454
Ship to Mobile:
Contact: Dom Perez
Email: dperez@rockvillemd.gov

Currency: USD
Customer PO Number:
Solution ID: 6044964
Initial Term: 36 months from Billing
Start Date
Uplift Percent: 4 %

Shipping Terms: Shipping Point
Ship Method: FedEx Ground
Freight Term: Prepay & Add
Renewal Term: 12 months
Payment Terms: Net 30 Days

Billing Start Date: 07/01/2026

Services

Billing Frequency: Annual in Advance

| Services | Quantity | PEPM | Monthly Price | Annual Price |
|----------------------------|----------|----------|---------------------|----------------------|
| UKG READY ACCRUALS MANAGER | 1,300 | USD 0.69 | USD 897.00 | USD 10,764.00 |
| UKG READY ATTESTATION | 1,300 | USD 0.34 | USD 442.00 | USD 5,304.00 |
| UKG READY INTEGRATION HUB | 1 | USD 0.00 | USD 0.00 | USD 0.00 |
| UKG READY PEOPLE INSIGHTS | 1,300 | USD 1.00 | USD 1,300.00 | USD 15,600.00 |
| UKG READY TIME | 1,300 | USD 4.14 | USD 5,382.00 | USD 64,584.00 |
| Total Price | | | USD 8,021.00 | USD 96,252.00 |

Quote Summary

| Item | Total Price |
|---|--------------|
| Minimum Monthly SaaS Service & Equipment Rental Fee | USD 8,021.00 |

| Item | Total Price |
|--|---------------|
| Minimum Annual SaaS Service & Equipment Rental Fee | USD 96,252.00 |

Order Notes:

This Order is subject to the Master Agreement No 24-6833 entered into between Cobb County Board of Commissioner ("Lead Agency") and UKG Kronos Systems, LLC ("UKG") effective as of July 14th, 2025 (the "Omnia Master Agreement No. 24-6833 ") and used by Customer as an Omnia Participating Public Agency.

The parties agree that Customer is migrating from their existing Workforce Central perpetual software licenses (the "Existing Applications") to the UKG Ready software as a service offering ("WFR SaaS"). Customer's Software Support for the Existing Applications shall continue, for up to two payroll cycles within 60 days after migration to WFR SaaS, but in no event beyond December 31, 2025 and shall terminate thereafter.

UKG Ready Monthly Service Fees shall be invoiced at the Billing Frequency indicated on this Order Form, commencing on the Billing Start Date. As of the Billing Start Date, UKG will credit Customer for any pre-paid but unused fees for Software Support for the Existing Applications. Customer may apply credits against any amounts owed to UKG by Customer until such credit is expended. Customer shall continue to pay the Software Support services fees on the Existing Applications until the Billing Start Date.

UKG Launch is based on the Launch Quantity of 1560

The Subscription Fees for the applicable monthly Minimum Quantities are due on the Billing Frequency stated on the Order Form and invoiced sixty (60) days in advance of the Billing Start Date and annual anniversary. To reconcile the actual employee counts, promptly following the end of each month starting from the Billing Start Date, UKG will invoice Customer for the actual number of employees in each month that exceeded the Monthly Minimum Quantity.

UKG is not implementing the Subscription Services under this Order and Customer is directly contracting with a third party for such



implementation. As such, any linked Statements of Work shall not apply to this Order. In the event Customer requires implementation assistance from UKG, the parties shall enter a separate Order for such services.

During Initial Term, Customer may terminate the Subscription Services for convenience upon ninety (90) days prior written notice. Upon termination Customer shall pay all the launch fees invoices and outstanding Subscription Services fees for the Subscription Services performed up to the effective date of termination.

IN WITNESS WHEREOF, the parties have caused this Order to be executed by their authorized representatives and shall be effective as of the date of the last signature below.

| CITY OF ROCKVILLE | | Kronos SaaShr, Inc. | |
|---|-------|---------------------|-------|
| Signature: | _____ | Signature: | _____ |
| Name: | _____ | Name: | _____ |
| Title: | _____ | Title: | _____ |
| Date: | _____ | Date: | _____ |
| <p>The monthly price on this Order has been rounded to two decimal places for display purposes. As many as eight decimal places may be present in the actual price. Due to the rounding calculations, the actual price may not display as expected when displayed on your Order. Nonetheless, the actual price on your invoice is the true and binding total for this Order for purposes of amounts owed for the term. If you are tax exempt, please email a copy of your "Tax Exempt Certificate" to TaxExemption@ukg.com along with the quote number otherwise this order is subject to applicable taxes. The actual tax amount to be paid by Customer will be shown on Customer's invoice.</p> | | | |

EXHIBIT D
Intentionally Omitted

EXHIBIT E

Insurance

Upon the execution of the contract by the City, the Contractor must obtain at their own cost and expense and keep in force and effect during the term of the contract including all extensions, the following insurance with an insurance company/companies licensed to do business in the State of Maryland evidenced by a certificate of insurance and/or copies of the insurance policies. Upon request, the Contractor must submit to the Purchasing Department, 111 Maryland Avenue, Rockville, MD 20850 a certificate of insurance prior to the start of any work. In no event may the insurance coverage be less than shown below.

Unless otherwise described in this Rider Agreement the successful contractor will be required to maintain for the life of the contract and to furnish the City evidence of insurance as follows:

MANDATORY REQUIREMENTS FOR INSURANCE

A. Commercial General Liability

UKG shall provide coverage on a Commercial General Liability Occurrence Coverage Form limits of \$1,000,000.00 each occurrence and \$2,000,000.00 annual aggregate. Limits may be achieved via a combination of primary and umbrella/excess insurance. Customer shall be included as an additional insured via blanket endorsement for General Liability and ongoing operations. Such protection shall be primary and non-contributory with respect to Customer's insurance, but only with respect to UKG's sole negligence. Upon written request, such blanket endorsement shall be provided to Customer.

B. Workers' Compensation

UKG shall provide Workers' Compensation Insurance as required by statute.

C. Umbrella/Excess Liability

Limits of liability of \$5,000,000 per occurrence.

D. Automobile Liability

Limits of liability of at least \$1,000,000 combined single limit, including but not limited to, all owned, hired and non-owned motor vehicles.

E. Professional Liability/Errors & Omissions/Cyber Risk Liability

UKG shall maintain coverage on a Professional Liability Form (or equivalent) in the amount of \$5,000,000 per claim with a \$5,000,000 annual aggregate.

F. All Risk Property Insurance

UKG shall provide All Risk Property Insurance in an amount not less than the full replacement cost of UKG's property.

POLICY CANCELLATION

No change, cancellation or non-renewed shall be made in any insurance coverage without 30 days prior notice of cancellation (10 days for non-payment) given to the Insured in accordance with policy.

EXHIBIT E
Insurance

CERTIFICATE HOLDER
The Mayor and Council of Rockville
(Contract #, title)
City Hall
111 Maryland Avenue
Rockville, MD 20850



MAYOR AND COUNCIL Meeting Date: January 5, 2026

Agenda Item Type: CONSENT

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: SARA FERRELL

Subject

Approval of Minutes

Recommendation

Staff recommends the Mayor and Council approve the following minutes:

December 8 , 2025 (Meeting No. 30-25)

December 15 , 2025 (Meeting No. 31-25)

Attachments



MAYOR AND COUNCIL Meeting Date: January 5, 2026

Agenda Item Type: ADOPTION

Department: CITY MANAGER'S OFFICE (CMO)

Responsible Staff: JEFF MIHELICH

Subject

Adoption of an Ordinance to Amend Chapter 2 (Administration), Article II, Division 2 (Mayor and Council) of the Rockville City Code to, among other things, provide for certain rules and procedures for Mayor and Council meetings.

Department

City Manager's Office (CMO)

Recommendation

Staff recommends that the Mayor and Council introduce the proposed ordinance. If the Mayor and Council wish to proceed with the adoption of the ordinance at this meeting, the ordinance should first be introduced and then a motion should be made to waive the layover period. If the motion to waive the layover period is approved by an affirmative vote of six or more members of the body, a motion to adopt the ordinance may then proceed.

Change in Law or Policy

If approved, the rules and procedures will be incorporated into the city code.

Discussion

The attached ordinance has been developed to ensure that Mayor and Council meetings are consistent, efficient, and equal for all participants.

The expected outcomes of the amended rules and procedures include:

- Efficient meetings
- Equal participation by all members of the body
- Clear direction to staff
- Completed meetings before 10 p.m.
- Enhanced community engagement

A summary of the modified rules and procedures includes:

- Requiring the body to only discuss items beyond 10 p.m. when a majority of the body agrees to extend the meeting
- Require at least 4 members of the body to add an item to a future Mayor and Council meeting agenda

- An affirmative vote of at least 6 members of the body is necessary to adopt any motion under Old and New Business
 - Questions by the body after staff reports will be rotated amongst members of the body, with the presiding officer asking questions last in accordance with Robert's Rules of Order.
 - Mayor and Council members may ask up to three questions per round of questions
 - Comments, observations, and opinions regarding agenda items will occur only after the body asks staff questions and will be rotated amongst members of the body, with the presiding officer asking questions last.
-

Impact Statements

Equity

The creation and enforcement of these rules and procedures will provide a safe and equitable space for everyone to observe the meeting and participate.

Environment

The rules have no environmental impact.

Economy

The rules have no economic impact.

Mayor and Council History

This is the first time the Mayor and Council is considering these recommended rules and procedures.

Next Steps

Following the adoption of the rules and procedures, the body shall follow its guidance during all Mayor and Council meetings.

Attachments

Ordinance Amendment - Chapter 2 Article II Division 2, Rules of Procedure CC Presentation-1-5-26 PDF

Ordinance No. [REDACTED]

ORDINANCE: To amend Chapter 2 (Administration), Article II (Officers and Employees), Division 2 (Mayor and Council) of the Rockville City Code to, among other things, provide for certain rules and procedures for Mayor and Council meetings.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF ROCKVILLE, as follows:

SECTION 1: That Chapter 2 (Administration), Article II (Officers and Employees), Division 2 (Mayor and Council) of the Rockville City Code is hereby amended to read as follows:

CHAPTER 2 – ADMINISTRATION

* * *

ARTICLE II – OFFICERS AND EMPLOYEES

* * *

DIVISION 2. MAYOR AND COUNCIL

Sec. 2-21. - Compensation of Mayor and Councilmembers.

