
CITY OF ROCKVILLE, MARYLAND
Cooperative Agreement

This **CITY OF ROCKVILLE Cooperative Agreement** (“**Agreement**”) is made this ___ day of _____ 2026 (the “**Effective Date**”), by and between **THE MAYOR AND COUNCIL OF ROCKVILLE**, acting through its City Manager (the “**Mayor and Council**” or the “**City**”), and the **ROCKVILLE MUSICAL THEATRE (“RESCO”)**. Individually, the Mayor and Council and RESCO may each be referred to as the “**Party**,” or collectively as the “**Parties**.”

RECITALS

- A. WHEREAS**, the Mayor and Council is a municipal corporation duly organized and existing under the laws of the State of Maryland with the power to carry on its business as it is now being conducted under the laws of the State of Maryland and the Rockville City Charter. Through its Department of Recreation and Parks (“**Department**”) the City administers facilities and programs that strive to provide a wide range of opportunities for creative expression for the benefit of the health and welfare of all people of the City to live enriched lives. Rockville Charter, Art. IV, Sec.1(b)(48), further described in Rockville Code Chapters 4 and 14; and
- B. WHEREAS**, Rockville Musical Theatre is a 501(c)(3) nonprofit corporation duly organized and in good standing in the state of Maryland situated in Rockville, with a mission to engage in community activities that promote and encourage the performing arts; and
- C. WHEREAS**, the City wishes to continue to collaborate by conferring renewed designation as a Resident Community Performing Arts Organization (“**RESCO**”) to Rockville Musical Theatre, along with associated benefits for use of City facilities commonly known as the F. Scott Fitzgerald Theatre and Social Hall to both encourage all aspects of theatrical production and facilitate the administration of City affairs; and
- D. WHEREAS**, Maryland law authorizes the use of outside groups to aid in the implementation of its programs at Md. Local Gov’t Code Ann. § 1-605; notwithstanding R.C. § 17-87(11) exempts services for City-sponsored social, cultural and recreational programs from competitive procurement this exchange of cooperation must be made by appropriate agreement in writing per R.C. § 17-36; and
- E. WHEREAS**, on [REDACTED], the Mayor and Council voted to renew the RESCO designation to Rockville Musical Theatre pursuant to the following terms and conditions and authorized the City Manager to execute this Cooperative Agreement on its behalf, subject to approval as to legal form by the City Attorney.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the sufficiency of which are hereby acknowledged, the Mayor and Council and RESCO agree as follows:



SECTION 1: GENERAL PROVISIONS

- 1.1 **Term:** This Agreement begins on the July 1, 2026 and continues through June 30, 2027 (“**Term**”), unless terminated sooner as set forth in the Section relating to termination. An award of RESCO status during the Term of this Agreement is not a guarantee of future RESCO status.
- 1.2 **Consideration:** This Agreement describes the contributions of each Party to combine resources, expertise and efforts toward their shared goal to encourage performing arts opportunities in Rockville to accomplish together more than either party could do on its own.
- 1.2.1 The City may designate as a Resident Community Performing Arts Organization a community organization that is (i) a registered 501 (c)(3); (ii) located within the City’s municipal boundaries; and (iii) with a demonstrated record of support for Rockville Theatre productions.
- 1.2.2 In exchange for the RESCO’s commitment to provide certain theatre opportunities in the Rockville community and other in-kind contributions and fees described at **Exhibit B**, the City makes available preferred facility, equipment and storage rates and expertise.
- 1.3 **Relationship of the Parties:** No relationship of employment, partnership, joint venture, or other joint enterprise shall be deemed to be created by the Parties by this Agreement.
- 1.3.1 RESCO shall not assign or transfer any interest in this Agreement nor the performance of any of the RESCO’s obligations hereunder, without the prior written consent of the City Manager.
- 1.3.2 In the event the City determines that any of the rights, duties, or obligations under this Agreement have been subcontracted or assigned to another vendor by RESCO, without the written consent of the City Manager, then the City may exercise its right to take any appropriate remedy including, without limitation, termination of this Agreement.
- 1.4 **Incorporation.** The recitals and exhibits are an integral part of this Agreement and set forth the intentions of the Parties and the premises on which the Parties have decided to enter this Agreement. Accordingly, the recitals and exhibits are fully incorporated by reference as if fully set forth herein.
- 1.5 **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.
- 1.6 **Agreement Administrator**

The RESCO shall refer any decisions and direct all fees which must be made by or paid to the City to the following Agreement Administrator (“**Agreement Administrator**”):

David Monagas, Theatre Supervisor
Glenview Mansion at Rockville Civic Center Park
603 Edmonston Drive
Rockville, MD 20851
(240) 314-8664
dmonagas@rockvillemd.gov

- 1.6.1 The City may modify the foregoing by notice in writing.



SECTION 2: STATEMENT OF MUTUAL BENEFIT

The City and RESCO mutually recognize the value of support and expertise of each towards accomplishing their shared goal for the public benefit.

2.1 Benefits to the City

Mayor and Council receives the following benefits:

- 2.1.1 The ability to make available to the community the opportunity to participate in legacy performing arts organizations with a complete theatre experience by allowing their members to fully participate in every aspect of a theatrical production.
- 2.1.2 Enhancement of the Rockville cultural arts community through enhanced visibility via association with the Theatre.
- 2.1.3 The contribution of expertise, labor and resources to community engagement through theatrical productions.
- 2.1.4 Rockville citizens benefit from a full production season which showcases different performing styles. The City receives a minimum number of productions from the RESCO each season, along with a minimum number of contracted hours.
- 2.1.5 Agreed level of participation from the RESCO in City “give-back” events.
- 2.1.6 Allows for limited resources to be redirected knowing quality cultural programming is being provided.

