



MAYOR AND COUNCIL

Meeting No. 16-24
Thursday, June 27, 2024 - 10:00 AM

AGENDA

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

The next scheduled Drop-In Session will be held by phone or in-person on Monday, July 8 from 5:15-5:45 pm with Mayor Ashton and Councilmember Fulton. 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 - 10:00 AM

2. Consent Agenda - 10:05 AM

- A.** Award, and Authorize the Acting City Manager to Execute on behalf of the Mayor and Council, the attached documents related to the City's excess liability insurance policy with Alliant Insurance Services, Inc. to bind the excess liability insurance coverage for the FY 2025 policy period at a total cost of \$174,615.49.
- B.** Ratify the terms and execution of the Linkages to Learning Contract between the City of Rockville and Montgomery County related to Montgomery County's Linkages to Learning program (the "LTL Contract").
- C.** Award and Authorize City Manager to execute a contract with Denali Water Solutions, LLC. of Russellville, Arkansas for sludge hauling services responsive to IFB #28-24 in an Aggregate Amount Not to Exceed \$133,320 Through June 30, 2025, With an Option to Extend for Four (4) Additional One-Year Periods.
- D.** Approval of the City of Rockville Standard Form FY2025 Human Services (Caregiver) Grant Agreement, and Authorization for the Acting City Manager to Execute Fourteen FY2025 Human Services (Caregiver) Grant Agreements in order to disburse a total of \$774,590 in city grant funds to selected nonprofit organizations
- E.** Approval of the City of Rockville Standard Form FY 2025 Community Organization Grant Agreement, and Authorization for the Acting City Manager to Execute Fourteen FY2025 Community Organization Grant Agreements to disburse a total of \$448,060 in City Grant Funds to selected non-profit organizations.
- F.** Authorization for the Acting City Manager to Execute the First Amendment to the Moderately Priced Dwelling Unit Program Agreement between the Mayor and Council and Pulte Home Company, LLC

3. Adjournment - 10:10 AM

The Mayor and Council Rules and Procedures and Operating Guidelines establish procedures and practices for Mayor and Council meetings, including public hearing procedures. They are available at:

<http://www.rockvillemd.gov/mcguidelines>.



MAYOR AND COUNCIL Meeting Date: June 27, 2024
Agenda Item Type: CONSENT
Department: HUMAN RESOURCES
Responsible Staff: MARCUS ODORIZZI

Subject

Award, and Authorize the Acting City Manager to Execute on behalf of the Mayor and Council, the attached documents related to the City's excess liability insurance policy with Alliant Insurance Services, Inc. to bind the excess liability insurance coverage for the FY 2025 policy period at a total cost of \$174,615.49.

Department

Human Resources

Recommendation

Staff recommends that the Mayor and Council authorize the Acting City Manager, and LGIT's insurance broker, Alliant Insurance Services, Inc., to bind coverage with General Star Indemnity Company for the purchase of an excess liability insurance policy at a total cost of \$174,615.49.

Discussion

The City first joined the Local Government Insurance Trust ("LGIT"), a self-insured municipal insurance pool comprised of local governments in Maryland, for insurance beginning with the FY 2011 policy period. The City has remained members of the LGIT Trust since initially joining and annually procures the following lines of insurance through LGIT: property, general liability, police legal liability, public official liability, employment practices liability, automobile, excess liability, and boiler and machinery coverage. LGIT's mission is to provide coverage and risk management services at stable and competitive rates through an organization that is owned and managed by its local government members.

For the FY 2025 policy period, the City will remain insured with LGIT for the lines of coverage described above. LGIT offers limits of coverage for excess liability up to the first \$6M. Due to the risks and exposures facing our organization, the City has purchased higher levels of excess liability insurance beyond and above what is offered through LGIT. LGIT offers the ability for its members to apply for additional coverage limits above what is offered by LGIT directly. The excess liability insurance policy that staff is recommending the City procure is secured through LGIT's insurance broker, Alliant Insurance Services, Inc., and would provide an additional \$5M in coverage, for a total aggregate insurance limit of \$11M for the underlying lines of coverage afforded by LGIT.

The excess liability insurance policy with General Star Indemnity Company, procured through LGIT and their broker, Alliant Insurance Services, Inc., is a group purchase policy for those LGIT members who requested limits above what is offered by LGIT. The Town of Chevy Chase and the Town of Chevy Chase Village were the other LGIT members who elected to purchase this additional coverage for the FY 2025 policy period. Of note, the City has purchased additional excess liability limits in this amount since 2010. Rather than self-insure the risk of a catastrophic claim(s), and with the increase of claims not subject to the tort cap limits afforded to the City by the Maryland Local Government Tort Claims Act, the City purchases this excess policy to offset the financial risk of a claim or judgement exceeding coverage limits afforded by LGIT.

For the FY 2025 renewal of this insurance, Alliant Insurance Services, Inc., and staff, recommends the City renew coverage with General Star Indemnity Company for a \$5M excess liability policy with terrorism risk insurance act (TRIA) coverage at a total cost of \$174,615.49; an increase of less than 6% from the expiring policy. We remain in a difficult market for many of the lines of insurance this coverage applies to. As such, many carriers declined to quote this policy.

Alliant Insurance Services, Inc. marketed this group purchase insurance program to the excess market, and **Table 1** highlights the results of that effort. Of note, Alliant Insurance Services, Inc. was successful in receiving pricing from only General Star Indemnity Company.

Table 1

| Insurance Company | Results | Price |
|--------------------------------|---|--------------|
| Axis | Unable to include law enforcement or employment professional liability coverage. | |
| Berkley | Declined to offer quote for group purchase policy. The minimum premiums that would apply made this option not viable. | |
| Chubb | Declined to offer quote for group purchase policy. The minimum premiums that would apply made this option not viable. | |
| CmVantage | Unable to quote the policy due to the City of Rockville’s vehicle insurance schedule and risks. | |
| Starstone | Unable to quote due to high-risk location near Washington, D.C. | |
| Markel | Unable to underwrite group purchase policy. | |
| General Star Indemnity Company | Matched existing coverage with minimal increase to premium. | \$174,615.49 |

While fortunately the City was able to receive a renewal proposal for this coverage for the FY 2025 policy period, the market is becoming increasingly difficult for local governments to purchase this insurance due to our exposures, specifically employing police officers. In subsequent fiscal years the City may need to consider self-insuring this if the cost of the premium continues to rise exponentially, coverage limits or exclusions make the policy not viable, or coverage is simply not offered as we see from the marketing effort performed.

To bind this insurance policy, upon award, the City will execute the Authorization to Bind Coverage and Acceptance of Terrorism Insurance Coverage documents included within the Excess Liability Insurance Proposal, enclosed as Attachment A. Additionally, the City will have to execute a disclosure document dealing with the acceptance of Terrorism Insurance Coverage, included as Attachment B – TRIA Disclosure.

Mayor and Council History

The Mayor and Council last awarded the purchase of excess liability insurance coverage for the FY 2024 policy period on June 22, 2023, to Alliant Insurance Services, Inc. to bind coverage with General Star Indemnity Company for a cost of \$164,940.92.

Procurement

In accordance with Chapter 17, "Procurement," Section 17-72, of the Rockville City Code, the City may contract directly with other public entities for goods or services when such goods or services were obtained through competitive procurement procedures. LGIT is quasigovernmental in nature and provides for public entity insurance in the State of Maryland. Additionally, contracts with other public bodies are exempt from competitive procurement per City Code Section 17-87 entitled "Exemptions".

While the City does have an agreement with LGIT, there is no separate agreement between the City and LGIT's insurance broker, Alliant Insurance Services, Inc.

Fiscal Impact

The FY 2025 adopted budget for property and general liability insurance is \$823,050 across all funds. This amount is sufficient to cover the premium for the purchase of this policy for the FY 2025 policy period.

Next Steps

Upon award, the Acting City Manager will execute the Authorization to Bind Coverage and Acceptance of Terrorism Insurance Coverage documents that are attached to this staff report.

Attachments

Attachment A - Excess Liability Insurance Proposal, Attachment B - TRIA Disclosure



City of Rockville

Excess Liability Insurance Proposal

Presented by Doug Wozniak
Date Presented May 13, 2024

Alliant Insurance Services, Inc.
18100 Von Karman Avenue 10th Floor
Irvine, CA 92612
O 949 756 0271

CA License No. 0C36861

www.alliant.com

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Company Profile

Alliant provides risk management, insurance, and consulting services to thousands of clients nationwide, delivering tailored products and services engineered to mitigate risk, improve performance, and promote long-term growth. Our core business includes property and casualty insurance services, middle-market brokerage, employee benefits, and underwriting, each staffed with dedicated industry specialists who understand the unique market dynamics facing their clients.

In addition to our 90-plus year legacy of service and results, Alliant is one of the industry's fastest-growing organizations. As America's 10th largest insurance brokerage, we have an active presence in every U.S. market and an extensive arsenal of best-in-class resources and intelligence that moves our clients forward in today's competitive market climate.

Alliant has a broad reach that covers a wide range of industries, including:

- Agriculture
- Aviation
- Construction
- Energy and Marine
- Environmental
- Healthcare
- Financial Institutions
- Law
- Public Entity
- Real Estate
- Tribal Nations
- And many more

Alliant Advantage

| | Alliant | Competition |
|--|---------|-------------|
| 90 years of leadership in meeting the insurance needs of businesses and public entities across the US. | ✓ | |
| National presence with best-in-class resources and expertise. | ✓ | |
| Privately owned and operated. | ✓ | |
| Flat management structure with no bureaucracy, empowering senior leadership to take a hands-on approach to client service that expands the entire lifecycle of the relationship. | ✓ | |
| A full-service insurance agency that addresses all of your risk and insurance needs, including property, casualty, life, and health. | ✓ | |
| A diverse team of industry specialists who understand the unique needs of your business. | ✓ | |
| Considerable buying power through more than 40 insurance carriers, enabling for the delivery of the best coverage at the most competitive pricing | ✓ | |
| State-licensed support staff. | ✓ | |
| A full-service approach that includes risk management services to help identify hazards and present options. | ✓ | |
| Workers' compensation insurance claims management at no additional charge. | ✓ | |



Your Service Team

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Account Manager Lead

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Named Insured

City of Rockville

NAMED INSURED DISCLOSURE

- Name Insured(s) should match State of Incorporation filing. Inform Alliant if there is a difference or change
- The First Named Insured policy status granted includes certain rights and responsibilities. These responsibilities do not apply to other Named Insureds on the policy. Some examples for First Named Insured status include; (1) being designated to act on behalf of all insureds for making policy changes, (2) receiving of correspondence, (3) distributing claim proceeds, and (4) making premium payments
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act.

Premium Summary

| Coverage | Expiring Premium* | | Renewal Premium* | |
|------------------|-------------------|-------------------|------------------|-------------------|
| Excess Liability | \$ | 164,940.92 | \$ | 174,615.49 |
| TOTAL | \$ | 164,940.92 | \$ | 174,615.49 |

*Includes TRIA premium, surplus lines taxes

Payment Terms

- Premium is due within 30 days of policy inception
- Agency Bill
- Payment Plan: Annual

Options

- None

Excess Liability Coverage

| | Present Coverage | Proposed Coverage |
|-----------------------------|---|--|
| Insurance Company | General Star Indemnity Company | General Star Indemnity Company |
| A.M. Best Rating | A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of April 20, 2023 | A++ (Superior), Financial Size Category: XV (Greater than or Equal to \$2 Billion) as of May 2, 2024 |
| Standard & Poor's Rating | AA+ (Very Strong) as of September 29, 2021 | AA+ (Very Strong) as of February 26, 2024 |
| Maryland Status | Non-Admitted | Non-Admitted |
| Policy/Coverage Term | July 1, 2023 to July 1, 2024 | July 1, 2024 to July 1, 2025 |
| Policy # | IXG672573B | TBD |

Coverage Form

- | | |
|--|--|
| <ul style="list-style-type: none"> • Coverage Part A: Genesis Public Entity Liability Policy on an Occurrence Basis excess of a Retained Limit on the Genesis Public Entity Policy Form • Coverage Part B: Genesis Public Official Liability Policy on a Claims Made Basis excess of a Retained Limit on the Genesis Public Official Liability Policy Form | <ul style="list-style-type: none"> • Coverage Part A: Genesis Public Entity Liability Policy on an Occurrence Basis excess of a Retained Limit on the Genesis Public Entity Policy Form • Coverage Part B: Genesis Public Official Liability Policy on a Claims Made Basis excess of a Retained Limit on the Genesis Public Official Liability Policy Form |
|--|--|

Limits

| | | | |
|--------------|--|--------------|--|
| \$ 5,000,000 | Coverage Part A - Each Occurrence | \$ 5,000,000 | Coverage Part A - Each Occurrence |
| \$ 5,000,000 | Coverage Part A – Coverage Part Aggregate – Does Not Apply to Automobile Liability | \$ 5,000,000 | Coverage Part A – Coverage Part Aggregate – Does Not Apply to Automobile Liability |
| \$ 5,000,000 | Coverage Part B – Each Claim | \$ 5,000,000 | Coverage Part B – Each Claim |
| \$ 5,000,000 | Coverage Part B – Coverage Part Aggregate | \$ 5,000,000 | Coverage Part B – Coverage Part Aggregate |

Excess Liability Coverage - Continued

| | Present Coverage | Proposed Coverage |
|---|---|---|
| Defense Inside/Outside the Limit | Inside the Limit | Inside the Limit |
| Who has the Duty to Defend | Insured | Insured |
| Self Insured Retention | Not Applicable | Not Applicable |
| Retroactive Date | July 1, 2010 | July 1, 2010 |
| Underlying Coverage & Limits | <p>LGIT Excess Liability</p> <p>\$ 5,000,000 Each Occurrence/Claim</p> <p>\$ 5,000,000 Annual Aggregate</p> <p>Excess of</p> <p>\$ 1,000,000 Self Insured Retention</p> <p>Total Underlying Limit:</p> <p>\$ 6,000,000 Per Occurrence / Claim</p> <p>\$ 6,000,000 Annual Aggregate</p> | <p>LGIT Excess Liability</p> <p>\$ 5,000,000 Each Occurrence/Claim</p> <p>\$ 5,000,000 Annual Aggregate</p> <p>Excess of</p> <p>\$ 1,000,000 Self Insured Retention</p> <p>Total Underlying Limit:</p> <p>\$ 6,000,000 Per Occurrence / Claim</p> <p>\$ 6,000,000 Annual Aggregate</p> |
| Endorsement & Exclusions (including but not limited to) | <ul style="list-style-type: none"> • Coverage Part A - Public Liability • Coverage Part B - Public Official Liability -- Claims Made Coverage • Common Policy Conditions • Exclusion - Unmanned Aircraft System • Personal Injustices • Claim Expenses Erode Retained Limits and Limit(s) of Insurance • Medical Incident Liability Coverage | <ul style="list-style-type: none"> • Coverage Part A - Public Liability • Coverage Part B - Public Official Liability -- Claims Made Coverage • Common Policy Conditions • Exclusion - Unmanned Aircraft System • Personal Injustices • Claim Expenses Erode Retained Limits and Limit(s) of Insurance • Medical Incident Liability Coverage |

Excess Liability Coverage - Continued

Endorsement & Exclusions – Continued (including but not limited to)

| Present Coverage | Proposed Coverage |
|--|--|
| <ul style="list-style-type: none"> ○ Retroactive Date: July 1, 2020 ● Nuclear Energy Liability Exclusion ● Named Insured Endorsement <ul style="list-style-type: none"> ○ Town of Chevy Chase, MD ○ Town of Chevy Chase Village, MD ○ City of Rockville, MD ● City of Rockville - Coverage Part A-Prior Acts Liability Endorsement - Liability Arising Out of Your Law Enforcement Activities ● Application of the Limit(s) of Insurance and Retained Limit to Each Named Insured ● Amendment of the Coverage Part A Insuring Agreement to Permit Insurance Within the Insured's Retained Limit ● Amendment of the Coverage Part B (Claims-Made Basis) Insuring Agreement to Permit Insurance Within the Insured's Retained Limit ● Coverage Part B Retroactive Dates Endorsement ● Limitation of Coverage Under this Policy for Local Government Insurance Trust ● Underlying Law Enforcement Legal Liability Claims-Made Coverage Agreement ● Additional Policy Conditions – Trade Sanctions and Specially Designated Nationals (OFAC) ● Total PFAS Exclusion ● Exclusion – Cyber Privacy Event, Cyber Security Event, Data-Related Liability and Interruption or Failure of Services | <ul style="list-style-type: none"> ○ Retroactive Date: July 1, 2020 ● Nuclear Energy Liability Exclusion ● Named Insured Endorsement <ul style="list-style-type: none"> ○ Town of Chevy Chase, MD ○ Town of Chevy Chase Village, MD ○ City of Rockville, MD ● City of Rockville - Coverage Part A-Prior Acts Liability Endorsement - Liability Arising Out of Your Law Enforcement Activities ● Application of the Limit(s) of Insurance and Retained Limit to Each Named Insured ● Amendment of the Coverage Part A Insuring Agreement to Permit Insurance Within the Insured's Retained Limit ● Amendment of the Coverage Part B (Claims-Made Basis) Insuring Agreement to Permit Insurance Within the Insured's Retained Limit ● Coverage Part B Retroactive Dates Endorsement ● Limitation of Coverage Under this Policy for Local Government Insurance Trust ● Underlying Law Enforcement Legal Liability Claims-Made Coverage Agreement ● Additional Policy Conditions – Trade Sanctions and Specially Designated Nationals (OFAC) ● Total PFAS Exclusion ● Exclusion – Cyber Privacy Event, Cyber Security Event, Data-Related Liability and Interruption or Failure of Services |

Excess Liability Coverage - Continued

| | Present Coverage | Proposed Coverage |
|---|---|--|
| Endorsement & Exclusions – Continued (including but not limited to) | <ul style="list-style-type: none"> Exclusion – Recording and Distribution of Material or Information in Violation of Law Cap on Losses from Certified Acts of Terrorism Exclusion of Punitive Damages Related to A Certified Act of Terrorism Disclosure Pursuant to Terrorism Risk Insurance Act <ul style="list-style-type: none"> Premium: \$3,270.00 Coverage Form(s) and/or Policy(s): Coverage Part A and Coverage B | <ul style="list-style-type: none"> Exclusion – Recording and Distribution of Material or Information in Violation of Law Service of Suit <p><u>If TRIA Accepted:</u></p> <ul style="list-style-type: none"> Cap on Losses from Certified Acts of Terrorism Exclusion of Punitive Damages Related to A Certified Act of Terrorism Disclosure Pursuant to Terrorism Risk Insurance Act <ul style="list-style-type: none"> Premium: \$3,462.00 Coverage Form(s) and/or Policy(s): Coverage Part A and Coverage B <p><u>If TRIA Rejected:</u></p> <ul style="list-style-type: none"> Exclusion of Certified Acts of Terrorism |
| Total Cost Excluding TRIA | Not Applicable | \$ 166,390.00 Policy Premium \$ 4,991.70 MD Surplus Lines Tax (3%) \$ 171,381.70 Total Cost |
| Total Cost Including TRIA | \$ 157,171.00 Policy Premium \$ 2,965.85 TRIA Premium \$ 4,804.11 MD Surplus Lines Tax (3%) \$ 164,940.92 Total Cost | \$ 166,390.00 Policy Premium \$ 3,139.61 TRIA Premium \$ 5,085.89 MD Surplus Lines Tax (3%) \$ 174,615.49 Total Cost |
| Minimum Premium | 25% | 25% |

Excess Liability Coverage - Continued

| | Present Coverage | Proposed Coverage |
|---------------------------|----------------------|---|
| Policy Auditable | Not Auditable | Not Auditable |
| Quote Valid Until | No Longer Applicable | July 1, 2024 |
| Binding Conditions | No Longer Applicable | <ul style="list-style-type: none">• A written request to bind coverage• All Surplus Lines Taxes/Fees are Fully Earned• Signed TRIA Form |

See Disclaimer Page for Important Notices and Acknowledgment

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at www.alliant.com, and contact your Alliant service team should you have any questions.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Other Disclosures / Disclaimers - Continued

NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Guarantee Funds

Established by law in every state, guaranty funds are maintained by a state's insurance commissioner to protect policyholders in the event that an insurer becomes insolvent or is unable to meet its financial obligations. If your insurance carrier is identified as 'Non-Admitted', your policy is not protected by your state's Guaranty Fund.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

Other Disclosures / Disclaimers - Continued

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another state, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Permanent operations outside the United States, Canada or Puerto Rico.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

A Certificate or Evidence is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy, nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or recipient.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a Certificate or Evident of Insurance, you may be required to name your landlord, client or customer on your policy as a loss payee on property insurance or as an additional insured on liability insurance. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.
- An additional insured endorsement will most likely not provide notification of cancellation. Some insurance companies use a “blanket” additional insured endorsement that provides coverage automatically when it is required in a written contract. Most insurance companies do not want to be notified of all additional insureds when there is a blanket endorsement on the policy. If a notice of cancellation is required for the additional insured party, you must notify us immediately and we will request an endorsement from your insurance company. There may be an additional premium for adding a notice of cancellation endorsement for an additional insured.

See Request to Bind Coverage page for acknowledgement of all disclaimers and disclosures.

Flood Disclosure

Flooding is a serious threat to both personal and commercial clients. Flooding can happen anywhere, not just zone referred to as high-risk areas (Special Flood Hazard Area). Your Alliant team is ready to explain how it works and the associated costs.

Basic Facts

Congress created the NFIP in 1968 in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods. The NFIP makes federally backed flood insurance available in communities that agree to adopt and enforce floodplain management ordinances to reduce future flood damage. The NFIP is self-supporting for the average historical loss year. This means that unless there is a widespread disaster, operating expenses and flood insurance claims are financed through premiums collected.

Commercial buildings or residential dwellings owned by commercial entities are considered commercial property. All others are residential dwellings

The [FEMA Summary for Commercial Property](#) and [FEMA Standard Summary of Coverage](#) provides information on the following:

- Types of Flood Insurance Coverage
- What is a Flood- “a General and temporary condition of partial or complete inundation of two or more acres of normally dry land area”...
- Deductibles – various options to meet your financial needs
- What is Covered and What is Not
- The valuation of the Property – Actual Cash Value or Replacement Cost

Additional Information

- Flood Zones
 - <https://www.fema.gov/flood-zones>
- Excess Flood Insurance (contact your Producer for additional information)
 - Increased limits over the maximum flood limit provided by NFIP

FEMA Glossary of Flood Terms

<https://www.fema.gov/national-flood-insurance-program/definitions>

Please indicate your selection:

- I would like to receive a flood quote
 I do NOT wish to purchased flood insurance

Signature: _____

Date: _____

Name Printed / Typed: _____

Company Name: _____

Optional Coverages

The following represents a list of insurance coverages that may not be included in this proposal but are optional and may be available with further underwriting information. This list is not inclusive of all coverages and if you have questions contact your Alliant representative. If you would like addition quotes please check Yes/No across from the coverage below, sign and return.

Target Coverages

| | Yes | No |
|--|--|--------------------------|
| CRIME | | |
| Employee Dishonesty | <input type="checkbox"/> | <input type="checkbox"/> |
| Computer Fraud | <input type="checkbox"/> | <input type="checkbox"/> |
| Social Engineering | <input type="checkbox"/> | <input type="checkbox"/> |
| Increased Limits | <input type="checkbox"/> | <input type="checkbox"/> |
| CYBER RISK | <input type="checkbox"/> | <input type="checkbox"/> |
| FLOOD INSURANCE | <input type="checkbox"/> | <input type="checkbox"/> |
| MANAGEMENT LIABILITY | | |
| Directors & Officers Liability | <input type="checkbox"/> | <input type="checkbox"/> |
| Employment Practices Liability | <input type="checkbox"/> | <input type="checkbox"/> |
| Fiduciary Liability | <input type="checkbox"/> | <input type="checkbox"/> |
| Selecting the "Reject All or Accept All" option will override any selections you have made above | <input type="checkbox"/> Reject All <input type="checkbox"/> Accept All for Consideration | |

Signature of Authorized Insurance Representative

Date

Title

Printed / Typed Name

Optional Coverages – Continued

Other Coverage Options

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here which are unique to your organization.

- Business Income/Extra Expense
- Earthquake
- Employed Lawyers
- Employee Benefits Liability
- Equipment Breakdown
- Food Borne Illness
- Foreign Insurance
- Garagekeepers Liability
- Hired Auto Physical Damage
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Network Security / Privacy Liability and Internet Media Liability
- Non-Owned & Hired Automobile Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Professional Liability
- Property in Transit
- Property of Others (Clients, Employees, Other)
- Special Events Liability
- Spoilage
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers Compensation & Employers Liability
- Workplace Violence

Glossary of Insurance Terms

Below are links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/university-resources/insurance-glossary-free>

<https://consumers.ambest.com/content.aspx?rec=261613>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

Request to Bind Coverage

City of Rockville

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

| Coverage Line | Bind Coverage for: |
|--|--------------------------|
| Excess Liability – General Star Indemnity Company: Including TRIA (Per Expiring) | <input type="checkbox"/> |
| Excess Liability – General Star Indemnity Company: Excluding TRIA | <input type="checkbox"/> |

Did you know that Alliant works with premium financing companies? Are you interested in financing your annual premium?

| | |
|---|---|
| <p>Yes, please provide us with a financing quote.</p> <p><input type="checkbox"/></p> | <p>No, we do not wish to finance our premium.</p> <p><input type="checkbox"/></p> |
|---|---|

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature of Authorized Insured Representative

Date

Title

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to the final carrier approval. The actual terms and conditions of the policy will prevail.

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act*: The term “act of terrorism” means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels, or premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS, WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES [85% through 2015; 84% beginning on January 1, 2016, 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020] OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Acceptance or Rejection of Terrorism Insurance Coverage

| | |
|-----------|--|
| | I hereby elect to purchase certified acts of terrorism coverage for a prospective premium of \$3,462.00 |
| | I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism. |
| NA | The following is applicable to Property accounts in Standard Fire Policy (SFP) states where required by state law: I hereby decline to purchase coverage for certified acts of terrorism. However, I understand that by state law coverage will be provided for loss from fire due to an act of terrorism if required. A premium charge of \$_____applies. |

Policyholder/Applicant’s Signature

Insurance Company

Print Name

Policy Number

Date



Subject

Ratify the terms and execution of the Linkages to Learning Contract between the City of Rockville and Montgomery County related to Montgomery County's Linkages to Learning program (the "LTL Contract").

Department

Housing and Community Development

Recommendation

To prevent a break in Linkages to Learning services at Maryvale Elementary School from FY24 to FY25, a fully executed contract between the City of Rockville and Montgomery County Department of Health and Human Services and a notice to proceed from Montgomery County must be in place on July 1, 2024. To allow enough time for Montgomery County to fully execute this contract and issue a purchase order by July 1st, the Acting City Manager has signed this contract and staff has sent the contract to the county. The county is aware that the Mayor and Council of Rockville must ratify the execution of the LTL Contract.

Staff recommends that the Mayor and Council ratify terms and execution of the LTL Contract.

Discussion

The last Linkages to Learning (LTL) Contract for school-based services at Maryvale Elementary School was executed by the City Manager and the Montgomery County Department of Health and Human Services in 2016. The purpose of this new LTL Contract is to provide school-based family case management and enrichment activities for students and their families. Mental health counseling at Linkages to Learning at Maryvale Elementary School is now provided by Sheppard Pratt under a separate contract with Montgomery County Department of Health and Human Services (DHHS). Previously, the City of Rockville subcontracted to Sheppard Pratt for mental health counseling. Sheppard Pratt provides the mental health counseling because they are able to do third party billing for families who have private or state health insurance. The ability to bill for such services is a requirement at all Linkages to Learning sites in the county.

This allows for county funding for LTL mental health counseling to be saved services for those who have no insurance.

Montgomery County’s Linkages-to-Learning (**LTL**) program is a 25-year-old school-based collaboration between the Montgomery County Department of Health and Human Services (**DHHS**), the Montgomery County Public Schools (**MCPS**) and non-profit, community-based service providers, including the City of Rockville. There are 31 LTL sites within the County, including Maryvale Elementary School in Rockville. The Maryvale LTL designation is an important feature of Maryvale Elementary School and for the city at large. Through the LTL program, the city and its partners provide services to at-risk children and their families to improve adjustment to and performance in school, home, and community and prevention and early intervention services programming that include health, mental health, social services, and educational support. The LTL services are funded primarily by Montgomery County DHHS, with the city funding approximately 10% of the programming cost.

Mayor and Council History

This is the first time this Linkages to Learning Contract is being presented to the Mayor and Council.

Boards and Commissions Review

The Human Services Advisory Commission is updated on Linkages to Learning at their monthly meeting.

Next Steps

Upon ratification of terms and execution of this LTL Contract, staff will notify the Montgomery County Department of Health and Human Services, which will trigger the issuance of a purchase order in the amount of \$228,815.71. Linkages to Learning services at Maryvale Elementary School will then continue in FY25.

Attachments

LTL_Contract_FY25, Wage_Requirements_LTL_FY25

CONTRACT #1169534

This Contract is between Montgomery County, Maryland (the "County") and Mayor and Council of Rockville (the "Contractor"), 111 Maryland Avenue, Rockville, Maryland 20850-2364.