* * *

Sec. 2-22. - Mayor and acting presiding officer; presiding powers and duties.

(a) Mayor. In accordance with the Rockville City Charter, the Mayor, when present, shall preside at all meetings of the Mayor and Council and may take part in all discussions and shall participate, when present, in all votes of the Mayor and Council.

(b) Acting presiding officer. In accordance with the Rockville City Charter, in the event of the absence of the Mayor at any meeting of the Mayor and Council, the members of the Council shall elect one (1) of their own members to preside during such absence, who shall, for the time being, be clothed with all the powers and authority of said Mayor.

(c) Presiding powers and duties. When presiding over a meeting of the Mayor and Council, the Mayor shall:

- (1) Preserve order and decorum;

(2) Announce the business of the Mayor and Council in the order in which it is to be acted upon;

(3) Recognize the speakers entitled to the floor and guide and direct the proceedings of the Mayor and Council;

(4) Put to vote all questions which are regularly moved or otherwise arise in the course of the proceedings; and

(5) Decide all points of order, subject to the right of any Councilmember to appeal such decision. In the event of an appeal of a decision of the Mayor, the Mayor must ask the Councilmembers: "Shall the decision of the Mayor be sustained?" A majority vote on the question shall govern and conclusively determine such question of order.

Sec. 2-23. - Parliamentary authority.

(a) Unless otherwise provided by the City Charter or by ordinance of the Mayor and Council, all meetings and hearings of the Mayor and Council shall be conducted in accordance with this division, or rules adopted pursuant to this division. In all cases not covered by this division or by rules adopted pursuant to this division, the controlling parliamentary authority shall be the latest edition of Robert's Rules of Order, Newly Revised.

(b) The Mayor and Council may from time to time adopt by resolution such meeting related rules and rules of procedure as Mayor and Council deems appropriate, consistent with this division and other applicable laws.

Sec. 2-24. - Mayor and Council Meetings.

(a) Open Meetings. The Mayor and Council shall conduct its meetings pursuant to Title 3 of the General Provisions Article of the Maryland Annotated Code, as amended (the "Maryland Open Meetings Act"). Except as otherwise expressly provided in the Maryland Open Meetings Act, meetings of the Mayor and Council shall be open to the public and media, freely subject to recording by radio, television and photography at any time, provided that such arrangements do not interfere with the orderly conduct of the meetings.

(b) Notice. In accordance with the City Charter and consistent with the requirements of the Maryland Open Meetings Act, the Mayor and Council must give reasonable advanced notice of its meetings, whether held in open or closed sessions. The Mayor and Council will provide notice of its meetings by posting an agenda of such meeting on its website, in addition to any other form of notice required by law.

(c) Location. The Mayor and Council will hold its open meetings in the Mayor and Council Chambers in City Hall, located at 111 Maryland Avenue in Rockville, Maryland, or at other public locations in the City. The Mayor and Council may also hold its meetings in a partial or completely virtual mode through video conference, teleconference, or other electronic means consistent with the requirements of the Maryland Open Meetings Act.

(d) Remote Attendance.

(1) When any member of Mayor and Council is unable to participate in-person in any meeting of the Mayor and Council, that member may participate from a remote location by means of telephone, video conferencing or other available electronic means that allows for real-time participation in the meeting. Members participating remotely in a meeting of the Mayor and Council must be clearly audible when speaking.

(2) Members of the Mayor and Council participating remotely in a meeting of the Mayor and Council shall be counted as present at the meeting for all purposes while audible. If a member temporarily loses audio, that member is considered absent until audio is restored.

(e) Quorum.

(1) In accordance with the Rockville City Charter, four (4) members of the Mayor and Council shall constitute a quorum. The Mayor and Council may not meet and conduct public business without a quorum present.

(2) Loss of a quorum during a meeting of the Mayor and Council, whether due to technical difficulties for remote participants or such other causes, shall cause the meeting to be recessed. If a quorum is not restored within one (1) hour, the meeting is considered adjourned.

(f) Type of Meetings.

(1) Regular Session Meetings.

A. In accordance with the City Charter, regular session meetings of the Mayor and Council shall be held as often as may be necessary for the Mayor and Council to discharge the duties of its office, not less, however, than once in every month.

B. Except as otherwise determined in advance by majority vote of the Mayor and Council, each regular session meeting of the Mayor and Council shall commence at 6:30 p.m. Regular session meetings shall end at 10:00 p.m. Should additional items remain on the Mayor and Council's regular session meeting agenda, a majority of the members present may vote to extend the regular session meeting to a time certain. However, continuing regular session meetings beyond 10:00 p.m. without a majority vote of the members present shall not invalidate any action taken by the Mayor and Council.

(2) Closed Session Meetings.

A. Closed sessions are meetings of the Mayor and Council where the public is excluded pursuant to the authority and limitations of the Maryland Open Meetings Act. During a closed session meeting, the Mayor and Council and other permitted attendees may only discuss topics authorized and properly noticed under the Maryland Open Meetings Act.

B. In accordance with the Rockville City Charter, the Mayor and Council shall not take any final action on any question, resolution, or ordinance in a closed session meeting.

C. If there is a closed session meeting of the Mayor and Council, in accordance with the Maryland Open Meetings Act, the minutes of the Mayor and Council's next open session meeting must include: (A) a statement of the time, place, and purpose of the closed session meeting; (B) a record of the vote of each member of the Mayor and Council as to closing the session; (C) a citation of the authority under the Maryland Open Meetings Act for closing the session; and (D) a listing of the topics of discussion, persons present, and each action taken during the closed session meeting.

(3) Ceremonial Session Meetings. The Mayor and Council may meet in ceremonial session from 5:30 p.m. to no later than 6:30 p.m. preceding the first regular session meeting of every month. The Mayor and Council may also hold ceremonial session meetings on any other day of the month.

(4) Emergency Session Meetings. Emergency meetings of the Mayor and Council are held with less than 24 hours' notice for specific emergency situations, such as storm, fire, explosion, community disaster, insurrection, act of God, or other potential destruction or impairment of city property or business that affects the health and safety of the residents, employees or the functions of the city. The Mayor and Council must provide the best public notice feasible for emergency sessions in accordance with the Maryland Open Meetings Act.

Sec. 2-25. - Meeting agendas.

(a) Preparation of Meeting Agenda. The City Manager shall, in consultation with the Mayor and Council, the City Clerk/Director of Council Operations and the City Attorney, prepare the Mayor and Council regular session and emergency session meeting agendas. The City Clerk/Director of Council Operations shall, in consultation with the Mayor and Council, prepare the Mayor and Council ceremonial session meeting agendas.

(b) Agenda Availability.

(1) Regular and ceremonial session meeting agendas, including all related staff reports, communications, ordinances, resolutions, contract documents and other materials, should be delivered to the Mayor and Council at least seven (7) days prior to the scheduled meeting to which the agenda pertains.

(2) The Mayor and Council must, accordance with the Maryland Open Meetings Act, make available to the public meeting agendas containing known items of business or topics to be considered at the portion of the meeting that is open to the public. In addition, the meeting agenda must indicate whether the Mayor and Council expects to close any portion of the meeting in accordance with the Maryland Open Meetings Act.

(c) *Agenda Order.* In accordance with the Rockville City Charter, the Mayor and Council shall determine its own order of business. The regular session meeting agenda shall be in substantially the following order:

1. Convene Meeting
2. Pledge of Allegiance
3. Closed Session (if applicable)
4. Proclamations and Recognitions (if applicable)
5. Agenda Review
6. City Manager's Report
7. Boards and Commissions Appointments
8. Community Forum
9. Special Presentations
10. Consent Agenda
11. Public Hearings
12. Action Items
13. Work Sessions
14. Old / New Business Items
15. Adjournment

(d) *Removal of Meeting Agenda Items.* During the Agenda Review portion of a regular session meeting of the Mayor and Council, upon an affirmative vote of at least six (6) members of the Mayor and Council, a specific agenda item may be removed from the regular session meeting agenda.

(e) *Placing Items on Future Agendas.* During the Agenda Review portion of a regular session meeting of the Mayor and Council, at the request of at least four (4) members of the Mayor and Council, an item shall be placed on a future Mayor and Council regular session meeting agenda by the City Manager for consideration by the Mayor and Council.

(f) *Consent Agenda Items.* Items under the Consent Agenda portion of the meeting agenda must be routine, noncontroversial items that require Mayor and Council action but require little or no deliberation. All items on the consent agenda shall be approved together with one motion. At the request of any member of the Mayor and Council, an item may be removed from the Consent Agenda and placed under the Action Items portion of the regular session meeting agenda for discussion and action by the Mayor and Council.

(g) *Old / New Business Items.* During the Old / New Business Items portion of the regular session meeting agenda, members of the Mayor and Council are permitted to discuss business items of the City that were not placed on that meeting agenda. In accordance with the

Open Meetings Act, all known items or topics to be discussed under Old / New Business Items must be listed in the meeting agenda. The affirmative vote of at least six (6) members of the Mayor and Council shall be necessary to adopt any motion under Old and New Business Items.

(h) Discussion and Deliberation of Agenda Items.

(1) Announcement of Agenda Items. The Mayor shall, prior to the consideration by the Mayor and Council of an agenda item, announce the agenda item number and read the description contained in the published agenda.

(2) Presentation of Agenda Items. Following the announcement of an agenda item, under the Action Items and Work Sessions portion of a regular session meeting agenda, the Mayor shall invite the City Manager and staff to present each specific agenda item to the Mayor and Council, including any recommendations by the City Manager.

(3) Mayor and Council Questions.

A. Following the presentation of an agenda item by the City Manager and staff, the Mayor shall invite each Councilmember who is present to ask up to three (3) questions of the City Manager and staff for the purpose of understanding and clarifying the agenda item. Any member of the Mayor and Council may waive their opportunity to ask questions. If a Councilmember waives, the Mayor notes the waiver, and the questioning continues to the next Councilmember.

B. To ensure equitable access to the floor, the Mayor shall ask up to three (3) questions of the City Manager and staff only after each Councilmember has been recognized and given an opportunity to ask their questions.

C. The Mayor retains authority to rule on the relevancy of questions, limit repetitive questioning, and maintain decorum, consistent with other Mayor and Council rules.