2.2 Benefits to the RESCO

The RESCO receives the following benefits:

- 2.2.1 The RESCO can present multiple productions with multiple performances per production in the Theatre each season.
- 2.2.2 The RESCO will receive placement in the Theatre and Social Hall master calendars for contracted productions before contracted are accepted from the public. If the RESCO would like to add production rehearsal and/or performance dates, it must be discussed in advance of contract execution with the Superintendent of Community Facilities, Theatre Supervisor, Theatre Production Specialist, and Box Office and Marketing Manager.
- 2.2.3 The RESCO may use the following facility areas during rehearsal and performance rental hours for a production: Lobby, Concessions Stand, Auditorium (the “**House**”), Full Stage, Stage Wings, Technical Bridge, Green Room, Large Dressing Room, Small Dressing Room, and Loading Dock. The Social Hall may also be rented during contracted rehearsal and performance dates and times.
- 2.2.4 With proper training from the City’s Recreation and Parks Department “**Theatre Supervisor**” and/or “**Theatre Production Specialist**”, the RESCO production crews will have supervised access to use the Theatre equipment during contracted rental times in the Theatre and Social Hall, specifically access to lighting equipment, sound equipment, curtains, and intercom systems. No access will be given to ladders over 10 feet in height; the motorized lighting bar; catwalk; or the Genie aerial work platform, super straddle, and its accessories.
- 2.2.5 Up to two technical walk throughs per production will be held with the City’s Theatre Supervisor and/or Theatre Production Specialist and the RESCO production staff and crew. The walk through(s) will be used to review, approve, and finalize all production details and requests and reiterate the policies and procedures



outlined in the F. Scott Fitzgerald Theatre and Social Hall Information Packet. The latest version of the F. Scott Fitzgerald Theatre and Social Hall Information Packet will be attached to each production contract.

- 2.2.6 The RESCO technical crews may receive up to two light and sound trainings each City fiscal year (available upon request).
- 2.2.7 The RESCO will receive a set of hourly facility rental rates for Theatre and Social Hall rehearsals, performances, and non-fundraiser social events that are lower than the lowest published Theatre and Social Hall rental rates the Mayor and Council offers to the public.
- 2.2.8 The Mayor and Council will waive down payments and security deposits for contracted production rehearsals and performances and non-fundraiser social events in the Theatre and Social Hall.
- 2.2.9 Itemized charges listed in production contracts and/or addendums are paid after the production and come out of the RESCO's ticket revenue.
- 2.2.10 The RESCO will pay a reduced rental fee on Theatre equipment.
- 2.2.11 The RESCO may sell season ticket packages and individual production tickets for performances which take place in the Theatre through the Theatre Box Office.
- 2.2.12 The RESCO may collect donations through the Theatre Box Office during the entire season without a Theatre per donation fee.
- 2.2.13 The RESCO may reserve the Social Hall for a minimum of three rental hours per contracted date.
- 2.2.14 Patrons who are RESCO season subscribers can exchange tickets through the Theatre Box Office for a Theatre per ticket fee, which is charged back to the RESCO.
- 2.2.15 The RESCO ushers will be seated at no charge in the auditorium during a performance.
- 2.2.16 The Theatre Box Office will provide the RESCO reports on ticket sales and a patron list per production.
- 2.2.17 The RESCO will pay a reduced Theatre per ticket fee for each type of ticket sold through the Theatre Box Office. Theatre Box Office buy outs are prohibited for contracted productions which have the associated policy, as outlined in this Agreement, requiring a minimum number of productions each season, along with a minimum number of contracted hours.
- 2.2.18 The RESCO will be provided with one City Theatre Technician Specialist for contracted rehearsals and performances and one City House Manager on contracted performances dates.
- 2.2.19 The RESCO may request three meetings with Theatre staff each City fiscal year.



SECTION 3: RESCO RESPONSIBILITIES

To retain its status the RESCO must comply with the following terms and conditions.