BACKGROUND

- A. For over 30 years, the Linkages to Learning (LTL) partnership has served students and families in many of the County's public elementary and middle schools with high rates of poverty and Free and Reduced-Price Meals (FARMs) participation. LTL has helped children and their families obtain the health, behavioral health, educational support, and social services they need to become successful in school and within their communities. LTL was established per County Council Resolution #12-502 (adopted in December of 1991) and was initiated as a partnership among the County's Department of Health and Human Services (DHHS), Montgomery County Public Schools (MCPS), and a coalition of community-based, non-profit providers.
- B. The Contractor represents that it has the appropriate experience and credentials to provide the required services under this Contract.
- C. The Contractor is a public entity as defined in Montgomery County Code, Section 11B-1, with which the County may enter into a Contract without competition pursuant to Section 11B-41 of the Montgomery County Code.

I. SCOPE OF SERVICES

- A. The Contractor must plan and execute a program of evidence-based, trauma-informed, ethnically, and culturally relevant community and school-based services to families with children attending Maryvale Elementary School.
- B. The Contractor must be able to consistently provide these services to youth and family members with limited English proficiency. The Contractor must be able to equally engage and serve families from multiple ethnic and racial backgrounds and the demographics of those served should reflect those of the school's students who are enrolled in FARMs (information on school FARMs rates can be found at <https://www.montgomeryschoolsmd.org/departments/sharedaccountability/glance/index.aspx>).
- C. The Contractor's services must be available to families of children who are in need of services, but who are unable to access these services on their own. The Contractor's prevention, youth development, and social services must be delivered in a coordinated, integrated, and consistent fashion. At a minimum, the Contractor's program must include community school coordination, family care management, and mentoring/therapeutic recreation prevention services. Required services are outlined as follows:
 - 1. **Community School Coordination Services:** The Contractor must conduct a school community needs assessment; develop program plans in response to the needs identified in the assessment; foster community development via parent/family engagement, parent/family networking, and provide leadership opportunities; and identify, access, coordinate, and implement necessary programming, resources, services, and volunteers to meet the needs of the school community. (See Coalition for Community Schools for more background information on the Community Schools strategy at <https://www.communityschools.org/>.)

These services must be overseen by the Contractor's Community School Coordinator and include facilitating and providing leadership for the collaborative process and development of a continuum of services for children and families within the school neighborhood. These efforts must be coordinated with any other collaborative efforts conducted in schools (such as Excel Beyond the Bell, the Cluster Projects, and similar programs) to maximize opportunities and minimize overlap of services. The Contractor's staff providing these services must also meet the requirements set forth in the Linkages to Learning Guidelines Manual, which is provided to the Contractor and updated as needed. The Contractor may use a Community Service Aide to assist the Community School Coordinator in the community school coordination work. Under the umbrella of community school coordination, the Contractor must meet the following requirements:

- a. Conduct an annual Community Needs Assessment using County approved methods as outlined in the Linkages to Learning Guidelines Manual and submit a Community Needs Assessment report, in a County approved format, by August 1st each year.
- b. Submit three (3) Program Plans per year to the County's electronic records system: plan for Fall (September-January) due September 1st; plan for Winter (February-May) due January 15th; and plan for Summer (June-August) due May 15th. Program Plan activities, services, and partnerships must address the needs identified in the Community Needs Assessment report.
- c. The Contractor's Community School Coordinator must be responsible for the organization, scheduling, and/or implementation of a minimum of three (3) multi-week activities/groups/classes (other than or in addition to food distribution) for the Fall Program Plan, three (3) for the Winter Program Plan, and one (1) for Summer Program Plan (pro-rated for full time equivalency).
- d. The Contractor's community school coordination efforts must include, but are not limited to:
 - i. Coordinating a bi-weekly, at minimum, Linkages Team meeting with school administrators during the school year, and a monthly meeting, at minimum, during the summer, to ensure coordination and collaboration with the school. These meetings can occur as a part of, or within the framework of, other established school-specific meetings or protocols, as determined by the school team.
 - ii. Planning, development, and implementation of needs-driven and high-quality programs and services such as, but not limited to, expanded social emotional and enrichment programs for youth, after school and out of school time; health services; parent/family engagement and networking; adult education classes and workshops; and direct material assistance and intervention targeted to highest need and chronically absent students.
 - iii. Collection of data through surveys, assessments, and participant feedback to evaluate the effectiveness and quality of programming implemented by the Community School Coordinator in addressing the needs identified in the Community Needs Assessment report, to be reported no less than annually, in a County approved format.

- iv. Developing and executing a comprehensive community outreach strategy to staff of other local agencies, businesses, and members of clubs, churches, associations, and service groups to recruit resources and/or establish partnerships to meet school community needs (as identified in the Community Needs Assessment report).
 - v. Coordinating drives for seasonal needs for children and families in the school community such as, but not limited to, school supplies, winter gear, household items, and LTL's holiday drive, in conjunction with the school team and/or the LTL Central Office, as needed.
 - vi. Including parents/caregivers within the decision-making process for programming as well as in the governance of the LTL initiative, on a quarterly basis, at a minimum. These efforts may be coordinated with neighboring LTL sites and/or other school initiatives or forums.
 - vii. Documenting status of activities, number of program sessions/classes held, number of participants, donations received, and volunteer hours in the County's electronic records system by the last day of each month.
- e. The Contractor must provide ongoing supervision for the provision of community school coordination to Community School Coordinator(s) to include, at a minimum, individual bi-weekly face to face (either in person or using a synchronous virtual platform) supervision by professionals with considerable experience or expertise providing such services.
- f. In the event of a temporary absence of a Community School Coordinator for more than three (3) weeks, the Contractor must implement a plan to sustain the programming outlined in the Program Plan.
2. **Family Care Management Services:** The Contractor must provide comprehensive family self-sufficiency needs assessments across life domains and develop service plans. The Contractor must also provide referrals to financial and tangible aid; in extenuating circumstances, direct financial assistance to clients in need; referrals to community-based services; and ongoing child and family care management and support services. The Contractor must work with the school staff and administrators to triage potential referrals for care management to determine if the family can be best served by school personnel, other resources, or the LTL Family Care Manager. The Contractor's staff providing family care management services must meet the requirements set forth in the Linkages to Learning Guidelines Manual. The Contractor may use a Community Service Aide to assist the Family Care Manager in family care management work. Also, under the umbrella of family care management services, the Contractor must meet the following requirements:
- a. Ensure that they obtain client signature on County approved LTL consent/ authorization forms before opening a client case.
 - b. The Contractor's Family Care Managers must use the County's electronic records system to enter data in the system within an average of two (2) workdays of the date the service was delivered.

- c. The Contractor's Family Care Managers must have regular, bi-monthly contact with families. Contact less frequent than two (2) times a month must be approved in advance by the Contractor's Family Care Manager supervisor and be based on family need.
- d. The Contractor must use a County specified instrument to conduct a family self-sufficiency needs assessment of life domains. The initial needs assessment must be completed by the second (2nd) scheduled (non-crisis) meeting with the family following the opening of a case, and every three (3) months following. The Contractor must also complete a needs assessment within one (1) month of a planned discharge or at case closure for unplanned discharges. The need assessments must be documented in the County's electronic records system. The completion of regular needs assessments must be used to create service plan goals with the family and to monitor the family's progress toward those goals.
- e. The Contractor's Family Care Manager must complete and document in the County's electronic records system an Adverse Childhood Experiences assessment with the parent/caregiver within two (2) months of the opening of a case and use trauma-sensitive care management skills as needed.
- f. The Contractor's Family Care Manager must develop an initial service plan with the family by the fourth (4th) scheduled (non-crisis) meeting with the family following the opening of a case. The service plan must reflect the needs and desires of the family. The service plan must be reviewed, and updated as needed, at a minimum of every six (6) months following. The Family Care Management supervisor must review and sign all service plans within ten (10) workdays of their completion. All service plans must be documented in the County's electronic records system. Steps taken to support the family and the family's progress toward reaching the service plan goal(s) must be documented at least one (1) time a month in a progress note in the County's electronic records system.
- g. The Contractor is strongly encouraged to facilitate at least one parent/caregiver group to support the establishment of parent/caregiver networks, build collective parent/caregiver assets in the school community, provide needed skill development that can be conducted in a group format, and provide resource information that assists families in accomplishing their service plan goals. Family Care Managers must ask experienced parent/caregiver participants or care management graduates to co-facilitate or lead sessions of these groups whenever possible and appropriate, as part of building the parent/family leadership culture in LTL.
- h. The Contractor's Family Care Managers must each meet County-established minimum caseloads of at least 32 families for full time staff (pro-rated for full-time equivalency). The Contractor may utilize the Weighted Caseload Formula of one (1) weekly psycho-educational group = four (4) care management families when calculating a Family Care Manager's caseload.
- i. The Contractor's Family Care Managers must spend at least 60% of their work week on direct services supporting families in increasing their self-sufficiency, as defined in the Linkages to Learning Guidelines Manual. This will be monitored through data

submitted to the County's electronic records system. Care management support activities for parents/caregivers in the school community who are not on the Family Care Manager's caseload must also be documented in the County's electronic records system and will count toward direct service. If compliance with these productivity expectations is not attained by the Contractor's Family Care Managers each quarter, the Contractor must present to the County a plan for improvement within ten (10) workdays of notification by the County.

- j. The Contractor's Family Care Managers must work towards family self-sufficiency with all families. After six (6) months of care management, the Contractor must assess a family's readiness for discharge based on, at a minimum, whether the family has met their Service Plan goal(s), level of need on the needs assessment, and the family's ability to participate in services. After one (1) year, the Contractor's Family Care Management supervisor must approve a family's continued participation in care management services for an additional six (6) months. Families must be discharged from care management within one and a half (1-1/2) years, except in extenuating circumstances that are approved by the Contractor's Family Care Management supervisor.
 - k. Families without face-to-face or synchronous virtual contact over a two (2) month period, despite Family Care Manager's repeated efforts to engage them, must be discharged, unless the Contractor's Family Care Management supervisor documents in the County's electronic records system an extenuating circumstance for keeping the case open.
 - l. The Contractor's Family Care Manager must conduct home visits regularly, as outlined in the LTL Guidelines manual, throughout the year, except in circumstances where the family will not allow staff in their home or when there are safety concerns.
 - m. The Contractor must not charge clients any fee for providing family care management services.
 - n. The Contractor must provide ongoing supervision on provision of care management services to Family Care Managers to include, at a minimum, weekly face to face supervision (either in person or using a synchronous virtual platform) by qualified professionals with considerable experience providing such services.
 - o. The Contractor must keep abreast of changes to and the issuance of new rules, regulations, policies, and procedures pertaining to County, State and federal medical and social service program eligibility and service delivery requirements, as well as trends in the provision of care management.
3. **Mental Wellness Promotion**: The Contractor must provide support services that promote mental wellness through mentoring and therapeutic recreation. The Contractor may use a Community Service Aide to assist with the work that promotes mental wellness of students and families. Under the umbrella of mental wellness promotion services, the Contractor must meet the following requirements:
- a. The Contractor's mental wellness promotion services must be prioritized to children and family members who experience barriers to accessing mental wellness support

services. It must be focused on youth in need of mental health literacy or social emotional learning and children who may lack sufficient family support.

- b. The Contractor's mental wellness promotion must include mentoring services to a minimum of twenty (20) children per year. The Contractor's mentoring staff must meet with each child weekly for one-on-one mentoring sessions for a minimum of twelve (12) weeks. Mentoring sessions must focus on promoting success at home, in school, and in the community through learning about making decisions that lead to smart choices, mental health literacy, study habits, empathy, self-respect, and goal setting. The Contractor's mentoring staff must also provide quarterly group mentoring activities, which may include arts/crafts, field trips, or therapeutic recreation, and group activities during the summer.
- c. The Contractor's mental wellness promotion must include therapeutic recreation services to a minimum of 30 children per year. The Contractor's therapeutic recreation staff must provide eight (8) week cycles of group activities that use therapeutic recreation activities to promote success at home, in school, and in the community through learning about perseverance, resilience, coping skills for managing emotions, empathy, self-respect, and goal setting. The Contractor must also offer group therapeutic recreation activities during the summer.
- d. The Contractor's mental wellness promotion staff must use the County's electronic records system to enter data in the system within an average of two (2) workdays of the date the service was delivered.
- e. The Contractor must provide outreach and engagement services to students and their families/guardians to encourage them to participate in mental wellness promotion services and work to overcome stigma or cultural barriers to accessing services.
- f. The Contractor must provide ongoing supervision on provision of support services that promote mental wellness through mentoring and therapeutic recreation to include, at a minimum, bi-monthly weekly face to face supervision (either in person or using a synchronous virtual platform) by qualified professionals with considerable experience providing such services.

II. PROGRAM STAFFING

- A. The Contractor's LTL school sites must be staffed five (5) days per week when school administrative offices are open and must designate regular operating hours, to be approved by the County each fiscal year. The Contractor must provide later afternoon/evening hours at a minimum of one day per week throughout the year to accommodate family schedules. At any time during which all staff at a site are not present during regular operating hours, clear directions for how clients may access support must be made available and office voicemails must either be monitored remotely or clearly direct clients to another phone number for after-hours/crisis assistance via the outgoing greeting. The Contractor must respond to all incoming communications by phone or email within two (2) workdays of receipt of the communication.

- B. The Contractor's staff must speak with families and clients in their native language whenever possible or make arrangements for language access when needed, as outlined in the Linkages to Learning Guidelines Manual. The Contractor's staff must demonstrate cultural sensitivity and responsiveness in engaging with diverse populations and families from a variety of cultural backgrounds.
- C. The Contractor must avoid extended planned absences for school-based staff during the school year (excluding winter and spring break), except in extenuating circumstances. During the school year (excluding winter and spring break), if the Contractor approves school-based staff planned absence longer than two (2) weeks, the Contractor must implement a coverage plan to ensure a continuity of services to clients, families and/or the school community.
- D. The Contractor must maintain a minimum 1,960-hour work year for direct service staff. Any reductions in scheduled hours from the typical 40 hour/week (or 2,080-hour work year) must be implemented only when MCPS schools are closed for either summer, winter, or spring break. The Contractor must continue to provide staff at its sites for at least five (5) days per week during school breaks (or all days per week that the school building is open) and continue to offer extended hours at least one day per week during MCPS summer break as outlined in the LTL Guidelines Manual.
- E. Annually, the Contractor must submit a staffing plan to the Contract Monitor, in a County approved format, that is consistent with the specific needs of the school communities served. This plan is subject to County approval. The Contractor must submit an updated staffing plan, subject to County approval, when there are changes in supervisory structure and full-time equivalency allocations.
- F. The Contractor must notify the Contract Monitor within two (2) business days upon obtaining knowledge of a current or upcoming staffing vacancy or intern departure. The Contractor must begin recruitment activities within five (5) days of obtaining knowledge of a current or upcoming staffing vacancy. The Contractor must notify the Contract Monitor within two (2) business days of a new hire or intern work commencement. For new supervisory staff, the Contractor must provide a resume or Curriculum Vitae.
- G. The Contractor's staffing must adhere to the position descriptions including job duties, credentialing, and any required licensure for the type of staff as shown in the Linkages to Learning Guidelines Manual.
- H. The Contractor must comply with all applicable federal, State, and local labor laws and regulations in the hiring and management of all personnel employed to provide services under this Contract.
- I. The Contractor may use college or graduate level interns whenever possible to expand capacity of service delivery. The use of Behavioral Health interns must adhere to COMAR and the appropriate Maryland licensing board regulations. Use of all interns must be governed by the Contractor's written agreement with the institution of higher education of which the intern is a student. Such agreements must spell out expectations of Contractor supervisors of interns, as well as the duties the student intern is allowed to conduct only under the direct supervision of a qualified employee of the Contractor versus independently.

- J. The Contractor and their subcontractors or consultants must comply with the DHHS Background Clearance policy (<https://www.montgomerycountymd.gov/HHS/DoingBuswDHHS.html>) requirements for staff, subcontractors, and volunteers serving clients.
- K. The Contractor and their subcontractors or consultants who are working on-site at the school must comply with and meet MCPS background check policies and procedures MCPS Background Screening/Fingerprinting - Montgomery County Public Schools, Rockville, MD | Montgomery County Public Schools | Rockville, MD (montgomeryschoolsmd.org) for staff/volunteers being on school grounds.

III. POLICIES AND PROCEDURES

- A. The Contractor, and any County-approved subcontractors providing LTL services, must adhere to the policies and procedures described in the County's Linkages to Learning Guidelines Manual as well as any additional service policies and procedures approved by the County in accordance with this paragraph. The Contractor must also develop, implement, and maintain written service policies and procedures for any areas not already stipulated in the LTL Guidelines Manual, including clients' rights and grievance procedures; an explanation of the Contractor's defined hourly work week; how the Contractor will ensure continuity of services during staff absences; and personnel policies and procedures including a listing and description of salary ranges and all fringe benefits for all positions. These policies and procedures must be submitted to the County within sixty (60) days of this Contract's execution and are subject to review and approval by the County. The Contractor's Policies and Procedures must also be re-submitted annually if any changes have been made during the preceding year.
- B. The Contractor must comply with all federal, State and local laws and regulations governing privacy and the protection of health information, including but not limited to, the HIPAA, applicable provisions of the COMAR, and all other relevant federal, State, and County laws, regulations, policies, and procedures regarding confidentiality of client records and record-keeping systems. The Contractor must also sign the County's Business Associate Agreement prior to execution of this Contract and comply with its terms (Attachment C).
- C. The Contractor must include funds in its LTL operating budget for program-specific needs such as community outreach (program promotional items and literature), client assistance per school (direct assistance to prevent eviction/utility cut-off, support educational goals, assist with childcare/camp costs, food or other tangible purchases/needs) and programming incentives (food/refreshments, childcare, transportation) that remove barriers to participation for parents/caregivers that are otherwise the least likely to engage in the school community. The Contractor's budget is subject to the DHHS Allowable Cost Policy and approval by the County.
- D. The Contractor must develop and have a plan for continuity of most essential services when there is a position vacancy, to be submitted to the Contract Monitor upon request. Continuity of services must be monitored through regular monthly reporting.
- E. The Contractor's branding for electronic and printed promotional materials/items and apparel funded through this Contract must include the LTL partnership logo and identify DHHS as a primary funder.

- F. The Contractor may be afforded remote access privileges to Information Systems, or otherwise work on or interface with Information Systems, and must ensure that the Information Systems, including electronic data assets, are protected from unauthorized or inadvertent access, use, destruction, modification, disclosure, theft, or denial of service. The Contractor must adhere to the County's Information Security Procedure (AP 6-7), which is attached to, incorporated by reference into, and made a part of this Contract as Attachment D.

IV. PROGRAM OUTCOMES AND PERFORMANCE MEASURES

- A. The Contractor must develop and maintain a system of data collection, subject to County approval, to allow it to measure progress toward the County's Performance Measures listed below and to assess the quality of services provided. At a minimum, the Contractor must achieve the following outcomes:
1. 90% of youth and families served will report satisfaction with services received. Data on this outcome must be collected by the Contractor via anonymous customer satisfaction surveys developed and provided by the County at the beginning of each fiscal year. Surveys must be administered annually and at termination of services.
 2. 80% of school staff at LTL school sites will report satisfaction with the LTL services the Contractor provided, as collected on annual anonymous satisfaction surveys administered by LTL Central Office.
 3. 75% of clients participating in Care Management services will demonstrate an increase in their self-sufficiency within six (6) months or at discharge (whichever comes first), as measured using the County specified assessment instrument.
 4. 75% of children participating in mental wellness promotion services will demonstrate an increase in self-esteem and positive youth development characteristics as measured using a county approved assessment instrument.
 5. 80% of programs/activities/classes on the Contractor's Program Plan will be implemented by the Community School Coordinator.
 6. 75% of programs/activities/classes implemented by the Community School Coordinator will be effective in addressing an identified need in the Community Needs Assessment report, as measured through surveys, assessments, and/or participant feedback.
- B. The Contractor must collect data on the above measures via validated scales, client/parent/school staff self-report, MCPS data, or as otherwise indicated in the Linkages to Learning Guidelines Manual. Data and surveys should be collected electronically, but may also be administered in person, on paper, or via another County-approved method that maintains customer anonymity.
- C. The above performance measures may be re-evaluated and updated per the ongoing development of initiative-wide data collection and/or evaluation procedures. These updates will be provided by LTL Central Office and documented in revisions to the Linkages to Learning Guidelines Manual.

V. REPORTS AND INVOICES

The Contractor must collect data and provide reports to the County, in a format approved by the County, including, but not limited to, the following:

A. Monthly reports

1. The Contractor must provide to the County a monthly report on staff vacancies and staff recruitment by the tenth (10th) of the following month. The report must contain current staffing, staffing changes (either staff departures or new hires), and vacancies per site; year-to-date savings by month, by site, and by position; and total vacancy savings. The report must also contain a description of types of recruitment activities undertaken to fill vacancies during the month.
2. The Contractor must provide family care management caseload and productivity/intensity of service reports via reports from the County's electronic records system generated on the tenth (10th) of every month.
3. The Contract must provide community school coordination activity reports, if applicable, via reports from the County's electronic records system generated on the tenth (10th) of every month.

B. Quarterly reports

1. The Contractor must provide community school coordination program plans 3 times per year via reports generated from the County's electronic records system. These reports are due September 1st for Fall, January 15th for Winter, and May 15th for Summer.

C. Annual reports

1. The Contractor must submit completed Youth and Parent/Caregiver Satisfaction Survey electronically to the County before July 1st each year.
2. The Contractor must provide a report on community school coordination programming efficacy, if applicable, for the previous fiscal year by August 1st of each year. The report must contain data summarizing the efficacy and quality of programming coordinated by the Community School Coordinator at each site. The report must include plans to address or improve programming that was less than 75% effective.

VI. INVOICES

- A. The Contractor must submit monthly invoices by the fifteenth (15th) of the month for services provided in the prior month in a format approved by the County. The Contractor's invoices must include page numbers and the following categories of expenditures at a minimum:

1. Approved budgeted amounts,
2. Current month expenses,
3. Expenses from prior month(s),

4. YTD expenses including current month, and
 5. Amount remaining
- B. The Contractor must accurately show all expenditures and funding sources on the invoices under this Contract. The Contractor must provide expenditures by each line item delineated in the County approved contract budget.
- C. Upon receipt, acceptance, and approval of the Contractor's invoice, the County will make payment, net 30 days, for expenses incurred by the Contractor in providing the goods and services. All required reports and other supporting documentation must be submitted before the Contractor's monthly invoice can be approved. Invoices must be sent to the Contract Monitor designated by the County.

VII. COMPENSATION

- A. The Contractor's fiscal year line-item budget as approved by the County (the "Contractor's Budget") is incorporated by reference into, and made a part of this Contract as Attachment B.
- B. Modifications to the Contractor's approved budget during the fiscal year must be justified, in writing, by the Contractor and must be approved, in writing, by the County, prior to implementation.
- C. The County will reimburse the Contractor for all costs incurred in providing the goods and services described in this Contract, subject to the following limitations:
1. No compensation will be paid for any costs that exceed the relevant line item in the Contractor's Budget by more than 10%.
 2. No compensation will be paid for any costs that exceed the overall total of the Contractor's Budget for each fiscal year.
 3. No services shall be performed by the Contractor under this Contract prior to the execution of a County Purchase Order for those services, and the Contractor's receipt of the said County Purchase Order.
 4. Compensation must not exceed funds appropriated by the County and encumbered in the County Purchase Order issued to the Contractor.
 5. The maximum compensation for the initial term of this Contract must not exceed \$222,151.18
- D. The Contractor must comply with Montgomery County's HHS Allowable Contract Cost Reimbursement Policy, which can be found at:
<http://www.montgomerycountymd.gov/HHS/DoingBuswDHHS.html>.

VIII. PRICE ADJUSTMENT

Prices are fixed for the first term of this Contract. For any renewal term of this Contract, a price increase may be allowed as follows:

- A. If the County Council provides for an Inflationary Adjustment that applies to this Contract, the Contractor will receive the Inflationary Adjustment in the amount set forth by Council for the subject Fiscal Year. In this event, the Contractor may not seek any additional price increase(s) during the renewal term.

- B. If there is no Council-approved Inflationary Adjustment applicable to this Contract, the Contractor may request a price increase, subject to the following:
 - 1. Approval or rejection by the Director, Office of Procurement, or designee.
 - 2. Must be submitted in writing to the Director, Office of Procurement, and accompanied by supporting documentation justifying the Contractor's request. A request for any price adjustment may not be approved unless the Contractor submits to the County sufficient justification to support that the Contractor's request is based on its net increase in costs in delivering the goods/services under the Contract.
 - 3. Must be submitted sixty (60) days prior to Contract expiration date if the Contract is being amended.
 - 4. Must not be approved in an amount that exceeds the amount of the annual percentage change of the Consumer Price Index (CPI) for the twelve-month period immediately prior to the date of the request. The request shall be based upon the CPI for all urban consumers issued for the Washington-Arlington-Alexandria, DC-VA-MD-WV, Metropolitan area by the United States Department of Labor, Bureau of Labor Statistics, for ALL ITEMS.
 - 5. The County will approve only one price adjustment for each Contract term if a price adjustment is approved.
 - 6. Should be effective sixty (60) days from the date of receipt of the Contractor's request.
 - 7. Effective only if executed by written Contract amendment.

IX. TERM

This Contract is effective July 1, 2024 upon signature by the Director, Office of Procurement, and will continue through June 30, 2025. Before the Contract term ends, the Director may (but is not required to) renew this Contract for additional terms, if the Director determines that renewals are in the best interest of the County. The Contractor's satisfactory performance does not guarantee renewal of this Contract. The Director may exercise this option to renew two (2) times for one (1) year each.

X. GENERAL CONDITIONS AND INSURANCE

The General Conditions of Contract Between County and Contractor ("General Conditions") are incorporated by reference into and made a part of this Contract as Attachment A. The insurance requirements listed below supersede the insurance requirements set forth in Paragraph 21, Insurance, of the General Conditions.

Prior to the execution of the contract by the County, the proposed awardee/contractor must obtain, at their own cost and expense, the following *minimum* (not maximum) insurance coverage with an insurance company/companies licensed to conduct business in the State of Maryland and acceptable to the Division of Risk Management. This insurance must be kept in full force and effect during the term of this contract, including all extensions. The insurance must be evidenced by a certificate of insurance, and if requested by the County, the proposed awardee/contractor shall provide a copy of the insurance policies and additional insured endorsements. The minimum limits of coverage listed below shall not be construed as

the maximum as required by contract or as a limitation of any potential liability on the part of the proposed awardee/contractor to the County nor shall failure to request evidence of this insurance in any way be construed as a waiver of proposed awardee / contractor's obligation to provide the insurance coverage specified. The Contractor's insurance shall be primary with the County's being non-contributory.

Commercial General Liability

A minimum limit of liability of **one million dollars (\$1,000,000), per occurrence, and two million (\$2,000,000) in the aggregate**, for bodily injury, personal injury and property damage coverage per occurrence including the following coverages:

Contractual Liability

Premises and Operations

Independent Contractors & Subcontractors

Products and Completed Operations

Sexual Molestation and Abuse – **\$1,000,000 limit required unless provided under *Professional Liability***

Worker's Compensation/Employer's Liability

Meeting all statutory requirements of the State of Maryland Law and with the following minimum Employers' Liability limits:

Bodily Injury by Accident - \$100,000 each accident

Bodily Injury by Disease - \$500,000 policy limits

Bodily Injury by Disease - \$100,000 each employee

Cyber liability

If Contractor/Supplier has access to Confidential Information, Privacy and Network Security coverage shall be maintained with limits of not less than **one million dollars (\$1,000,000) per occurrence**. The policy shall expressly provide, but not be limited to coverage for the following: (i) the unauthorized use/access of a computer system; (ii) the defense of any regulatory action involving a breach of privacy; (iii) failure to protect confidential information (personal and commercial information) from disclosure; (iv) notification costs, whether or not required by statute; (v) network security liability; (vi) defense costs; and, (vii) privacy liability.

Professional Liability (Errors and Omissions Liability)

The policy shall cover professional errors and omissions, negligent acts, misconduct or lack of ordinary skill during the period of contractual relationship and services rendered with the County with a limit of liability of at least:

Each Claim \$1,000,000

Annual Aggregate \$2,000,000

In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of three (3) years beginning at the time work under this Contract is completed.

Subcontractor Requirements

Unless otherwise stated below the proposed awardee/contractor shall require all subcontractors to obtain, and maintain, insurance with limits equal to, or greater, than those limits required within the contract.

Additional Insured

Montgomery County, Maryland, its elected and appointed officials, officers, consultants, agents and employees, must be included as an additional insured on an endorsement to Contractor's commercial

general and contractor's excess/umbrella insurance policies, if used to satisfy the Contractor's minimum insurance requirements under this contract, for liability arising out of contractor's products, goods and services provided under this contract. The stipulated limits of coverage above shall not be construed as a limitation of any potential liability of the contractor. Coverage pursuant to this Section shall not include any provision that would bar, restrict, or preclude coverage for claims by Montgomery County against Contractor, including but not limited to "cross-liability" or "insured vs insured" exclusion provisions.

Policy Cancellation

Should any of the above policies be cancelled before the expiration date thereof, written notice must be delivered to the County in accordance with the policy provisions.

Certificate Holder

Montgomery County, Maryland
Dept of Health & Human Services / Manager
401 Hungerford Drive, 6th Floor
Rockville, MD 20850

XI. CONTRACT ADMINISTRATOR

The Contract Administrator for this Contract is: Ijeoma Oji, Team Lead, Contract Management Team, 401 Hungerford Drive-6th floor, Rockville, MD 20850; Telephone #240-777-3807.