(4) Mayor and Council Deliberation.

A. At the conclusion of the questioning of the City Manager and staff, the Mayor shall offer each Councilmember who is present an opportunity to offer comments, observations, or opinions on the agenda item.

B. To ensure equitable access to the floor, the Mayor shall offer comments, observations, or opinions on the agenda item only after each Councilmember has been recognized and given an opportunity to offer their comments, observations, or opinions on the agenda item.

C. All members must confine their comments, discussions or opinions to the agenda item under consideration and avoid personal attacks or impugning motives.

D. If there is no desired deliberation by the Mayor and Council, or after the Mayor and Council's deliberation has ended, as appropriate, the Mayor shall invite a motion from a Councilmember regarding the agenda item.

(5) Speaking Order. To ensure equitable access to the floor, the Mayor shall recognize Councilmembers in a rotating order, beginning with a different member each time a specific agenda item is taken up. The rotation shall continue sequentially from Councilmember to Councilmember across agenda items so that no Councilmember is consistently first or last.

Sec. 2-26. - Voting.

(a) If a motion is made and duly seconded, the Mayor may invite members of the Mayor and Council to discuss the motion, in accordance with Section 2-25(h)(4). If there is no desired discussion, or after the discussion has ended, the Mayor should announce that the body will vote on the motion.

(b) Except as otherwise provided by law or in this division, an action of the Mayor and Council must be made by the affirmative vote of a majority of the members of the Mayor and Council present and voting on the motion made by a Councilmember that has been properly seconded by another Councilmember. Abstentions are not counted in the total number of votes that are cast.

(c) Each member present when a question is put shall vote either "yes," "no" or "abstain." No member shall vote "present."

(d) No member present shall be excused from voting except on matters involving a conflict of interest pursuant to the City of Rockville Ethics Code, as amended, and then only after full disclosure by that member of such conflict and the nature of same.

(e) At the discretion of the Mayor, voting shall be either by verbal vote, show of hands, or roll call, in which case the Mayor shall vote last.

(f) Members of the Mayor and Council shall not explain their vote during voting, which would be the same as debate at such a time.

Sec. 2-27. - Minutes. In accordance with the Open Meetings Act, as soon as practicable after a meeting of the Mayor and Council, the Mayor and Council, acting through the City Clerk/Director of Council Operations, shall prepare and post the minutes of such meeting.

Sec. 2-22—2-30.—Reserved.

Sec. 2-28—2-30. – Reserved.

SECTION II: This ordinance shall become effective immediately upon adoption.

NOTE: Underlining indicates material added

~~Strikethrough~~ indicates material deleted

Asterisks * * * indicate material unchanged by this ordinance

* * * * *

I hereby certify that the foregoing is a true and correct copy of an ordinance adopted by the Mayor and Council at its meeting of January ___, 2026.

Sara Taylor-Ferrell,
City Clerk/Director of Council Operations

An Ordinance Amending City Council Meeting Rules and Procedures

**Mayor and Council
January 5, 2026**





City Council Request

- **Members of the Body requested an update to its rules of procedures**
- **Requested simple, easy to follow, and direct procedures**
- **Follow Roberts Rules of Order**



Expected Outcomes Of Amended Rules

- **Efficient meetings**
- **Equal participation by all members of the body**
- **Clear direction to staff**
- **Completed meetings before 10 p.m.**
- **Enhanced community engagement**



Agenda Items Modifications At The Meeting

- **Removal of Meeting Agenda Items - requires support from six members of body**
- **Placing Items on Future Agendas - requires support of at least four members of the body**
- **Removal Of Consent Agenda Items For Discussion - At the request of any member of the body**
- **Old / New Business Items – requires support of at least six members of the body to adopt any motion under old and new business items**



Rotating Order

- For both the questions and the deliberation period, to ensure equitable access to the floor, the presiding officer shall recognize Councilmembers in a rotating order, beginning with a different member each time a specific agenda item is taken up.
- The rotation shall continue sequentially from Councilmember to Councilmember across agenda items so that no Councilmember is consistently first or last



Questions By The Body

- **Questions by the body after staff reports will be rotated amongst members of the body, with the presiding officer asking questions last consistent with Robert's Rules of Order.**
- **Individual members of the body may ask up to three questions per round of questions**
- **Comments, observations, and opinions regarding agenda items will occur only after the body asks staff questions**



Mayor and Council Deliberation

- After questions of staff each Councilmember has an opportunity to offer comments, observations, or opinions on the agenda item
- The presiding officer shall offer comments, observations, or opinions on the agenda item only after each Councilmember has been recognized and given an opportunity to provide their comments
- All members must confine their comments, discussions or opinions to the agenda item under consideration
- If there is no desired deliberation by the body, or after the deliberation has ended, the presiding officer shall invite a motion from a Councilmember regarding the agenda item.



Recommendation

- **Staff recommends approval of the updated rules of procedure**



Questions?



MAYOR AND COUNCIL Meeting Date: January 5, 2026
Agenda Item Type: WORKSESSION
Department: FINANCE
Responsible Staff: KIM FRANCISCO

Subject

Mayor and Council Budget Priorities Discussion

Department

Finance

Recommendation

Staff recommend that the Mayor and Council use this worksession to reaffirm the key initiatives previously established, identify any areas of emphasis, and provide any additional direction that may be needed.

Discussion

The FY 2027 budget development process builds upon the strategic foundation established by the Mayor and Council through their Guiding Principles which were adopted in May 2024. These principles—emphasizing effective and efficient service delivery; stewardship of the environment and infrastructure; public safety; housing; and economic development—serve as the overarching framework for evaluating all budget proposals. In accordance with GFOA best practices, the budget document aligns these long-term strategic principles with short-term objectives, departmental work plans, and performance measures to ensure that resource decisions are transparent, measurable, and directly connected to the City’s strategic vision.

Early public engagement activities further inform this framework. The City received 65 Propose-a-Project submissions, which largely focus on pedestrian safety, traffic calming, neighborhood connectivity, lighting and visibility improvements, and enhancements to parks, trails, and open spaces. A full listing of the Propose-A-Project submissions was included with the Budget Public Hearing materials from the November, 10, 2025 Mayor and Council Meeting. In addition, 192 community members have responded to the FY 2027 Community Budget Priorities Survey as of December 5, 2025, identifying several key areas of focus that will continue to evolve while the survey remains open through April. An interim report of survey data can be found in [Attachment 2](#). Community members also have multiple opportunities to provide public testimony at upcoming budget hearings scheduled for March 2026. These engagement channels supplement the strategic direction provided by the Mayor and Council and help ensure that community priorities are reflected in the evaluation of budget proposals.

Staff have also incorporated 85 Key Initiatives ([Attachment 3](#)) that were reviewed by the Mayor and Council during the September 27, 2025 Retreat into the internal planning framework for the FY 2027 budget. These key initiatives represent a comprehensive set of priorities for the coming years. When considered alongside the Guiding Principles and public input, these initiatives provide clear and substantive direction for the development of the FY 2027 Proposed Budget. As part of this worksession, staff request that the Mayor and Council discuss areas of emphasis, sequencing, or strategic alignment as internal efforts to develop the Proposed Budget continue.

The materials attached to this report—including the presentation ([Attachment 1](#)), FY 2027 Community Budget Priorities Survey interim report ([Attachment 2](#)), and the Key Initiatives listing ([Attachment 3](#))—are intended to help inform and facilitate this discussion.

Mayor and Council History

The Mayor and Council participated in a Retreat on September 27, 2025 which included the review and refinement of the FY 2026 - FY 2027 Key Initiatives listing. The first public hearing related to the FY 2027 budget was held on November 10, 2025.

Public Notification and Engagement

Additional public hearings related to the FY 2027 budget will be held in March 2026. In addition to these public hearings, the public can submit written comments directly to the Mayor and Council via the City Clerk/Director of Council Operations, as well as submit responses via the city's Community Budget Priorities Survey, available at <https://www.rockvillemd.gov/Budget>.

The FY 2027 budget public record is scheduled to close in April 2026.

Fiscal Impact

There is no fiscal impact associated with this agenda item; however, the FY 2027 Operating Budget and CIP will establish the annual City budget and the programs that the City will fund starting on July 1, 2026.

Next Steps

| Date | Action Item |
|----------------|---|
| March 9, 2026 | Budget Introduction Budget Worksession #1 - Revenues Budget Public Hearing #2 |
| March 23, 2026 | Budget Worksession #2 – Operating Expenses and Grants Budget Public Hearing #3 |
| April 13, 2026 | Close of the community budget priorities survey and public record M&C Worksession #3 – CIP and Final Balancing |
| May 4, 2026 | Budget Adoption |

Attachments

Attach1_FY27 Budget Priorities Discussion, Attach2_InterimBudgetSurveyReport_12.5.25,
Attach3_Key Initiatives FY2026-FY2027



FY 2027 Budget Priorities Discussion

January 5, 2026



Seeking Direction

What other priorities or points of emphasis do you want to see in the FY 2027 Budget?