- 3.1 Obtain and retain insurance, including all extensions, that meets the City requirements of insurance each season/fiscal year (see “**Attachment A**”). This is at the RESCO’s own expense and must always be kept in full force and effect during the term of the Agreement. The RESCO must submit its certificate of liability insurance to the Theatre Supervisor prior to execution of the Agreement by the City.
- 3.2 Allow the City Manager or his designee to supervise its access to and use of Theatre equipment during contracted rental times, including light equipment, sound equipment, curtains, and intercom systems. No access will be given to ladders over 10 feet in height; the motorized lighting bar; catwalk; or the Genie aerial work platform, super straddle, and its accessories.
- 3.3 Work with City staff to properly train volunteers and/or contracted personnel to work with Theatre equipment. Only trained individuals may perform technical work on City property and equipment. Individuals who will perform such work must be approved by the Theatre Supervisor and/or Theatre Production Specialist.
- 3.4 Be liable for and responsible to pay for the replacement value of all City-owned property and equipment which is damaged, lost, or stolen by the RESCO participants, employees, volunteers, contractors, or patrons during the term of the Agreement. The City may, at its sole discretion, repair or replace the damaged, lost, or stolen property and bill the RESCO for the related expense. The RESCO must remit full payment to the City within 30 days of receipt of such a bill.
- 3.5 Align its season to coincide with the City’s fiscal year timeframe, which is July 1 to June 30 annually.
- 3.6 Provide one production per City fiscal year/season with eight performances per production. Each production must have a minimum of 78 contracted hours.
- 3.7 Completely clear the following areas for a half strike: Lobby, Concessions Stand, Auditorium (“**the House**”), downstage of the mid-curtain on the Stage, Stage Wings, Green Room, Small Dressing Room, Social Hall, and Loading Dock. The RESCO will receive the Large Dressing Room for storage and the upstage area from the mid-curtain during its production contract. The coat room/storage room in the Lobby cannot be used for RESCO storage.
- 3.8 Provide two to four ushers for all performances. The ushers work with the City House Manager at each performance.
- 3.9 Every season, participate as requested or available in up to two City of Rockville community giveback events, such as performances at City events, as well as other "in-kind" contributions agreed upon by the City, Theatre, and RESCO. The RESCO must inform the Theatre Supervisor in writing after each occurrence of community giveback is completed.
- 3.10 Attend three annual all-RESCO meetings with Theatre staff to discuss mutual topics, such as marketing and advertising, Theatre operations, ticket sales, etc.
- 3.11 Only sell tickets for productions that are performed in the Theatre through the Theatre Box Office. Theatre Box Office buy outs are prohibited for contracted productions which have the associated policy, as outlined in this Agreement, requiring a minimum number of productions each season, along with a minimum number of contracted hours.
- 3.12 Execute a City contract and/or addendum and pay all fees for Theatre and Social Hall use for each production, rehearsal, and non-fundraiser social event. All rental, equipment, extra labor, and special package fees will be itemized on the contract and/or addendum. Rates listed at Exhibit B.



- 3.13 Submit its season and production ticket information to the Theatre Box Office and Marketing Manager for processing at least 90 calendar days before the start of ticket sales.
- 3.14 Provide a complimentary ticket list to the Box Office and Marketing Manager at least 72 hours in advance of each contracted performance date.
- 3.15 Complete a production meeting with the Theatre Supervisor and/or Theatre Production Specialist at least 30 business days before the first contracted date on a production or non-fundraiser social event contract and/or addendum.
- 3.16 Comply with current United States of America Federal Americans with Disabilities Act (“ADA”) regulations when using City property. If American Sign Language (“ASL”) Interpreters are requested during the contracted hours of a RESCO production, the cost for interpreter services will be split 50/50 between the RESCO and the City.
- 3.17 Not discriminate against any person, including any employee or applicant for employment, because of age (in accordance with applicable law), ancestry, color, national origin, race, ethnicity, religion, disability, genetics, marital status, pregnancy, presence of children, gender, sexual orientation, gender identity or expression, or veteran status.
- 3.18 Prior to any season or individual production tickets being placed on sale, disclose in writing to the Box Office and Marketing Manager, Theatre Supervisor, Theatre Production Specialist, and Superintendent of Community Facilities all content that includes but is not limited to: (i) Any material that may be offensive to some audiences due to adult language; (ii) violence; (iii) racially, ethnically, or sexually charged subject matter; (iv) nudity; (v) alcohol or substance abuse; (vi) self-harm or suicide; and (vii) depictions of smoking or vaping (viii) weapons; strobe lights; sudden loud noises or flashes of light; projectiles; interaction with audience members; and fog or other atmospheric effects. All pyrotechnics of any kind are strictly prohibited.
- 3.19 Prior to any season or individual production tickets being on sale, the City reserves the right to deny the RESCO presenting content that is in violation of Federal, State of Maryland, Montgomery County, and/or City of Rockville laws or regulations or City of Rockville, Department of Recreation and Parks and/or Mayor and Council priorities or initiatives.
- 3.20 Indemnify and save harmless the Mayor and Council and its appointed officials, employees, and volunteers, and all others working on behalf of the Mayor and Council from all suits, actions, damages and costs, of every name and description to which the City may be subjected or put by reason of injury, accident, theft, or damage to persons or property as a result of the RESCO’s use or operation of City property or facilities under this Agreement, whether caused by negligence or carelessness on the part of the RESCO, its servants, agents, employees, assignees or invitees, or other cause. Claims that are brought against the Mayor and Council are subject to the limits of the City’s scope of insurance coverage and subject to the limitations and immunities provided by law.
- 3.20.1 RESCO shall further indemnify and hold the City harmless for any personal injury or property damage resulting from the actions of RESCO, its employees, agents, or participants.
- 3.20.2 The City assumes no liability whatsoever for the safety of RESCO, its employees or agents, or for the participants in RESCO’s activities described herein.
- 3.20.3 RESCO releases the City, its employees and agents, from and agrees that the City, 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 City, its employees and agents, as a result of or in connection with RESCO's activities conducted pursuant to this Agreement, except for the gross negligence or willful misconduct of the City, its employees and agents.