XII. PRIORITY OF DOCUMENTS

The following documents are incorporated by reference into, and made part of this Contract, and are listed in order of legal precedence below in the event of a conflict in their terms:

- A. This Contract document;
- B. The General Conditions of Contract Between County and Contractor (Attachment A);
- C. Business Associate Agreement (Attachment C);
- D. The Contractor's County-approved fiscal year line-item budget (Attachment B); and
- E. The County's Information Security Procedure AP 6-7 (Attachment D).

SIGNATURE PAGE FOLLOWS

SIGNATURES

MAYOR AND COUNCIL OF ROCKVILLE

MONTGOMERY COUNTY, MARYLAND

By: Barack Matite
Signature

By: _____
Avinash G. Shetty, Director
Office of Procurement

(Typed Name) Barack Matite

Date: _____

Title: Acting City Manager

RECOMMENDED

Date: 6/13/2024

By: _____
James C. Bridgers, Jr., Ph.D., MBA, Director
Department of Health and Human Services

Date: _____

APPROVED AS TO FORM BY THE OFFICE
OF THE COUNTY ATTORNEY

By: _____

Date: _____

GENERAL CONDITIONS OF CONTRACT BETWEEN COUNTY & CONTRACTOR

1. ACCOUNTING SYSTEM AND AUDIT, ACCURATE INFORMATION

The contractor certifies that all information the contractor has provided or will provide to the County is true and correct and can be relied upon by the County in awarding, modifying, making payments, or taking any other action with respect to this contract including resolving claims and disputes. Any false or misleading information is a ground for the County to terminate this contract for cause and to pursue any other appropriate remedy. The contractor certifies that the contractor's accounting system conforms with generally accepted accounting principles, is sufficient to comply with the contract's budgetary and financial obligations, and is sufficient to produce reliable financial information.

The County may examine the contractor's and any first tier subcontractor's records to determine and verify compliance with the contract and to resolve or decide any claim or dispute arising under this contract. The contractor and any first tier subcontractor must grant the County access to these records at all reasonable times during the contract term and for 3 years after final payment. If the contract is supported to any extent with federal or state funds, the appropriate federal or state authorities may also examine these records. The contractor must include the preceding language of this paragraph in all first tier subcontracts.

2. AMERICANS WITH DISABILITIES ACT

The contractor agrees to comply with the nondiscrimination requirements of Titles II and III, and other provisions, of the Americans with Disabilities Act of 1990, Pub. Law 101-336, and ADA Amendments Act of 2008, Pub. Law 110-325, as amended, currently found at 42 U.S.C., § 12101, et seq., and 47 U.S.C., ch. 5.

3. APPLICABLE LAWS

This contract must be construed in accordance with the laws and regulations of Maryland and Montgomery County. The Montgomery County Procurement Regulations are incorporated by reference into, and made a part of, this contract. In the case of any inconsistency between this contract and the Procurement Regulations, the Procurement Regulations govern. The contractor must, without additional cost to the County, pay any necessary fees and charges, obtain any necessary licenses and permits, and comply with applicable federal, state and local laws, codes and regulations. Through signature of this contract, the contractor certifies that the contractor has filed an initial statement with the Maryland State Board of Elections in compliance with MD Code Ann., Election Law, §14-104(b)(1), or is not required to file an initial statement as per MD Code Ann., Election Law, §14-104(c)(2).

For purposes of litigation involving this contract, except for contract Disputes discussed in paragraph 8 below, exclusive venue and jurisdiction must be in the Circuit Court for Montgomery County, Maryland or in the District Court of Maryland for Montgomery County.

The County's prevailing wage law, as found at §11B-33C of the County Code, applies to certain construction and mechanical systems service contracts. To the extent applicable, the County's prevailing wage requirements are enumerated within this solicitation/contract in the "Prevailing Wage Requirements for Construction Contract Addendum to the General Conditions of Contract between County and Contractor." If applicable to this contract, the Addendum will be attached to the contract, and will be incorporated herein by reference, and made a part thereof.

Furthermore, certain non-profit and governmental entities may purchase supplies and services, similar in scope of work and compensation amounts provided for in a County contract, using their own contract and procurement laws and regulations, pursuant to the Md. State Finance and Procurement Article, Section 13-101, et. seq.

Contractor and all of its subcontractors must comply with the provisions of County Code §11B-35A and must not retaliate against a covered employee who discloses an illegal or improper action described in §11B-35A. Furthermore, an aggrieved covered employee under §11B-35A is a third-party beneficiary under this Contract, who may by civil action recover compensatory damages including interest and reasonable attorney's fees, against the contractor or one of its subcontractors for retaliation in violation of that Section.

The contractor agrees to comply with the requirements of the Displaced Service Workers Protection Act, which appears in County Code, Chapter 27, Human Rights and Civil Liberties, Article X, Displaced Service Workers Protection Act, §§ 27-64 through 27-66.

Montgomery County's Earned Sick and Safe Leave Law, found at Sections 27-76 through 27-82 of the County Code, became effective October 1, 2016. An employer doing business in the County, as defined under the statute, must comply with this law. This includes an employer vendor awarded a County contract. A vendor may obtain information regarding this law at <http://www.montgomerycountymd.gov/humanrights/>

4. ASSIGNMENTS AND SUBCONTRACTS

The contractor must not assign or transfer this contract, any interest herein or any claim hereunder, except as expressly authorized in writing by the Director, Office of Procurement. Unless performance is separately and expressly waived in writing by the Director, Office of Procurement, an assignment does not release the contractor from responsibility for performance of this contract. Unless otherwise provided in the contract, the contractor may not contract with any other party for furnishing any of the materials or services herein contracted for without the written approval of the Director, Office of Procurement. Any subcontract for any work hereunder must comport with the terms of this Contract and County law, and must include any other terms and conditions that the County deems necessary to protect its interests. The contractor must not employ any subcontractor that is a debarred or suspended person under County Code §11B-37. The contractor is fully responsible to the County for the acts and omissions of itself, its subcontractors and any persons either directly or indirectly employed by them. Nothing contained in the contract documents shall create any contractual relation between any subcontractor and the County, and nothing in the contract documents is intended to make any subcontractor a beneficiary of the contract between the County and the contractor.

5. CHANGES

The Director, Office of Procurement, may unilaterally change the work, materials and services to be performed. The change must be in writing and within the general scope of the contract. The contract will be modified to reflect any time or money adjustment the contractor is entitled to receive. Contractor must bring to the Contract Administrator, in writing, any claim about an adjustment in time or money resulting from a change, within 30 days from the date the Director, Office of Procurement, issued the change in work, or the claim is waived. Any failure to agree upon a time or money adjustment must be resolved under the "Disputes" clause of this contract. The contractor must proceed with the prosecution of the work as changed, even if there is an unresolved claim. No charge for any extra work, time or material will be allowed, except as provided in this section.

6. CONTRACT ADMINISTRATION

A. The contract administrator, subject to paragraph B below, is the Department representative designated by the Director, Office of Procurement, in writing and is authorized to:

- (1) serve as liaison between the County and the contractor;
- (2) give direction to the contractor to ensure satisfactory and complete performance;
- (3) monitor and inspect the contractor's performance to ensure acceptable timeliness and quality;
- (4) serve as records custodian for this contract, including wage and prevailing wage requirements;

- (5) accept or reject the contractor's performance;
- (6) furnish timely written notice of the contractor's performance failures to the Director, Office of Procurement, and to the County Attorney, as appropriate;
- (7) prepare required reports;
- (8) approve or reject invoices for payment;
- (9) recommend contract modifications or terminations to the Director, Office of Procurement;
- (10) issue notices to proceed; and
- (11) monitor and verify compliance with any MFD Performance Plan.

B. The contract administrator is NOT authorized to make determinations (as opposed to recommendations) that alter, modify, terminate or cancel the contract, interpret ambiguities in contract language, or waive the County's contractual rights.

7. COST & PRICING DATA

Chapter 11B of the County Code and the Montgomery County Procurement Regulations require that cost & pricing data be obtained from proposed awardees/contractors in certain situations. The contractor guarantees that any cost & pricing data provided to the County will be accurate and complete. The contractor grants the Director, Office of Procurement, access to all books, records, documents, and other supporting data in order to permit adequate evaluation of the contractor's proposed price(s). The contractor also agrees that the price to the County, including profit or fee, may, at the option of the County, be reduced to the extent that the price was based on inaccurate, incomplete, or noncurrent data supplied by the contractor.

8. DISPUTES

Any dispute arising under this contract that is not disposed of by agreement must be decided under the Montgomery County Code and the Montgomery County Procurement Regulations. Pending final resolution of a dispute, the Contractor must proceed diligently with contract performance. Subject to subsequent revocation or alteration by the Director, Office of Procurement, the head of the County department, office or agency ("Department Head") of the contract administrator is the designee of the Director, Office of Procurement, for the purpose of dispute resolution. The Department Head, or his/her designee, must forward to the Director, Office of Procurement, a copy of any written resolution of a dispute. The Department Head may delegate this responsibility to another person (other than the contract administrator). A contractor must notify the contract administrator of a claim in writing, and must attempt to resolve a claim with the contract administrator prior to filing a dispute with the Director, Office of Procurement or designee. The contractor waives any dispute or claim not made in writing and received by the Director, Office of Procurement, within 30 days of the event giving rise to the dispute or claim, whether or not the contract administrator has responded to a written notice of claim or resolved the claim. The Director, Office of Procurement, must dismiss a dispute that is not timely filed. A dispute must be in writing, for specific relief, and any requested relief must be fully supported by affidavit of all relevant calculations, including cost and pricing information, records, and other information. At the County's option, the contractor agrees to be made a party to any related dispute involving another contractor.

9. DOCUMENTS, MATERIALS, AND DATA

All documents materials or data developed as a result of this contract are the County's property. The County has the right to use and reproduce any documents, materials, and data, including confidential information, used in the performance of, or developed as a result of, this contract. The County may use this information for its own purposes, including reporting to state and federal agencies. The contractor warrants that it has title to or right of use of all documents, materials or data used or developed in connection with this contract. The contractor must keep confidential all documents, materials, and data prepared or developed by the contractor or supplied by the County.

10. DURATION OF OBLIGATION

The contractor agrees that all of contractor's obligations and warranties, including all requirements imposed by the Minority Owned Business Addendum to these General Conditions, if any, which directly or indirectly are intended by their nature or by implication to survive contractor performance, do survive the completion of performance, termination for default, termination for convenience, or termination by mutual consent of the contract.

11. ENTIRE AGREEMENT

There are no promises, terms, conditions, or obligations other than those contained in this contract. This contract supersedes all communications, representations, or agreements, either verbal or written, between the parties hereto, with the exception of express warranties given to induce the County to enter into the contract.

12. ETHICS REQUIREMENTS/POLITICAL CONTRIBUTIONS

The contractor must comply with the ethics provisions contained in Chapters 11B and 19A, Montgomery County Code, which include the following:

- (a) a prohibition against making or offering to make certain gifts. Section 11B-51(a).
- (b) a prohibition against kickbacks. Section 11B-51(b).
- (c) a prohibition against a person engaged in a procurement from employing or offering to employ a public employee. Section 11B-52 (a).
- (d) a prohibition against a contractor that is providing a recommendation to the County from assisting another party or seeking to obtain an economic benefit beyond payment under the contract. Section 11B-52 (b).
- (e) a restriction on the use of confidential information obtained in performing a contract. Section 11B-52 (c).
- (f) a prohibition against contingent fees. Section 11B-53.

Furthermore, the contractor specifically agrees to comply with Sections 11B-51, 11B-52, 11B-53, 19A-12, and/or 19A-13 of the Montgomery County Code. In addition, the contractor must comply with the political contribution reporting requirements currently codified under the Election Law at Md. Code Ann., Title 14.

13. GUARANTEE

- A. Contractor guarantees for one year from acceptance, or for a longer period that is otherwise expressly stated in the County's written solicitation, all goods, services, and construction offered, including those used in the course of providing the goods, services, and/or construction. This includes a guarantee that all products offered (or used in the installation of those products) carry a guarantee against any and all defects for a minimum period of one year from acceptance, or for a longer period stated in the County's written solicitation. The contractor must correct any and all defects in material and/or workmanship that may appear during the guarantee period, or any defects that occur within one (1) year of acceptance even if discovered more than one (1) year after acceptance, by repairing, (or replacing with new items or new materials, if necessary) any such defect at no cost to the County and to the County's satisfaction.
- B. Should a manufacturer's or service provider's warranty or guarantee exceed the requirements stated above, that guarantee or warranty will be the primary one used in the case of defect. Copies of manufacturer's or service provider's warranties must be provided upon request.
- C. All warranties and guarantees must be in effect from the date of acceptance by the County of the goods, services, or construction.
- D. The contractor guarantees that all work shall be accomplished in a workmanlike manner, and the contractor must observe and comply with all Federal, State, County and local laws, ordinances and regulations in providing the goods, and performing the services or construction.

E. Goods and materials provided under this contract must be of first quality, latest model and of current manufacture, and must not be of such age or so deteriorated as to impair their usefulness or safety. Items that are used, rebuilt, or demonstrator models are unacceptable, unless specifically requested by the County in the Specifications.

14. HAZARDOUS AND TOXIC SUBSTANCES

Manufacturers and distributors are required by federal "Hazard Communication" provisions (29 CFR 1910.1200), and the Maryland "Access to Information About Hazardous and Toxic Substances" Law, to label each hazardous material or chemical container, and to provide Material Safety Data Sheets to the purchaser. The contractor must comply with these laws and must provide the County with copies of all relevant documents, including Material Safety Data Sheets, prior to performance of work or contemporaneous with delivery of goods.

15. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) COMPLIANCE

In addition to the provisions stated above in Section 3 "Applicable Laws," contractor must comply with all requirements in the federal Health Insurance Portability and Accountability Act (HIPAA), to the extent that HIPAA is applicable to this contract. Furthermore, contractor must enter into the County's standard Business Associate Agreement or Qualified Service Organization Agreement when contractor or the County, as part of this contract, may use or disclose to one another, to the individual whose health information is at issue, or to a third-party, any protected health information that is obtained from, provided to, made available to, or created by, or for, the contractor or the County.

16. IMMIGRATION REFORM AND CONTROL ACT

The contractor warrants that both the contractor and its subcontractors do not, and shall not, hire, recruit or refer for a fee, for employment under this contract or any subcontract, an alien while knowing the alien is an unauthorized alien, or any individual without complying with the requirements of the federal Immigration and Nationality laws, including any verification and record keeping requirements. The contractor further assures the County that, in accordance with those laws, it does not, and will not, discriminate against an individual with respect to hiring, recruitment, or referral for a fee, of an individual for employment or the discharge of an individual from employment, because of the individual's national origin or, in the case of a citizen or prospective citizen, because of the individual's citizenship status.

17. INCONSISTENT PROVISIONS

Notwithstanding any provisions to the contrary in any contract terms or conditions supplied by the contractor, this General Conditions of Contract document supersedes the contractor's terms and conditions, in the event of any inconsistency.

18. INDEMNIFICATION

The contractor is responsible for any loss, personal injury, death and any other damage (including incidental and consequential) that may be done or suffered by reason of the contractor's negligence or failure to perform any contractual obligations. The contractor must indemnify and save the County harmless from any loss, cost, damage and other expenses, including attorney's fees and litigation expenses, suffered or incurred due to the contractor's negligence or failure to perform any of its contractual obligations. If requested by the County, the contractor must defend the County in any action or suit brought against the County arising out of the contractor's negligence, errors, acts or omissions under this contract. The negligence of any agent, subcontractor or employee of the contractor is deemed to be the negligence of the contractor. For the purposes of this paragraph, County includes its boards, agencies, agents, officials and employees.

19. INDEPENDENT CONTRACTOR

The contractor is an independent contractor. The contractor and the contractor's employees or agents are not agents of the County.

20. INSPECTIONS

The County has the right to monitor, inspect and evaluate or test all supplies, goods, services, or construction called for by the contract at all reasonable places (including the contractor's place of business) and times (including the period of preparation or manufacture).

21. INSURANCE

Prior to contract execution by the County, the proposed awardee/contractor must obtain at its own cost and expense the minimum insurance specified in the applicable table (See Tables A and B) or attachment to these General Conditions, with one or more insurance company(s) licensed or qualified to do business in the State of Maryland and acceptable to the County's Division of Risk Management. The minimum limits of coverage listed shall not be construed as the maximum as required by contract or as a limitation of any potential liability on the part of the proposed awardee/contractor to the County, nor shall failure by the County to request evidence of this insurance in any way be construed as a waiver of proposed awardee/contractor's obligation to provide the insurance coverage specified. Contractor must keep this insurance in full force and effect during the term of this contract, including all extensions. Unless expressly provided otherwise, Table A is applicable to this contract. The insurance must be evidenced by one or more Certificate(s) of Insurance and, if requested by the County, the proposed awardee/contractor must provide a copy of any and all insurance policies to the County. At a minimum, the proposed awardee/contractor must submit to the Director, Office of Procurement, one or more Certificate(s) of Insurance prior to award of this contract, and prior to any contract modification extending the term of the contract, as evidence of compliance with this provision. The contractor's insurance must be primary. Montgomery County, MD, including its officials, employees, agents, boards, and agencies, must be named as an additional insured on all liability policies. Contractor must provide to the County at least 30 days written notice of a cancellation of, or a material change to, an insurance policy. In no event may the insurance coverage be less than that shown on the applicable table, attachment, or contract provision for required insurance. After consultation with the Department of Finance, Division of Risk Management, the Director, Office of Procurement, may waive the requirements of this section, in whole or in part.

Please disregard TABLE A and TABLE B, if they are replaced by the insurance requirements as stated in an attachment to these General Conditions of Contract between County and Contractor.

TABLE A. INSURANCE REQUIREMENTS
(See Paragraph #21 under the General Conditions of Contract
between County and Contractor)

CONTRACT DOLLAR VALUES (IN \$1,000's)

| | Up to 50 | Up to 100 | Up to 1,000 | Over 1,000 |
|---|----------|-----------|-------------|------------|
| Workers Compensation (for contractors with employees) | | | | |
| Bodily Injury by | | | | |

| | | | | |
|---|-------------------|-----|-------|-------------------|
| Accident (each) | 100 | 100 | 100 | See Attachment |
| Disease (policy limits) | 500 | 500 | 500 | |
| Disease (each employee) | 100 | 100 | 100 | |
| Commercial General Liability for bodily injury and property damage per occurrence, including contractual liability, premises and operations, and independent contractors | 300 Attachment | 500 | 1,000 | See |
| Minimum Automobile Liability (including owned, hired and non owned automobiles) | | | | |
| Bodily Injury | | | | |
| each person | 100 | 250 | 500 | See Attachment |
| each occurrence | 300 | 500 | 1,000 | |
| Property Damage | | | | |
| each occurrence | 300 | 300 | 300 | |
| Professional Liability* for errors, omissions and negligent acts, per claim and aggregate, with one year discovery period and maximum deductible of \$25,000 | 250 | 500 | 1,000 | See Attachment |

Certificate Holder
Montgomery County Maryland (Contract #)
Office of Procurement
27 Courthouse Square, Ste 330
Rockville, Maryland 20850

*Professional services contracts only

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TABLE B. INSURANCE REQUIREMENTS
(See Paragraph #21 under the General Conditions of Contract
between County and Contractor)

| | <u>Up to 50</u> | <u>Up to 100</u> | <u>Up to 1,000</u> | <u>1,000</u> |
|---|-----------------|------------------|--------------------|----------------|
| Commercial General Liability minimum combined single limit for bodily injury and property damage per occurrence, including contractual liability, premises and operations, independent contractors, and product liability | 300 | 500 | 1,000 | See Attachment |

Certificate Holder
Montgomery County Maryland (Contract #)
Office of Procurement
27 Courthouse Square, Ste 330
Rockville, Maryland 20850

(Remainder of Page Intentionally Left Blank)

22. INTELLECTUAL PROPERTY APPROVAL AND INDEMNIFICATION - INFRINGEMENT

If contractor will be preparing, displaying, publicly performing, reproducing, or otherwise using, in any manner or form, any information, document, or material that is subject to a copyright, trademark, patent, or other property or privacy right, then contractor must: obtain all necessary licenses, authorizations, and approvals related to its use; include the County in any approval, authorization, or license related to its use; and indemnify and hold harmless the County related to contractor's alleged infringing or otherwise improper or unauthorized use. Accordingly, the contractor must protect, indemnify, and hold harmless the County from and against all liabilities, actions, damages, claims, demands, judgments, losses, costs, expenses, suits, or actions, and attorneys' fees and the costs of the defense of the County, in any suit, including appeals, based upon or arising out of any allegation of infringement, violation, unauthorized use, or conversion of any patent, copyright, trademark or trade name, license, proprietary right, or other related property or privacy interest in connection with, or as a result of, this contract or the performance by the contractor of any of its activities or obligations under this contract

23. INFORMATION SECURITY**A. Protection of Personal Information by Government Agencies:**

In any contract under which Contractor is to perform services and the County may disclose to Contractor personal information about an individual, as defined by State law, Contractor must implement and maintain reasonable security procedures and practices that: (a) are appropriate to the nature of the personal information disclosed to the Contractor; and (b) are reasonably designed to help protect the personal information from unauthorized access, use, modification, disclosure, or destruction. Contractor's requirement to implement and maintain reasonable security practices and procedures must include requiring any third-party to whom it discloses personal information that was originally disclosed to Contractor by the County to also implement and maintain reasonable security practices and procedures related to protecting the personal information. Contractor must notify the County of a breach of the security of a system if the unauthorized acquisition of an individual's personal information has occurred or is reasonably likely to occur, and also must share with the County all information related to the breach. Contractor must provide the above notification to the County as soon as reasonably practicable after Contractor discovers or is notified of the breach of the security of a system. Md. Code Ann., State Gov't. § 10-1301 through 10-1308 (2013).

B. Payment Card Industry Compliance:

In any contract where the Contractor provides a system or service that involves processing credit card payments (a "Payment Solution"), the Payment Solution must be Payment Card Industry Data Security Standard Compliant ("PCI-DSS Compliant"), as determined and verified by the Department of Finance, and must (1) process credit card payments through the use of a Merchant ID ("MID") obtained by the County's Department of Finance by and in the name of the County as merchant of record, or (2) use a MID obtained by and in the name of the Contractor as merchant of record.

24. NON-CONVICTION OF BRIBERY

The contractor hereby declares and affirms that, to its best knowledge, none of its officers, directors, or partners or employees directly involved in obtaining contracts has been convicted of bribery, attempted bribery, or conspiracy to bribe under any federal, state, or local law.

25. NON-DISCRIMINATION IN EMPLOYMENT

The contractor agrees to comply with the non-discrimination in employment policies and/ or provisions prohibiting unlawful employment practices in County contracts as required by Section 11B 33 and Section 27 19 of the Montgomery County Code, as well as all other applicable state and federal laws and regulations regarding employment discrimination.

The contractor assures the County that, in accordance with applicable law, it does not, and agrees that it will not, discriminate in any manner on the basis of race, color, religious creed, ancestry, national origin, age, sex, marital status, disability, or sexual orientation.

The contractor must bind its subcontractors to the provisions of this section.

26. PAYMENT AUTHORITY

No payment by the County may be made, or is due, under this contract, unless funds for the payment have been appropriated and encumbered by the County. Under no circumstances will the County pay the contractor for legal fees, late fees, or shipping fees that are not provided for in the contract. The contractor must not proceed to perform any work (provide goods, services, or construction) prior to receiving written confirmation that the County has appropriated and encumbered funds for that work. If the contractor fails to obtain this verification from the Office of Procurement prior to performing work, the County has no obligation to pay the contractor for the work.

If this contract provides for an additional contract term for contractor performance beyond its initial term, continuation of contractor's performance under this contract beyond the initial term is contingent upon, and subject to, the appropriation of funds and encumbrance of those appropriated funds for payments under this contract. If funds are not appropriated and encumbered to support continued contractor performance in a subsequent fiscal period, contractor's performance must end without further notice from, or cost to, the County. The contractor acknowledges that the County Executive has no obligation to recommend, and the County Council has no obligation to appropriate, funds for this contract in subsequent fiscal years. Furthermore, the County has no obligation to encumber funds to this contract in subsequent fiscal years, even if appropriated funds may be available. Accordingly, for each subsequent contract term, the contractor must not undertake any performance under this contract until the contractor receives a purchase order or contract amendment from the County that authorizes the contractor to perform work for the next contract term.

27. P-CARD OR SUA PAYMENT METHODS

The County is expressly permitted to pay the vendor for any or all goods, services, or construction under the contract through either a procurement card ("p-card") or a Single Use Account ("SUA") method of payment, if the contractor accepts the noted payment method from any other person. In that event, the County reserves the right to pay any or all amounts due under the contract by using either a p-card (except when a purchase order is required) or a SUA method of payment, and the contractor must accept the County's p-card or a SUA method of payment, as applicable. Under this paragraph, contractor is prohibited from charging or requiring the County to pay any fee, charge, price, or other obligation for any reason related to or associated with the County's use of either a p-card or a SUA method of payment.

28. PERSONAL PROPERTY

All furniture, office equipment, equipment, vehicles, and other similar types of personal property specified in the contract, and purchased with funds provided under the contract, become the property of the County upon the end of the contract term, or upon termination or expiration of this contract, unless expressly stated otherwise.

29. TERMINATION FOR DEFAULT

The Director, Office of Procurement, may terminate the contract in whole or in part, and from time to time, whenever the Director, Office of Procurement, determines that the contractor is:

- (a) defaulting in performance or is not complying with any provision of this contract;
- (b) failing to make satisfactory progress in the prosecution of the contract; or
- (c) endangering the performance of this contract.

The Director, Office of Procurement, will provide the contractor with a written notice to cure the default. The termination for default is effective on the date specified in the County's written notice. However, if the County determines that default contributes to the curtailment of an essential service or poses an immediate threat to life, health, or property, the County may terminate the contract immediately upon issuing oral or written notice to the contractor without any prior notice or opportunity to cure. In addition to any other remedies provided by law or the contract, the contractor must compensate the County for additional costs that foreseeably would be incurred by the County, whether the costs are actually incurred or not, to obtain substitute performance. A termination for default is a termination for convenience if the termination for default is later found to be without justification.

30. TERMINATION FOR CONVENIENCE

This contract may be terminated by the County, in whole or in part, upon written notice to the contractor, when the County determines this to be in its best interest. The termination for convenience is effective on the date specified in the County's written notice. Termination for convenience may entitle the contractor to payment for reasonable costs allocable to the contract for work or costs incurred by the contractor up to the date of termination. The contractor must not be paid compensation as a result of a termination for convenience that exceeds the amount encumbered to pay for work to be performed under the contract.

31. TIME

Time is of the essence.

32. WORK UNDER THE CONTRACT

Contractor must not commence work under this contract until all conditions for commencement are met, including execution of the contract by both parties, compliance with insurance requirements, encumbrance of funds, and issuance of any required notice to proceed.

33. WORKPLACE SAFETY

The contractor must ensure adequate health and safety training and/or certification, and must comply with applicable federal, state and local Occupational Safety and Health laws and regulations.

THIS FORM MUST NOT BE MODIFIED WITHOUT THE PRIOR APPROVAL OF THE OFFICE OF THE COUNTY ATTORNEY.

B. Direct (Operating) Expenses

| Expense Category | Cost | Justification of Costs |
|------------------------------|--------------|---|
| TR and Mentoring Coordinator | \$ 25,920.00 | 0.5 FTE Coordinator for 20 students at a time, 10 each in Mentoring and TR programs during school year and summer. 10 mentors as well |
| Staff Development | \$ 3,174.84 | Funding for CSC, FCM, TR and Mentoring Coord. to attend trainings and for CSC to attend Community |
| Service: MCPS | \$ 625.00 | In addition to clearance with City of Rockville, an additional clearance is required for MCPS |
| Background clearance | | |
| Other | \$ 1,740.00 | Cell phone service for three staff |
| Communications | | |
| Equipment (up to \$5,000)* | \$ 2,000.00 | Laptop for new TR and Mentoring Coordinator |
| Supplies/Activities | \$ 5,250.00 | General operating costs and activity costs for onsite supplies for programming |
| Client Activity/Refreshments | \$ 5,265.00 | Organized activities and events, i.e. parenting classes, computer classes, camps, groups |
| Client Assistance | \$ 5,000.00 | Payments of behalf of Linkages clients to assist with financial emergencies, i.e. rent, utilities, childcare |
| Printing | \$ - | |
| Other Expenses (list) | \$ - | |
| Total Direct Expenses | \$ 48,974.84 | |

C. Capital Expenses, if applicable (greater than \$5,000)*

| Description | Cost | Justification of Costs |
|------------------------|------|------------------------|
| | \$ - | |
| | \$ - | |
| | \$ - | |
| Total Capital Expenses | \$ - | |

Approved by: (for the Vendor)
 Frederika Granger
 Signature _____ Date 3/21/2024
 Name (please print): Frederika Granger
 Title: Community Services Manager

Approved by: (Monitor, for the Dept. of Health and Human Services)
 Margot L. Mahoney 3/27/24
 Signature _____ Date
 Name (please print): Margot L. Mahoney
 Title: Contract Monitor

*Equipment includes items up to \$5,000. Items greater than \$5,000 are capital expenses.

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (the "Agreement") is made by and between Montgomery County, Maryland (hereinafter referred to as "Covered Entity"), and Mayor and Council of Rockville (hereinafter referred to as "Business Associate"). Covered Entity and Business Associate shall collectively be known herein as the "Parties."