Budget Process Timeline





Public Engagement and Input

The city received 65 **Propose-a-Project** Submissions
that primarily focus on:

Pedestrian Safety and Crossings

**Neighborhood Connectivity
and Walkability**

**Park, Trail, and Open Space
Enhancements**

**Traffic Calming and
Speed Reduction**

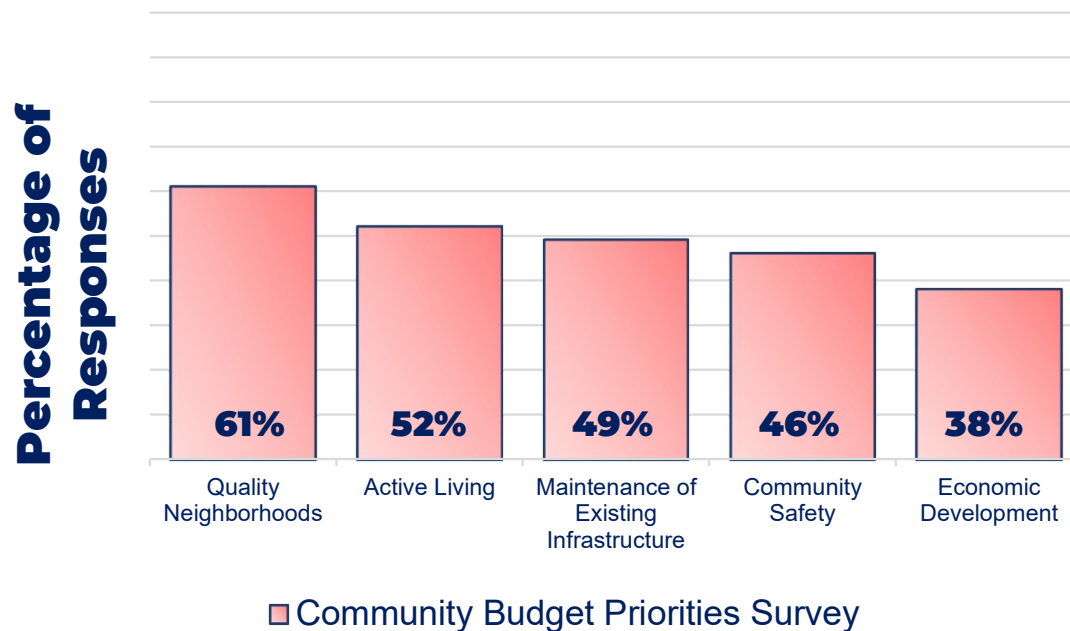
**Lighting and Visibility
Improvements**

Signage and Beautification



Public Engagement and Input

The city has received 192 **FY 2027 Community Budget Priorities Survey** submissions through December 5th. The top 5 priorities of the respondents to date are shown below.



Public Engagement and Input

The **FY 2027 Community Budget Priorities Survey** will be available until April 13th.



Community members may send in written testimony on the FY 2027 Budget and provide oral testimony at an upcoming FY 2027 Budget Public Hearing.

Budget Public Hearing Dates:

November 10, 2025 (completed)

March 9, 2026

March 23, 2026



Mayor and Council Policies and Initiatives

Guiding Principles



Focus Areas and Core Commitments

Public Safety

Economic
Development

Housing

Effective and Efficient Service
Delivery

Stewardship of the
Environment and
Infrastructure



Key Initiatives

| City of Rockville - Key Operating Initiatives for FY2026 - FY2027 | |
|---|---|
| Department | Key Operating Initiatives for FY2026 - FY2027 |
| City Attorney's Office | Rewrite Election Code - Chapter 2 for 2027 Election Implementation. |
| City Clerk/ Director of Council Operations Office | Prepare 2027 election calendar. Update the new Compensation Commission. Hold meeting(s) before January 31. Update the new Election Code. Update the new Election Code. Update the new Election Code. Update the new Election Code. Update the new Election Code. Update the new Election Code. |
| City Manager's Office | Develop and implement a customer relationship management (CRM) system for the city in collaboration with IT. *Create an Economic Development Strategic Plan in collaboration with Rockville Economic Development, Inc. Mainstream and continue to build out the Resilient Rockville dashboards (2040 Comp Plan, CIP projects, JEDI strategic plan, etc.) Administer the biennial City of Rockville Community Survey in 2026. Implement a new Annual JEDI Workplace Climate Survey in collaboration with HR. Develop and begin implementation of the JEDI Strategic Plan. Develop and begin implementation of the Public Art Conservation and Maintenance Plan. *Establish a new Private Mural Development Incentive program to promote opportunities in collaboration with HR. Develop and begin implementation of the Arts and Culture Strategic Plan. *Establish a new Private Mural Development Incentive program to promote opportunities in collaboration with HR. Develop and begin implementation of the Arts and Culture Strategic Plan. *Establish a new Private Mural Development Incentive program to promote opportunities in collaboration with HR. |
| Communications and Community Engagement | Develop public arts projects including Memory Walk Park and David Scull Park. Begin the planning and foundational work for an Arts and Culture Strategic Plan. *Provide support for the Rockville Volunteer Fire Department (RVFD) relocation. Create a community engagement strategy and develop the Community Connection events (neighborhood Connect, City Academy, City Hall in the Park). Complete the city's mobile app to provide the public with easier access to city services, programs, and information. Implement FAST improvements to the development review and permitting process. |
| Community Planning and Development Services | *Begin the process of updating the East Rockville Neighborhood Plan and incorporate it within the 2040 Comprehensive Plan. *Begin the process of updating the Rockville Pike Neighborhood Plan and incorporate it within the 2040 Comprehensive Plan. Evaluate annexation opportunities to expand city limits, including around the Shady Grove Metro. |

| City of Rockville - Key Capital Initiatives for FY2026 - FY2027 | |
|---|--|
| Department | Key Capital Initiatives for FY2026 - FY2027 |
| Information Technology | Complete the transition of the city's disaster recovery data center to Equinix in collaboration with Montgomery County. Construct the Senior Center Entrance. Continue the implementation of concrete rehabilitation efforts in alignment with PROWAG requirements. Complete the feasibility study of four potential crossing locations for the Twindbrook Pedestrian and Bicycle Bridge. Complete the bridge replacement and rehabilitation efforts for the Hurler Avenue and West Glade Drive bridges in collaboration with Maryland Department of Transportation. |
| Public Works | Complete the citywide LED streetlight conversion. Complete the design of the shared-use path along Scott Drive and Veirs Drive, in collaboration with Maryland Department of Transportation. *Implement pedestrian safety improvements for the Stonestreet Corridor in Twindbrook Metro Station. Complete construction of planned improvements for areas around the Shady Grove Center. Begin design of planned improvements at David Scull Park. Evaluate grant opportunities and funding strategies to support the King Farm Farmstead Master Plan. Complete the assessment and design of repairs to the King Farm retaining walls and pathways. *Install additional park pavilions within the Lincoln Park Community Center. *Continue pedestrian bridge replacement efforts within the Lincoln Park Community Center. *Complete the design of RedGate Park and Arboretum and identify projects for procurement. Complete design and begin construction of the Talbott Street Park. |
| Parks | |

Staff developed a list of operating and capital initiatives that were shared with the Mayor and Council. The elected body reviewed this listing during the September Retreat and identified additional items which results in a final set of **85 Key Initiatives.**

These items will be folded in as the FY 2027 Proposed Budget is developed.



Seeking Direction

What other priorities or points of emphasis do you want to see in the FY 2027 Budget?

City of Rockville

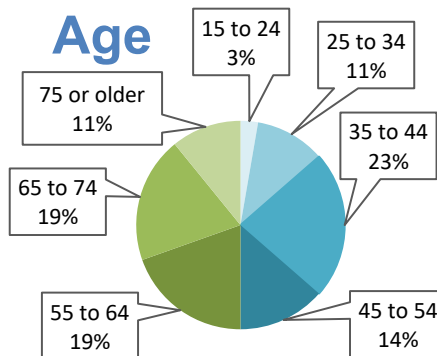
FY 2027 Community Budget Priorities Survey

Prepared By:
Finance Department
(240) 314-8400

Interim Report as of December 5, 2025
192 Responses

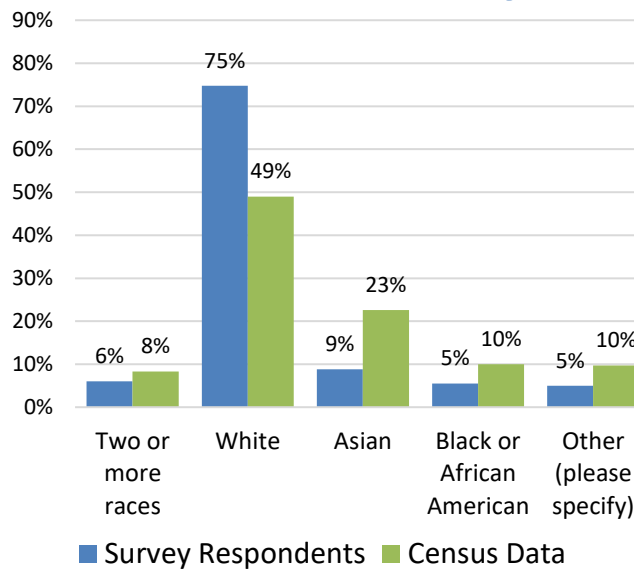
Our Respondents

192 Total Survey Responses



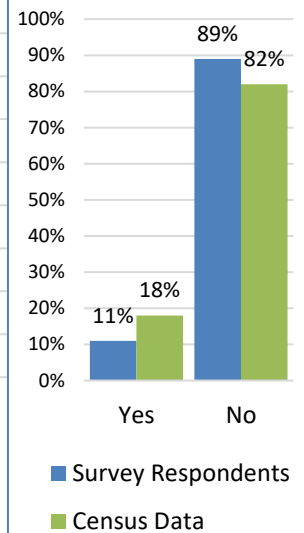
Age: Respondents 35+ are over-represented by 18 percentage points, while those 15-34 are under-represented by the same amount.

Racial Identity

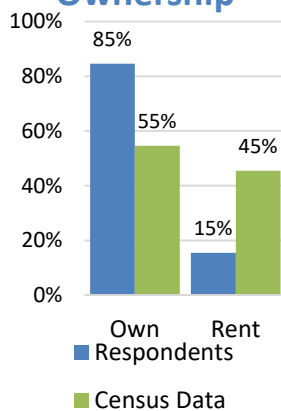


Racial Identity: Respondents identifying as White are over-represented by 26 percentage points. Those who identify as Hispanic or of Latin American identity are under-represented by 7 percentage points.