3.20.4 This section shall survive the term of this Agreement.

- 3.21 Abide by, and require all agents, servants, employees, assignees, and invitees to abide by, all applicable Federal, State, County, and/or municipal laws and ordinances when using or operating City property or facilities.
- 3.22 Waive any and all claims of entitlement to workers' compensation benefits from the Mayor and Council and agree that at no time during the term of this Agreement, including any extensions, is there an employment relationship between the Mayor and Council and the RESCO or its servants, agents, employees, assignees, or invitees.
- 3.23 Waive any claims of liability against the Mayor and Council for loss or reimbursement due to cancellation or termination of a scheduled event due to force majeure, act of God, or inclement weather. If the Theatre and Social Hall adjusts or cancels a contract and/or addendum for any unforeseen reason, the contract and addendums will be reviewed and may include an amendment for a change of date or consideration of a partial or full refund, in addition to evaluating if the required minimum number of contracted hours for the impacted production should be reduced to remove the cancelled contract dates and/or times, which shall not be unreasonably withheld.
- 3.24 Follow all the regulations outlined in the F. Scott Fitzgerald Theatre and Social Hall Information Packet, which is attached to the RESCO's contract unless the regulation contradicts the terms and conditions outlined in this Agreement
- 3.25 Storage Space. Pay all fees, comply with all terms and conditions to maintain RESCO status and comply with additional terms and conditions in SECTION 3A related to use of storage space assigned by the City in the storage building located at 850 Avery Lane and situated on the ground of the Rockville Civic Center.



SECTION 3A: STORAGE SPACE ADDITIONAL TERMS

As a benefit of RESCO designation the City grants the RESCO authorization to use storage space the City assigns to them in the storage building, measured at 43 feet by 44 feet in size, designated herein as the “**Storage Space**,” for use in building and storing stage sets and storing other material in connection with performances at the Theatre, and for such other purposes as may be approved by the Superintendent of Community Facilities in writing, subject to the following terms.

- 3A.1 Fee. RESCO shall pay the fee identified in **Exhibit B1** (\$3,549) to the City to the attention of the designated representative on or before July 15, 2026 or forfeit use of the space for the year.
- 3A.2 Term. The period of time for use the Storage Space shall be on an annual basis unless terminated earlier upon revocation of RESCO status or other event of termination.
- 3A.3 Utilities. The City will pay for the following utilities serving the Storage Space: water, electricity, gas.
- 3A.4 Maintenance Responsibilities

3A.4.1 City responsibilities.

Base building maintenance and repairs by the City shall include electrical repairs to existing electrical panels and existing light fixtures; plumbing (collapsed pipe, snake to main drain, leaking fixtures, etc.); exterior of the storage building envelope (roof, roll-up doors, and main doors); gas heaters; windows; pest control within storage building; light bulb replacements; and stopped up sinks, toilets, and drains. City maintenance and repairs will not extend to the window A/C units. Once the window A/C units are deemed unrepairable or at end-of-life by the City, the equipment will be removed permanently from the Storage Space and will not be replaced by the City.

Repair to any damages to drywall, flooring, infrastructure, building envelope (roof, roll-up doors, and main doors), windows, or window A/C units caused by RESCO members, employees, servants, agents, or contractors will be the maintenance responsibility, but not the financial responsibility, of the City. In the event the City conducts such repairs, it shall issue a written invoice to the RESCO. The RESCO must pay the full amount of the invoice within thirty (30) days of receipt of the invoice.

3A.4.2 RESCO responsibilities.

The RESCO shall maintain the Storage Space and use of surrounding area in a clean and safe condition and always maintain clear access to the storage building driveway, storage building entryways, and storage building electrical panels. The City shall provide the RESCO keys for access to the storage building. Requests for keys should be directed to the Superintendent of Community Facilities.

The RESCO will be financially responsible for any repairs to damage, other than ordinary wear and tear, caused to the interior and exterior of the storage building by its members, employees, servants, agents, or contractors. Damages include but are not limited to drywall, flooring, infrastructure, building envelope (roof, roll-up doors, and main doors), windows, and window A/C units. An on-site walk through of the storage unit will be conducted with RESCO and City representatives to review and outline the damages and repairs, and an itemized invoice will be provided to the RESCO for payment to the City. The RESCO must pay the full amount of the invoice within thirty (30) days of receipt of the invoice.

- 3A.5 The RESCO will be responsible for security of their Storage Space; custodial cleaning; and trash and recycling removal (the RESCO can use the City dumpsters and recycling bins).