I. GENERAL

A. Covered Entity has a business relationship with Business Associate that is memorialized in Montgomery County Contract # _____ (the "Underlying Agreement"), pursuant to which Business Associate may be considered a "business associate" of Covered Entity as defined in the Health Insurance Portability and Accountability Act of 1996, including all pertinent regulations (45 CFR Parts 160 and 164), issued by the U.S. Department of Health and Human Services, including Subtitle D of the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), as codified in Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5), and including any and all applicable Privacy, Security, Enforcement, or Notice (Breach Notification) Rules or requirements (collectively, "HIPAA"), as all are amended from time to time; and

B. The performance of the Underlying Agreement may involve the creation, exchange, or maintenance of Protected Health Information ("PHI") as that term is defined under HIPAA; and

C. For good and lawful consideration as set forth in the Underlying Agreement, Covered Entity and Business Associate enter into this Agreement for the purpose of ensuring compliance with the requirements of HIPAA; and

D. This Agreement articulates the obligations of the Parties as to use and disclosure of PHI. It does not affect Business Associate's obligations to comply with the the Maryland Confidentiality of Medical Records Act (Md. Code Ann., Health-General I §§4-301 *et seq.*) ("MCMRA") or other applicable law with respect to any information the County may disclose to Business Associate as part of Business Associate's performance of the Underlying Agreement; and

E. This Agreement supersedes and replaces any and all Business Associate Agreements the Covered Entity and Business Associate may have entered into prior to the date hereof; and

F. The above premises having been considered and incorporated by reference into the sections below, the Parties, intending to be legally bound, agree as follows:

II. DEFINITIONS.

A. The terms used in this Agreement have the same meaning as the definitions of those terms in HIPAA. In the absence of a definition in HIPAA, the terms have their commonly understood meaning.

B. Consistent with HIPAA, and for ease of reference, the Parties expressly note the definitions of the following terms:

1. "Breach" is defined at 45 CFR § 164.402.
2. "Business Associate" is defined at 45 CFR § 160.103, and in reference to the party to this Agreement, shall mean Mayor and Council of Rockville.
3. "Covered Entity" is defined at 45 CFR § 160.103, and in reference to the party to this Agreement, shall mean the County.
4. "Designated Record Set" is defined at 45 CFR § 164.501.
5. "Individual" is defined at 45 CFR §§ 160.103, 164.501 and 164.502(g), and includes a person who qualifies as a personal representative.
6. "Protected Health Information" or "PHI" is defined at 45 CFR § 160.103.
7. "Required By Law" is defined at 45 CFR § 164.103.
8. "Secretary" means the Secretary of the U.S. Department of Health and Human Services or designee.
9. "Security Incident" is defined at 45 CFR § 164.304.
10. "Unsecured Protected Health Information" or "Unsecured PHI" means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology, as specified by the Secretary in the guidance as noted under the HITECH Act, section 13402(h)(1) and (2) of Public Law 111-5, codified at 42 U.S.C. § 17932(h)(1) and (2), and as specified by the Secretary in 45 CFR 164.402.

III. PERMISSIBLE USE AND DISCLOSURE OF PHI

A. Except as otherwise limited in this Agreement, or by privilege, protection, or confidentiality under HIPAA, MCMRA, or other applicable law, Business Associate may use or disclose (including permitting acquisition or access to) PHI to perform applicable functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreement. Moreover, the provisions of HIPAA are expressly incorporated by reference into, and made a part of, this Agreement.

B. Business Associate may use or disclose (including permitting acquisition or access to) PHI only as permitted or required by this Agreement or as Required By Law.

C. Business Associate is directly responsible for full compliance with the relevant requirements of HIPAA.

D. Business Associate must not use or disclose (including permitting acquisition or access to) PHI other than as permitted or required by this Agreement or HIPAA, and must use or disclose PHI only in a manner consistent with HIPAA. As part of this, Business Associate must use appropriate safeguards to prevent use or disclosure of PHI that is not permitted by this Agreement or HIPAA. Furthermore, Business Associate must take reasonable precautions to protect PHI from loss, misuse, and unauthorized access, disclosure, alteration, and destruction.

E. Business Associate must implement and comply with administrative, physical, and technical safeguards governing the PHI, in a manner consistent with HIPAA, that reasonably and appropriately protect the confidentiality, integrity, and availability of the PHI that it creates, receives, maintains, or transmits on behalf of Covered Entity.

F. Business Associate must immediately notify Covered Entity, in a manner consistent with HIPAA, of: (i) any use or disclosure of PHI not provided for by this Agreement, including a Breach of PHI of which it knows or by exercise of reasonable diligence would have known, as required at 45 CFR §164.410; and, (ii) any Security Incident of which it becomes aware as required at 45 CFR §164.314(a)(2)(i)(C). Business Associate's notification to Covered Entity required by HIPAA and this Section III.F must:

1. Be made to Covered Entity without unreasonable delay and in no case later than 14 calendar days after Business Associate: a) knows, or by exercising reasonable diligence would have known, of a Breach, b) becomes aware of a Security Incident, or c) becomes aware of any use or disclosure of PHI not provided for by this Agreement;

2. Include the names and addresses of the Individual(s) whose PHI is the subject of a Breach, Security Incident, or use or disclosure of PHI not provided for by this Agreement. In addition, Business Associate must provide any additional information reasonably requested by Covered Entity for purposes of investigating the Breach, Security Incident, or use or disclosure of PHI not provided for by this Agreement;

3. Be in substantially the same form as Exhibit A hereto;

4. Include a brief description of what happened, including the date of the Breach, Security Incident, or use or disclosure of PHI not provided for by this Agreement, if known, and the date of the discovery of the Breach, Security Incident, or use or disclosure of PHI not provided for by this Agreement;

5. Include a description of the type(s) of Unsecured PHI that was involved in the Breach, Security Incident, or use or disclosure of PHI not provided for by this Agreement (such as full name, Social Security number, date of birth, home address, account number, disability code, or other types of information that were involved);

6. Identify the nature and extent of the PHI involved, including the type(s) of identifiers and the likelihood of re identification;

7. If known, identify the unauthorized person who used or accessed the PHI or to whom the disclosure was made;

8. Articulate any steps the affected Individual(s) should take to protect him or herself from potential harm resulting from the Breach, Security Incident, or use or disclosure of PHI not permitted by this Agreement;

9. State whether the PHI was actually acquired or viewed;

10. Provide a brief description of what the Covered Entity and the Business Associate are doing to investigate the Breach, Security Incident, or use or disclosure of PHI not provided for by this Agreement, to mitigate losses, and to protect against any further Breach, Security Incident, or use or disclosure of PHI not provided for by this Agreement;

11. Note contact information and procedures for an Individual(s) to ask questions or learn additional information, which must include a toll-free telephone number of Business Associate, along with an e-mail address, Web site, or postal address;

and

12. Include a draft letter for the Covered Entity to utilize, in the event Covered Entity elects, in its sole discretion, to notify the Individual(s) that his or her PHI is the subject of a Breach, Security Incident, or use or disclosure of PHI not provided for by this Agreement that includes the information noted in Section III.F.4 – III.F.11 above.

G. Business Associate must, and is expected to, directly and independently fulfill all notification requirements under HIPAA.

H. In the event of a Breach, Security Incident, or use or disclosure of PHI not provided for by this Agreement, Business Associate must mitigate, to the extent practicable, any harmful effects of said disclosure that are known to it.

I. In accordance with 45 CFR §§ 164.502(e)(1)(ii) and 164.308(b)(2), Business Associate agrees to ensure that any agent, subcontractor, or employee to whom it provides PHI (received from, or created or received by, Business Associate on behalf of Covered Entity) agrees to the same restrictions, conditions, and requirements that apply through this Agreement to Business Associate with respect to such information.

J. Business Associate must ensure that any contract or other arrangement with a subcontractor meets the requirements of paragraphs 45 CFR §164.314(a)(2)(i) and (a)(2)(ii) required by 45 CFR § 164.308(b)(3) between a Business Associate and a subcontractor, in the same manner as such requirements apply to contracts or other arrangements between a Covered Entity and Business Associate.

K. Pursuant to 45 CFR § 164.502(a)(4)(ii), Business Associate must disclose PHI to the Covered Entity, Individual, or Individual's designee, as necessary to satisfy a Covered

Entity's obligations under § 164.524(c)(2)(ii) and (3)(ii) with respect to an individual's request for an electronic copy of PHI.

L. To the extent applicable, Business Associate must provide access to PHI in a Designated Record Set at reasonable times, at the request of Covered Entity or as directed by Covered Entity, to an Individual specified by Covered Entity in order to meet the requirements under 45 CFR § 164.524.

M. A Business Associate that is a health plan, excluding an issuer of a long-term care policy falling within paragraph (1)(viii) of the definition of health plan, must not use or disclose PHI that is genetic information for underwriting purposes, in accordance with the provisions of 45 CFR 164.502.

N. To the extent applicable, Business Associate must make any amendment(s) to PHI in a Designated Record Set that Covered Entity directs or agrees to, pursuant to 45 CFR § 164.526, at the request of Covered Entity or an Individual.

O. Business Associate must, upon request with reasonable notice, provide Covered Entity access to its premises for a review and demonstration of its internal practices and procedures for safeguarding PHI.

P. Business Associate must, upon request and with reasonable notice, furnish to Covered Entity security and privacy audit results, risk analyses, security and privacy policies and procedures, details of previous Breaches and Security Incidents, and documentation of controls.

Q. Business Associate must also maintain records indicating who has accessed PHI about an Individual in an electronic designated record set and information related to such access, in accordance with 45 C.F.R. § 164.528. Business Associate must document such disclosures of PHI and information related to such disclosures as would be required for a Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528. Should an Individual make a request to Covered Entity for an accounting of disclosures of his or her PHI pursuant to 45 C.F.R. § 164.528, Business Associate must promptly provide Covered Entity with information in a format and manner sufficient to respond to the Individual's request.

R. Business Associate must, upon request and with reasonable notice, provide Covered Entity with an accounting of uses and disclosures of PHI that was provided to it by Covered Entity.

S. Business Associate must make its internal practices, books, records, and any other material requested by the Secretary relating to the use, disclosure, and safeguarding of PHI received from Covered Entity available to the Secretary for the purpose of determining compliance with HIPAA. Business Associate must make the aforementioned information available to the Secretary in the manner and place as designated by the Secretary or the Secretary's duly appointed delegate. Under this Agreement, Business Associate must comply and cooperate with any request for documents or other information from the Secretary directed to

Covered Entity that seeks documents or other information held or controlled by Business Associate.

T. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 42 C.F.R. § 164.502(j)(1).

U. Except as otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of Business Associate or the Underlying Agreement, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and be used or further disclosed only as Required By Law or for the limited purpose for which it was disclosed to the person, and the person must agree to notify Business Associate of any instance of any Breach, Security Incident, or use or disclosure of PHI not provided for by this Agreement of which it is aware in which the confidentiality of the information has been breached.

V. Business Associate understands that, pursuant to 45 CFR § 160.402, the Business Associate is liable, in accordance with the Federal common law of agency, for a civil money penalty for a violation of the HIPAA rules based on the act or omission of any agent of the Business Associate, including a workforce member or subcontractor, acting within the scope of the agency.

IV. TERM AND TERMINATION.

A. Term. The Term of this Agreement shall be effective as of the effective date of the Underlying Agreement, and shall terminate: (1) when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity; or, (2) if it is infeasible to return or destroy PHI, in accordance with the termination provisions in this Article IV.

B. Termination for Cause. Upon Covered Entity's knowledge of a material breach of this Agreement by Business Associate, Covered Entity shall:

1. Provide an opportunity for Business Associate to cure the breach or end the violation and, if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity, have the right to terminate this Agreement and to terminate the Underlying Agreement, and shall report the violation to the Secretary;
2. Have the right to immediately terminate this Agreement and the Underlying Agreement if Business Associate has breached a material term of this Agreement and cure is not possible, and shall report the violation to the Secretary; or
3. If neither termination nor cure is feasible, report the violation to the Secretary.

4. This Article IV, Term and Termination, Paragraph B, is in addition to the provisions set forth in Paragraph 27, Termination for Default of the General Conditions of Contract Between County and Contractor, attached to the Underlying Agreement, in which "Business Associate" is "Contractor" and "Covered Entity" is "County" for purposes of this Agreement.

C. Effect of Termination.

1. Except as provided in Section IV.C.2, upon termination or cancellation of this Agreement, for any reason, Business Associate must return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision applies to PHI that is in the possession of a subcontractor(s), employee(s), or agent(s) of Business Associate. Business Associate must not retain any copies of the PHI.

2. In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate must provide to Covered Entity written notification of the nature of the PHI and the conditions that make return or destruction infeasible. After written notification that return or destruction of PHI is infeasible, Business Associate must extend the protections of this Agreement to such PHI and limit further use(s) and disclosure(s) of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. Notwithstanding the foregoing, to the extent that it is not feasible to return or destroy such PHI, the terms and provisions of this Agreement survive termination of this Agreement with regard to such PHI.

3. Should Business Associate violate this Agreement, HIPAA, the Underlying Agreement, the MCMRA, or other applicable law, Covered Entity has the right to immediately terminate any contract then in force between the Parties, including the Underlying Agreement.

V. **CONSIDERATION.** Business Associate recognizes that the promises it has made in this Agreement shall, henceforth, be reasonably, justifiably, and detrimentally relied upon by Covered Entity in choosing to continue or commence a business relationship with Business Associate.

VI. **CAUSES OF ACTION IN THE EVENT OF BREACH.** As used in this paragraph, the term "breach" has the meaning normally ascribed to that term under the Maryland law related to contracts, as opposed to the specific definition under HIPAA related to PHI. Business Associate hereby recognizes that irreparable harm will result to Covered Entity in the event of breach by Business Associate of any of the covenants and assurances contained in this Agreement. As such, in the event of breach of any of the covenants and assurances contained in this Agreement, Covered Entity shall be entitled to enjoin and restrain Business Associate from any continued violation of this Agreement. Furthermore, in the event of breach of this Agreement by Business Associate, Covered Entity is entitled to reimbursement and indemnification from Business Associate for Covered Entity's reasonable attorneys' fees and expenses and costs that were reasonably incurred as a proximate result of Business Associate's breach. The causes of action

contained in this Article VI are in addition to (and do not supersede) any action for damages and/or any other cause of action Covered Entity may have for breach of any part of this Agreement. Furthermore, these provisions are in addition to the provisions set forth in Paragraph 18, "Indemnification", of the General Conditions of Contract Between County and Contractor, attached to the Underlying Agreement in which "Business Associate" is "Contractor" and "Covered Entity" is "County", for purposes of this Agreement.

VII. MODIFICATION; AMENDMENT. This Agreement may be modified or amended only through a writing signed by the Parties and, thus, no oral modification or amendment hereof shall be permitted. The Parties agree to take such action as is necessary to amend this Agreement, from time to time, as is necessary for Covered Entity to comply with the requirements of HIPAA, including its Privacy, Security, and Notice Rules.

VIII. INTERPRETATION OF THIS AGREEMENT IN RELATION TO OTHER AGREEMENTS BETWEEN THE PARTIES. Should there be any conflict between the language of this Agreement and any other contract entered into between the Parties (either previous or subsequent to the date of this Agreement), the language and provisions of this Agreement, along with the Underlying Agreement, shall control and prevail unless the Parties specifically refer in a subsequent written agreement to this Agreement, by its title, date, and substance and specifically state that the provisions of the later written agreement shall control over this Agreement and Underlying Agreement. In any event, any agreement between the Parties, including this Agreement and Underlying Agreement, must be in full compliance with HIPAA, and any provision in an agreement that fails to comply with HIPAA will be deemed separable from the document, unenforceable, and of no effect.

IX. COMPLIANCE WITH STATE LAW. The Business Associate acknowledges that by accepting the PHI from Covered Entity, it becomes a holder of medical records information under the MCMRA and is subject to the provisions of that law. If HIPAA conflicts with another applicable law regarding the degree of protection provided for Protected Health Information, Business Associate must comply with the more restrictive protection requirement.

X. MISCELLANEOUS.

A. Ambiguity. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with HIPAA.

B. Regulatory References. A reference in this Agreement to a section in HIPAA means the section in effect, or as amended.

C. Notice to Covered Entity. Any notice required under this Agreement to be given Covered Entity shall be made in writing to:

Joy Page, Esq.
Deputy Privacy Official
Montgomery County, Maryland
401 Hungerford Drive, 7th Floor
Rockville, Maryland 20850

(240) 777-3247 (Voice)
(240) 777- 3099 (Fax)

Notice to Business Associate. Any notice required under this Agreement to be given Business Associate shall be made in writing to:

| | |
|------------|---------------------|
| Address: | 111 Maryland Avenue |
| | Rockville, MD 20850 |
| Attention: | Frederika Granger |
| Phone: | 240-314-8303 |

D. Maryland Law. This Agreement is governed by, and shall be construed in accordance with, applicable federal law and the laws of the State of Maryland, without regard to choice of law principles.

E. Incorporation of Future Amendments. Other requirements applicable to Business Associates under HIPAA are incorporated by reference into this Agreement.

F. Penalties for HIPAA Violation. In addition to that stated in this Agreement, Business Associate may be subject to civil and criminal penalties noted under HIPAA, including the same HIPAA civil and criminal penalties applicable to a Covered Entity.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF and acknowledging acceptance and agreement of the foregoing, the Parties affix their signatures hereto.

Mayor and Council of Rockville

MONTGOMERY COUNTY, MARYLAND

CONTRACTOR NAME

By: Barack Matite

By: _____

Name: Barack Matite

Name: James C. Bridgers, Jr., PhD, MBA, Director

Title: Acting City Manager

Title: Director, Department of Health

Date: 6/13/2024

and Human Services

Date: _____

EXHIBIT A

FORM OF NOTIFICATION

This notification is made pursuant to Section III.F of the Business Associate Agreement between:

- Montgomery County, Maryland, (the "County") and
- _____ (Business Associate).

Business Associate hereby notifies the County that there has been a Breach, Security Incident, or use or disclosure of PHI not provided for by the Business Associate Agreement (an "Incident") that Business Associate has used or has had access to under the terms of the Business Associate Agreement.

Description of the Incident:

Date of the Incident: _____

Date of discovery of the Incident: _____

Does the Incident involve 500 or more individuals? Yes/No

If yes, do the people live in multiple states? Yes/No

Number of individuals affected by the Incident:

Names and addresses of individuals affected by the Incident:

(Attach additional pages as necessary) _____

The types of unsecured PHI that were involved in the Incident (such as full name, Social Security number, date of birth, home address, account number, or disability code):

Description of what Business Associate is doing to investigate the Incident, to mitigate losses, and to protect against any further Incidents:

Contact information to ask questions or learn additional information:

Name: _____

Title: _____

Address: _____

Email Address: _____

Phone Number: _____



OFFICE OF THE COUNTY EXECUTIVE


Marc Elrich
County Executive

Andrew W. Kleine
Chief Administrative Officer

MEMORANDUM

December 20, 2019

TO: Executive Branch Department and Office Directors,
MLS and Public Safety Managers
Administrative Services Coordinators and Functional Equivalents

FROM:  Fariba Kassiri, Deputy Chief Administrative Officer

SUBJECT: Administrative Procedure 6-7, Information Security

The attached Administrative Procedure (AP) 6-7 establishes final policies and procedures for compliance with Information Security policy in the use of the County's computing assets and infrastructures. It is effective immediately to all County departments, offices, employees, volunteers, contractors and business partners.



The Chief Administrative Officer (CAO) has determined that the issuance of this revised AP 6-7 is necessary because the County's technology investment has grown significantly since the last policy update and the information security threat landscape has extended, and continues to extend, beyond the dimensions of computing investments and practices covered by the current policy. While the County continues to invest in technical security controls, experience shows that we, individually and collectively, as the users of technology are key to the success of the County's efforts to protect information in the County's possession including the information pertaining to the workforce, constituents, business partners, and volunteers, and to comply with the law, including laws recently passed or updated by the State and Federal governments.

AP 6-7 incorporates the recommendations of the CAO's Information Technology Policy Advisory Committee (IPAC) and uses a concise three-part format that is easy to reference, understand and implement by non-technical and technical audiences: AP 6-7 (3 pages); the Rules of Behavior Handbook (2 pages) and the System and Data Owners' Handbook (32 pages).

Interim AP 6-7 was issued on March 5, 2019. Based on comments and questions received following issuance of the interim AP, various provisions of the interim AP were clarified. The final AP 6-7 will be placed on the OMB Sharepoint site at: <https://omb.mc.gov.org/administrative-procedures/>.

Attachments: Administrative Procedure 6-7, Information Security
Information Security Rules of Behavior Handbook
Information Security System and Data Owners Handbook

101 Monroe Street • Rockville, Maryland 20850 • 240-777-2500
www.montgomerycountymd.gov

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|---|--|---|
|  | MONTGOMERY COUNTY ADMINISTRATIVE PROCEDURE Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850 | NO. 6-7 |
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| | | DATE 12/20/2019 |
| Information Security | | CAO APPROVAL  |
| <p><u>PURPOSE</u></p> <p>1.0 To establish an Administrative Procedure (AP) for the Users of the County's Information System(s) to ensure that the County's Information System(s) is used and administered in a manner that protects it from unauthorized or inadvertent access, use, destruction, modification, disclosure, theft, or denial of service.</p> <p><u>DEFINITIONS</u></p> <p>2.0 Compliance-Mandated Departments or Information Systems – Departments or Information Systems that process, store, and/or transmit data subject to security restrictions imposed by the Federal and State governments, Health Insurance Portability and Accountability Act (HIPAA), FBI Criminal Justice Information Services Division (FBI CJIS), and the Payment Card Industry Data Security Standard (PCI-DSS).</p> <p>2.1 Department of Technology Services (DTS) – An Executive Branch department responsible for County Government enterprise information systems and telecommunications.</p> <p>2.2 Enterprise Information Security Office EISO – An office within DTS that is responsible for the security of the County's Information System(s).</p> <p>2.3 Information System –A discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.</p> <p>2.4 Information System Registry a central repository containing information on Information System(s).</p> <p>2.5 Users – Individual or (system) process acting on behalf of an individual, authorized to access a system.</p> <p>2.6 Using Department ("Department") – a department or office that owns or uses an Information System.</p> <p><u>POLICY</u></p> <p>3.1 Montgomery County Government will implement security policies following security controls and associated assessment procedures defined in the most current revision of NIST SP 800-53 Recommended Security Controls for Federal Information Systems and Organizations, as adapted for County use.</p> <p>3.2 Users must review and abide by the AP 6-7 Information Security Rules of Behavior Handbook. The handbook describes the rules associated with user's responsibilities in the use of an Information System.</p> <p>3.3 All Departments, System owners, and data owners must review and abide by the AP 6-7 Information Security System and Data Owners Handbook, and must develop, document, and disseminate to their departments' Users procedures that implement this Administrative Procedure and associated Handbooks.</p> | | |



MONTGOMERY COUNTY ADMINISTRATIVE PROCEDURE

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Information Security

- 3.4 Compliance–Mandated Departments, System owners, and data owners must use this Administrative Procedure as baseline policy, and develop, document, and disseminate to their users Information System policies and procedures based on compliance specific guidelines. The policies and procedures must be managed by a designated official within the Department.
- 3.5 DTS must maintain and publish the Information Security Rules of Behavior Handbook and the Information Security System and Data Owners Handbook addressing the following NIST SP 800–53 Recommended Security Controls families:
 - 3.5.1 Information Access Control
 - 3.5.2 Information Security Awareness and Training
 - 3.5.3 Audit and Accountability
 - 3.5.4 Information Security Assessment, Authorization and Monitoring
 - 3.5.5 Configuration Management
 - 3.5.6 Contingency Planning
 - 3.5.7 Identification and Authentication
 - 3.5.8 Incident Response
 - 3.5.9 Maintenance
 - 3.5.10 Media Protection
 - 3.5.11 Physical and Environmental Protection
 - 3.5.12 Planning
 - 3.5.13 Personnel Security
 - 3.5.14 Risk Assessment
 - 3.5.15 System and Services Acquisition
 - 3.5.16 System and Communication Protection
 - 3.5.17 System and Information Integrity
 - 3.5.18 Program Management
 - 3.5.19 Exemption from Administrative Procedure
- 3.6 Exemptions – Any deviations from this policy, including Information Security Rules of Behavior Handbook and Information Security System and Data Owners Handbook, require an Exemption Request to be submitted in writing by the Using Department and approved in by DTS EISO. The request must describe a) the business case justification, b) compensating controls, c) duration, and d) the specific user, system, or application to be exempted. DTS EISO must track and report on exemptions granted.

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|  | <h1 style="text-align: center;">MONTGOMERY COUNTY</h1> <h2 style="text-align: center;">ADMINISTRATIVE PROCEDURE</h2> <p style="text-align: center;">Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850</p> | NO. 6-7 |
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| Information Security | | |
| <p>3.7 Information System Registration – Using Departments must register all Information Systems with DTS and keep the registry updated at all times.</p> <p>3.8 Information System Authorization – A Risk Assessment must be performed and approved by DTS, before any new Information System is put in production. Periodic Risk Assessments must be performed for existing Information Systems, as determined by DTS. Operations of any Information System not approved by DTS must have an approved exemption or be removed from operations.</p> <p>3.9 Violation of this procedure is prohibited and may lead to disciplinary action, including dismissal, and other legal remedies available to the County. A County employee who violates this administrative procedure may be subject to disciplinary action, in accordance with Montgomery County law and executive regulations, including without limitation, the Personnel laws and regulations, the Ethics Laws, currently codified at Chapter 33, COMCOR Chapter 33, and Chapter 19A of the County Code, respectively, and applicable collective bargaining agreements, as amended.</p> <p>3.10 In any contract where a contractor or business partner may have remote access to, or otherwise work or interface with, Information System(s), the following language, or language of similar import, must be included in the solicitation document and the contract, and AP 6–7 must be attached:</p> <p style="padding-left: 40px;">The Contractor may be afforded remote access privileges to Information Systems, or otherwise work on or interface with Information Systems, and must ensure that the Information Systems, including electronic data assets, are protected from unauthorized or inadvertent access, use, destruction, modification, disclosure, theft, or denial of service. The Contractor must adhere to the County's Information Security Procedure (AP 6–7), which is attached to, incorporated by reference into, and made a part of this contract.</p> | | |
| <p><u>RESPONSIBILITIES</u></p> <p>4.1 User – User uses Information System(s) for County business purposes only and in compliance with this administrative procedure.</p> <p>4.2 Department</p> <p style="padding-left: 40px;">4.2.1 Ensures users participate in the County's Information Security Awareness Training Program and comply with the County's information technology security procedures including this administrative procedure and the Information Security Rules of Behavior Handbook and the Information Security System and Data Owners Handbook.</p> <p style="padding-left: 40px;">4.2.2 Enunciates department–specific information security policies and procedures and train users on them.</p> <p style="padding-left: 40px;">4.2.3 Reviews and updates department–specific information security policies and procedures annually.</p> <p style="padding-left: 40px;">4.2.4 Incorporates this administrative procedure in contracts if a contractor's employees or its agents are provided access to the Information Systems.</p> | | |

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| <p>4.2.5 Cooperates with DTS in the vulnerability testing and remediation process of department–operated Information Systems assets.</p> <p>4.2.6 Reports security incidents per procedure and assist in their investigation and prevention.</p> <p>4.2.7 Assists DTS with maintaining Information Systems in compliance with this administrative procedure.</p> <p>4.2.8 Ensures that all Information Systems are registered with DTS and updated annually.</p> <p>4.2.9 Reports on compliance to handbooks as referenced in the Information Security Rules of Behavior Handbook and the Information Security System and Data Owners Handbook.</p> <p>4.3 DTS</p> <p>4.3.1 Provides information security awareness training.</p> <p>4.3.2 Reports Information Security risk and compliance status to the CAO.</p> <p>4.3.3 Advises Departments on information security issues.</p> <p>4.3.4 Assists Departments in the remediation of identified vulnerabilities.</p> <p>4.3.5 Advises Departments in the secure design of Information Systems.</p> <p>4.3.6 Periodically conducts security scans and vulnerability testing to identify vulnerabilities.</p> <p>4.3.7 Leads investigations and responses to Information System security incidents.</p> <p>4.3.8 Monitors Information System security threats and manages countermeasures.</p> <p>4.3.9 Reviews Information System solicitations/contracts for inclusion of Information Security procedure and policy.</p> <p>4.3.10 Performs/Evaluates Risk Assessments for all new Information Systems, and periodically for all existing Information Systems identified as critical/sensitive by the Using Department and or DTS.</p> <p>4.3.11 Maintains and implements enterprise Information System security measures; reviews and updates information security policies and handbooks.</p> <p>4.3.12 Manages the exemption process.</p> <p>4.3.13 Monitors and reports on Data Owners' and Departments' compliance with this AP.</p> | | |



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PK

Information Security

DEPARTMENTS AFFECTED

5.1 All Executive Branch departments and offices

APPENDICES

6.1 Information Security Rules of Behavior Handbook

6.2 Information Security System and Data Owners Handbook

Requirements for Services Contract
Addendum to The General Conditions of Contract Between County and Contractor

- A. This contract is subject to the Wage Requirements Law, found at Section 11B-33A of the Montgomery County Code (“WRL” or “11B-33A”). A County contract for the procurement of services must require the contractor and any of its subcontractors to comply with the WRL, subject to the exceptions for particular contractors noted in 11B-33A (b) and for particular employees noted in 11B-33A (f).
- B. Conflicting requirements (11B-33A (h)): If any federal, state, or County law or regulation requires payment of a higher wage, that law or regulation controls. For an existing County Contract, if an applicable collective bargaining agreement (CBA) that existed prior to May 10, 2016, governs the parties, then that CBA controls. If the term of the CBA mentioned in the preceding sentence ends during the Contract, the WRL will then control.
- C. A nonprofit organization that is exempt from the WRL under 11B-33A (b)(3), must specify, in each bid or proposal, the wage the organization intends to pay to those employees who will perform direct, measurable work under the contract, and any health insurance coverage the organization intends to provide to those employees. Section 11B-33A (c)(2).
- D. A contractor must not split or subdivide a contract, pay an employee through a third party, or treat an employee as a subcontractor or independent contractor, to avoid the imposition of any requirement in 11B-33A. Section 11B-33A (c)(3).
- E. Each contractor and subcontractor covered under the WRL must: certify that it is aware of and will comply with the applicable wage requirements; keep and submit any records necessary to show compliance; and conspicuously post notices approved and/or supplied by the County, informing employees of the requirements in 11B-33A. Section 11B-33A (i).
- F. An employer must comply with the WRL during the initial term of the contract and all subsequent renewal periods, and must pay the adjusted wage rate increase required under 11B-33A (e)(2), if any, which is effective July 1 of each year. The County will adjust the wage rate by the annual average increase in the Consumer Price Index for all urban consumers for the Washington-Baltimore metropolitan area, or successor index, for the previous calendar year and must calculate the adjustment to the nearest multiple of 5 cents. Section 11B-33A (e)(2).
- G. An employer must not discharge or otherwise retaliate against an employee for asserting any right, or filing a complaint of a violation, under the WRL. Section 11B-33A (i)(3).
- H. The sanctions under Section 11B-33 (b), which apply to noncompliance with nondiscrimination requirements, apply with equal force and scope to noncompliance with the wage requirements of the WRL. Section 11B-33A (i)(4).
- I. In the event of a breach of this contract as a result of a contractor’s or subcontractor’s violation of the WRL, the County may seek its available remedies, which include but are not limited to liquidated damages, withholding of payment, and recoupment of audit costs that are described below. The Contractor is jointly and severally liable for any noncompliance by a subcontractor. An aggrieved employee, as a third-party beneficiary, may, by civil action against the violating Contractor or subcontractor, enforce the payment of wages due under the WRL and recover from the Contractor or subcontractor any unpaid wages with interest, a reasonable attorney’s fee, and damages for any retaliation by the Contractor or subcontractor arising from the employee asserting any right, including filing a complaint under the WRL. Section 11B-33A (i)(5). Furthermore, the contractor expressly acknowledges that the County may assess liquidated damages against the Contractor in the event that it, as a covered employer, fails to pay the required wage, or violates the wage reporting or payroll records reporting requirement found at 11B-33A (g), including providing late or inaccurate payroll records.