Hispanic or Latin American Identity

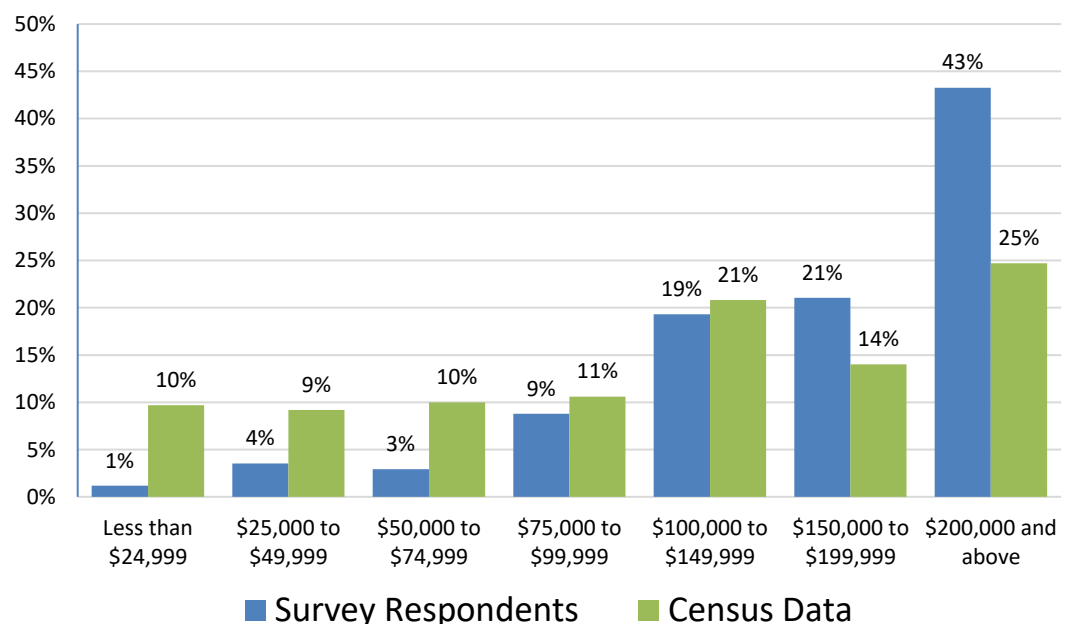


Home Ownership



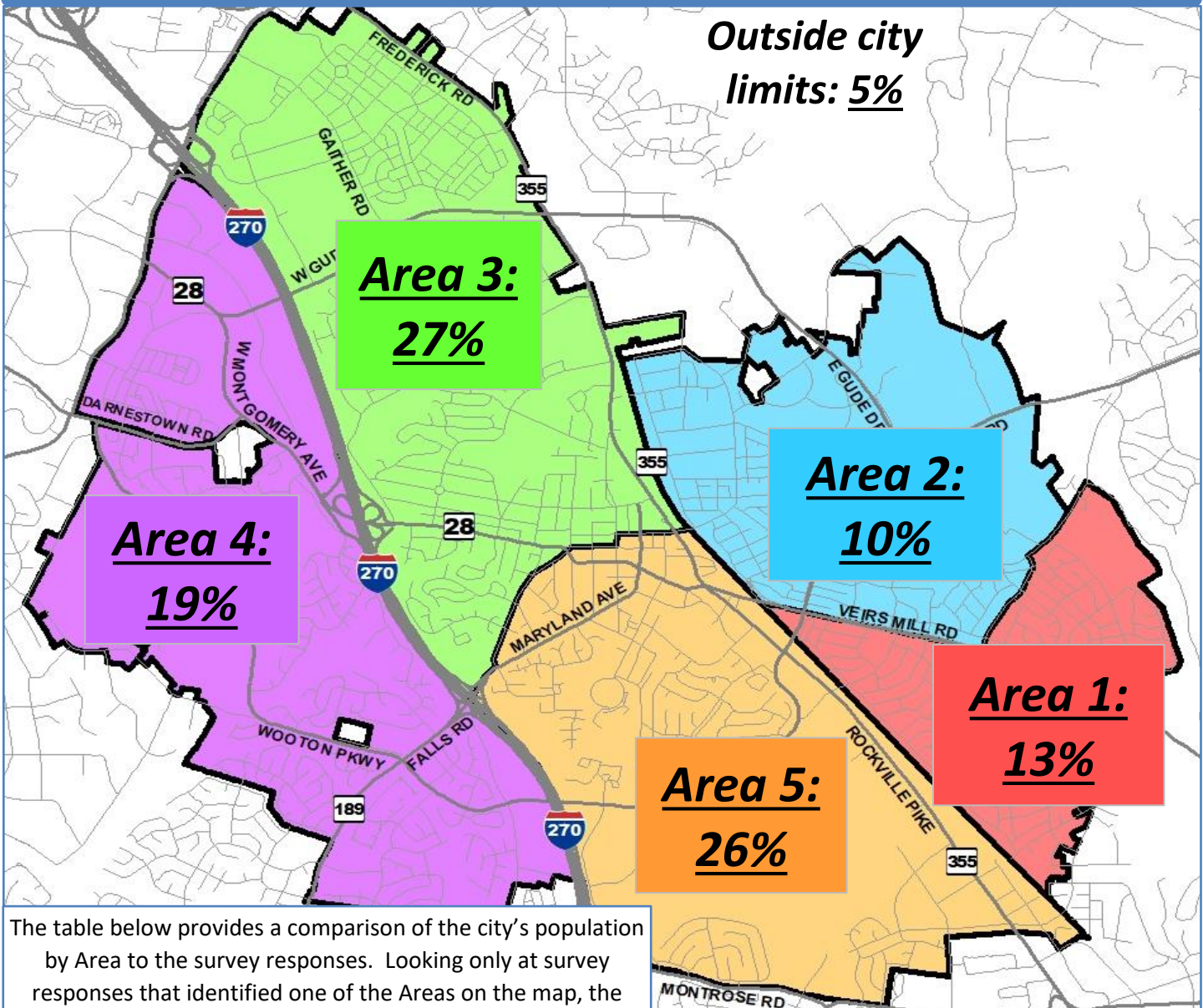
Home Ownership: Respondents who own their home are over-represented by 30 percentage points, while those who rent are under-represented by the same amount.

Income



Income: Respondents making over \$150K are over-represented by 25 percentage points, while those making under \$75K are under-represented by 21 percentage points.

Where our Respondents live



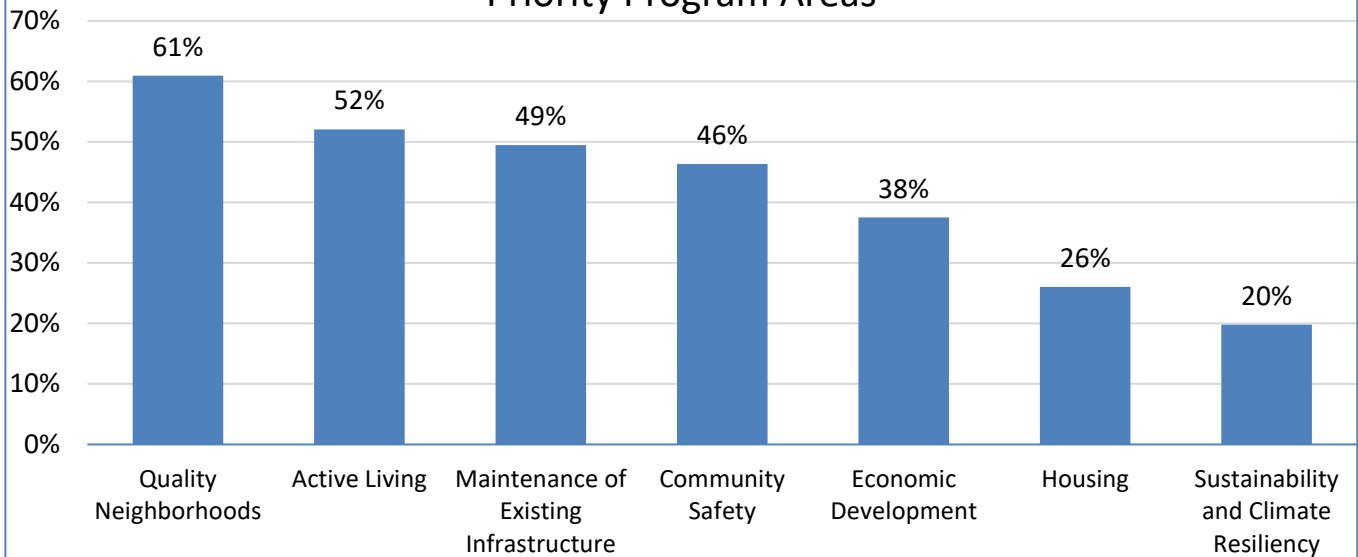
The table below provides a comparison of the city's population by Area to the survey responses. Looking only at survey responses that identified one of the Areas on the map, the survey representation aligns as follows.

| Area | Population | Percentage | Respondents |
|------|------------|------------|-------------|
| 1 | 7,760 | 12% | 14% |
| 2 | 8,241 | 12% | 10% |
| 3 | 18,760 | 28% | 28% |
| 4 | 12,036 | 18% | 20% |
| 5 | 20,320 | 30% | 28% |

Responses by Area is relatively representative of population by area.

Survey Responses

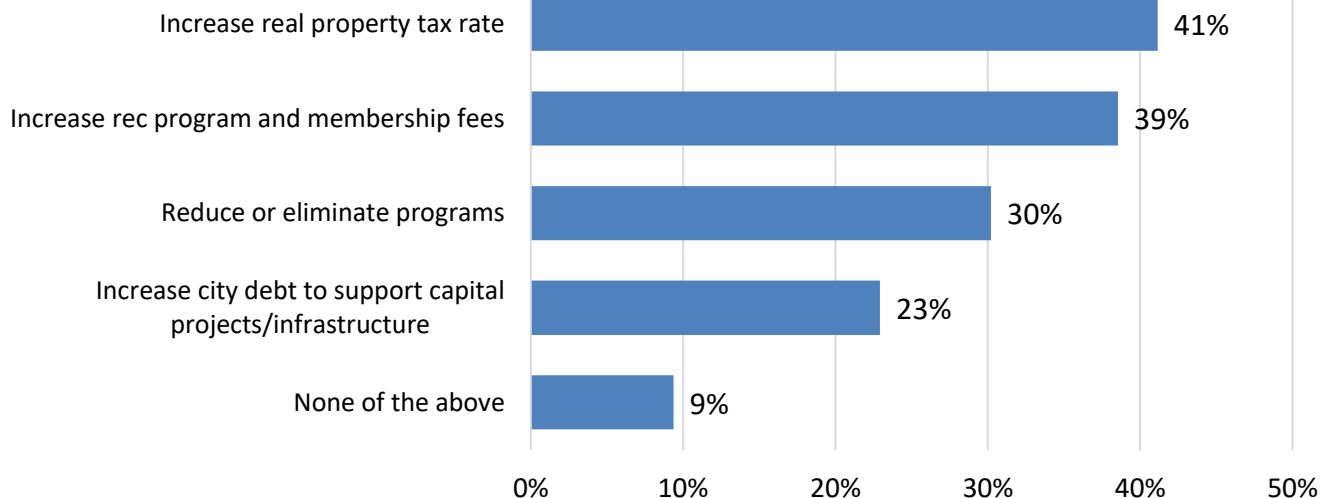
Priority Program Areas



Trends and Analysis

- Income: respondents with a household income less than \$100,000 selected Maintenance of Existing Infrastructure, Economic Development, and Housing more than 10% more frequently than respondents with household income over \$100,000, and Active Living half as frequently.