- 3A.6 RESCO shall not have authority to make improvements to the Storage Space except by written permission. Any improvement (additional outlets, new light fixtures, tiled floor, etc.) or new maintenance items to the RESCO's Storage Space is the responsibility of the RESCO. All proposals, specifications, and solicitations must be submitted to the Superintendent of Community Facilities and the City Facilities Property Manager for review and approval before any servants, agents, and/or contractors access City property or work commences.
- 3A.7 The City shall not be liable for any accident, theft, or damage whatsoever caused to the property of the RESCO, its agents, servants, employees, assignees, and invitees, resulting from the use or operation of the Storage Space by the RESCO, its agents, servants, employees, or invitees. All personal property of the RESCO, its agents, servants, employees, or invitees, stored or otherwise left in the Storage Space shall be at its (their) sole risk. The City assumes no liability or responsibility whatsoever with the respect to the conduct and operation of the RESCO's business.
- 3A.8 Transfer. Any attempt by the RESCO to assign, transfer or otherwise authorize use of any portion of the Storage Space to any other individual or entity shall be void.
- 3A.9 Property. The RESCO assumes all risk related to its property in the Storage Space.
- 3A.9.1 The RESCO is responsible to ensure the Storage Space and contents are properly described in the Certificate of Insurance required to retain the RESCO designation.
- 3A.9.2 The RESCO must remove all property at the expiration of the Term. Any remaining items shall be treated as abandoned and may be discarded at the discretion of the City or removed at RESCO cost to be invoiced and paid by RESCO within 30 days.
- 3A.10 Termination. At the expiration of the term or other event of termination RESCO shall return to the City the Storage Space keys and Storage Space free of RESCO property in the same condition at the beginning of the term, normal wear and tear excepted.
- 3A.10.1 Termination for convenience. Authorization to use the storage space may be terminated by either party prior to the Agreement Term upon written notice to the other party specifying the effective date of terminations at least ninety (90) days before said effective date. If this storage space is terminated pursuant to this paragraph, the City will refund to the RESCO a prorated amount of the annual rent for the period of time the storage building is not used.
- 3A.10.2 Termination for cause. If the RESCO breaches any of its obligations under this agreement, the City may terminate this Agreement for cause by sending written notice to the RESCO specifying the effective date of termination, at least thirty (30) days before said effective date. If the City terminates this agreement for cause pursuant to this paragraph, the RESCO shall not be entitled to any rent refund.
- 3A.10.3 Rescission of RESCO status. RESCO shall not be authorized to use the Storage Space in the event Mayor and Council rescinds the RESCO designation.



SECTION 4: CITY RESPONSIBILITIES

In addition to conferring to the RESCO designation, the Mayor and Council agrees to:

- 4.1 Provide the RESCO with a contract and/or addendum for each production that itemizes all rental, equipment, extra labor, and special package fees.
- 4.2 Serve as a resource for technical support and concept ideas for RESCO productions.
- 4.3 Attend three annual all-RESCO meetings to discuss mutual topics, such as marketing and advertising, Theatre operations, ticket sales, etc.
- 4.4 Offer rental of City box truck for transportation of set pieces and production equipment in the Rockville Civic Center storage building to the Theatre during their contracted production load-in and strike rental hours. If the City requires a RESCO to completely strike the Theatre stage and dressing rooms during a contracted production, the City will assist the RESCO with the load-out and load-in through use of the Civic Center's box truck and one Theatre Technician Specialist to serve as driver at no additional fee. This term and condition does not apply to Theatre stage and dressing room half-strikes that are a standard policy and practice in the RESCOs' production contracts.
- 4.5 Promote the RESCO performances through the City's online ticketing system and various marketing and advertising tools. In conjunction with the City's ticketing service provider, the City's Box Office will provide sales and marketing support for RESCO contracted productions, including placement on the City of Rockville and Theatre websites, social media accounts, and e-mail promotion to the Theatre's patron database. Additionally, the City will include RESCO contracted productions in F. Scott Fitzgerald Theatre marketing initiatives, including local publications and events calendars. The RESCO must meet City deadlines in order to be included in marketing and advertising support. At its discretion, the City reserves the right to reevaluate and revise its marketing and advertising offerings at any point in time.
- 4.6 Provide space in Rockville Civic Center Park storage building subject to the following terms and conditions described at Section 3A (rate listed at **Exhibit B.1**).



SECTION 5: CITY AND RESCO FINANCIAL RESPONSIBILITIES

The RESCO contracts, addendums, and production close-out reports must include the following criteria:

- 5.1 The RESCO agrees to pay all their production rental fees, equipment fees, extra labor fees, special package fees, overtime, and damages and loss.
- 5.2 If a City outside agency grant for funding support is provided to the RESCO, then a grant agreement will be prepared by the City separately from the Agreement.
- 5.3 A production close-out report will be provided to the RESCO at the close of each production within 30 business days from the last contracted date of each production. This report will include a patron list of individuals who purchased tickets, a breakdown of ticket sales by ticket type (including season ticket sales), Theatre per ticket fees, contract and addendum fees, and revenue owed to the RESCO and City.
- 5.4 The RESCO pay for its production rental fees, equipment fees, extra labor fees, and special package fees from season and individual ticket sale revenue, rather than upfront. After each production, the City will either issue payment to the RESCO in the amount of the net ticket sale balance (which is after withholding Theatre per ticket fees, rental fees, equipment fees, extra labor fees, and special package fees) or issue a bill to the RESCO for any remaining balance owed to the City.
- 5.5 If the City owes money to the RESCO, it shall be paid by check made out in the RESCO's name or through an Automated Clearing House ("ACH") electronic payment transfer.
- 5.6 If the RESCO owes money to the City, it shall be paid by check made out to the City of Rockville and submitted to the Theatre Supervisor for processing. Payment shall be due within 30 business days from the date on the City-issued memo that is included within the RESCO's production close out report.
- 5.7 The City shall provide payment of the net ticket sale balance (which is after withholding Theatre per ticket fees) based on the production close-out report within 30 business days from the last contracted date of each production.
- 5.8 The City shall provide the RESCO with quarterly payments for all donations collected throughout the season and a one-time payment of all donations collected during the designated timeframe for season ticket sales. The City does not withhold a fee per donation or percentage from the donation amount.
- 5.9 The RESCO will grant the Theatre Box Office and Marketing Manager full access to handle all ticket sales through third party or discounted ticketing companies:
 - i. The Box Office and Marketing Manager will work with the RESCO on each production to develop the ticket offer; discuss the timeline to ensure proper staff coverage for fulfillment; and establish the chain of command and communication for questions, cancellations, etc.
 - ii. The RESCO is prohibited from selling and/or managing all ticket sales through third party or discounted ticketing companies. All aspects of this process must only be handled by the Box Office and Marketing Manager.