(i) Liquidated Damages

The County may assess liquidated damages for any noncompliance by contractor or its subcontractor at the rate of 1% per day of the total contract amount, or the estimated annual contract value of a requirements contract, for each day of the violation. This liquidated damages amount in addition to the amount of any unpaid wages, with interest. The Contractor must pay to the County liquidated damages noted above, in addition to any other remedies available to the County. Contractor and County acknowledge that damages that would result to the County as a result of a breach under the WRL are difficult to reasonably ascertain, and that the liquidated damages provided for in this paragraph is a fair and reasonable estimate of damages the County would incur as a result of contractor's or subcontractor's violation of the WRL.

(ii) Withholding of Payment

If the Director determines that a provision of the WRL has been violated, the Director must issue a written decision, including imposing appropriate sanctions and assessing liquidated damages (as outlined above) and audit costs (as outlined below), and may withhold from payment due the contractor, pending a final decision, an amount sufficient to: (a) pay each employee of the contractor or subcontractor the full amount of wages due under the WRL; (b) reimburse the County for audit costs; and (c) satisfy a liability of a contractor or subcontractor for liquidated damages.

(iii) Audit Costs

If the County determines, as a result of a WRL audit, that the Contractor has violated requirements of the WRL, the Contractor must reimburse to the County the cost incurred by the County in conducting the audit. Section 11B-33A (i)(2)(C).

- J. The County must conduct, and the contractor or subcontractor must comply with, random or regular audits to assure compliance with the WRL. Section 11B-33A (i)(2). The Director may conduct an on-site inspection(s) for the purpose of determining compliance. Some of the documents that may be required during an audit are listed on the Wage Requirements Law FAQ web page: <https://www.montgomerycountymd.gov/PRO/DBRC/wage-requirements-law.html>
- K. The Contractor is in breach of this Contract if the Contractor fails to submit timely documentation demonstrating compliance with the WRL to the satisfaction of the Director, including: the Wage Requirements Law Payroll Report Form (PMMD-183), which is required to be submitted by the 14th day of the month following the end of each quarter (January, April, July, October); documents requested in conjunction with a random or regular audit by the County; or, documents otherwise requested by the Director. Section 11B-33A (g)(2).

If a contractor or subcontractor fails to submit, or is late in submitting, copies of any payroll record or other report required to be submitted under the WRL, the County may deem invoices unacceptable until the contractor or subcontractor provides the required records or reports, and may postpone processing payments due under the contract or under an agreement to finance the contract.

For any questions, please contact the Wage Requirements Law Program Manager at 240-777-9918 or WRL@montgomerycountymd.gov.

Wage Requirements Law Certification

(Montgomery County Code, Section 11B-33A)

| | | | | | |
|----------------|--------------------------------|------------|----|----------|-------|
| Business Name | Mayor and Council of Rockville | | | | |
| Address | 111 Maryland Avenue | | | | |
| City | Rockville | State | MD | Zip Code | 20850 |
| Phone Number | 240-314-8303 | Fax Number | | | |
| E-Mail Address | fgranger@rockvillemd.gov | | | | |

Provide, in the spaces below, the contact name and information of the individual designated by your firm to monitor your compliance with the County's Wage Requirements Law, unless exempt under Section 11B-33A (b) (see Section B. below):

| | | | |
|----------------|--------------------------|------------|-----------------------|
| Contact Name | Frederika Granger | Title | Acting Director, DHCD |
| Phone Number | 240-314-8303 | Fax Number | |
| E-mail Address | fgranger@rockvillemd.gov | | |

In the event that you, the "Offeror," are awarded the contract and become a Contractor, please check the box(es) below that apply, and leave all of the other boxes blank.

A. Wage Requirements Compliance

This Contractor, as a "covered employer", must comply with the requirements under Montgomery County Code Section 11B-33A, "Wage Requirements" ("Wage Requirements Law" or "WRL"). Contractor and its subcontractors must pay all employees not exempt under the WRL, and who perform direct measurable work for the County, the required gross wage rate effective at the time the work is performed. For employees who are not paid an hourly wage, Contractor's compliance with the WRL must be measured by dividing the amount paid to the employee each pay period by the number of hours worked by that employee during each pay period. A covered employer must not make any deduction for any item necessary for an employee to perform the essential job function unless the deduction is permitted by Executive Regulation. The offer price(s) submitted under this solicitation include(s) sufficient funds to meet the requirements of the WRL. A "covered employer" must submit, within 14 days after the end of each quarter (by the 14th of January, April, July, and October, for the quarter ending the preceding month), certified payroll records for each payroll period and for all employees of the contractor or a subcontractor performing services under the County contract governed by the WRL. The payroll records must contain a statement signed by the contractor or subcontractor certifying that the payroll records are correct and the wage rates paid are not less than those required by the WRL. These payroll records must include the following: name, address and telephone number of the contractor or subcontractor; the name and location of the job; and each employee's name, current home address, daily straight time and overtime hours, total straight time and overtime hours for the payroll period, rate of pay, fringe benefits by type and amount, gross wages, race and gender of the employee, and the employer and the employee share of any health insurance premium provided to the employee. The Contractor must ensure that **NO** Social Security number of any person, other than the last four digits, is included on the quarterly report. A sample, blank Payroll Report Form, for your use and completion, can be found at: <https://www.montgomerycountymd.gov/PRO/DBRC/wage-requirements-law.html>. The above must be submitted to the Division of Business Relations and Compliance, Attn: Wage Requirements Law Program Manager (preferably via email to WRL@montgomerycountymd.gov),

Each Contractor must: keep payroll records covering work performed on a contract covered by the

WRL for not less than 5 years after the work is completed; and, subject to reasonable notice, permit the County to inspect the payroll records at any reasonable time and as often as the County deems necessary. If the Contractor or subcontractor fails to submit, or is late in submitting, copies of any payroll record or other report required to be submitted under the WRL, the County may deem invoices unacceptable until the Contractor or subcontractor provides the required records or reports, and may postpone processing payments due under the contract or under an agreement to finance the contract. A violation of the WRL, including the late submission or non-submission of the information noted above, may result in action by the County, including: (a) withholding contract payments, reducing payment amounts, or otherwise assessing damages against Contractor, in an amount sufficient to: (i) pay each employee of the Contractor or subcontractor the full amount of wages due under the WRL; (ii) reimburse the County for audit costs; or (iii) satisfy a liability of a contractor or subcontractor for liquidated damages; (b) terminating the contract; or, (c) otherwise taking action to enforce the contract or the WRL. Violation of the WRL may also result in a finding of non-responsibility for a future contract, or may form the basis for debarment or suspension.

B. Exemption Status (if applicable)

This Contractor is exempt from Section 11B-33A, "Wage Requirements," because it is:

1. Reserved – [Intentionally left blank].
2. a contractor who, at the time a contract is signed, has received less than \$50,000 from the County in the most recent 12-month period, and will be entitled to receive less than \$50,000 from the County under that contract in the next 12-month period. Section 11B-33A (b)(1).
3. a public entity. Section 11B-33A (b)(2).
4. a non-profit organization that has qualified for an exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Section 11B-33A (b)(3) **(must also complete item C below)**.
5. an employer expressly precluded from complying with the WRL by the terms of any federal or state law, contract, or grant. Section 11B-33A (b)(7) **(must specify the law, or furnish a copy of the contract or grant)**.

C. Nonprofit Wage & Health Information

This Contractor is a non-profit organization that is exempt from coverage under Section 11B-33A (b)(3). The contractor must provide proof of its 501(c)(3) status (i.e.

Letter from the IRS). Accordingly, the contractor has completed the 501(c)(3) Non-profit Organization's Employee's Wage and Health Insurance Form which is attached. See Section 11B-33A(c)(2). **(must also complete box B.4. above)**

- D. Sole Proprietorship
 Sole Proprietorships are subject to the WRL. In order to be excused from the posting and reporting requirements of the WRL, the individual who is the sole proprietor must sign the certifications below in order to attest to the fact that the Sole Proprietorship:
 - (1) is aware of, and will comply with, the WRL, as applicable;
 - (2) has no employee other than the sole proprietor; and
 - (3) will inform the Montgomery County Division of Business Relations and Compliance if the sole proprietor employs any worker other than the sole proprietor.**Note: A schedule C from the employer’s federal tax return may be required for verification purposes.**

E. Sub-Contractors
 It is the prime contractor’s responsibility to ensure all of its subcontractors adhere to the WRL. All subcontractors are required to submit quarterly payroll reports. It is the prime contractor’s responsibility to collect these payroll reports and submit them to wrl@montgomerycountymd.gov on a quarterly basis.

- I intend to use Sub-Contractors if I am awarded a contract as a result of this solicitation.
- I do **NOT** intend to use Sub-Contractors if I am awarded a contract as a result of this solicitation. If at any time during the course of the contract I use Sub-Contractors, I understand that I am responsible for their quarterly payroll reporting.

F. Independent Contractors

- I intend to use Independent Contractors if I am awarded a contract as a result of this solicitation.
If this box is checked, you must complete the Wage Requirements Law Independent Contractor Certification (PMMD193) in order for your bid/offer to be considered. It can be found at: <https://www.montgomerycountymd.gov/PRO/Resources/Files/SolForm/PMMD-193.pdf>
- I do **NOT** intend to use Independent Contractors if I am awarded a contract as a result of this solicitation. If at any time during the course of the contract I use Independent Contractors, I understand and agree that I must complete the Wage Requirements Law Independent Contractor Certification (PMMD193). See above link.

Contractor Certification

CONTRACTOR SIGNATURE: Contractor submits this certification form in accordance with Section 11B-33A of the Montgomery County Code. Contractor certifies that it, and any and all of its subcontractors that perform services under the resultant contract with the County, adhere to Section 11B-33A of the Montgomery County Code.

| | | | |
|-----------------------|----------------------|----------------------------|---------------------|
| Authorized Signature | <i>Barack Matite</i> | Title of Authorized Person | Acting City Manager |
| Typed or Printed Name | Barack Matite | Date | 6/13/2024 |



MAYOR AND COUNCIL Meeting Date: June 27, 2024

Agenda Item Type: CONSENT

Department: PW - MANAGEMENT & SUPPORT

Responsible Staff: GLENN MAGGARD

Subject

Award and Authorize City Manager to execute a contract with Denali Water Solutions, LLC. of Russellville, Arkansas for sludge hauling services responsive to IFB #28-24 in an Aggregate Amount Not to Exceed \$133,320 Through June 30, 2025, With an Option to Extend for Four (4) Additional One-Year Periods.

Department

PW - Management & Support

Recommendation

Staff recommends that the Mayor and Award and Authorize City Manager to execute a contract in the form attached as approved by the City Attorney, with Denali Water Solutions, LLC. of Russellville, Arkansas for sludge hauling services responsive to IFB #28-24 in an Aggregate Amount Not to Exceed \$133,320 Through June 30, 2025, With an Option to Extend for Four (4) Additional One-Year Periods.

Discussion

The City of Rockville Water Treatment Plant (WTP) removes solids and organic matter in the water treatment process using chemical and physical methods. The solids are concentrated in two gravity thickeners, and then dewatered through a plate and frame filter press at the WTP site. The dewatered solids (sludge) are then hauled off-site by a contractor and recycled. The quantity of solids produced is unpredictable and entirely dependent on the raw water quality from the Potomac River and the City's water demand. This contract is for hauling and disposal of the dewatered solids.

Mayor and Council History

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

Procurement

On March 15, 2024, IFB #28-24 Sludge Hauling Services was posted on the City's website and electronically provided to 326 prospective bidders via the e-Maryland Marketplace. Of the prospective bidders, 70 were Disadvantaged Business Enterprises (DBE), 73 were Minority Business Enterprises (MBE), and 45 were Veteran-Owned Small Business Enterprises (VSBE). In addition, a notice was sent directly to departmentally suggested sources.

Three sealed bids were received and opened on April 12, 2024. The bids were tabulated and evaluated. One vendor opted to withdraw their bid due to a mathematical error in the calculation of their bid. The successful vendor is provided in the chart below. The not to exceed award amount for sludge hauling services is determined as the bid amount plus 10 percent contingency to allow for the unpredictable quality of the Potomac River water, which could result in higher solids removal.

| Bidder | MFD-V Status | Bid Amount | Award Amount |
|---|--------------|--------------|--------------|
| ReAgg LLC, Temple Hills, Maryland | Non-MFD-V | Withdrawn | Withdrawn |
| BackRoad Transportation, Inc., Upper Marlboro, Maryland | MFD-V | \$308,160.00 | N/A |
| Denali Water Solutions LLC, Russellville, Arkansas | Non-MFD-V | \$121,200.00 | \$133,320.00 |

In accordance with Section 17-39 of the Rockville City Code, Awarding Authority, (a) All contracts involving more than one hundred thousand dollars (\$100,000) shall be awarded by the Mayor and Council.

The draft contract for IFB 28-24 Sludge Hauling Services, in a form substantially as attached, as approved by the City Attorney, is provided as Attachment A.

To view all bid documents and contract exhibits, please click the link below.

<https://www.swisstransfer.com/d/5ca6ea7b-6141-43ae-adaa-c497e1e726e8>

Fiscal Impact

The FY 2025 Water Treatment Plant operating budget includes funding of \$78,900 for contracted refuse services. The contract award exceeds the FY 2025 adopted budget for these services but provides capacity for unanticipated needs that may occur due to the unpredictable nature of the raw water quality and the volume of disposal services that could be needed. Water Fund contingency of \$60,000 is included in the FY 2025 budget to support unanticipated needs. Funding in future years is subject to Mayor and Council appropriations.

Next Steps

Upon Mayor and Council approval, the Procurement Division will obtain insurance certificates, obtain contract signatures, and issue a master agreement to Denali Water Solutions, LLC.

Attachments

Attachment A - Denali Water Solutions LLC Draft Contract



City of Rockville
Rockville, Maryland

CONTRACT FOR SLUDGE HAULING

This **CONTRACT FOR SLUDGE HAULING** (this “**Contract**”) is entered into as of the ____ day of _____, 2024, (the “**Effective Date**”) by and between **THE MAYOR AND COUNCIL OF ROCKVILLE**, a body politic and municipal corporation of the State of Maryland (the “**Mayor and Council**” or the “**City**”), acting through the Rockville City Manager, and **DENALI WATER SOLUTIONS, LLC**, a limited liability corporation located at 220 S. Commerce Avenue, Russellville, AR, 72801 (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. On March 15, 2024, the Office of the City Manager – Procurement Division (the “**Procurement Division**”) released Invitation for Bid #28-24 (the “**IFB**”) seeking bids from qualified contractors to provide certain sludge hauling services for the sludge produced from the City’s Water Treatment Plant on an “as needed” basis. The City estimates that the Water Treatment Plant produces approximately 1,600 tons of pressed sludge annually as a byproduct of its water treatment processes.
2. The IFB is attached hereto as **Exhibit A** and is fully incorporated into this Contract.
3. On April 12, 2024, the Contractor submitted its response to the IFB (the “**Response**”), attached hereto as **Exhibit B** and fully incorporated into this Contract.
4. On _____, ____ 2024, the Mayor and Council awarded this Contract to the Contractor and authorized the City Manager to execute this Contract on its behalf.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. RECITALS & ORDER OF PRECEDENCE

- A. **Incorporation of Recitals.** The foregoing recitals are an integral part of this Contract and set forth the intentions of the Parties and the premises on which the Parties have decided to enter into this Contract. Accordingly, the foregoing recitals are fully incorporated into this Contract by this reference as if fully set forth herein.

- B. **Order of Precedence.** This Contract prevails in the event of any inconsistency between this Contract and any attachments.

II. CONTRACT TERM

- A. **Term.** This Contract shall be effective from the Effective Date through June 30, 2025. This Contract may be extended pursuant to Paragraph II.B.
- B. **Extension.** Subject to appropriations by the Mayor and Council and satisfactory performance by the Contractor, the City Manager, on behalf of Mayor and Council, may extend the Contract for any reason for a period up to but not to exceed 12 months.
- C. **Renewal.** Subject to appropriations by the Mayor and Council and satisfactory service by Contractor, the City Manager, on behalf of the Mayor and Council, may renew the Contract for up to four additional one-year terms.

III. CONTRACT PRICE

- A. **Price.** Contractor agrees to provide the sludge hauling described in Exhibit B for the prices listed in Exhibit B’s “**Bid Proposal Form**” (page 24 of 29). This Mayor and Council will pay only for the actual removal and disposal of both the sludge materials and the liquid sludge on a unit price. The total price Mayor and Council will pay is an amount not to exceed \$133,320.00 through June 30, 2025.
- B. **Cost Reduction Recommendations.** Contractor must provide year over year cost reduction recommendations if this Contract is extended or renewed pursuant to Paragraphs II.B and C.
- C. **Price Decreases.** Price decreases are acceptable at any time, need not be verifiable, and are required should the Contractor, or anyone providing equipment or personnel to the Contractor for use for the services described in this Contract, experience a decrease in costs associated with the execution of the Contract.
- D. **Price Adjustments.** Price increases from Contractor relating to increased labor costs, or Contractor’s materials used in provision of said services, e.g., gasoline, for any or all items may be considered at renewal. The request is subject to approval by the “**Purchasing Agent**,” which shall be the Director of Procurement or the Director’s designee. The request must be submitted in writing at least 60 days before the renewal term and shall be accompanied by supporting documentation. The increased contract unit price shall not apply to orders received by the Contractor before the effective date of the approved increased contract unit price. The Mayor and Council may cancel, without liability to either party, any portion of the contract affected by the requested increase and any materials, supplies or services undelivered at the time of such cancellation. The request for a change in the price shall include at a minimum; (1) the cause for the adjustment; (2) proposed effective date (minimum of 60 days); and (3) the amount of the change requested with documentation to support the requested adjustment (i.e. appropriate Bureau of Labor Statistics, Consumer Price Index (CPI-U) change in manufacturer's price, etc.). The price adjustments shall adhere to City of Rockville Code Section 17-40.

- E. **Price Discounts.** Should Contractor, at any time during the life of the Contract, sell materials of similar quality to another customer, or advertise special discounts or sales, at a price below those quoted within the Contract, the lowest discounted prices shall be offered to the Mayor and Council.

IV. SCOPE OF WORK & MATERIALS

- A. **Scope of Work.** Contractor agrees to provide the sludge hauling as listed on the Contractor’s Bid Proposal Form contained in Exhibit B.
- B. **Estimated Quantities.** The City is providing estimates of the amounts of sludge hauling needed as listed in **Exhibit A**, for the purpose of information only. The City is not warranting or promising that all of the sludge hauling will be needed from the Contractor. The City reserves the right to accept all or any part of Contractor’s bid and to increase or decrease quantities of Contractor’s bid to meet additional or reduced requirements of the City.

V. PAYMENT

- A. **Acceptance and Payment.** The City shall make payment to Contractor pursuant to **Exhibit A, Attachment D - General Terms, Conditions, and Instructions.**
- B. **ACH Payment Process.** Contractor may choose to use the City’s ACH Payment Process identified in **Exhibit A, Attachment D General Terms, Conditions, and Instructions.**
- C. **Invoices.** In addition to the requirements of **Exhibit A, Attachment D - General Terms, Conditions, and Instructions**, Contractor must submit all invoices printed on Contractor’s letterhead, dated, and signed; each deliverable must be identified separately with the associated amount due. Invoices shall be based upon quantity of sludge hauled and shall reference a City Purchase Order number. All such invoices will be paid promptly by the City unless any items are disputed in which event payment will be withheld pending verification of the amount claimed and the validity of the claim. The Contractor shall provide complete cooperation during any such investigation.
- D. **Payment if Services Cancelled.** In the event the provision of sludge hauling for which the Contractor is hired is abandoned, curtailed, or cancelled by the City at any time, the following shall occur: (i) the Contract shall terminate in accordance with the provisions for Termination specified in this Contract; (ii) the Contractor shall be paid for sludge hauling provided to the date of termination for which the Contractor has not been compensated at the time of Termination.
- E. **Offset for Amounts Due.** If the Contractor owes the City money under the terms and conditions of this Contract, including but without limitation, as a result of warranties or indemnities, the Contractor shall pay such sums to the City within 30 calendar days. The Contractor acknowledges and agrees that without limiting the foregoing, the City has the right to deduct amounts due to the City from amounts invoiced to the City.

VI. CONTRACTOR QUALIFICATIONS

A. Requirements. Contractor represents that it and its employees meet any qualifications and licensing requirements listed in **Exhibit A**, including those listed in Vendor’s Responsibilities and Key Personnel.

VII. INSURANCE

A. Insurance Required. Prior to execution of this Contract, Contractor must obtain at its 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 electronically submit to the Procurement Division a certificate of insurance prior to the start of any work. In no event may the insurance coverage be less than shown below.

Contractor will be required to maintain for the life of the Contract and to furnish the City evidence of insurance as follows:

| Type of Insurance | Amounts of Insurance | Endorsements and Provisions |
|---|---|---|
| 1. <i>Workers’ Compensation</i> 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: <i>WC 00 03 13 Waiver of Our Rights to Recover From Others Endorsement – signed and dated.</i> |
| 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 (if applicable) | Each Occurrence/Aggregate: \$1,000,000 | |

B. Policy Cancellation. No change, cancellation or non-renewal shall be made in any insurance

coverage without 30 days written notice to the City’s Procurement Division. Contractor shall electronically furnish a new certificate prior to any change or cancellation date. The failure of 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.

- C. **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 Contractor’s Commercial and Excess/Umbrella Insurance for liability arising out of Contractor’s products, goods, and services provided under the Contract. Additionally, the Mayor and Council of Rockville must be named as additional insured on 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.

VIII. TERMINATION

- A. **Termination for Cause.** If Contractor refuses or fails, except in case where extension of time is provided, to timely provide the sludge hauling, or disregard law, ordinances, or the instructions of the Mayor and Council or otherwise be guilty of substantial violation of any provision of this Contract, then the City Manager on behalf of the Mayor and Council may, without prejudice to any other right or remedy, and after giving Contractor reasonable notice, terminate this Contract.

Additionally, the Contract may be cancelled or annulled by the City Manager on behalf of the Mayor and Council in whole or in part by written notice of default to Contractor upon nonperformance or violation of Contract terms and the work may be purchased on the open market similar to those so terminated. In either event, Contractor shall be liable to the City for costs to the Mayor and Council in excess of the defaulted Contract prices.

The Contract may also be terminated for cause pursuant to **Exhibit A, Attachment D - General Terms, Conditions, and Instructions.**

- B. **Termination for Convenience.** The performance of work or provision of sludge hauling under this Contract may be terminated in whole or part, upon 30 calendar day’s written notice when the City Manager on behalf of the Mayor and Council determines that such termination is in its best interest. The Mayor and Council shall be liable only for the actual sludge hauling furnished prior to the effective date of such termination. This Contract may also be terminated if the Mayor and Council does not appropriate funds for this Contract.

IX. ADDITIONAL TERMS AND CONDITIONS

- A. **Tax Exemption.** The City is exempt from the payment of any federal excise or any Maryland sales tax.
- B. **Electronic Payment Option.** The Vendor ACH Payment Program of the City allows payments to be deposited directly to a designated financial institution account. Funds will be deposited into the account of your choice automatically and on time. All transactions are conducted in a

secure environment. The program is free as part of the Finance Department’s efforts to improve customer services.

- C. **Personnel.** Principal or key personnel included in the Proposal may not be substituted without written approval of the City Manager or his designee. Replacements for key personnel under the Contract must have equivalent professional qualifications and experience as those individuals listed in the Proposal. The Contractor must submit written professional qualifications and experience for approval within 10 working days prior to replacement for City review and approval or rejection.
- D. **Independent Contractor.** The Parties to this Contract recognize and agree that the Contractor is acting as an independent contractor to the Mayor and Council. This Contract does not create any actual or apparent agency, partnership, franchise, or relationship of employer and employee between the Parties; neither Party shall be entitled to participate in any of the other Party’s benefits, including without limitation, any health or retirement plans; the Contractor is only entitled to the remuneration, benefits, or expenses that are specifically provided in this Contract, and the Mayor and Council are not liable for any insurance, taxes, or withholding for or on behalf of the Contractor as these are the sole responsibility of the Contractor.
- E. **Delivery.** All time limits stated in the Contract are of the essence. Contractor shall timely provide the sludge hauling as requested by the City Manager or his designee.
- F. **Delays/Extension of Time.** If Contractor is delayed in the delivery of services by any act or neglect of the City, or by any changes, strikes, lockouts, fires, unusual delays in transportation or delay authorized by the City Manager or his designee, the City Manager or his designee shall review the cause of such delay and shall make an extension if warranted. The Contractor shall coordinate immediately with the City contact for this Contract regarding resolution for any delays in providing the sludge hauling.
- G. **Abandonment, Dissolution.** A Contractor who abandons or defaults on the work on this Contract and causes this Contract to be re-bid will not be considered in future bids for the same type of work unless the scope of the work is significantly changed. Abandonment or dissolution will be grounds for termination for cause. Written notification of changes to company name, address, telephone number, etc., shall be provided to the City Manager or his designee as soon as possible but not later than 30 days from date of change.
- H. **Changes.** The City Manager or his designee, without invalidating the Contract, may order written changes in the scope of work consisting of additions, deletions or modification with the Contract sum and time being adjusted accordingly. All such changes shall be made in writing by the Purchasing Agent.

Costs shall be limited to the following: cost of materials, including fuel, and cost of labor directly attributable to the change. The cost or credit to the City from a change in the scope of work shall be determined by mutual agreement. The Contractor shall do all work that may be required to complete the work contemplated at the unit prices agreed upon. No alterations or variables in the

Barack Matite, Acting City Manager
Email: Bmatite@rockvillemd.gov
Telephone: (240) 314-8102

To the Contractor:

DENALI WATER SOLUTIONS, LLC,
220 S. Commerce Avenue, Russellville, AR, 72801
Attention: Todd Mathes
Title: Chief Executive Officer
Telephone: (479) 219-5023
Email: Todd.Mathes@denaliwater.com

- N. Choice of Law & Venue.** The provisions of this Contract shall be governed by the laws of the State of Maryland. Any civil action or legal proceeding arising out of or relating to this Contract shall be brought only in courts of record serving Montgomery County, Maryland.
- O. 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 Contract shall be decided by the City Manager, who shall notify the Contractor in writing of his or her 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, the Contractor shall proceed diligently with performance under the Contract. The decision of the City Manager shall be final and conclusive unless an appeal is taken pursuant to the City Procurement Ordinance.
- P. Indemnification.** Contractor shall indemnify and save harmless the Mayor and Council from all suits, actions and damages or costs, of every name and description to which the Mayor and Council may be subjected or put by reason of injury to persons or property as a result of the work performed or goods or services provided under this Contract, whether caused by negligence or carelessness on part of Contractor, or contractors or agents of Contractor.
- Q. No Limitation of Liability.** The mention of any specific duty or liability of Contractor in any part of the specification shall not be construed as a limitation or restriction upon any general liability or duty imposed upon Contractor.
- R. Miscellaneous.** The Mayor and Council and Contractor each bind themselves, their partners, successors, assign and legal representatives of such other parties in respect to all covenants, agreements, and obligations contained in the Contract. Neither party to the Contract shall assign the Contract or sublet it as a whole without the written consent of the other, nor shall Contractor assign any monies due or to become due hereunder without the previous written consent of the Mayor and Council. Written notice shall be deemed to have been duly served if delivered in person to the individual or member of the firm or to any officer of the corporation for whom it was intended if delivered or sent by registered or certified mail to the last known address.