Options to Maintain a Balanced Budget



Trends and Analysis

- Age: respondents under 35 selected Increase Real Property Tax Rate more than 1.5 times as often as those aged 35 and over, at 64% and 41%.

- Income: respondents with a household income over more than \$100,000 selected Increase Real Property Tax Rate nearly twice as often as those with a household income less than \$100,000, at 45% and 25%.



Appendix: Respondent Comments

| Respondent ID | Rockville's greatest resource is you! Please share any innovative ideas you want the city to consider: |
|---------------|--|
| 119014156952 | We need to prioritize economic development beyond building condos and opening restaurants. We are at a big risk of losing significant tax base from commercial properties. All the good things the City does depend on having money coming in... but residents are stressed and there are fewer and fewer businesses operating in the City. X Energy moving to Gaithersburg is an example of a loss that will affect us for years. Economic development needs to be a priority at every Mayor and Council meeting. |
| 119006813798 | Theres a lot of cracked sidewalks, pothole filled roads, and non working walk signals at cross walks. A lot of people use public transport and it'd be great to have those things fixed. |
| 119003936026 | Creation and retention of jobs and businesses is important to maintain reasonable taxes for residents. |
| 119003467658 | Free shuttles, especially for seniors, around the city (to Town Center, Pike and Rose, Metro). Reduced property taxes for seniors |
| 119003434616 | City of Rockville in public schools for after care and sports and rec programs! |
| 119002823785 | I want to thank the Council and Mayor for voting to preserve Red Gate Park in perpetuity! Adding to the area's abundant green space will keep Rockville and MoCo attractive to new residents for a long time. Consider attracting new cultural institutions to Rockville to bring more visitors to the Town Center - there is a lot of unused retail space that could be leased to performing and fine arts institutions. |
| 119002626012 | Thanks for the approval of improvements to Red Gate Park and the maintenance of all the parks in Rockville. |
| 119002292191 | ALL THE PARKS and green space, the pool, all the trees and general plantings along the streets, that the city streets are kept clean and graffiti when it does appear is cleaned off |
| 119002254613 | I believe that a common sense view at all the programs and weed out the less effective ones freeing up funds for the programs that better serve the community. |
| 119002222778 | Recently RedGate Park received a \$1.5 million grant. That is wonderful and can really help us continue to improve our city without having to any of the items in 3. above. This is a very positive development. |
| 118998871650 | Please increase funding to better enforce parking in and around Lincoln Park. So many cars break parking rules here as if they know they will not be punished for their actions. |
| 118996120378 | Renovate the Rockville Town Center to attract more clients and businesses. |
| 118995297734 | Make the signage at the Rockville Metro to get to Town Square larger and more inviting. Once you cross the pedestrian bridge, you could paint the sidewalk/bike lanes a colorful/inviting color with arrows and words leading to town center to encourage foot traffic and beautify the city. |
| 118994893882 | Move the Croydon creek nature center to RedGate Park and expand its programs and staff |
| 118994791622 | Pickleball courts including lines and nets |
| 118994389138 | We should plant food forests and integrate edible plants (serviceberry, apple trees) into landscaping. Also please start picking up compost |
| 118992633166 | Think affordable "green" housing at incomes <\$90K/year. Able to live near work, participate in local community (and pay taxes and vote) locally. |

| | |
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| 118991706717 | Reconsider efforts to develop all undeveloped parcels of land in Rockville just to cram in more housing. |
| 118991641350 | Thanks |
| 118988290916 | Clean up your neighborhoods with Code Enforcement make sure the neighbors aren't dumping trash everywhere |
| 118988006350 | <p>I have just moved to the area and have enjoyed my new neighborhood. As a new homeowner, I think it would be great to have community clean up events for neighborhoods in Rockville, particularly for elderly individuals.</p> <p>I also think investment should be done to make sure the housing market is appealing to new young families that will take up residence in the area due to the aging population. Long term planning can lead to more young and influential individuals picking Rockville as their homes. Projects like walkable neighborhoods and community events within the city promote Rockville as a strong candidate for families but the housing costs deter young people.</p> |
| 118987563910 | City events should leverage city residents. For example, if you need a vendor or band for a city event, give priority to local residents. |
| 118987558725 | <p>Build a pedestrian bridge over I-270 that connects the Tower Oaks community with the Park Potomac community. There are so many benefits to implementing this idea!</p> <p>Thanks.</p> |
| 118987547851 | We need a foot bridge from Tower Oaks Townhouses to Park Potomac. |
| 118987483195 | With an abundance of new townhomes along both sides of the 270, I would like to see a pedestrian bridge erected that traverses 270 from Tower Oaks to Park Potomac area. This would greatly reduce vehicle traffic and parking challenges along these two growing areas. This is also a win for the environment. |
| 118986986046 | Improve use of traffic circles instead of lights. Recognize this would create change but set plan to help improve traffic flow and decrease idling. |
| 118985669221 | <p>I hope the city can continue to attract new businesses. I'm especially interested in seeing a couple moderate sized employers make the Town Center their home. I'm aware a lot of dedicated employees have worked tirelessly to support the Town Center, thank you.</p> <p>Have there been any attempts to attract a school to the strategically located Town Center, such as a College, University, trade school, an art school, paralegal/law etc? As I recall Education was identified by the consulting firm (the city hired 5 years ago or so to evaluate the Town Center) as one of the themes of the Town Center area.</p> <p>Lastly, after driving past Pike and Rose earlier today, I wonder if there is a way to encourage or ensure future development in Town Center enhances visibility from Rockville pike.</p> <p>For example, when the future development of 255 Rockville pike occurs can the height be limited to allow Blvd Ansel and/or Blvd 44 to be visible from the Pike. Additionally, could West Montgomery be extended to Rockville pike (even if it doesn't connect to the pike) to allow for a sight line from the pike up West Montgomery into the Town Center. I realize the proposed apartment building doesn't do this, but I thought it was worth mentioning, especially, since the developer has said they may seek a different use for the land.</p> |
| 118967394116 | Fund arts & culture and make Rockville an economic destination. |
| 118985478616 | Reconsideration of zero parking minimums in Town Center! It is already so difficult to stop in to support current establishments. |

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| 118984666244 | Reduce illegal immigrants so crimes in our communities decrease. |
| 118983466500 | increase real property tax rate only for homes worth over \$1,000,000 (of course this would be unpopular among some people) |
| 118982579584 | Bike lanes are problematic. They impede traffic and appear to be used only rarely. A better option would be a system of bike paths, separate from highly trafficked streets, as in Boulder, Colorado where large numbers bike but few bicyclists are ever seen on the street. |
| 118982535971 | Summer Youth employment in city services. |
| 118982507244 | Would be great to keep moving forward on our Climate Action Plan! Would love to see Rockville as a model in resilience and climate action to other Maryland cities. |
| 118981016286 | Increase climate resilient infrastructure |
| 118980769185 | Keep working on pedestrian and bicycle safety infrastructure. It is such a great feature of Rockville whenever you can safely and comfortably walk or bike to your destination. The pedestrian deaths are unacceptable, keep up efforts to end them |
| 118980145138 | 1. King Farm's town center is losing one of its biggest restaurants. Having access to different businesses is important and a deciding factor when looking for a place to live. 2. Look into the schools that are zoned for Rockville. Are families moving out of their zoned school or are they sending their kids to a private school? |
| 114833832811 | We still need a sound wall on 270 behind Nelson St. |
| 114833832811 | More sidewalks and pedestrian safety! |
| 114833832811 | Please find a way to cull the deer population. |
| 114833832811 | Build the pedestrian bridge across the tracks. Have Metro install down escalator. Improve quality education at Twinbrook ES. |
| 114833832811 | Further investment in small business owners |
| 114833832811 | Have 1 day a month for hazardous waste pick up. Curbside. |
| 114833832811 | fix and maintain sidewalks, roads and grassy areas more efficiently and regularly |
| 114833832811 | Let's focus pedestrian and cyclist safety not just in the urban areas but walk school zones, like along Maryland Avenue |
| 114833832811 | Use art and/or advertising on back sides of buildings along Metro rails so that Metro passengers would see something attractive about Rockville as they ride along through town. |
| 114833832811 | Use common sense NOT highly political sensitivities. |
| 114833832811 | shared living arrangements |
| 114833832811 | Would appreciate a police presence at Richard Montgomery HS when school lets out. Students all over in cars not obeying traffic laws-blowing stop sign, turning left from center lanes, weaving motorcycles in and out of cars on 355 |
| 114833832811 | Please consider investing more in a new building for the Rockville Civic Ballet, as their current space is cramped and unsuitable for a growing company. Also, please consider adding more recycling bins and compost bins to public spaces to encourage greater sustainability, as well as reducing plastic use in events (such as plastic handouts, water bottles, individually packed snacks). |