SECTION 6. RESCISSION OF RESCO STATUS

The Mayor and Council may rescind the RESCO's RESCO status and terminate this agreement at its discretion and without cause by giving the RESCO 60 days prior written notice.

- 6.1 If the Mayor and Council rescinds an organization's RESCO status:
- i. The City may terminate the authority to use the assigned Rockville Civic Center Park Storage Space.
 - ii. The City may cancel the RESCO's remaining productions at the Theatre.
 - iii. The City may cancel all season and individual ticket sales associated with the cancelled productions.
 - iv. The RESCO will not pay for the unused rental dates, equipment, extra labor, or special package for each contract and/or addendum date that is cancelled.
 - v. The RESCO must reimburse the City for the Theatre per ticket fees the City paid to its ticketing service provider within 30 days of the effective date of the termination of this Agreement.
 - vi. The RESCO will not receive the discounted rental rates in the Theatre or Social Hall for any already contracted non-fundraiser social event. Contracts and/or addendums will be revised to require the payment of the non-discounted, publicly posted rental rates.
 - vii. The City will handle the ticket refunds with all customers for each cancelled season or performance date.
 - viii. The City will use collected season ticket revenue to refund season ticket patrons for cancelled productions.



SECTION 7. CANCELLATIONS

If the RESCO cancels a season, production, or performance, the cancellation request must be submitted in writing to the Theatre Supervisor and Superintendent of Community Facilities for review and approval/denial.

7.1 If the cancellation request is denied, the Theatre Supervisor will provide an explanation in writing to the RESCO, and the RESCO may ask that an appeal is submitted to the Director of Recreation and Parks. If the cancellation request is denied by the Director of Recreation and Parks, the RESCO may ask that an appeal be submitted to the City Manager's Office for review.

7.2 If the cancellation request is approved:

- i. The RESCO will not pay for the unused rental dates, equipment, extra labor, or special package for each contract and/or addendum date that is requested to be cancelled.
- ii. The RESCO must reimburse the City for the Theatre per ticket fees the City paid to its ticketing service provider within 30 days of the cancellation. It is at the discretion of the Director of Recreation and Parks and/or City Manager's Office to uphold or reverse this requirement.
- iii. The City will handle the ticket refunds with all customers for each cancelled season or performance date.
- iv. The City will use collected season ticket revenue to refund season ticket patrons for cancelled productions.

7.3 If the cancellation request is denied:

- i. The RESCO must pay the City a cancellation fee of 25% of the rental rate per cancelled rehearsal date and 50% of the rental rate per cancelled performance date.
- ii. The RESCO will not pay for the unused rental dates, equipment, extra labor, or special package for each contract and/or addendum date that is requested to be cancelled.
- iii. The RESCO must reimburse the City for the Theatre per ticket fees the City paid to its ticketing service provider within 30 days of the cancellation.
- iv. The City will handle the ticket refunds with all customers for each cancelled season or performance date.
- v. The City will use collected season ticket revenue to refund season ticket patrons for cancelled productions.



SECTION 8. RESCO REPORTING RESPONSIBILITIES

The RESCO must meet the following reporting obligations:

- 8.1 By July 1 each City fiscal year, the RESCO must provide the City with the contact information of each RESCO Board Member and indicate the Executive Members. The Executive Members are the individuals that have the power to sign contracts and addendums on behalf of the RESCO, make management and operational decisions on behalf of the RESCO, and will be the City's point of contact. Typically, the President, Vice President, and Treasurer are the Executive Members.
- 8.2 By July 1 each City fiscal year, the RESCO must submit its strategic plan detailing the strategies to support ongoing operations. If the RESCO is part of a consortium with another RESCO organization, the RESCOs must split out the strategic plans for each organization since operations may differ between organizations. A strategic plan may include a cover page, executive summary, company overview, industry analysis, customer analysis, competitive analysis, marketing and advertising plan, operations plan, management team, and financial plan, including financial projections.
- 8.3 By September 15 each City fiscal year, the RESCO must submit to the City an accurate financial report of the previously completed season detailing the total expenses and revenue for each production, the total dollar amount of received donations, and the total dollar amount of received grants.



SECTION 9: RATES AND FEES

9.1 RESCO Rate and Fee Increases

The benchmark date for setting rates and fees is 2026.

Every three (3) years, all rates and fees shall be reviewed with the option to increase. Increases will not exceed the September three-year average of the Consumer Price Index (CPI), Washington-Arlington-Alexandria area.

9.2 Warehouse Storage Space Fee

Rental rate for Storage Space described at **Exhibit B.1**.

9.3 Theatre and Social Hall Rental Rates

Rental Rates for the F. Scott Fitzgerald Theatre and Social Hall are listed at **Exhibit B.2**.

9.4 Equipment Rental Fees

Equipment rental fees are listed at **Exhibit B.3**.

9.5 Special Package Fees

Special package fees are listed at **Exhibit B.4**.

9.6 Theatre Per Ticket Fees

Theatre per ticket fees are listed at **Exhibit B.5**.