Duties and obligations imposed by the Contract and the rights and remedies available thereunder shall be in addition to and not a limitation of the duties, obligations, rights and remedies otherwise imposed or available by law, unless so indicated.

S. **Ethics Requirements.** In accordance with the City's financial disclosure and ethical conduct policy and/or ordinances a prerequisite for payment pursuant to the terms of this Contract is that Contractor may be required to furnish explicit statements, under oath, that the City Manager, and/or any other officer, agent, and/or employee of the City, and any member of the Mayor and Council or any member or employee of a commission, board, or corporation controlled or appointed by the Mayor and Council has not received or has not been promised directly or indirectly any financial benefit by way of fee, commission, finder's fee, or in any other manner, remuneration arising from directly or indirectly related to this Contract, and that upon request by the City Manager, or other authorized agent, as a prerequisite to payment pursuant to the terms of this Contract, the Contractor will furnish to the Mayor and Council, under oath, answers to any interrogatories related to a possible conflict of interest.

T. **Equal Employment Opportunity.** 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 with regard to 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 Contract or fails to include such contract provisions in all subcontracts, this Contract 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 City of Rockville. 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, Contractor will permit access to its books, records, and accounts related to this Contract. If the City Manager concludes that Contractor has failed to comply with nondiscrimination clauses, the remedies set out above may be invoked.

U. **Communication.** The Contractor shall work closely with the City's representatives to ensure open and clear communication. The Contractor shall provide a main contact name, email, and cell phone information. The City shall provide contact information to the Contractor.

V. **Immigration Reform and Control Act.** Contractor warrants that it does not and shall not hire, recruit or refer for a fee, for employment under the Contract, an individual knowing the individual is an unauthorized individual and hire any individual without complying with the requirements of the Immigration Reform and Control Act of 1986 ("the Act"), including but not limited to any verification and record keeping requirements. Contractor further assures the City that, in accordance with the Act, it does not and will not discriminate against an individual with respect to hiring, or recruitment or referral for a fee, of the individual for employment or the discharging of the individual from employment because of such individual's national origin or in the case of a citizen or intending citizen, because of such individual's citizenship status.

- W. Subletting or Assignment of Contract.** The Mayor and Council and Contractor each bind themselves, their partners, successors, assigns and legal representatives of such other parties in respect to all covenants, agreements, and obligations contained in the Contract. Neither party to the Contract shall sublet, sell, transfer, assign or otherwise dispose of the Contract or any portion, or of the work provided for in this Contract, or of their right, title or interest in the Contract to any person, firm or corporation without the written consent of the other party, nor shall Contractor assign any monies due or to become due under this Contract without the previous written consent of the Mayor and Council.
- X. Ownership of Documents.** Any and all deliverables, including but not limited to reports and specifications, as well as any other documents prepared by Contractor in the performance of its obligations under the Contract shall be the exclusive property of the City. Contractor shall not use, willingly allow, or cause such materials to be used for any purpose other than performance of all Contractor’ obligations under the Contract without the prior written consent of City. Documents and materials developed by Contractor under the Contract shall be the property of the Mayor and Council; however, Contractor may retain file copies, which cannot be used without prior written consent of the Mayor and Council. The Mayor and Council agree that Contractor shall not be liable for any damage, loss, or injury resulting from the future use of the provided documents for other than the project specified, when Contractor is not the firm of record.
- Y. Additional Items.** The Mayor and Council may require additional items/duties of a similar nature, but not specifically listed in the Contract. Contractor agrees to provide such items/duties and shall provide the Mayor and Council prices on such additional items or duties based upon a formula or method which is the same or similar to that used in establishing the prices in the bid. If the price(s) offered are not acceptable to the Mayor and Council, and the situation cannot be resolved to the satisfaction of the Mayor and Council, the Mayor and Council reserve the right to purchase those items from other vendors, or to cancel the Contract upon giving Contractor 30 days written notice.
- Z. No Exclusive Contract/Additional Services.** Contractor agrees and understands that the Contract shall not be construed as an exclusive arrangement and further agrees that the City may, at any time, secure similar or identical services at its sole option.
- AA. Cooperative Procurement.** Contractor may extend all of the terms, conditions, specifications, and unit or other prices of any award resulting from this solicitation to any and all other public bodies, subdivisions, school districts, community colleges, colleges, and universities. The Mayor and Council assume no authority, liability or obligation, on behalf of any other public entity that may use any contract resulting from this solicitation.
- BB. Entire Agreement.** This Contract constitutes the entire agreement between The Mayor and Council and Contractor. The parties shall not be bound by any prior negotiation, representations, or promises not contained in this Contract.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Mayor and Council and the Contractor have each executed, or caused to be duly executed, this Contract acting individually or by their respective officers or appropriate legal representatives duly authorized as of the “Effective Date” 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 E. Dawson, City Attorney

By: _____
Barack Matite, Acting City Manager

CONTRACTOR

DENALI WATER SOLUTIONS, LLC

220 S. Commerce Avenue, Russellville, AR, 72801

By: _____

Name: _____

Title: _____

EXHIBIT A
City of Rockville
IFB #28-24

Please see Attached

(end of Exhibit A)

EXHIBIT B
Sludge Hauling Response

Please see Attached

(end of Exhibit B)



MAYOR AND COUNCIL Meeting Date: June 27, 2024
Agenda Item Type: CONSENT
Department: HOUSING AND COMMUNITY DEVELOPMENT
Responsible Staff: FREDERIKA GRANGER

Subject

Approval of the City of Rockville Standard Form FY2025 Human Services (Caregiver) Grant Agreement, and Authorization for the Acting City Manager to Execute Fourteen FY2025 Human Services (Caregiver) Grant Agreements in order to disburse a total of \$774,590 in city grant funds to selected nonprofit organizations

Department

Housing and Community Development

Recommendation

Staff recommends that the Mayor and Council approve the attached form agreement and authorize the Acting City Manager to execute the grant agreements with 14 grantees that will collectively administer 21 programs during fiscal year 2025. Upon the Mayor and Council authorization, staff will coordinate with grantees to duly execute the grant agreements, effectuating the issuance of purchase orders and notice to proceed. The form agreement is attached.

Discussion

The City of Rockville supports city residents with social and human services needs through an annual grant allocation to local nonprofit organizations. Each year, the Department of Housing and Community Development (HCD) coordinates, reviews, and evaluates caregiver funding requests, and recommends funding allocations to the Mayor and Council for its consideration.

On May 6, 2024, the Mayor and Council adopted a budget allocation of \$774,590 in Human Services Grants (also referenced as Caregivers' agency grant) to 14 grantees and 21 programs for FY 2025. Below is the list of awardee organizations, programs, and the corresponding award and contract amounts.

FY 2025 Human Services Grants

| # | ORGANIZATION | PROGRAM | AWARD |
|----|--|--|------------------|
| 1 | Chinese Culture & Community Service Center | CCACC Health Service (Pan Asian Volunteer Health Clinic) | \$54,820 |
| 2 | Community Reach of Montgomery County | Jefferson House | \$19,700 |
| | Community Reach of Montgomery County | Rockland House | \$18,500 |
| | Community Reach of Montgomery County | Language Outreach Program | \$40,000 |
| | Community Reach of Montgomery County | Senior Reach | \$92,700 |
| | Community Reach of Montgomery County | Mansfield Kaseman Health Clinic | \$109,000 |
| 3 | Interfaith Works | Interfaith Works Women's Center (Women's Assessment Center) | \$48,600 |
| | Interfaith Works | Interfaith Clothing Center | \$50,000 |
| 4 | Korean Community Service Center | Comprehensive Community Empowerment Project | \$10,000 |
| 5 | Link Generations, Inc. | Teens Learn to Care about Adults with Dementia | \$7,100 |
| 6 | Manna Food Center | Food for Families | \$51,000 |
| 7 | Metropolitan Center for the Visual Arts (Vis.Arts) | Supporting Social and Emotional Learning through Art | \$20,000 |
| 8 | Mobile Medical Care, Inc. | Rockville Primary Care Medical Home and Women's Clinic | \$44,000 |
| 9 | Montgomery County Coalition for the Homeless | Nebel Street Emergency Shelter (Home Builder's Care Assessment Center) | \$70,000 |
| | Montgomery County Coalition for the Homeless | Hope Housing | \$43,000 |
| 10 | NAMI, Montgomery County | Mental Health Support and Education | \$20,000 |
| 11 | Nourish Now | Nourish Neighborhoods Offsite Family Food Distribution (Multi-Cultural Mobile Food Assistance) | \$33,170 |
| 12 | Stepping Stones Shelter | Stepping Stones Shelter | \$15,000 |
| 13 | So What Else, Inc. | Emergency Hunger Relief Program | \$10,000 |
| | So What Else, Inc. | Rockville Youth Development Out-of-School Time Programs | \$8,000 |
| 14 | The Tree House Child Advocacy Center of Montgomery County MD, Inc. | Tree House CAC Medical and Psychology Services | \$10,000 |
| 15 | | | |
| | GRAND TOTAL | | \$774,590 |

Mayor and Council History

The Mayor and Council approved a total allocation of \$774,590 as part of the FY25 Budget at its meeting on May 6, 2024.

Next Steps

The next step is for the Mayor and Council to approve the attached form contract and authorize the Acting City Manager to execute the grant agreements with 14 grantees that will collectively administer 21 programs during fiscal year 2025. Upon the Mayor and Council authorization, staff will coordinate with grantees to duly execute the grant agreements, effectuating the issuance of purchase orders and notice to proceed. The form agreement is attached.

Attachments

Attachment A: FORM – FY25 Human Services Grant Agreement - Final

Attachment B: FY25 Human Services Grants – Program Descriptions

Attachments

FORM - FY25 Human Services Grant Agreement - Final, FY25 Human Services Grants - Program Descriptions

**CITY OF ROCKVILLE, MARYLAND
HUMAN SERVICES GRANT AGREEMENT**

THIS HUMAN SERVICES GRANT AGREEMENT (this “**Agreement**”) is entered into this 1st day of July 2024 (the “**Effective Date**”), by and between **THE MAYOR AND COUNCIL OF ROCKVILLE, MARYLAND**, a municipal corporation and body politic of the State of Maryland (the “**Mayor and Council**”), acting through its City Manager (the “**City Manager**”) and [insert LEGAL NAME OF ENTITY, a Maryland _____] (the “**Grantee**”) (the Mayor and Council and the Grantee each a “**Party**” and collectively the “**Parties**”).

RECITALS

- A. WHEREAS**, the Mayor and Council annually provides grants to local nonprofit organizations that provide certain critical supportive services for Rockville residents, including, but not limited to, services that address homelessness, food and clothing insecurities, health care, youth development, and language and citizenship education; and
- B. WHEREAS**, the Grantee submitted on or more “*City of Rockville FY 2025 Human Services Nonprofit Grant*” applications (the “**FY 2025 Human Services Grant Application**”) requesting certain caregiver agency grant funds to support its [insert Name of the Grantee program(s)] for [insert general program information on how the grant funds will be utilized by the Grantee] [insert the defined term of the Grantee’s program(s) (the “_____ **Programs**”)]; and
- C. WHEREAS**, on May 6., 2024, the Mayor and Council approved the City of Rockville Fiscal Year 2025 Budget (the “**FY 2025 City Budget**”), and authorized the City Manager to, among other things, provide certain caregiver agency grant funds to eligible nonprofit organizations listed in the FY 2025 City Budget; and
- D. WHEREAS**, the Mayor and Council, in reliance upon the representations and certifications contained in the Grantee’s FY 2025 Human Services Grant Application, including all supporting documents submitted therewith, approved and allocated a maximum of [insert the maximum grant amount allocated by Mayor and Council _____ 00/100 Dollars (\$_____.00)] in caregiver agency grant funds to the Grantee in order to assist in the funding of the _____ **Programs**, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the Recitals, which are incorporated herein by reference, the mutual promises and covenants in this Agreement, and other good and valuable consideration, the receipt, sufficiency, and adequacy of which are hereby

acknowledged by each Party hereto, the Parties hereby agree as follows:

AGREEMENT

1. **Term of Agreement.** The term of this Agreement shall commence on the Effective Date, and shall expire on June 30, 2025, unless extended or sooner terminated in accordance with Section 13 of this Agreement entitled “Termination”.

2. **Program Services.**
 - a. The Grantee shall perform those services related to the implementation of the _____ Programs (the “**Program Services**”) as specified in **Exhibit A** entitled “Scope of Program Services” which is attached hereto and incorporated herein.

 - b. **Time of Performance.** The Grantee’s performance of the Program Services shall begin on the Effective Date and end on the 30th day of June 2025. All of the various obligations to be undertaken by the Grantee pursuant to this Agreement, including the performance of Program Services must be completed by no later than June 30, 2025, unless the City Manager grants an extension for good cause shown.

 - c. **Performance Monitoring.** The City Manager or his designee will monitor the performance of the Grantee against the program performance measures described in the Scope of Program Services attached hereto as **Exhibit A**. Substandard performance as determined by the City Manager or his designee shall constitute noncompliance with this Agreement.

3. **Fiscal Year 2025 Community Organization Grant Funds.**
 - a. In consideration of the various obligations to be undertaken by the Grantee pursuant to this Agreement, including the performance of Program Services, the Mayor and Council agrees to provide the Grantee with certain caregiver agency grant funds in the maximum amount of [insert the maximum grant amount allocated by Mayor and Council _____ 00/100 Dollars (\$_____.00)] (the “**FY 2025 Human Services Grant**”), to be used for the sole purpose of helping to fund the Program Services.

 - b. In consideration for accepting the FY 2025 Human Services Grant from the Mayor and Council, the Grantee shall administer the _____ Programs in a manner satisfactory to the City Manager and consistent with any standards required by all applicable federal, state and local rules and regulations.

4. **Disbursement of FY 2025 Human Services Grant Funds.** The City Manager or his designee will disburse FY 2025 Human Services Grant funds to the Grantee pursuant

to the terms of this Agreement.

- a. On or about October [redacted], 2024, January [redacted], 2025, April [redacted], 2025, and June 30, 2025, the Grantee shall submit a request for the disbursement of FY 2025 Human Services Grant funds to the City Manager or his designee in order to help pay for certain eligible Program Services expenses related to the _____ Programs (the “**Program Expenses**”). The Program Expenses for which a disbursement of FY 2025 Human Services Grant funds is requested must have either been actually incurred by the Grantee or approved by the City Manager or his designee.
- b. The Grantee shall submit a request for the disbursement of FY 2025 Human Services Grant funds utilizing the “Disbursement of Grant Funds” form, a sample of which is attached hereto as **Exhibit B** and incorporated herein. When submitting the request for disbursement, the Grantee must specifically identify the Program Expenses for which a disbursement of FY 2025 Human Services Grant funds is requested. In addition, the Grantee must attach to its request:
 - i. copies of all receipts and any other documentation as may be requested by the City Manager or his designee for Program Expenses actually incurred; and
 - ii. copies of all invoices and any other documentation as may be requested by the City Manager or his designee for Program Expenses that have not yet been incurred by the Grantee, but for which approval is requested.

The City Manager shall have the right at any time to request that the Grantee provide additional reasonable supporting documentation with any request for disbursement of FY 2025 Human Services Grant funds.

- c. The Grantee’s request for disbursement of FY 2025 Human Services Grant funds should be made allowing at minimum twenty-one (21) calendar days to receive the grant funds. The request for disbursement shall not exceed the Program Expenses actually incurred or approved by the City Manager or his designee.
- d. The Grantee hereby acknowledges and expressly agrees that all disbursements of FY 2025 Human Services Grant funds to the Grantee by the Mayor and Council under this Agreement shall be:
 - i. subject to the availability of sufficient funds in the FY 2025 City Budget, and
 - ii. subject to the Grantee’s compliance with all terms and conditions of this Agreement, including the monitoring and audit requirements set forth herein.
- e. Drawdowns for the disbursement of eligible expenses shall be made against the _____ Programs Budget, a copy of which is attached hereto as **Exhibit C** and incorporated herein, and in accordance with this Agreement.

- f. All FY 2025 Human Services Grant funds that have been disbursed by the City Manager or his designee but have not expended by the Grantee pursuant to this Agreement by June 30, 2025, shall be returned to the Mayor and Council by no later than July 15, 2025. All FY 2025 Human Services Grant funds that have not been approved and disbursed by the City Manager or his designee prior to August , 2025, shall remain with the Mayor and Council.
 - g. The Grantee shall not expend any FY 2025 Human Services Grant funds disbursed in violation of any federal, state, or local law existing during the term of this Agreement. In the event any such unlawful expenditures are made by the Grantee; the Grantee shall refund to the Mayor and Council the FY 2025 Human Services Grant funds that were expended in violation of law.
 - h. If applicable, the Grantee is obligated to take one of the following actions within seven (7) days after the receipt of FY 2025 Human Services Grant funds paid to the Grantee by the Mayor and Council to pay for services and/or work related to the Grantee’s obligations under this Agreement performed by an approved subcontractor of the Grantee:
 - i. Pay the subcontractor for the proportionate share of the total disbursement received from the Mayor and Council attributable to the services and/or work related to the Grantee’s obligations under this Agreement performed by the approved subcontractor; or
 - ii. Notify the City Manager and the subcontractor, in writing, of the Grantee’s intention to withhold all or a part of the subcontractor’s payment, with an explanation for the nonpayment.
5. **Independent Contractor.** The Grantee covenants and agrees that in the performance of the various obligations to be undertaken by the Grantee pursuant to this Agreement, including the performance of Program Services, it shall act as and be an independent contractor and not an agent or employee of the City of Rockville. In addition, the Grantee covenants and agrees that it will not in any manner hold itself out as an agent or representative of the Mayor and Council or act in such a fashion that would give the impression to a reasonable person that the Grantee is acting in such capacity.
6. **Insurance.** Prior to the execution of this Agreement, the Grantee shall obtain, at its own costs and expense, the policies set forth in **Exhibit D** entitled “Insurance Requirements,” which is attached hereto and incorporated herein, and maintain and keep in full force and effect those policies for the term of this Agreement. All policies, endorsements, certificates and/or binders shall be subject to approval by the City of Rockville’s Safety and Risk Manager (the “**Risk Manager**”) as to form and content. These requirements are subject to amendment or waiver if approved in writing by the Risk Manager. The Grantee shall provide the Risk Manager with a copy of said

policies, certificates and/or endorsements demonstrating that the required insurance policies are in effect prior to the Effective Date. Self-insurance in the Montgomery County self-insurance fund shall be deemed sufficient to meet the requirements of this section.

7. **Records.** The Grantee shall be solely responsible for the implementation of internal controls and record keeping procedures that comply with this Agreement and all applicable laws. The Grantee’s administrative, programmatic, and financial records pertaining to this Agreement must sufficiently support the determination that expenditures are allowable. City Manager and the City Attorney, or any of their duly authorized representatives, shall have access and the right to examine the Grantee’s administrative, programmatic, and financial records pertaining to this Agreement. The Grantee shall retain all records pertinent to this Agreement for a period of five (5) years from the date of final disbursement for each fiscal year. Grantee shall retain such records beyond five (5) years so long as any litigation, audit, dispute, or claim relating to the Grantee’s performance under this Agreement is pending.

8. **Reports.**

a. **Quarterly Service Utilization Report.** On October [redacted], 2024, January [redacted], 2025, and April [redacted], 2025, the Grantee shall provide the City Manager or his designee with a services utilization report (the “**Quarterly Service Utilization Report**”) in a manner and form to be determined by the City Manager or his designee. The Quarterly Service Utilization Report shall contain such information as the City Manager or his designee requests.

b. **Interim Progress Report.** Upon request by the City Manager or his designee, the Grantee shall provide the City Manager or his designee with an interim progress report (the “**Interim Progress Report**”) in a manner and form to be determined by the City Manager or his designee. The Interim Progress Report shall contain such information as the City Manager or his designee requests, including but not limited to work accomplished and problems encountered, past and projected expenditures made against the _____ Programs [redacted] Budget, and benchmarks reached.

c. **Final Report.** On or about June 30, 2025, the Grantee shall submit to the City Manager or his designee a final report in a manner and form to be determined by the City Manager or his designee that describes the completed obligations of the Grantee under this Agreement, including any problems encountered in completing the _____ Programs [redacted], and such other information as the City Manager or his designee requires.

d. In addition to the requirements set forth above, the Grantee shall provide the City Manager or his designee with such additional records, reports, and other documentation as may be required by the City Manager or his designee, including

but not limited to “customer satisfaction surveys.”

9. Monitoring / Audits.

- a. The Grantee agrees that the City Manager and the City Attorney, or any of their duly authorized representatives, shall have access to and the right to examine all facilities and activities of the Grantee related to the Grantee’s performance under this Agreement, including, but not limited to, the right to audit, conduct further financial review, examine and make excerpts or transcripts of all contracts, subcontracts, invoices, payroll records, personnel records, and all other data or financial records relating to matters covered by this Agreement. The Grantee shall cooperate with the City Manager and the City Attorney, or any of their duly authorized representatives, in such audit, examination, or further review and shall provide them with access to the Grantee’s facilities, staff and to all relevant records, documents, and data, including but not limited to, management letters, board minutes, and payroll.
- b. The Grantee shall comply with any audits by the City Manager and the City Attorney, or any of their duly authorized representatives, at Grantee’s sole expense. The City Manager, or his duly authorized representatives, shall monitor the Grantee a minimum of once per year, which shall include a desk review and an annual site visit. The Grantee shall pay to the Mayor and Council, from neither local nor federal funds, the full amount of liability resulting from disallowances or other audit or monitoring exceptions which are attributed to the Grantee’s error, omission, or violation of any provision of this Agreement.

10. HIPAA Compliance.

- a. To the extent applicable, the Grantee shall comply in all aspects with the Health Insurance Portability and Accountability Act of 1996 (“**HIPAA**”), and with any other applicable regulations, involving the privacy or confidentiality of the personal information of individuals receiving services from the Grantee that are funded with the FY 2025 Human Services Grant. The Grantee shall be solely responsible for developing and implementing policies and procedures that comply with all of the requirements of HIPAA and such other applicable regulations, including, without limitation:
 - i. developing and distributing any required notice of privacy practices to individuals receiving services from the Grantee that are funded with the FY 2025 Human Services Grant;
 - ii. developing, distributing, and obtaining from each of the individuals receiving services from the Grantee that are funded with the FY 2025 Human Services Grant an authorization permitting the Grantee’s use and disclosure of such

individuals' personal information in the Quarterly Service Utilization Report, or any other reports that may be required from time to time by the City Manager or his designee;

- iii. entering into appropriate agreements with any individuals, organizations, or entities that may be considered "business associates" within the meaning of HIPAA; and
 - iv. developing and implementing comprehensive policies and procedures that safeguard individual rights regarding the privacy of their personal information.
- b. Prior to the initial disbursement of the FY 2025 Human Services Grant funds to the Grantee, the Grantee shall furnish the City Manager or his designee with an executed "Certification of HIPAA Compliance and Authority Disclosure Information," a form of which is attached hereto as **Exhibit E** and incorporated herein.

11. City Acknowledgment. The Grantee shall acknowledge the support of the Mayor and Council, where appropriate, in written documents and informational materials regarding the _____ Programs.

12. Representations and Warranties of the Grantee. The Grantee represents and warrants to the Mayor and Council that:

- a. The Grantee is duly formed, validly existing and in good standing under the laws of the State of Maryland and has the legal power and authority to conduct its business, to own its properties and to execute and deliver, and to perform its obligations under, this Agreement.
- b. This Agreement has been duly authorized, executed and delivered by the Grantee, and constitutes a legal, valid and binding obligation of the Grantee for the benefit of the Mayor and Council.
- c. All proceedings legally required to be taken by the Grantee in connection with the authorization of this Agreement and of the transactions related thereto, and all approvals, authorizations, consents and other orders of public boards or bodies as may be legally required to be obtained by the Grantee prior to the date hereof with respect to all or any of such matters, have been taken or obtained.
- d. The execution and delivery of this Agreement by the Grantee, and the performance of the Grantee of its obligations hereunder, do not (i) violate any provisions of the articles of incorporation, bylaws or other governing instrument of the Grantee, (ii) violate any law, rule or regulation having applicability to the Grantee or any order, writ, judgment, decree, determination or award to which the Grantee is a party, or (iii) result in the breach of or constitute a default under any agreement, lease or

instrument to which the Grantee is a party or by which the Grantee is bound.

13. Termination. This Agreement may be terminated in whole or in part under any of the following circumstances:

- a. Termination for Convenience. Mayor and Council may, through the City Manager, terminate this Agreement without cause by giving the Grantee sixty (60) calendar days written notice.
- b. Termination for Cause. Each of the Grantee’s obligations under this Agreement, including the performance of Program Services, shall be deemed material. If the Grantee fails to perform any of its obligations under this Agreement, or any other Agreement with the Mayor and Council, the Mayor and Council may terminate this Agreement upon ten (10) business days advance notice (“**Notice Period**”) to the Grantee, specifying Grantee’s breach and providing the Grantee with the opportunity to cure the specified breach within the Notice Period or in those instances where the specified breach cannot reasonably be cured within the Notice Period, the opportunity to commence to cure the specified breach. In the event the Grantee fails to cure or commence to cure the specified breach within the Notice Period, this Agreement shall be terminated.
- c. Termination for Unavailability of Funds. In the event of reduction, suspension, discontinuance or other unavailability of funds, the Mayor and Council unilaterally may take appropriate action(s) including, but not limited to, immediately reducing the maximum dollar amount of the FY 2025 Human Services Grant. The Mayor and Council shall give the Grantee no less than sixty (60) days’ advanced written notice of the action(s) the Mayor and Council intends to take as a result of the unavailability of funds.
- d. In the event of termination under this section, the Grantee shall have the following obligations:
 - i. No later than thirty (30) days following the date of termination, the Grantee shall refund to the Mayor and Council any unused portion of the FY 2025 Human Services Grant, including interest accrued, except that the Grantee shall have no obligation to refund to the Mayor and Council any portion of the FY 2025 Human Services Grant expended as of the date of termination in accordance with the terms of this Agreement. Grantee shall also provide the Mayor and Council with a written report detailing the expenditures, if any, from the FY 2025 Human Services Grant, including an accounting of its administrative expenses to the date of termination.

Nothing in this Agreement shall be deemed to be a waiver of Mayor and Council’s right to recover from the Grantee any portion of the FY 2025 Human

Services Grant that has not been spent in accordance with this Agreement.

- ii. Upon termination, the Grantee shall immediately deliver to the Mayor and Council any and all copies of materials used or developed including, but not limited to, all data collection forms, studies and other work perform, whether or not completed by the Grantee or Grantee’s subcontractor, if any, under this Agreement.
- e. The City Manager is authorized to terminate this Agreement on the Mayor and Council’s behalf.
- f. The City Manager may, at his sole option, pursue a course correction process with the Grantee to address issues with the Grantee’s performance under this Agreement. However, the City Manager is under no obligation to pursue a course correction prior to exercising his right to suspend disbursement to the Grantee or to terminate this Agreement. Nothing in this Agreement shall be construed so as to deprive the Mayor and Council of its rights and remedies at law or in equity against the Grantee.

14. Miscellaneous Provisions.

- a. Notices, Demands, and Communications Between the Parties. Formal notices, demands, and communications between the Grantee and the Mayor and Council shall be given either by (a) personal service, (b) delivery by reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery, (c) mailing utilizing a certified or first class mail postage prepaid service of the United States Postal Service that provides a receipt showing date and time of delivery, or (d) delivery by facsimile or electronic mail (email) with transmittal confirmation and confirmation of delivery, addressed to:

To the Mayor and Council: City of Rockville
 111 Maryland Avenue
 Rockville, Maryland 20850
 Attn: Sara Taylor-Ferrell, City Clerk / Director of
 Council Operations
 Email: sferrell@rockvillemd.gov

With a Copies to: Barack Matite, Acting City Manager
 Email: bmatite@rockvillemd.gov

Robert E. Dawson, City Attorney
 Email: rdawson@rockvillemd.gov

To the Grantee:

 Rockville, Maryland

Attn: [REDACTED]
Email: [REDACTED]

Notices personally delivered or delivered by document delivery service shall be deemed effective upon receipt. Notices mailed shall be deemed effective on the second business day following deposit in the United States mail. Notices delivered by facsimile or email shall be deemed effective the next business day, not less than 24 hours, following the date of transmittal and confirmation of delivery to the intended recipient. 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.

- b. Relationship of Parties. The provisions of this Agreement are intended solely for the purpose of defining the relative rights of the Parties as grantor and grantee and no relationship of partnership, joint venture or other joint enterprise shall be deemed to be created hereby by and among the Parties pursuant to this Agreement.
- c. Interpretation. The terms of this 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 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 Agreement.
- d. Assignment. The Parties agree that the expertise and experience of the Grantee are material considerations for this Agreement. Grantee shall not assign or transfer any interest in this Agreement nor the performance of any of the Grantee's obligations hereunder, without the prior written consent of Mayor and Council. In the event the Mayor and Council determines that any of the rights, duties, obligations under this Agreement have been subcontracted or assigned to another vendor by Grantee, without the written consent of the City Manager, then the Mayor and Council may exercise its right to take any appropriate remedy including, without limitation, termination of this Agreement.
- e. Entire Agreement, Waivers and Amendments. This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the Parties with respect to the FY 2025 Human Services Grant funds. All waivers of the provisions of this 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. The Mayor and Council's failure to act with respect to a breach by the Grantee does not waive its right to act with respect to subsequent or similar breaches. The failure of the Mayor and Council to exercise or enforce any right or provision shall not constitute a waiver

of such right or provision.