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| 114833832811 | <p>I'm a great believer in spending only when and where it's needed; so if it ain't broke, don't fix it.</p> <p>Right now the city is investing in side walks on Potomac Valley Road, that are not needed. They will pose danger to children using it to cross the most busy/dangerous entrance of both Markwood and New Marc Commons neighborhoods, Potomac Valley Nursing and Rehabilitation Center. In addition, there is constantly (2-3 times/day) emergency vehicles through such entrance. I do not understand the need of such sidewalk, as the New Mark Commons neighborhood is a planned and we have live in this house for over 30 yrs, and some neighbors for more than 40, and the new side walks have never been part of this neighborhood. So, there you can save money to balance the budget.</p> <p>Bike lanes seem to be another place that will strain the budget as they are confusing, create traffic, and now need to be maintained for the very few people that use them. I have not seen the first person using it.</p> |
| 114833832811 | Do not increase membership fees for city programs. That would preclude people in low income brackets from using these programs. In my opinion you should focus on creating affordable housing for houseless people. |
| 114833832811 | Incentivize ride share commute options. Create a web page for similar commuters going to high traffic work places (ie. pentagon, Tyson's corner, etc) and provide an incentive to van pool. |
| 114833832811 | I think we should put solar panels on all City buildings. Let's show everyone how green and sustainable we can be! |
| 114833832811 | I have some ideas but none of them are innovative |
| 114833832811 | Please keep Rockville safely walkable and bus transportation plentiful. |
| 114833832811 | traffic enforcement at crosswalks, stop signs, and crosswalks. costs nothing and will generate tons of revenue! |
| 114833832811 | We desperately need jobs and economic development in the City. Losing X Energy and Argan are examples of material hits. If we're not prioritizing business development (not just stores and restaurants) then all the buildings downtown and along 270 are going to empty out and leave us more exposed to federal job losses and commercial property write downs. Residents can only bare so much in tax increases before they leave. |
| 114833832811 | <p>Please consider installing an outdoor exercise station at Dogwood Park. The lone exercise station at Woottons Mill Park is great, but it is difficult to reach if you live on the east side of 270. Dogwood Park, with all its other recreation facilities, has lots of space for a similar calisthenics gym that would benefit the adult population of Rockville.</p> <p>Also please institute automated garbage pickup trucks that don't require people to handle the garbage cans</p> |
| 114833832811 | Explore options of data centers to inrease tax revenue. |
| 114833832811 | Having Trader Joe's is awesome!!! I would love to see more stores/restaurants in the Town Square area. Maybe there is a way to attract them with initial low rents? That would seem better than having so many vacant properties. |

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| 114833832811 | <p>The Western Senior Center parking should be divided by North & South, rather than East & West as proposed. That way existing South accessors would still have access to existing South Side handicapped parking spaces close to the back entrance. New accessors from Gude Drive would could also have northside Handicapped Spaces also closer to the bace entrance !!</p> <p>Also as earlier proposed by Del.Jenny Forhand, a new I-270 Gude Drive Interchange #7 could provide greater access to Northern Rockville !!</p> |
| 114833832811 | Public access running track (not attached to a school that has priority use). |
| 114833832811 | Reduce unnecessary costs, like putting in sidewalk where none are needed. Also, please reassess the use of bike lanes. I seldom see the lanes being used but they have greatly increased traffic congestion. |
| 114833832811 | Please provide bathroom facilities (temporary or permanent) at ALL city parks. Also, can we get compost pickup with trash? |
| 114833832811 | Figure out a way to lower rent in Rockville. I looked at the new apartment building the Milton...prices ranges from \$3k-4k. The average person can not afford to live here. |
| 114833832811 | <p>Please respect the needs of current residents by preserving the character of our single-family neighborhoods. Rockville must also recognize the lack of reliable non-car transportation options before encouraging higher density development.</p> <p>Our historic resources are among the city's greatest assets and should be valued and protected—not diminished. Thoughtful planning means growth that complements, not erases, what makes Rockville unique.</p> |
| 114833832811 | Better retail offerings in Town Square. Performing Arts center (King Farm) Rework the Metro area to better accommodate retail and walkability. |
| 114833832811 | <p>I would like the City to do a study of bike traffic using the new bike lanes on N Washington St. My wife and I use the road to go to and from the pool 5-6 times each week. We see so few bikes that we always say "take a video" when we see one. But we've seen a big increase in car traffic congestion on the road, and lots of red-light running, especially at the intersection of N Washington and W Montgomery, right in front of the police station. It's not clear to me why we installed the bike lanes. Who did we expect to use the lanes? Where were they supposed to come from? I realize it might be difficult to do a bike count. If nothing else, pay someone \$20 bucks an hour for a couple of weeks in the summer to sit there and count the number of bikes.</p> |
| 114833832811 | <p>Rockville should acquire a manufacturing plant and/or business that will bring high paying jobs. It should reduce DEI related programs and cease subsidies for low income housing. If you grow industry (not service and government related jobs), the economy will grow with it. We have land in this city to attract very good industry. Do not be afraid to attract a serious company that will plant itself here and build wages and families. Stop settling for the same old government oriented solutions.</p> |
| 114833832811 | Turn empty office buildings into housing. |
| 114833832811 | Cost cutting on city's work force? Or reduce some area of spending. So many grass cutting around Dogwood park, for example. |
| 114833832811 | I'm curious what a city wide composting program would cost. Maybe with one or two designated composting collection areas in each neighborhood (like USPS mailboxes) that are collected on trash days? |
| 114833832811 | North pool and whirlpool should be renovated |

| | |
|--------------|---|
| 114833832811 | For some of the smaller parks inside neighborhood communities, add some of the giant Jenga or connect 4 or checkers tables to encourage community members (especially for adults without kids) to get to know each other with outdoor game nights |
| 114833832811 | I hope the community is maintained at a high standard so we can encourage new business and maintain it. We have lost so much business that could be bringing in more tax income for the city. |
| 114833832811 | City-wide broadband could help level the playing field for all socio-economic groups. |
| 114833832811 | while I would love to prioritize active living and new programs, our current situation requires a longer view. That is why I say to reduce/eliminate -- maybe tiny cuts all over are less painful -- while simultaneously work on economic development. Things have gotten out of balance, and truly the backs of the taxpayers, along with Maryland property tax increases and other inflationary increases, cannot handle any more increases AT THIS TIME. So, it's time to pare back, work on economic development, maintain what we have, and perhaps in a few years we can see some relief and add things back in. Crumbling infrastructure is always a bad thing, but some projects can be deferred temporarily. There are many worthwhile pet projects -- it's hard to choose where to cut and eliminate. That is why I suggest first making small cuts across all departments and programs. Going into further debt would be a terrible move. And then -- do a very thorough job of explaining to everyone why we have to make unpopular decisions right now, so that we have a better future tomorrow. |
| 114833832811 | allowing short term rentals (Airbnb/VRBO) for people who own and live at their property full time. |
| 114833832811 | Improve Red Gate Park, including parking, but while maintaining quality ecosystem. |
| 114833832811 | Protect the diversity of the city and its diverse shopping/restaurant opportunities. Not innovative, but big plus of city. |
| 114833832811 | More bike paths please. Especially ones not on the streets with the cars. |
| 114833832811 | More safe bike paths not on the street but off of it like the new paths near Sam Eig hwy and Shady Grove Metro. |
| 114833832811 | Host "Data parties" for community based analysis of data about our city to inform policy |
| 114833832811 | Provide more environmental incentives for creating native landscapes. |
| 114833832811 | Any STEM related activity for the kids |
| 114833832811 | I am a very experienced financial executive and will be happy to review the full budget and recommend changes for balanced budget for free of charge of city is interested. |
| 114833832811 | I'm a senior and enjoy the senior programs at the Rockville Senior Center. Keep up the great programming. |
| 114833832811 | Reduce government spending and make this a more tax friendly area for businesses and more desirable for new residents when compared to Virginia!!! Do not raise taxes, LOWER THEM! |
| 114833832811 | Prioritize more affordable housing programs. Beyond social media, place public notice boards in the various neighborhoods to disseminate information. Increase funding for public art throughout the City and especially for installations at Redgate Park. And thank you for your service! |
| 114833832811 | Please look at where you can scale back spending. We are tightening our spending belts, making tough choices, and we need you to do the same without passing costs to an already economically burdened community. Until we get through these days, consider what sacrifices you can make along with us. |

114833832811 Get rid of crazy bike lanes in city

114833832811

Please focus on rezoning Rockville to create truly livable communities, with most amenities within walking distance for most residents. Townhomes with businesses on the first floor should be encouraged, not zoned out of existence. Neighborhoods should have a variety of housing options (apartments, townhomes, single-family homes, etc.) within walking distance so that changing your housing type does not necessarily mean changing your community. People should be able to naturally transition from apartment to townhome to single-family home as their family grows, and then downsize appropriately as they age, without losing the tight-knit, immediate communities they have formed. Particularly for seniors, strong community is extremely important for healthy aging, but if the act of downsizing means moving further away from all the friends/businesses/etc. that they're used to having close at hand, there are no good options.



City of Rockville - Key Operating Initiatives for FY2026 - FY2027

| Department | Key Operating Initiatives for FY2026-FY2027 |
|---|--|
| City Attorney's Office | Rewrite Election Code – Chapter 8 for 2027 Election Implementation. |
| City Clerk/ Director of Council Operations Office | Prepare 2027 election calendars . |
| | Form the next Compensation Commission . Hold meeting(s) before January 31. |
| | Utilize OnBoard platform to streamline BCCTF's appointment/reappointments, term limits and trainings. Update BCCTF policies and procedures. |
| | Evaluate relocations of archival storage from outside the city to a city location for improved accessibility. |
| City Manager's Office | Develop and implement a customer relationship management (CRM) system for the city in collaboration with IT. |
| | *Create an Economic Development Strategic Plan in collaboration with Rockville Economic Development, Inc. |
| | Maintain and continue to build out the Results Rockville dashboards (2040 Comp Plan, CIP projects, JEDI strategic plan, etc.) |
| | Administer the biennial City of Rockville Community Survey in 2026. |
| | Implement a new Annual JEDI Workplace Climate Survey in collaboration with HR. |
| | Develop and begin implementation of the JEDI Strategic Plan . |
| | Develop and rollout JEDI-focused professional development and education opportunities in collaboration with HR. |
| | Develop and begin implementation of the Public Art Conservation and Maintenance Plan . |
| | *Establish a new Private Mural Development Incentive program to promote murals on private property. |
| | Develop public arts projects including Memory Walk Park and David Scull Park. |
| Communications and Community Engagement | Create a community engagement strategy and develop the Community Connection events (Neighborhood Connect, City Academy, City Hall in the Park). |
| | Complete the city's mobile app to provide the public with easier access to city services, programs, and information. |
| Community Planning and Development Services | Implement FAST improvements to the development review and permitting processes. |
| | *Begin the process of updating the East Rockville Neighborhood Plan and incorporate it within the 2040 Comprehensive Plan. |
| | *Begin the process of updating the Rockville Pike Neighborhood Plan and incorporate it within the 2040 Comprehensive Plan. |
| | Evaluate annexation opportunities to expand city limits, including around the Shady Grove Metro. |