SECTION 10. MISCELLANEOUS

10.1 Notices and Demands

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

To the City: Mayor and Council of Rockville
c/o Office of the City Clerk / Director of Council Operations
111 Maryland Avenue
Rockville, Maryland 20850
Attn: City Clerk / Director of Council Operations
cityclerk@rockvillemd.gov
Telephone: (240) 314-8283

With copies to:

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

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

To RESCO: Rockville Musical Theatre
c/o President and Treasurer
PO Box 1248
Rockville, MD 20849

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

10.1.2 RESCO shall promptly notify City with any changes to entity or address throughout the Term.

10.2 Governing Law



This Agreement shall be interpreted, construed and governed both as to validity and to performance of the Parties in accordance with the laws of the State of Maryland.

10.2.1 Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Circuit Court of Montgomery County, State of Maryland, and the RESCO covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the State of Maryland, Southern Division.

10.2.2 Notwithstanding anything herein contained to the contrary, RESCO acknowledges the Mayor and Council is a municipal corporation and its obligations hereunder are given only to the extent permitted by applicable law, contingent upon the appropriation and encumbrance of funding; are subject to the Maryland Public Information Act presumption that all records within the custody of the City are available to the public for review; and are subject to the notice requirements and damage limitations stated in applicable law, including, but not limited to, the Local Government Tort Claims Act, Md. Code Ann., Ct & Jud Proc. § 5-301, et seq. (2013 Repl. Vol.), as amended from time to time.

10.3 **Survival**

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

10.4 **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.

10.5 **Entire Agreement**

This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the Parties.

10.6 **Waivers and Amendments, Writing Required**

10.6.1 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.

10.6.2 No waiver by any party at any time of any of the terms, conditions, or covenants shall be deemed as a waiver at any time thereafter of the same or of any other terms, condition or covenant.

10.7 **No Third-Party Beneficiary**



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

10.8 **Successors**

The covenants of this Agreement shall be binding upon and shall inure to the benefit of the Parties, their respective successors, administrators, executors, and assigns.

10.9 **Signatures**

10.9.1 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.

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

[*Signatures on Following Page*]



IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first above written.

THE MAYOR AND COUNCIL OF ROCKVILLE:

Jeff Mihelich, City Manager

APPROVED AS TO FORM AND LEGALITY:

Robert E. Dawson, City Attorney

WITNESS:

ROCKVILLE MUSICAL THEATRE:

Courtney Knoerlein, Vice President

Megan Evans, President



EXHIBIT A

Insurance

RESCO must obtain, at its own cost and expense, and keep in full force and effect during the term of the Agreement including all extensions, the following insurance with an insurance company licensed to do business in the State of Maryland evidenced by a certificate of insurance and/or copies of the insurance policies.

The procuring of such required policy or policies of insurance will not be construed to limit RESCO’s liability hereunder nor to fulfill the indemnification provisions of this Agreement.

RESCO must submit to the City’s Safety & Risk Management Division, a certificate of insurance and all requested insurance endorsements evidencing the insurance as follows:

a. Mandatory Requirements for Insurance.

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

RESCO must obtain Commercial General Liability with a minimum per occurrence liability limit of \$1,000,000.

<p>3. Commercial General Liability</p> <p>a. Bodily Injury b. Property Damage c. Contractual Liability d. Premise/Operations e. Independent Contractors f. Products/Completed Operations g. Personal Injury</p>	<p>Each Occurrence: \$1,000,000</p>	<p>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.</p>
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b. Policy Cancellation

No change, cancellation or non-renewal shall be made in any insurance coverage without a thirty (30) day written notice to the City’s Safety & Risk Management Division. RESCO shall furnish a new certificate prior to any change or cancellation date. The failure of RESCO 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 the RESCO’s Commercial and Excess/Umbrella Insurance for liability arising out of RESCO’s products, goods, and services provided under this Agreement. Additionally, The Mayor and Council of Rockville must be named as additional insured on RESCO’s General Liability Policies. Endorsements reflecting the Mayor and Council of Rockville as an additional insured are required to be submitted with the insurance certificate.

CERTIFICATE HOLDER

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



EXHIBIT B

Fees – Rate Schedule

RESCO status is subject to timely payment of fees as described in the following schedules.

- B.1 **Warehouse Storage Space Fee**
- B.2 **Theatre and Social Hall Rental Rates**
- B.3 **Equipment Rental Fees**
- B.4 **Special Package Fees**
- B.5 **Theatre Per Ticket Fees**



EXHIBIT B.1

Storage Space

The fee for storage space use is: \$ 3,549.00 for the Term.



EXHIBIT B.2

Theatre and Social Hall Rental Rates

Exhibit B.2: Theatre and Social Hall Rental Rates

A four-hour rental minimum per contracted date is required to reserve the Theatre. For pick-up technical rehearsals scheduled in the Theatre on the Thursday of the second and/or third week of a contracted production, a three-hour required rental minimum is allowed. A three-hour rental minimum per contracted date is required to reserve the Social Hall. The following rental rates only apply to contracted production rehearsals and performances, including non-fundraiser social events.

Theatre Rental Rates	
Monday, Tuesday & Wednesday	\$141 per hour
Thursday & Sunday	\$220 per hour
Friday & Saturday	\$261 per hour

Social Hall Rental Rates	
Monday, Tuesday, Wednesday & Thursday (anytime)	\$54 per hour
Friday, Saturday & Sunday (anytime)	\$103 per hour
General Use During Production Contracted Dates & Times*	\$255 flat daily fee
Temporary Extra Dressing Room Space and/or Storage	\$100 flat fee for an entire contracted production run

* Cannot be used for temporary extra dressing room space and/or storage.