- f. No Third-Party Beneficiaries. No provision of this 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.
- g. Conflict of Interests. No member of the Mayor and Council or any employee of the City of Rockville, Maryland shall be entitled to receive any funds provided pursuant to this Agreement or to any pecuniary benefit that may arise therefrom.
- h. Severability. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of this 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 Agreement. In the event that all or any portion of this Agreement is found to be unenforceable, this 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 Agreement or that portion which is found to be unenforceable.
- i. Indemnification. The Grantee shall indemnify and hold harmless, the Mayor and Council, its employees, agents, successors and assigns against liability for any suits, actions or claims of any character arising from or related to the performance by the Grantee (or its officers, agents, employees, successors and assigns) of any of its right or obligations under this Agreement.
- j. Liability. The Grantee releases the Mayor and Council, its employees and agents from, agrees that the Mayor and Council, its employees and agents shall not have any liability for, any and all suits, actions, claims, demands, losses, expenses, and costs of every kind and nature, including reasonable attorneys' fees, incurred by or asserted or imposed against the Mayor and Council, its employees and agents, as a result of or in connection with the _____ Programs, except for the gross negligence or willful misconduct of the Mayor and Council, its employees and agents. This section shall survive the term of this Agreement.
- k. No Attorneys' Fees. In the event of any dispute or legal action arising under this Agreement, the prevailing Party shall not be entitled to attorneys' fees.
- l. No Waiver of Sovereign Immunity by the City. Notwithstanding any other provisions of this Agreement to the contrary, nothing in this Agreement nor any action taken by Mayor and Council pursuant to this Agreement nor any document which arises out of this Agreement shall constitute or be construed as a waiver of either the sovereign

immunity or governmental immunity of the Mayor and Council's elected and appointed officials, officers and employees.

- m. No Discrimination. The Grantee shall not discriminate against any person in employment or in the provision of its obligations under this Agreement, including the performance of Program Services, because of race, gender, creed, color, sex, national origin, ancestry, marital status, handicap, sexual orientation, or age.
- n. Client Grievance. The Grantee shall develop, implement, and maintain written policies and procedures that establish (a) a client grievance process, and (b) a process where clients are advised of their rights.
- o. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland. Each Party consents to the jurisdiction and venue of the courts of Montgomery County, Maryland.
- p. Exhibits. All Exhibits referred to in this Agreement are by such references fully incorporated herein.
- q. Counterparts. This 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.

[Signatures and acknowledgments appear on the following pages]

IN WITNESS WHEREOF, the Parties have each executed, or caused to be duly executed, this Agreement under seal in duplicate, in the name and behalf of each of them (acting individually or by their respective officers or appropriate legal representatives, as the case may be, 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 E. Dawson, City Attorney

By: _____
Barack Matite, Acting City Manager

ATTEST

By: _____
Sara Taylor-Ferrell, City Clerk /
Director of Council Operations

GRANTEE

[INSERT LEGAL NAME OF THE GRANTEE], a Maryland
_____, as Grantee

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

STATE OF MARYLAND
COUNTY OF MONTGOMERY

On this the ____ day of _____, 2024, before me, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name and title is subscribed to within the instrument, who acknowledged [herself / himself] to be _____ of _____ in the above instrument, and that [she / he], as _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of _____, by [herself / himself] as _____ of _____.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public
My Commission Expires: _____

EXHIBIT A
FY 2025 Community Organization Grant
Scope of Program Services

[redacted] Programs
[*insert* Name of Grantee]

[Staff is responsible for providing the following information]

PROGRAM SERVICES

PERFORMANCE MEASURES

(End of Exhibit "A")

EXHIBIT B
FY 2025 Community Organization Grant
Disbursement of Grant Funds

[insert Name of Grantee] Programs

[Staff is responsible for drafting and inserting the standard Disbursement of Grant Funds form]

(End of Exhibit "B")

EXHIBIT C
FY 2025 Community Organization Grant
Program Budget

[insert Name of Grantee] Programs

[Staff is responsible for inserting the Program(s) Budget(s)]

(End of Exhibit "C")

EXHIBIT D
FY 2025 Community Organization Grant
Insurance Requirements

[redacted] Programs
[insert Name of Grantee]

**[Staff is responsible for obtaining the Insurance Requirements from the City's Risk
Manager]**

(End of Exhibit "D")

EXHIBIT E
FY 2025 Community Organization Grant
Certification of HIPAA Compliance and Authority Disclosure Information
[redacted] Programs
[insert Name of Grantee]

[Staff is responsible for drafting and inserting the standard HIPPA Compliance Disclosure form]

(End of Exhibit “E”)

FY 2025 Caregiver Grant Program Applicants Recommended for Funding Program Descriptions

SHELTERS

Nebel Street Emergency Shelter, \$70,000 (formerly, Home Builders Care Assessment Center) - Montgomery County Coalition for the Homeless requests funding for Nebel Street Emergency Shelter (200 bed men's shelter) to provide services associated with elevated daily capacity and usage levels. Services and facilities include on-site health care, counseling offices, medical exam rooms, employment and housing location services, and a meal program providing three meals per day year-round. NSES staff use a harm reduction, trauma informed care approach to best meet the needs of all clients.

Hope Housing, \$43,000 –Montgomery County Coalition for the Homeless' Hope Housing program has four houses in the City of Rockville. The program provides low-rent housing for single adults with physical and/or mental disabilities. Funding would provide support for two case manager (CM) positions and one program assistant, which are core to Hope Housing's service delivery. CMs and program assistants support clients in working on a variety of skills important to remaining housed, including how to navigate the terms of a lease, applying for and obtaining eligible benefits, household management, budgeting and financial literacy, independent living and social skills training, connection to community resources, and employment retention.

Jefferson House, \$19,700 - Community Reach of Montgomery County. Jefferson House is affordable housing and support services for six formerly homeless men. The funding would support the provision of individualized, on-going case management. The Housing Manager provides these services which include initial resident intake, Individual Service Plan Agreements with each resident, house meetings, life skills development workshops and other group events. Funding will also support rent for house and indirect costs.

Rockland House, \$18,500 – Community Reach of Montgomery County. Rockland House is affordable housing and ongoing support services, including case management meetings and workshops, for five formerly homeless women. The funding would support the provision of individualized, on-going case management. The Housing Manager provides these services which include initial resident intake, Individual Service Plan Agreements with each resident, house meetings, life skills development workshops and other group events. Funding will also support indirect costs.

Stepping Stones Shelter, \$15,000 – - provides year-round emergency shelter to homeless families. Its services include: provision of meals; housing referrals; case management; workshops and seminars; housing location and assistance; and clothing, furniture, and household items. Funding is used specifically for evening, weekend, and holiday staff who provide clients with assistance with learning tasks of daily life such as childcare, laundry, cooking, cleaning, budgeting, as well as assistance with job and housing searches. Staff also maintain the facility, accept donations and supervise volunteers.

Interfaith Works Women's Center, \$48,600 (formerly, Women's Assessment Center) - is two emergency shelter facilities for 70 women: IWWC- Taft Ct and IWWC- Crabbs Branch. IWWC provides shelter, clothing, daily meals, beds, case management support, medical support, vocational

services, and housing location assistance (housing locator and funding). Funding is needed for staffing, supplies, security, housing application fees, meals, transportation, etc.

FOOD & CLOTHING DISTRIBUTION

Emergency Hunger Relief Program – So What Else, \$10,000* Weekly food distributions to four Rockville churches and apartment community centers and daily food pantry just south of Rockville, as well as snacks for the So What Else school year and summer youth development programming at Rockville Housing Enterprises and Maryvale ES.

Interfaith Works Clothing Center, \$50,000 – IWCC supported 7,195 individuals in FY23 with a small staff of 5 FTEs. With the funding support from City of Rockville, Interfaith Works will purchase much needed supplies for clients, i.e. to diapers, linens, coats, new children’s underwear, strollers, school supplies and more. Funds will also be allocated towards staff salaries. Staff support clients in the clothing center and educate donors on best ways to assist clients by ensuring the quality of donations. Staff also manage daily volunteers that help sort, hang, and arrange all the donations on the IWCC salesfloor. In FY23, 2,463 unduplicated volunteers – consisting of high school students, faith-based groups, and community service hours – donated 24,000 service hours to IWCC. The Food Distribution hub services 600 individuals/families each week, providing groceries and shelf staples.

Manna Food Center Food for Families, \$51,000–distributes food, donated by the community and purchased with donated funds, to individuals and families in need. Food supplies also are provided to local shelters, schools, and other human services organizations. Manna offers nutrition education and administers a food recovery network of food providers, recipient organizations, and volunteers. Funding would support Manna’s Food for Families program through an assortment of public distribution sites that offer a variety of foods including fresh produce, pantry staples, meat and/or eggs. Many of the distribution sites allow residents to choose from a selection of foods while others provide a pre-packed offering. Manna also delivers food directly to the residences of seniors and individuals with disabilities through home delivery and apartment drop-offs of bulk orders.

Nourish Neighborhoods Offsite Family Food Distribution Program, \$33,170 – receives donations of food and recovers food from restaurants, caterers, farms, and other licensed food providers and distributes it to individuals and families in need, as well as to partner organizations. Funding would support delivery of nutritious food to people struggling with hunger. These would include children, families, adults of all ages, seniors, the unhoused, and those living in shelters. The Offsite Family Food Distribution Program provides a five-day supply of food, which includes fresh produce, dairy, and an assortment of perishables and non-perishable items and features high-quality prepared meals from Nourish Now’s food donor partners. The program also distributes nutritious food Monday-Friday at several houses of worship and public schools.

HEALTH CARE & MENTAL HEALTH

Mansfield Kaseman Health Clinic, \$109,000 – Community Reach of Montgomery County – One of several community clinics under the Primary Care Coalition of Montgomery County providing services to uninsured and insured patients. Funding will support the staffing and administrative costs

for crucial medical care services, including laboratory, pharmacy, specialty care, health education, and referrals for surgery/hospitalization when needed. Each patient often requires several medical care services in a single visit. One goal is to make this clinic a patient's medical home.

CCACC Health Service, \$54,820 (formerly Pan Asian Volunteer Health Clinic), Chinese Culture and Community Service Center— One of several community clinics under the Primary Care Coalition of Montgomery County providing services to uninsured and insured patients. Funding would support a care coordinator who provides health education, health coaching, coordinating with specialty care, benefit consultation to the different health programs, and health insurance benefits, and onsite support for patients who face language barriers. Funding will also support a community outreach worker who develops outreach materials and maintains social media outreach and collaborates with partner organizations, such as Korean Community Services, Asian Indian Community Service, and other partner organizations with a special connection to the other ethnic groups.

Rockville Primary Care Medical Home and Women's Clinic, \$44,000 – Mobile Medical Care, Inc. One of several community clinics under the Primary Care Coalition of Montgomery County providing services to uninsured and insured patients. Funding would support high-quality primary care services, including physical exams, preventative screenings, vaccines, medications, gynecological care, integrated behavioral health, and lab services, as well as medical and non-medical referrals and assistance with health insurance enrollment.

Tree House CAC Medical & Psychology Services, \$10,000 - The Tree House Child Advocacy Center of Montgomery County MD, Inc. Treehouse collaborates with Montgomery County's Multidisciplinary Child Abuse Team (MDT) on child abuse cases. Funding would support psychology services, including counseling, supervision and expert testimony, and medical services, including gathering complete histories, collecting evidence, treating injuries, ensuring appropriate follow-up care, and providing expert testimony in court cases.

INFORMATION & REFERRAL

Comprehensive Community Empowerment Project, \$10,000 – Korean Community Center of Greater Washington. The program provides information and referral, case management, health care education, health and mental health care, enrollment assistance for all state and federal health insurance programs to low-income Asian residents who struggle with navigating the city, county, state, and federal systems and services. Funding would support program services. KCSC collaborates with Chinese Culture and Community Services Center, Maryland Vietnamese Mutual Association and Mobile Medical.

LANGUAGE & CITIZENSHIP EDUCATION

Language Outreach Program, \$40,000 –Community Reach of Montgomery County. Language Outreach (LOP) is a family-based education program offering English as a Second Language (ESL) and Naturalization education (as well as assistance with filling out Citizenship applications) for adults. School tutoring is provided for the children of LOP's adult students which improves the children's school readiness and performance through English Language exposure and homework help not otherwise available in their non-English speaking homes. LOP offers various levels of ESL classes

and less formal, drop-in Conversation classes for those who cannot commit to a schedule but who could still benefit from language improvement. Students benefit from improved language through better employment and education prospects, and by becoming more involved in the community at large. Citizenship students benefit by being able to vote, travel with a US passport, etc. Funding would support LOP's provision of English Language and Conversation classes, along with tutoring for the children of our adult LOP students and Citizenship classes.

SUPPORTIVE SERVICES & YOUTH DEVELOPMENT

Senior Reach, \$92,700—Community Reach of Montgomery County. This program provides basic housekeeping and personal care to frail, homebound, elderly and disabled individuals, as well as case management to assess clients' need for additional social services. Additionally, the Safe and Habitable Home Project offers free home repairs, maintenance, and modifications to ensure safety and functionality. Funding would support individualized case management by the Program Manager, which is essential to monitoring and adapting the level of services needed by each senior client, direct assistance (weekly in-home light housekeeping, hygiene assistance, laundry, etc.) to allow clients to age in place at home, home repairs, maintenance, or modification projects that make clients' homes safe and functional, and Medical Alert Systems and other assistive devices (walkers, bedrails, etc.).

Mental Health Support and Education, \$20,000 – The National Alliance on Mental Illness (NAMI, Montgomery County). This program provides mental health education and support groups for individuals living with mental illness and their support system. NAMI MC continues to offer all services virtually, which are open to all County residents. NAMI is also offering a handful of in-person options: twice per month in-person NAMI Connections groups in Silver Spring, and 1-2 sessions per month of NAMI Family-to-Family. Funding would support in person classes and support groups offered in the City of Rockville, monthly and bi-monthly.

Supporting Social and Emotional Learning through Art, \$20,000 – VisArts. As one of its goals, VisArts endeavors to inspire individuals of all ages and abilities to discover their talents, express their ideas, and learn through the arts. With this therapeutic art program, VisArts aims to help youth express and learn about themselves, their thoughts and their emotions through the creative art experience. Funding would support arts enrichment workshops, take-home art activity kits, assessing program impact, and sharing outcomes with students, parents, and school staff.

Teens Learn to Care About Adults with Dementia, \$7,100 – Link Generations, Inc. - Pair students with older adults at Ingleside Independent and Assisted Living who suffer with dementia, with goal to combat isolation for older adults and to educate the future workforce on one type of geriatric care. Funding would support training students on eldercare, including dementia, supplies to support small group activities with students and older adults, and formal evaluation of programming.

Rockville Youth Development Out-of-School Time Programs, So What Else, Inc., \$8,000* Funding would support after school programs, summer camps, spring break camps, volunteer opportunities and healthy meals for children ages 5-18 in Rockville sites—Maryvale ES Linkages to Learning, Rockville Housing Enterprises, etc. Programs are free and provide nurturing environment for enrichment and fun.

*Combined in Acting City Manager's Proposed FY25 Budget Book



Subject

Approval of the City of Rockville Standard Form FY 2025 Community Organization Grant Agreement, and Authorization for the Acting City Manager to Execute Fourteen FY2025 Community Organization Grant Agreements to disburse a total of \$448,060 in City Grant Funds to selected non-profit organizations.

Department

City Manager's Office (CMO)

Recommendation

Staff recommends that the Mayor and Council approve the attached form agreement and authorize the Acting City Manager to execute the grant agreements with fourteen grantees that will collectively administer programs during fiscal year 2025. Upon the Mayor and Council authorization, staff will coordinate with grantees to duly execute the grant agreements. The form agreement is attached.

Discussion

*In November 2023, the City Manager's Office invited nonprofit organizations to submit FY 2025 Community Organization Grant Program applications to help fund for programs and services that enhance the quality of life for Rockville residents. The City Manager's Office received twenty-one (21) applications from various organizations seeking funding for eligible programs and services. All of these applications were reviewed by the City Manager's Office and staff from departments involved with some applicant grants. The Acting City Manager recommended to the Mayor and Council that fourteen (14) nonprofit organizations receive FY 2025 Community Organization Grant funding for eligible programs and services. On **May 6, 2024**, the Mayor and Council adopted and approved the City of Rockville FY 2025 Budget and allocated a total of \$448,060 for the FY 2025 Community Organization Grant Program to disburse City grant funds to the following 14 nonprofit organizations:*

| NAME OF GRANTEE | Grant Amount |
|---|--------------|
| 1. Peerless Rockville Historic Preservation, Ltd. | \$85,000 |
| 2. Rockville Science Center, Inc. | \$60,000 |

| | |
|--|------------------|
| 3. Rockville Housing Enterprises | \$56,180 |
| 4. The Metropolitan Center for the Visual Arts, Inc. (VisArts) | \$48,830 |
| 5. The Rockville Little Theatre, Inc. | \$20,850 |
| 6. Rockville Musical Theatre, Inc. | \$18,500 |
| 7. Victorian Lyric Opera Company | \$14,000 |
| 8. Rockville Sister City Corporation | \$15,000 |
| 9. Sunflower Bakery | \$20,000 |
| 10. The Rockville Volunteer Fire Department Inc. | \$77,000 |
| 11. F. Scott Fitzgerald Literary Conference, Inc. | \$ 6,700 |
| 12. Main Street Connect, Inc. | \$10,000 |
| 13. Bender JCC of Greater Washington, Inc. | \$ 6,000 |
| 14. Montgomery College | \$10,000 |
| TOTAL | \$448,060 |

Notes:

1. The Mayor and Council made modifications to some FY25 recommended grant amounts and discussed with staff items to be included within the scope of services for Peerless Rockville, which will be incorporated in the Exhibit A of the Agreement with Peerless.
2. The FY2025 total for the Rockville Volunteer Fire Department includes a one-time \$65,000 contribution for a vehicle.

Mayor and Council History

On **May 6, 2024**, the Mayor and Council adopted and approved the City of Rockville FY 2025 Budget and allocated a total of \$448,060 for the FY 2025 Community Organization Grant Program.

Next Steps

Upon the Mayor and Council authorization, staff will coordinate with grantees to duly execute the grant agreements in FY25. The form agreement is attached.

Attachments

FORM - FY25 Community Organization Grant Agreement - final, FY25 Community Organization Grants Summary

**CITY OF ROCKVILLE, MARYLAND
COMMUNITY ORGANIZATION GRANT AGREEMENT**

THIS COMMUNITY ORGANIZATION GRANT AGREEMENT (this “**Agreement**”) is entered into this 1st day of July 2024 (the “**Effective Date**”), by and between **THE MAYOR AND COUNCIL OF ROCKVILLE, MARYLAND**, a municipal corporation and body politic of the State of Maryland (the “**Mayor and Council**”), acting through its City Manager (the “**City Manager**”) and [insert LEGAL NAME OF ENTITY, a Maryland _____] (the “**Grantee**”) (the Mayor and Council and the Grantee each a “**Party**” and collectively the “**Parties**”).

RECITALS

- A. WHEREAS**, the Mayor and Council annually provides grants to nonprofit community organizations that support the advancement of education, community engagement, and other activities and programs that enhance the quality of life for Rockville residents; and
- B. WHEREAS**, the Grantee submitted a “*City of Rockville Grant Application for Community Organizations Requesting over \$1,000*” for fiscal year 2025 (the “**FY 2025 OAG Application**”) requesting certain outside agency grant funds to support its [insert Name of the Grantee program(s)] for [insert general program information on how the grant funds will be utilized by the Grantee] [insert the defined term of the Grantee’s program (the “_____ **Program**”)]; and
- C. WHEREAS**, on May 6, 4, the Mayor and Council approved the City of Rockville Fiscal Year 2025 Budget (the “**FY 2025 City Budget**”), and authorized the City Manager to, among other things, provide certain outside agency grant funds to eligible nonprofit community organizations listed in the FY 2025 City Budget; and
- D. WHEREAS**, the Mayor and Council, in reliance upon the representations and certifications contained in the Grantee’s FY 2025 OAG Application, including all supporting documents submitted therewith, approved and allocated a maximum of [insert the maximum grant amount allocated by Mayor and Council _____ 00/100 Dollars (\$_____.00)] in outside agency grant funds to the Grantee in order to assist in the funding of the _____ Program, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the Recitals, which are incorporated herein by reference, the mutual promises and covenants in this Agreement, and other good and valuable consideration, the receipt, sufficiency, and adequacy of which are hereby acknowledged by each Party hereto, the Parties hereby agree as follows:

AGREEMENT

1. **Term of Agreement.** The term of this Agreement shall commence on the Effective Date, and shall expire on June 30, 2025, unless extended or sooner terminated in accordance with Section 12 of this Agreement entitled “Termination”.

2. **Program Services.**
 - a. The Grantee shall perform those services related to the implementation of the _____ Program (the “**Program Services**”) as specified in **Exhibit A** entitled “Scope of Program Services” which is attached hereto and incorporated herein.

 - b. **Time of Performance.** The Grantee’s performance of the Program Services shall begin on the Effective Date and end on the 30th day of June 2025. All of the various obligations to be undertaken by the Grantee pursuant to this Agreement, including the performance of Program Services must be completed by no later than June 30, 2025, unless the City Manager grants an extension for good cause shown.

 - c. **Performance Monitoring.** The City Manager or his designee will monitor the performance of the Grantee against the program performance measures described in the Scope of Program Services attached hereto as **Exhibit A**. Substandard performance as determined by the City Manager or his designee shall constitute noncompliance with this Agreement.

3. **Fiscal Year 2025 Community Organization Grant Funds.**
 - a. In consideration of the various obligations to be undertaken by the Grantee pursuant to this Agreement, including the performance of Program Services, the Mayor and Council agrees to provide the Grantee with certain outside agency grant funds in the maximum amount of **insert** the maximum grant amount allocated by Mayor and Council _____ 00/100 Dollars (\$_____.00)] (the “**FY 2025 Community Organization Grant**”), to be used for the sole purpose of helping to fund the Program Services.

 - b. In consideration for accepting the FY 2025 Community Organization Grant from the Mayor and Council, the Grantee shall administer the _____ Program in a manner satisfactory to the City Manager and consistent with any standards required by all applicable federal, state and local rules and regulations.

4. **Disbursement of FY 2025 Community Organization Grant Funds.** The City Manager or his designee will disburse FY 2025 Community Organization Grant funds to the Grantee pursuant to the terms of this Agreement.
 - a. On or about **insert** the exact date(s) of how often the Grantee will be permitted to

submit a request for disbursement (e.g., the annual date, the quarterly dates, the monthly dates)], the Grantee shall submit a request for the disbursement of FY 2025 Community Organization Grant funds to the City Manager or his designee in order to help pay for certain eligible expenses for Program Services related to the _____ Program (the “**Program Expenses**”). The Program Expenses for which a disbursement of FY 2025 Community Organization Grant funds is requested must have either been actually incurred by the Grantee or approved by the City Manager or his designee.

- b. The Grantee shall submit a request for the disbursement of FY 2025 Community Organization Grant funds utilizing the “Disbursement of Grant Funds” form, a sample of which is attached hereto as **Exhibit B** and incorporated herein. When submitting the request for disbursement, the Grantee must specifically identify the Program Expenses for which a disbursement of FY 2025 Community Organization Grant funds is requested. In addition, the Grantee must attach to its request:
 - i. copies of all receipts and any other documentation as may be requested by the City Manager or his designee for Program Expenses actually incurred; and
 - ii. copies of all invoices and any other documentation as may be requested by the City Manager or his designee for Program Expenses that have not yet been incurred by the Grantee, but for which approval is requested.

The City Manager shall have the right at any time to request that the Grantee provide additional reasonable supporting documentation with any request for disbursement of FY 2025 Community Organization Grant funds.

- c. The Grantee’s request for disbursement of FY 2025 Community Organization Grant funds should be made allowing at minimum twenty-one (21) calendar days to receive the grant funds. The request for disbursement shall not exceed the Program Expenses actually incurred or approved by the City Manager or his designee.
- d. The Grantee hereby acknowledges and expressly agrees that all disbursements of FY 2025 Community Organization Grant funds to the Grantee by the Mayor and Council under this Agreement shall be:
 - i. subject to the availability of sufficient funds in the FY 2025 City Budget, and
 - ii. subject to the Grantee’s compliance with all terms and conditions of this Agreement, including the monitoring and audit requirements set forth herein.
- e. Drawdowns for the disbursement of eligible expenses shall be made against the _____ Program Budget, a copy of which is attached hereto as **Exhibit C** and incorporated herein, and in accordance with this Agreement.

- f. All FY 2025 Community Organization Grant funds that have been disbursed by the City Manager or his designee but have not been expended by the Grantee pursuant to this Agreement by June 30, 2025, shall be returned to the Mayor and Council by not later than July 15, 2025. All FY 2025 Community Organization Grant funds by the Grantee that have not been approved and disbursed by the City Manager or his designee by August [redacted], 2025, shall remain with the Mayor and Council.
 - g. The Grantee shall not expend any FY 2025 Community Organization Grant funds disbursed in violation of any federal, state, or local law existing during the term of this Agreement. In the event any such unlawful expenditures are made by the Grantee; the Grantee shall refund to the Mayor and Council the FY 2025 Community Organization Grant funds that were expended in violation of law.
 - h. If applicable, the Grantee is obligated to take one of the following actions within seven (7) days after the receipt of FY 2025 Community Organization Grant funds paid to the Grantee by the Mayor and Council to pay for services and/or work related to the Grantee’s obligations under this Agreement performed by an approved subcontractor of the Grantee:
 - i. Pay the subcontractor for the proportionate share of the total disbursement received from the Mayor and Council attributable to the services and/or work related to the Grantee’s obligations under this Agreement performed by the approved subcontractor; or
 - ii. Notify the City Manager and the subcontractor, in writing, of the Grantee’s intention to withhold all or a part of the subcontractor’s payment, with an explanation for the nonpayment.
5. **Independent Contractor.** The Grantee covenants and agrees that in the performance of the various obligations to be undertaken by the Grantee pursuant to this Agreement, including the performance of Program Services, it shall act as and be an independent contractor and not an agent or employee of the City of Rockville. In addition, the Grantee covenants and agrees that it will not in any manner hold itself out as an agent or representative of the Mayor and Council or act in such a fashion that would give the impression to a reasonable person that the Grantee is acting in such capacity.
6. **Insurance.** Prior to the execution of this Agreement, the Grantee shall obtain, at its own costs and expense, the policies set forth in **Exhibit D** entitled “Insurance Requirements,” which is attached hereto and incorporated herein, and maintain and keep in full force and effect those policies for the term of this Agreement. All policies, endorsements, certificates and/or binders shall be subject to approval by the City of Rockville’s Safety and Risk Manager (the “**Risk Manager**”) as to form and content. These requirements are subject to amendment or waiver if approved in writing by the Risk Manager. The Grantee shall provide the Risk Manager with a copy of said

policies, certificates and/or endorsements demonstrating that the required insurance policies are in effect prior to the Effective Date. Self-insurance in the Montgomery County self-insurance fund shall be deemed sufficient to meet the requirements of this section.

7. **Records.** The Grantee shall be solely responsible for the implementation of internal controls and record keeping procedures that comply with this Agreement and all applicable laws. The Grantee’s administrative, programmatic, and financial records pertaining to this Agreement must sufficiently support the determination that expenditures are allowable. City Manager and the City Attorney, or any of their duly authorized representatives, shall have access and the right to examine the Grantee’s administrative, programmatic, and financial records pertaining to this Agreement. The Grantee shall retain all records pertinent to this Agreement for a period of five (5) years from the date of final disbursement for each fiscal year. Grantee shall retain such records beyond five (5) years so long as any litigation, audit, dispute, or claim relating to the Grantee’s performance under this Agreement is pending.

8. **Reports.**

a. **Interim Progress Report.** Six months following the Effective Date, the Grantee shall provide the City Manager or his designee with an interim progress report (the “**Interim Progress Report**”) in a manner and form to be determined by the City Manager or his designee. The Interim Progress Report shall contain such information as the City Manager or his designee requests, including but not limited to work accomplished and problems encountered, past and projected expenditures made against the _____ Program Budget, and benchmarks reached. The Grantee shall ensure that each Interim Progress Report is received by the City Manager or his designee no later than ten (10) business days after the due date.

b. **Final Report.** On or about June 30, 2025, the Grantee shall submit to the City Manager or his designee a final report in a manner and form to be determined by the City Manager or his designee that describes the completed obligations of the Grantee under this Agreement, including the completed Program Services, the success of the _____ Program, any problems encountered in completing the _____ Program, and such other information as the City Manager or his designee requires.

c. In addition to the requirements set forth above, the Grantee shall provide the City Manager or his designee with such additional records, reports, and other documentation as may be required by the City Manager or his designee.

9. **Monitoring / Audits.**

a. The Grantee agrees that the City Manager and the City Attorney, or any of their

duly authorized representatives, shall have access to and the right to examine all facilities and activities of the Grantee related to the Grantee's performance under this Agreement, including, but not limited to, the right to audit, conduct further financial review, examine and make excerpts or transcripts of all contracts, subcontracts, invoices, payroll records, personnel records, and all other data or financial records relating to matters covered by this Agreement. The Grantee shall cooperate with the City Manager and the City Attorney, or any of their duly authorized representatives, in such audit, examination, or further review and shall provide them with access to the Grantee's facilities, staff and to all relevant records, documents, and data, including but not limited to, management letters, board minutes, and payroll.