| Department | Key Operating Initiatives for FY2026-FY2027 |
|--|---|
| Community Planning and Development Services (cont'd) | Obtain Transit-Oriented Development (TOD) designation from the State of Maryland beginning with the Rockville Metro Station area to allow for financial incentives for the city and developers, including affordable housing grants. |
| | Complete the Zoning Ordinance Rewrite and Comprehensive Map Amendment. |
| | Revise and enhance the rental unit inspection and licensing program to promote improved inspection compliance. |
| | Pilot the Solar Plus next day automatic permitting of solar panel installations for single family homes. |
| Finance | Issue General Obligation bonds to support water, sewer, and general capital projects. |
| | Reaffirm triple-A bond rating through formal credit evaluations from Moody's and S&P. |
| | Perform Water and Sewer Rate Study to establish FY 2028 through FY 2030 rates. |
| Housing and Community Development | Complete the housing needs assessment . |
| | Collaborate with the City Attorney's Office on the MPDU Ordinance rewrite and implement program modifications. |
| | Evaluate financial incentives to increase market-rate and affordable housing supply. |
| | Support the closure of at least one Low Income Housing Tax Credit (LIHTC) project with Housing Opportunities Fund gap financing. |
| Human Resources | Build out and expand Human Resources information systems functionality with new NEOGOV platform . |
| | Develop a new Training & Development Institute . |
| | Restructure the onboarding process. |
| | Restructure the performance evaluation process. |
| Information Technology | Implement Phases I and II of the CCTV replacement and modernization initiative. |
| Police | Collaborate with DPW on the Emergency Operations Center (EOC) build-out at Taft Center. |
| | Develop the RCPD Strategic Plan . |
| | Redistrict the current citywide, patrol beat structure to ensure equity in police service across the city. |
| | Implement specialized units within the department with our full complement of staff. |
| Procurement | Identify, test, and implement efficiencies to streamline the city's procurement process . |
| | Evaluate automation of contract forms and other applicable procurement templates. |
| | Identify and implement strategies for surveying the MFD-V business community , to include tracking interest, and enhancing outreach efforts. |
| | Research and implement practices for incorporating local business preference and sustainable procurement into the City's bidding processes. |

| Department | Key Operating Initiatives for FY2026-FY2027 |
|--------------------|---|
| Public Works | Develop and begin implementation of the Green Space Management Plan . |
| | Install new signage within Town Center as part of the city's wayfinding initiative. |
| | Install new neighborhood welcome signs with community input. |
| | Install solar panels at the Lincoln Park Community Center. |
| | Implement enterprise asset management software in collaboration with IT. |
| | Conduct and review the results of noise abatement studies along sections of Gude Drive. |
| | Acquire and deploy snow tracking map to the public using automatic vehicle location (AVL) technology in collaboration with IT. |
| Recreation & Parks | Expand childcare programs/opportunities using approved strategies from June 2nd worksession. |
| | Expand cultural programs/events in collaboration with JEDI and CCE. |
| | *Perform a study to evaluate the expansion of community gardens . |
| | Expand water safety outreach, community engagement and programming. |
| | Evaluate the expansion of the recycling program to serve high-use parks within the city. |
| | Implement enhanced security features to support increased restroom access within city parks . |
| | *Develop a trail lighting plan to promote safety for youth who walk to and from Rockville schools. |

**items added during the Mayor & Council Retreat in September 2025*



City of Rockville - Key Capital Initiatives for FY2026 - FY2027

| Department | Key Capital Initiatives for FY2026-FY2027 Taxpayer Supported |
|------------------------|--|
| Information Technology | Complete the transition of the city's disaster recovery data center to Equinix in collaboration with Montgomery County. |
| Public Works | Construct the Senior Center Entrance . |
| | Continue the implementation of concrete rehabilitation efforts in alignment with PROWAG requirements. |
| | Complete the feasibility study of four potential crossing locations for the Twinbrook Pedestrian and Bicycle Bridge . |
| | Continue bridge replacement and rehabilitation efforts for the Hurley Avenue and West Gude Drive bridges in collaboration with Maryland Department of Transportation. |
| | Complete the citywide LED streetlight conversion . |
| | Complete design of the shared-use path along Scott Drive and Veirs Drive. |
| | Complete the design of improvements to the Stonestreet Corridor in collaboration with Maryland Department of Transportation. |
| | *Implement pedestrian safety improvements for areas around the Shady Grove and Twinbrook Metro Stations. |
| Recreation & Parks | Complete construction of planned improvements at David Scull Park . |
| | Begin design of planned improvements to the Elwood Smith Community Center . |
| | Evaluate grant opportunities and funding strategies to support the King Farm Farmstead Master Plan . |
| | Complete the assessment and design of repairs to the Glenview Mansion retaining walls and pathways . |
| | Complete construction of planned improvements to the Lincoln Park Community Center . |
| | *Install additional park pavilions within Rockville parks. |
| | Continue pedestrian bridge replacement efforts within the Horizon Hill Park and Woottons Mill Park. |
| | Complete the design of RedGate Park and Arboretum and identify projects for procurement. |
| | Complete design and begin construction of the Talbott Street Park . |

| Department | Key Capital Initiatives for FY2026-FY2027 Ratepayer Supported |
|--------------|---|
| Public Works | Procure and begin implementation of Advanced Metering Infrastructure for water meters in collaboration with Finance. |
| | Develop the Water Treatment Plant Facility Master Plan and identify high-priority projects. |
| | Complete construction of the planned Water Treatment Plant Safety and Security Improvements . |
| | Complete construction of the recycling transfer enclosure at the city maintenance facility. |
| | Develop the Flood Resiliency Master Plan and identify high-priority projects. |
| | Continue stream restoration efforts within the Anderson Park/Plymouth Woods and Croydon Creek/Calvin Park communities. |

**items added during the Mayor & Council Retreat in September 2025*



MAYOR AND COUNCIL Meeting Date: January 5, 2026

Agenda Item Type: MOCK AGENDAS

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: SARA TAYLOR-FERRELL

Subject

Mock Agenda

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff recommends the Mayor and Council review and provide comments.

Attachments

January 12, 2026 (Mock)



MAYOR AND COUNCIL

Meeting No.

Monday, January 12, 2026 - 6:30 PM

MOCK AGENDA

Agenda item times are estimates only. Items may be considered at times other than those indicated.

Ways to Participate

If you require a reasonable accommodation, for community forum or a public hearing and need reasonable accommodations, please contact the City Clerk's Office by the Wednesday before the Monday meeting at 240-314-8280 or cityclerk@rockvillemd.gov or by filling this form: <https://www.rockvillemd.gov/FormCenter/City-Manager-2/Request-a-Reasonable-Accommodation-50>

Translation Assistance

If you wish to participate in person at a Mayor and Council meeting during community forum or a public hearing and may need translation assistance in a language other than English, please contact the City Clerk's Office by the Wednesday before the Monday meeting at 240-314-8280, or cityclerk@rockvillemd.gov, or by using this form: <https://www.rockvillemd.gov/FormCenter/City-Clerk-11/Sign-Up-for-Translation-Assistance-at-Co-368>

In-Person Attendance

Community members attending in-person who wish to speak during Community Forum, or a Public Hearing, should sign up using the form at the entrance to the Mayor and Council Chamber. In-person speakers will be called upon in the order they are signed to speak and before virtual speakers.

Note: In-Person Speakers will be called upon to speak before those who have signed up to speak virtually for Community Forum and Public Hearings.

Viewing Mayor and Council Meetings

The Mayor and Council are conducting hybrid meetings. The virtual meetings can be viewed on Rockville 11, Comcast, Verizon cable channel 11, livestreamed at www.rockvillemd.gov/rockville11, and available a day after each meeting at www.rockvillemd.gov/videoondemand.

Participating in Community Forum & Public Hearings:

If you wish to submit comments in writing for Community Forum or Public Hearings:

- Please email the comments to mayorandcouncil@rockvillemd.gov no later than 10:00 am on the date of the meeting.

If you wish to participate in-person or virtually in Community Forum or Public Hearings during the live Mayor and Council meeting:

1. Send your Name, Phone number, For Community Forum and Expected Method of Joining the Meeting (computer or phone) to mayorandcouncil@rockvillemd.gov no later than 10:00 am on the day of the meeting. Each speaker will receive 3 minutes.
2. Send your Name, Phone number, the Public Hearing Topic and Expected Method of Joining the Meeting (computer or phone) to mayorandcouncil@rockvillemd.gov no later than 10:00 am on the day of the meeting.
3. On the day of the meeting, you will receive a confirmation email with further details, and two Webex invitations: 1) Optional Webex Orientation Question and Answer Session and 2) Mayor & Council Meeting Invitation.
4. Plan to join the meeting no later than approximately 20 minutes before the actual meeting start time.
5. Read for <https://www.rockvillemd.gov/DocumentCenter/View/38725/Public-Meetings-on-Webex> meeting tips and instructions on joining a Webex meeting (either by computer or phone).
6. If joining by computer, Conduct a WebEx test: <https://www.webex.com/test-meeting.html> prior to signing up to join the meeting to ensure your equipment will work as expected.

Participating in Mayor and Council Drop-In (Mayor Ashton and Councilmember Valeri)

The next scheduled Drop-In Session will be held by phone or in-person on Monday, January 12 from 5:15-6:15 pm with Mayor Ashton and Councilmember Valeri. Please sign up by 10 am on the meeting day using the form at: <https://www.rockvillemd.gov/formcenter/city-clerk-11/sign-up-for-dropin-meetings-227>

1. **Convene - 6:30 PM**
2. **Pledge of Allegiance**
3. **Proclamation and Recognition - NONE**
4. **Agenda Review - 6:35 PM**
5. **City Manager's Report - 6:40 PM**
6. **Boards and Commissions Appointments and Reappointments - NONE**
7. **Community Forum - 7:00 PM**
8. **Special Presentations - NONE**
9. **Consent Agenda - 7:20 PM**
10. **Public Hearing - NONE**

11. Action Items - 7:25 PM

- A.** Adoption of an ordinance to amend Chapter 10.5 of the City Code, the Forest and Tree Preservation Ordinance, which includes revisions to ensure compliance with Maryland Senate Bill 526 (and associated legislation), as well as minor revisions proposed by staff.

12. Worksession - NONE**13. Mock Agenda - 7:40 PM****14. Old / New Business - 7:45 PM****15. Adjournment - 8:00 PM**