Temporary Extra Dressing Room Space and/or Storage

The RESCO may rent the Social Hall for temporary extra dressing space and/or storage during its contracted rehearsal and performance hours in the Theatre. This use is allowed when the RESCO with a higher onstage and backstage participant count exceeds the established fire code capacity for the backstage, dressing rooms, and green rooms areas or when their equipment exceeds the allowable capacity and functional space backstage. This space is only allowed for performers and crew (NOT the public). The space cannot be used for meals, fundraisers, lectures/Q&A sessions, social gatherings, events, etc. City staff must always have access to the Social Hall, at any time, due to safety requirements. The Social Hall is only offered Wednesday through Sunday, can be reserved based on availability, and must be included in the rental contract and/or addendum before use is granted.



EXHIBIT B.3

Equipment Rental Fees

Exhibit B.3: Equipment Rental Fees

Equipment rental fees are for an entire contracted production or non-fundraiser social event in the Theatre and Social Hall unless otherwise indicated.

Equipment Description	Price
Wired Clear-Com intercom system (up to 6 units)	\$0 flat fee
Wireless Clear-Com intercom system (up to 4 units)	\$25 flat fee
Hanging microphone (for 4 units total)	\$0 flat fee
Labor to move a hanging microphone	\$25 flat fee
Wireless lavalier or handheld microphone (up to 4 units of either types)	\$25 per item
Wired microphone	\$25 per item
Additional hanging microphone	\$25 per item
Spike tape	\$15 per item
Glow tape	\$25 per item
Gaffer tape	\$35 per item
Lectern	\$10 flat fee
Surround sound speakers (Social Hall only)	\$25 flat fee
Mic & podium	\$35 per item
Standing chorus riser (up to 3 risers)	\$35 flat fee
4ft x 8ft Platform riser (up to 12 risers)	\$35 flat fee
Set-up and breakdown of 15 or less music stands and/or chairs	\$0 flat fee
Set-up and breakdown of 16 to 49 music stands and/or chairs	\$50 flat fee
Set-up and breakdown of 50 to 85 music stands and/or chairs	\$100 flat fee
Rows A & B auditorium seating (black interlocking wire chairs)	\$100 flat fee
Set-up and breakdown of pipe-and-drape or other temporary curtain systems	\$100 flat fee
Floor monitor (up to 4 units with 4 separate mixes)	\$50 per item



EXHIBIT B.3

Equipment Rental Fees

Supertitles projector (mounted on catwalk)	\$75 flat fee
LCD front projector with screen (ceiling mounted at back of house)	\$200 flat fee
MAC Viper Profiles	\$0 flat fee
Follow spotlight (up to 2 follow spotlights)	\$100 flat fee
Upright piano (includes tuning)	\$250 per item
Grand piano (includes tuning)	\$350 per item
Wenger 3-panel acoustic concert sound shells (6 shells cover the full stage width)	\$120 flat fee
City box truck (for use during contracted load-in and strike rental hours only)	\$200 flat fee
Orchestra Pit	\$0 flat fee
Stage extension thrust and edge extensions (full stage width)	\$400 flat fee
Stage extension thrust (sized to cover orchestra pit only)	\$200 flat fee
Dance floor (Marley-type)	\$300 flat fee



EXHIBIT B.4

Special Package Fees

Exhibit B.4: Special Package Fees

Special package hours do not go towards the minimum amount of contracted production hours.

Additional Theatre Technician Specialist	Established City hourly rate for position (minimum of 3 hours)
The Light & Sound Package	\$75 per 30 minutes (minimum of 30 minutes)
Red Wine and Purple/Red Beverages	\$500 flat fee per production/non-fundraiser social event contract
Customized Seating Map for Ticket Sales	\$300 per seating map

Additional Theatre Technician Specialist

The RESCO can request extra Theatre Technician Specialist labor during the contracted hours of a production.

The Light & Sound Package

The Light and Sound Package can be added on immediately before the beginning of the rental contract to allow the user group to install, remove, or make light and/or sound adjustments on-site with our technical staff. Up to two representatives from the RESCO can be on-site during use of this package. No guests, deliveries, vendors, set-up, rehearsals, etc. are allowed in the Theatre during this timeframe. The Theatre will open for the light and sound representatives only and then close again after arrival. All other services must take place during your contracted rental period.

Red Wine and Purple/Red Beverages

Red wine and purple/red beverages are allowed in the Social Hall only. Passing of red wine and/or purple and red beverages by wait staff is strictly prohibited. Bar and table service only are allowed.

Customized Seating Maps for Ticket Sales

The Theatre Box Office can make any seat map it offers into general admission seating and has two available seat maps for tiered seating. If the RESCO requires a customized seat map to be created for an event, it will take seven to 10 business days to complete.



EXHIBIT B.5

Theatre Per Ticket Fees

Theatre per ticket fees are collected by the City as revenue.

- \$3.00 per exchanged ticket
- \$2.25 per general admission ticket
- \$2.25 per assigned seating ticket
- \$2.25 per third party or discounted ticketing companies
- \$1.75 per season ticket
- \$0.65 per complimentary ticket
- Consignment tickets, printed tickets, and Theatre box office buy-outs are prohibited*

*This restriction only applies to production contracts that have the associated policy, as outlined in this Agreement, requiring a minimum number of productions each season, along with a minimum number of contracted hours.



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