- b. The Grantee shall comply with any audits by the City Manager and the City Attorney, or any of their duly authorized representatives, at Grantee's sole expense. The City Manager, or his duly authorized representatives, shall monitor the Grantee a minimum of once per year, which shall include a desk review and an annual site visit. The Grantee shall pay to the Mayor and Council, from neither local nor federal funds, the full amount of liability resulting from disallowances or other audit or monitoring exceptions which are attributed to the Grantee's error, omission, or violation of any provision of this Agreement.

10. City Acknowledgment. The Grantee shall acknowledge the support of the Mayor and Council, where appropriate, in written documents and informational materials regarding the _____ Program.

11. Representations and Warranties of the Grantee. The Grantee represents and warrants to the Mayor and Council that:

- a. The Grantee is duly formed, validly existing and in good standing under the laws of the State of Maryland and has the legal power and authority to conduct its business, to own its properties and to execute and deliver, and to perform its obligations under, this Agreement.
- b. This Agreement has been duly authorized, executed and delivered by the Grantee, and constitutes a legal, valid and binding obligation of the Grantee for the benefit of the Mayor and Council.
- c. All proceedings legally required to be taken by the Grantee in connection with the authorization of this Agreement and of the transactions related thereto, and all approvals, authorizations, consents and other orders of public boards or bodies as may be legally required to be obtained by the Grantee prior to the date hereof with respect to all or any of such matters, have been taken or obtained.
- d. The execution and delivery of this Agreement by the Grantee, and the performance

of the Grantee of its obligations hereunder, do not (i) violate any provisions of the articles of incorporation, bylaws or other governing instrument of the Grantee, (ii) violate any law, rule or regulation having applicability to the Grantee or any order, writ, judgment, decree, determination or award to which the Grantee is a party, or (iii) result in the breach of or constitute a default under any agreement, lease or instrument to which the Grantee is a party or by which the Grantee is bound.

12. Termination. This Agreement may be terminated in whole or in part under any of the following circumstances:

- a. Termination for Convenience. Mayor and Council may, through the City Manager, terminate this Agreement without cause by giving the Grantee sixty (60) calendar days written notice.
- b. Termination for Cause. Each of the Grantee’s obligations under this Agreement, including the performance of Program Services, shall be deemed material. If the Grantee fails to perform any of its obligations under this Agreement, or any other Agreement with the Mayor and Council, the Mayor and Council may terminate this Agreement upon ten (10) business days advance notice (“**Notice Period**”) to the Grantee, specifying Grantee’s breach and providing the Grantee with the opportunity to cure the specified breach within the Notice Period or in those instances where the specified breach cannot reasonably be cured within the Notice Period, the opportunity to commence to cure the specified breach. In the event the Grantee fails to cure or commence to cure the specified breach within the Notice Period, this Agreement shall be terminated.
- c. Termination for Unavailability of Funds. In the event of reduction, suspension, discontinuance or other unavailability of funds, the Mayor and Council unilaterally may take appropriate action(s) including, but not limited to, immediately reducing the maximum dollar amount of the FY 2025 Community Organization Grant. The Mayor and Council shall give the Grantee no less than sixty (60) days’ advanced written notice of the action(s) the Mayor and Council intends to take as a result of the unavailability of funds.
- d. In the event of termination under this section, the Grantee shall have the following obligations:
 - i. No later than thirty (30) days following the date of termination, the Grantee shall refund to the Mayor and Council any unused portion of the FY 2025 Community Organization Grant, including interest accrued, except that the Grantee shall have no obligation to refund to the Mayor and Council any portion of the FY 2025 Community Organization Grant expended as of the date of termination in accordance with the terms of this Agreement. Grantee shall also provide the Mayor and Council with a written report detailing the

expenditures, if any, from the FY 2025 Community Organization Grant, including an accounting of its administrative expenses to the date of termination.

Nothing in this Agreement shall be deemed to be a waiver of Mayor and Council's right to recover from the Grantee any portion of the FY 2025 Community Organization Grant that has not been spent in accordance with this Agreement.

- ii. Upon termination, the Grantee shall immediately deliver to the Mayor and Council any and all copies of materials used or developed including, but not limited to, all data collection forms, studies and other work perform, whether or not completed by the Grantee or Grantee's subcontractor, if any, under this Agreement.
- e. The City Manager is authorized to terminate this Agreement on the Mayor and Council's behalf.
- f. The City Manager may, at his sole option, pursue a course correction process with the Grantee to address issues with the Grantee's performance under this Agreement. However, the City Manager is under no obligation to pursue a course correction prior to exercising his right to suspend disbursement to the Grantee or to terminate this Agreement. Nothing in this Agreement shall be construed so as to deprive the Mayor and Council of its rights and remedies at law or in equity against the Grantee.

13. Miscellaneous Provisions.

- a. Notices, Demands, and Communications Between the Parties. Formal notices, demands, and communications between the Grantee and the Mayor and Council shall be given either by (a) personal service, (b) delivery by reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery, (c) mailing utilizing a certified or first class mail postage prepaid service of the United States Postal Service that provides a receipt showing date and time of delivery, or (d) delivery by facsimile or electronic mail (email) with transmittal confirmation and confirmation of delivery, addressed to:

To the Mayor and Council: City of Rockville
111 Maryland Avenue
Rockville, Maryland 20850
Attn: Sara Taylor-Ferrell, City Clerk / Director of
Council Operations
Email: sferrell@rockvillemd.gov

With a Copies to: Robert DiSpirito, City Manager
Email: rdispirito@rockvillemd.gov

Robert E. Dawson, City Attorney
Email: rdawson@rockvillemd.gov

To the Grantee:

[REDACTED]
[REDACTED]
Rockville, Maryland [REDACTED]
Attn: [REDACTED]
Email: [REDACTED]

Notices personally delivered or delivered by document delivery service shall be deemed effective upon receipt. Notices mailed shall be deemed effective on the second business day following deposit in the United States mail. Notices delivered by facsimile or email shall be deemed effective the next business day, not less than 24 hours, following the date of transmittal and confirmation of delivery to the intended recipient. 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.

- b. Relationship of Parties. The provisions of this Agreement are intended solely for the purpose of defining the relative rights of the Parties as grantor and grantee and no relationship of partnership, joint venture or other joint enterprise shall be deemed to be created hereby by and among the Parties pursuant to this Agreement.
- c. Interpretation. The terms of this 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 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 Agreement.
- d. Assignment. The Parties agree that the expertise and experience of the Grantee are material considerations for this Agreement. Grantee shall not assign or transfer any interest in this Agreement nor the performance of any of the Grantee’s obligations hereunder, without the prior written consent of Mayor and Council. In the event the Mayor and Council determines that any of the rights, duties, obligations under this Agreement have been subcontracted or assigned to another vendor by Grantee, without the written consent of the City Manager, then the Mayor and Council may exercise its right to take any appropriate remedy including, without limitation, termination of this Agreement.
- e. Entire Agreement, Waivers and Amendments. This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the Parties with respect to the FY 2025 Community Organization Grant funds. All waivers of the provisions of this

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. The Mayor and Council's failure to act with respect to a breach by the Grantee does not waive its right to act with respect to subsequent or similar breaches. The failure of the Mayor and Council to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

- f. No Third-Party Beneficiaries. No provision of this 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.
- g. Conflict of Interests. No member of the Mayor and Council or any employee of the City of Rockville, Maryland shall be entitled to receive any funds provided pursuant to this Agreement or to any pecuniary benefit that may arise therefrom.
- h. Severability. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of this 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 Agreement. In the event that all or any portion of this Agreement is found to be unenforceable, this 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 Agreement or that portion which is found to be unenforceable.
- i. Indemnification. The Grantee shall indemnify and hold harmless, the Mayor and Council, its employees, agents, successors and assigns against liability for any suits, actions or claims of any character arising from or related to the performance by the Grantee (or its officers, agents, employees, successors and assigns) of any of its right or obligations under this Agreement.
- j. Liability. The Grantee releases the Mayor and Council, its employees and agents from, agrees that the Mayor and Council, its employees and agents shall not have any liability for, any and all suits, actions, claims, demands, losses, expenses, and costs of every kind and nature, including reasonable attorneys' fees, incurred by or asserted or imposed against the Mayor and Council, its employees and agents, as a result of or in connection with the _____ Program, except for the gross negligence or willful misconduct of the Mayor and Council, its employees and agents. This section shall survive the term of this Agreement.
- k. No Attorneys' Fees. In the event of any dispute or legal action arising under this

Agreement, the prevailing Party shall not be entitled to attorneys' fees.

- l. No Waiver of Sovereign Immunity by the City. Notwithstanding any other provisions of this Agreement to the contrary, nothing in this Agreement nor any action taken by Mayor and Council pursuant to this Agreement nor any document which arises out of this Agreement shall constitute or be construed as a waiver of either the sovereign immunity or governmental immunity of the Mayor and Council's elected and appointed officials, officers and employees.
- m. No Discrimination. The Grantee shall not discriminate against any person in employment or in the provision of its obligations under this Agreement, including the performance of Program Services, because of race, gender, creed, color, sex, national origin, ancestry, marital status, handicap, sexual orientation, or age.
- n. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland. Each Party consents to the jurisdiction and venue of the courts of Montgomery County, Maryland.
- o. Exhibits. All Exhibits referred to in this Agreement are by such references fully incorporated herein.
- p. Counterparts. This 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.

[Signatures and acknowledgments appear on the following pages]

IN WITNESS WHEREOF, the Parties have each executed, or caused to be duly executed, this Agreement under seal in duplicate, in the name and behalf of each of them (acting individually or by their respective officers or appropriate legal representatives, as the case may be, 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 E. Dawson, City Attorney

By: _____
Barack Matite, Acting City Manager

ATTEST

By: _____
Sara Taylor-Ferrell, City Clerk /
Director of Council Operations

GRANTEE

[INSERT LEGAL NAME OF THE GRANTEE], a **Maryland**, as Grantee

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

STATE OF MARYLAND
COUNTY OF MONTGOMERY

On this the ____ day of _____, 2024, before me, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name and title is subscribed to within the instrument, who acknowledged [herself / himself] to be _____ of _____ in the above instrument, and that [she / he], as _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of _____, by [herself / himself] as _____ of _____.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public
My Commission Expires: _____

EXHIBIT A
FY 2025 Community Organization Grant
Scope of Program Services

[redacted] Program
[*insert* Name of Grantee]

[Staff is responsible for providing the following information]

PROGRAM SERVICES

PERFORMANCE MEASURES

(End of Exhibit "A")

EXHIBIT B
FY 2025 Community Organization Grant
Disbursement of Grant Funds

[redacted] Program
[*insert* Name of Grantee]

[Staff is responsible for drafting and inserting the standard Disbursement of Grant Funds form]

(End of Exhibit “B”)

EXHIBIT C
FY 2025 Community Organization Grant
Program Budget

[redacted] Program
[*insert* Name of Grantee]

[Staff is responsible for inserting the Program Budget]

(End of Exhibit “C”)

EXHIBIT D
FY 2025 Community Organization Grant
Insurance Requirements

[redacted] Program
[insert Name of Grantee]

[Staff is responsible for obtaining the Insurance Requirements from the City's Risk
Manager]

(End of Exhibit "D")

ATTACHMENT 2

FY 2025 Community Organization Grants Summary

1. Peerless Rockville Historic Preservation, Ltd

FY 2025 Community Organization Grant Amount: **\$85,000**

Programs and/or Services to be funded with the Grant:

- Grant funds will be provided to support preservation, cultural resource and heritage educational programming and document archiving; attend monthly meeting with City staff; assist staff in developing programming to complete grant funded research and facilitate programming for National Preservation Month; work with city staff to support city's funded efforts to complete Maryland Inventory of Historic Properties (MIHP) forms annually; and to develop programming for multiple events throughout the year, in order to support the Grantee's preservation, cultural resource, and heritage education services.

City Department responsible for administering the Grant Agreement:

- Department of Community Planning and Development Services, (Ricky Barker, Director)
-

2. Rockville Science Center, Inc.

FY 2025 Community Organization Grant Amount: **\$60,000**

Programs and/or Services to be funded with the Grant:

- Grant funds will be provided for hosting activities, presentations, classes, and development projects at the Rockville Science Center; student engineering teams; field trips; exhibits and festivals, Science Bowl; Science Day Camp; science themed expositions and maker space activities.

City Department responsible for administering the Grant Agreement:

- Department of Recreation and Parks (Chris Henry, Acting Director)
-

3. Rockville Housing Enterprises.

FY 2025 Community Organization Grant Amount: **\$56,180**

Programs and/or Services to be funded with the Grant:

- Grants funds will be provided for reimbursement for refuse collection services costs.

City Department responsible for administering the Grant Agreement:

- Department of Housing and Community Development (Frederika Granger, Acting Director)
-

4. The Metropolitan Center for the Visual Arts, Inc.

FY 2025 Community Organization Grant Amount: **\$48,830**

Programs and/or Services to be funded with the Grant:

- Grants funds will be provided for Rockville Arts Festival, Arts in the Square, and an after-school pilot arts program at Twinbrook Community Center.

City Department responsible for administering the Grant Agreement:

- Department of Recreation and Parks (Chris Henry, Acting Director)
 - Acting City Manager, Barack Matite
-

5. The Rockville Little Theatre, Inc.

FY 2025 Community Organization Grant Amount: **\$20,850**

Programs and/or Services to be funded with the Grant:

- Grants funds will be provided to offset theatre rental, equipment rental and storage rental costs.

City Department responsible for administering the Grant Agreement:

- Department of Recreation and Parks (Chris Henry, Acting Director)

ATTACHMENT 2

FY 2025 Community Organization Grants Summary

6. Rockville Musical Theatre, Inc.

FY 2025 Community Organization Grant Amount: **\$18,500**

Programs and/or Services to be funded with the Grant:

- Grants funds will be provided to support its FY25 budget, including producing live productions and storage rental costs.

City Department responsible for administering the Grant Agreement:

- Department of Recreation and Parks (Chris Henry, Acting Director)
-

7. Victorian Lyric Opera Company

FY 2025 Community Organization Grant Amount: **\$14,000**

Programs and/or Services to be funded with the Grant:

- Grants funds will be provided to offset theatre rental, equipment rental, and storage rental costs and to produce two live productions.

City Department responsible for administering the Grant Agreement:

- Department of Recreation and Parks (Chris Henry, Acting Director)
-

8. Rockville Sister City Corporation

FY 2025 Community Organization Grant Amount: **\$15,000**

Programs and/or Services to be funded with the Grant:

- Grants funds will be provided to support certain operating and administrative costs, including funding for the Rockville Taiwan Bubble Tea and Food Festival, Rockville Town Square rental space, street closure fees, tents and generators, and Rockville City Police services. Related outreach.

City Department responsible for administering the Grant Agreement:

- Mayor and Council - Sara Taylor-Ferrell, City Clerk/Director of Council Operations
-

9. Sunflower Bakery

FY 2025 Community Organization Grant Amount: **\$20,000**

Programs and/or Services to be funded with the Grant:

- Job services training for individuals with learning differences – emphasis focus on food services.

City Department responsible for administering the Grant Agreement:

- Acting City Manager, Barack Matite
-

10. The Rockville Volunteer Fire Department Incorporated

FY 2025 Community Organization Grant Amount: **\$77,000**

Programs and/or Services to be funded with the Grant:

- \$12,000 Grants funds will be provided for partial reimbursement of water and sewer costs.
- \$65,000 Grant funds will be provided for partial purchase payment of new service vehicle.

City Department responsible for administering the Grant Agreement:

- Acting City Manager, Barack Matite
-

11. F. Scott Fitzgerald Literary Conference, Inc.

FY 2025 Community Organization Grant Amount: **\$6,700**

Programs and/or Services to be funded with the Grant:

- Grants funds will be provided to support the F. Scott Fitzgerald Literary Festival and costs associated with honoree recognition and honoree travel expenses.

City Department responsible for administering the Grant Agreement:

- Department of Recreation and Parks (Chris Henry, Acting Director)

ATTACHMENT 2

FY 2025 Community Organization Grants Summary

Main Street Connect, Inc.

12.

FY 2025 Community Organization Grant Amount: **\$10,000**

Programs and/or Services to be funded with the Grant:

- Grants funds will be used to support scholarship sponsorship for qualified Rockville residents and to continue the “Community Cup” program where qualified professionals present on topics of interest to both the general public and with focus on the populations that Main Street Connect serves. These talks all serve to expand mental and physical well-being programs and promote awareness.

City Department responsible for administering the Grant Agreement:

- Acting City Manager, Barack Matite

13. Bender JCC of Greater Washington, Inc.

FY 2025 Community Organization Grant Amount: **\$6,000**

Programs and/or Services to be funded with the Grant:

- Grants funds will be provided to expand existing “Delivering Good Network” a Rockville based food assistance program to help children and families experiencing food insecurity.

City Department responsible for administering the Grant Agreement:

- Acting City Manager, Barack Matite

14. Montgomery College

FY 2025 Community Organization Grant Amount: **\$10,000**

Programs and/or Services to be funded with the Grant:

- Grants funds will be provided to sponsor scholarships for qualified Rockville residents who are enrolled or will be enrolling for credit courses at Montgomery College.

City Department responsible for administering the Grant Agreement:

- Acting City Manager, Barack Matite



MAYOR AND COUNCIL Meeting Date: June 27, 2024
Agenda Item Type: CONSENT
Department: HOUSING AND COMMUNITY DEVELOPMENT
Responsible Staff: JANE LYONS

Subject

Authorization for the Acting City Manager to Execute the First Amendment to the Moderately Priced Dwelling Unit Program Agreement between the Mayor and Council and Pulte Home Company, LLC

Department

Housing and Community Development

Recommendation

Staff recommends that the Mayor and Council authorize the Acting City Manager to execute the First Amendment to the Moderately Priced Dwelling Unit Program Agreement for the Farmstead Residential District Development between the Mayor and Council and Pulte Home Company, LLC, subject to approval as to legal form by the City Attorney.

Discussion

Pulte Home Company, LLC (“**Pulte**”) and KBSG Associates LLC are developing a single residential community consisting of, among other things, townhome units and multifamily condominium units (the “**Farmstead Residential District Development**”). On November 8, 2021, the Mayor and Council adopted Resolution No. 17-21 (the “**Project Plan Resolution**”) approving Project Plan Application PJT2021-00013, allowing for, among other things, the development of 370 residential dwelling units in the Farmstead Residential District Development, including 94 townhome units and 118 multifamily condominium units that will be developed, constructed, and sold by Pulte. Pursuant to the Project Plan Resolution, a minimum of 40 townhome units and 18 multifamily condominium units in the Farmstead Residential District Development are required to be designated as Moderately Priced Dwelling Units that are reserved for sale to eligible households. Prior to obtaining a building permit to construct its section of the Farmstead Residential District Development, Pulte was required to submit to the Department of Community Planning and Development Services a Moderately Priced Dwelling Unit Program Agreement, approved by the Mayor and Council and the City Attorney, which, among other things, provided for the required number of moderately priced dwelling units in Pulte’s section of the Farmstead Residential District Development. On November 9, 2023 and April 8, 2024, the Mayor and Council approved and authorized the Acting City Manager to execute the MPDU Program Agreement between the Mayor and Council and Pulte for the Pulte section of the Farmstead Residential District Development (the “**Pulte MPDU Program Agreement**”), pursuant to which Pulte is required to

designate, administer, and sell 20 of its townhome units and 18 of its multifamily condominium units in the Farmstead Residential District Development as Moderately Priced Dwelling Units. In accordance with Section 13.5-5(l) of the Rockville City Code, Pulte is also required to execute and record certain covenants that impose upon each of its Farmstead Residential District Development MPDUs restrictive covenants, conditions, and requirements that, among other things, maintains the long-term affordability of the MPDUs for the duration of the compliance control period.

The restrictive covenants for Pulte’s 18 MPDU multifamily condominium units cannot be recorded until the State of Maryland issues Tax Identification Numbers for each of the units, which cannot be issued until after Pulte’s multifamily condominium units have been constructed. Because it is critical for the restrictive covenants to be recorded as soon as the Tax Identification Numbers are issued by the State of Maryland, Section 2.05(a)ii of the Pulte MPDU Program Agreement currently provides that Pulte is not permitted to offer any of its 18 multifamily condominium units in the Farmstead Residential District Development for sale, unless and until Pulte has first executed and recorded the restrictive covenants for those 18 MPDU condominium units.

Pulte has requested that it be permitted to begin selling the 18 MPDU condominium units before the restrictive covenants are recorded. In an effort to accommodate Pulte’s request, yet still protect the City’s interest, the staff has proposed an amendment to the Pulte MPDU Program Agreement to provide that Pulte will execute and record the restrictive covenants “prior to obtaining a certificate of occupancy” for Pulte’s 18 MPDU condominium units.

Mayor and Council History

On October 4, 2021, the Mayor and Council adopted Resolution No. 14-21 enlarging the corporate boundaries of the City of Rockville to include the Subject Property, and on November 3, 2021, the Mayor and Council, Victor, Inc., the original owner of the Subject Property, and the KBSG Owner, the subsequent owner of the property, entered into and executed that certain Annexation Agreement.

On November 8, 2021, the Mayor and Council adopted Resolution No. 17-21 approving Project Plan Application, permitting the development of 370 residential dwelling units in the Farmstead Residential District Development, including 252 townhouses with front and rear-loaded garages and 118 two-over-two stacked condominium multifamily units, including 58 MPDUs.

On November 9, 2023, the Mayor and Council approved the MPDU Program Agreement with Pulte Home Company, LLC. With this approval Pulte Home Company, LLC was able to obtain a building permit for King Farm Farmstead development.

On April 8, 2024, the Mayor and Council authorized the Acting City Manager to execute the Moderately Priced Dwelling Unit Program Agreement and approved and authorized the Acting City Manager to execute the Declaration of Restrictive Covenant for the King Farm Farmstead Development Site between the Mayor and Council of Rockville and Pulte Home Company, LLC.

Next Steps

This First Amendment to the Moderately Priced Dwelling Unit Program Agreement between the Mayor and Council of Rockville and Pulte Home Company, LLC will be finalized for execution by all parties.

Attachments

Farmstead - First Amendment to MPDU Program Agreement

**FIRST AMENDMENT
MODERATELY PRICED DWELLING UNITS PROGRAM AGREEMENT
(For Sale Units)**

This **FIRST AMENDMENT TO MODERATELY PRICED DWELLING UNITS PROGRAM AGREEMENT – FOR SALE UNITS** (this “**Amendment**”) is made this [REDACTED] day of July 2024 (the “**Effective Date**”), by and between the **MAYOR AND COUNCIL OF ROCKVILLE**, municipal corporation and body politic of the State of Maryland (the “**Mayor and Council**”) and **PULTE HOME COMPANY, LLC**, a Michigan limited liability company, qualified to do business in the State of Maryland, having a principal address at 9302 Route 29, Suite 1000, Fairfax, VA 22031 (the “**Pulte Owner**”). Individually, the Mayor and Council and the Pulte Owner may each be referred to hereinafter as the “**Party**,” or collectively as the “**Parties**.”

RECITALS

WHEREAS, the Pulte Owner is the fee owner of those certain parcel(s) of land with buildings and improvements thereon located in the City of Rockville, Maryland, Virginia as more particularly described in **Exhibit A** (the “**Pulte Farmstead Condominium Real Property**”); and

WHEREAS, the Pulte Owner was formed and organized as a Michigan limited liability company for the purpose of, among other things, developing, financing, constructing, owning and selling up to one hundred eighteen (118) two-over-two stacked condominium multifamily units (the “**Pulte Farmstead Condominium Units**”) on the Pulte Farmstead Condominium Real Property; and

WHEREAS, the Parties entered into and executed that certain Moderately Priced Dwelling Units Program Agreement – For Sale Units, effective April 12, 2024 (the “**MPDU Program Agreement**”); and

WHEREAS, in accordance with Chapter 13.5 of the Rockville City Code, and pursuant to the terms of the MPDU Program Agreement, the Pulte Owner is required to designate, administer, and sell eighteen (18) Pulte Farmstead Condominium Units as moderately priced dwelling units (the “**Pulte MPDU Condominium Units**”) under the Mayor and Council’s MPDU Homeownership Program; and

WHEREAS, pursuant to Section 2.05.(a)ii. of the MPDU Program Agreement, prior to offering any Pulte MPDU Condominium Unit for sale to an eligible household, the Pulte Owner is required to first execute that certain Deed of Declaration of Restrictive Covenants and Conditions (the “**Restrictive Covenants**”) and record the Restrictive Covenants in the Montgomery County land records; and

WHEREAS, in order to permit the Pulte Owner to offer Pulte MPDU Condominium Units for sale to eligible households prior to the execution and recording of the Restrictive Covenants, the Parties have agreed to amend the MPDU Program Agreement, which this Amendment is intended to hereby amend, in order to, among other things, (a) require the Pulte Owner to submit a fully executed and recorded copy of the Restrictive Covenants to the City of Rockville Department of Community Planning and Development Services – Division of Inspection Services prior to obtaining a certificate of occupancy for the Pulte MPDU Condominium Units, and (b) delete the requirements under Section 2.05.(a)ii. of the MPDU Program Agreement.

NOW, THEREFORE, IN CONSIDERATION of the foregoing and the covenants 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:

1. Section 2.03. Construction of Pulte MPDU Townhouse Units and Pulte MPDU Condominium Units. Section 2.03. of the MPDU Program Agreement is hereby amended to add subsection (e) and subsection (e) shall hereafter be and read as follows:

(e) The Pulte Owner covenants and agrees to submit a fully executed and recorded copy of the Pulte MPDU Condominium Unit Restrictive Covenants to the City of Rockville Department of Community Planning and Development Services – Division of Inspection Services prior to obtaining a certificate of occupancy for the Pulte MPDU Condominium Units.

2. Section 2.05. Initial Sale of Pulte MPDU Townhouse Units and Pulte MPDU Condominium Units. Subsection 2.05(a) ii. of the MPDU Program Agreement is hereby amended and shall hereafter be and read as follows:

(a) Sale – Eligible Households on the Priority Eligibility List.

ii. Intentionally Omitted. ~~Notwithstanding subsection (a)i., the Pulte Owner shall not offer any Pulte MPDU Condominium Unit for sale to an Eligible Household selected from the Priority Eligibility List, unless and until the Pulte Owner has first executed and recorded the Pulte MPDU Condominium Unit Restrictive Covenants among the Land Records.~~

3. Except as provided in this Amendment, all terms used in this Amendment that are not otherwise defined shall have the respective meanings ascribed to such terms in the MPDU Program Agreement.

4. This Amendment embodies the entire agreement between the Parties with respect to the amendment of the MPDU Program Agreement. In the event of any conflict or inconsistency

between the provisions of the MPDU Program Agreement and this Amendment, the provisions of this Amendment shall control and govern.

5. Except as specifically modified and amended herein, all of the terms, provisions, requirements and specifications contained in the MPDU Program Agreement remain in full force and effect. Except as otherwise expressly provided herein, the Parties do not intend to, and the execution of this Amendment shall not, in any manner impair the MPDU Program Agreement, the purpose of this Amendment being simply to amend and ratify the MPDU Program Agreement, as hereby amended and ratified, and to confirm and carry forward the MPDU Program Agreement, as hereby amended, in full force and effect.

6. THIS AMENDMENT SHALL BE CONSTRUED AND GOVERNED BY THE LAWS OF THE STATE OF MARYLAND.

The signature(s) of the person(s) executing this Amendment to the MPDU Program Agreement on behalf of the Parties are set forth on the execution page(s) immediately following this page.

IN WITNESS WHEREOF, the Mayor and Council and the Pulte Owner have each executed, or caused to be duly executed, this First Amendment to the Moderately Priced Dwelling Units Program Agreement – For Sale Units 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 E. Dawson, City Attorney

By: _____
Barack Matite, Acting City Manager

Attest

Sara Taylor-Ferrell, City Clerk /
Director of Council Operations

PULTE OWNER

Pulte Home Company, LLC, a Michigan limited liability company.

By: _____
Christopher Spahr, Division Vice
President of Land Planning and
Development

ACKNOWLEDGMENT

STATE OF MARYLAND
COUNTY OF MONTGOMERY

On this the ____ day of June 2024, before me, personally appeared Christopher Spahr, who acknowledged himself to be the Division Vice President of Land Planning and Development of Pulte Home Company, LLC, a Michigan limited liability company and named as Pulte Owner in the above instrument, and that he, as Division Vice President of Land Planning and Development, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of Pulte Home Company, LLC, a Michigan limited liability company by him as the Division Vice President of Land Planning and Development of said Pulte Home Company, LLC.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

NOTARY PUBLIC
My Commission Expires: _____
Serial Number: _____

EXHIBIT A

Legal Description

All those lots or parcels of land, together with the improvements thereon and appurtenances thereunto belonging, lying, situate and being in Montgomery County, Maryland, being more particularly described as follows:

Lots 1 and 2, Block A as shown on “Plat 7, Kings Addition to Shady Grove”, recorded in Plat No. 25937.

Lots 1 and 3, Block B as shown on “Plat 8, Kings Addition to Shady Grove”, recorded in Plat No. 25938.

Lots 2 and 4, Block B as shown on “Plat 9, Kings Addition to Shady Grove”, recorded in Plat No. 25939.

NOTE FOR INFORMATIONAL PURPOSES ONLY:

(End of Exhibit “A”)