



MAYOR AND COUNCIL

**Meeting No.15-25
Monday, June 2, 2025 - 5:30 PM**

AGENDA

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

Any person who requires assistance in order to attend a City meeting should call the ADA Coordinator at 240-314-8108.

Translation Assistance

Individuals who wish to participate in-person at Mayor and Council meetings during Community Forum or Public Hearings and who may need assistance with translation service other than English, please contact the City Clerk's Office at 240-314-8280, 3 business days prior to the meeting date (the Wednesday before the Monday meeting) or email at cityclerk@rockvillemd.gov, or by using this form: <https://www.rockvillemd.gov/FormCenter/City-Clerk-11/Sign-Up-for-Translation-Assistance-at-Co-368>

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

In-Person Attendance

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

Viewing Mayor and Council Meetings

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

Participating in Community Forum & Public Hearings:

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

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

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

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

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

The next scheduled Drop-In Session will be held by phone or in-person on Monday, June 9 from 5:15-6:15 pm with Mayor Ashton and Councilmember Valeri. Please sign up by 10 am on the meeting day using the form at:

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

1. Convene - 5:30 PM

2. Pledge of Allegiance

3. Proclamation and Recognition - 5:35 PM

- A. Environmental Excellence Awards
- B. Proclamation Declaring June 6-8, 2025, as National Gun Violence Awareness Day, Weekend and Month in Rockville, Maryland
- C. Proclamation Declaring June 9-15, 2025, as Men's Health Week in Rockville, Maryland
- D. Proclamation Declaring June 14, 2025, as Flag Day in Rockville, Maryland
- E. Proclamation Declaring June 19, 2025, as Juneteenth in Rockville, Maryland
- F. Proclamation Declaring June 20, 2025, as World Refugee Day
- G. Proclamation Declaring June 2025, as Caribbean-American Heritage Month

H. Proclamation Declaring June 2025, as LGBTQ+ Pride Month in Rockville, Maryland**4. Agenda Review - 6:30 PM****5. City Manager's Report - 6:35 PM****6. Boards and Commissions Appointments and Reappointments - NONE****7. Community Forum - 6:45 PM****8. Special Presentations - NONE****9. Consent Agenda - 7:05 PM**

- A.** Approve and Authorize the City Manager to Execute the Fiscal Year 2026 Agreements that extend Resident Community Performing Arts Organization status to Rockville Little Theatre, Rockville Musical Theatre, and Victorian Lyric Opera Company to enable these community organizations to provide performances at the F. Scott Fitzgerald Theatre & Social Hall.

- B.** Approval of Minutes

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

- A.** Introduction and Possible Adoption of an Ordinance to amend Ordinance No. 04-25 to appropriate funds and levy taxes for FY 2025 (Budget Amendment #4)
- B.** Consider Actions Related to Reorganization and Revisions to Chapter 15 - Personnel of City Code

12. Worksession - 7:35 PM

- A.** Work Session - Green Building Regulations
- B.** Exploring Child Care Solutions to Meet Community Needs

13. Mock Agenda - 9:35 PM

- A.** Mock Agenda

14. Old / New Business - 9:40 PM**15. Adjournment - 9:50 PM**



MAYOR AND COUNCIL Meeting Date: June 2, 2025
Agenda Item Type: PROCLAMATION AND RECOGNITION
Department: PW - ENVIRONMENTAL MANAGEMENT
Responsible Staff: AMANDA CAMPBELL

Subject

Environmental Excellence Awards

Department

PW - Environmental Management

Recommendation

Staff recommends that the Mayor and Council concur with the Environment Commission's award selections and present the awards to the Environmental Excellence winners with Will McClain, Chair of the Environment Commission, and other Commission members.

Discussion

In 2003, the Mayor and Council established a series of Environmental Excellence Awards to recognize extraordinary accomplishments made by residents, organizations, and businesses that work to enhance Rockville's environment and sustainability efforts. Additionally, these awards are intended to encourage other community members to follow the lead of the award recipients. Anyone can, at any time, nominate an individual, organization, or business for an Environmental Excellence Award. In 2008, the Mayor and Council designated the Environment Commission to review such nominations and select deserving award winners. In 2010, the Rockville Mayor and Council established the Carl Henn Environmental Excellence Award as a way to recognize outstanding individual efforts to improve the health or quality of Rockville's environment, address a specific environmental problem, or increase public understanding of environmental issues.

The Environment Commission is recommending two awards:

1) Dawn Samen receive the Carl Henn Environmental Excellence Award for Outstanding Individual Environmental Stewardship for Litter Removal Beautifying Twinbrook Neighborhood Parks.

Dawn Samen has been picking up litter in the Twinbrook neighborhood for 18 years. Every day, she walks down the path that goes behind the Twinbrook Community Recreation Center to Rock Crest Park, picking up trash. She recycles everything that she can and throws the rest away. The only days she doesn't go out is when it is raining or snowing.

Ms. Samen recently received the Twinbrooker of the Year award from the Twinbrook Community Association for her efforts. She has lived in the Rockville area her whole life and is a self-proclaimed "perfectionist", picking up even the smallest pieces of trash along her way. She believes if one person from each part of our neighborhood did this work we would have a much more beautiful place to live in Rockville. Due to her dedication, the Twinbrook neighborhood is a cleaner and safer place.

Dawn Samen was nominated by Jen Hawse.

2) Ingleside at King Farm receive the Environmental Excellence Award for Outstanding Leadership in Environmental Practices for their compost program.

Ingleside at King Farm (IKF) is a senior living community that embraces environmentally friendly practices. With encouragement from the volunteer Green Team, the dining department decided to participate in a pilot composting program developed by Montgomery County Department of Environmental Protection for the collection of food scraps from dining facilities. Maryland had previously enacted legislation requiring all institutions or non-restaurant food establishments that produce more than 1,000 pounds of food scraps per week to participate in food scrap collections. Once that dining facility's program was up and running, the General Manager of Dining Services, Teddy Demessie, decided to extend the program to others residing in the Ingleside community. He invited residents to join the program by collecting food scraps in their private apartments and bringing them to a collection site.

Resident personal food scraps composting began in July 2024 with a group of 25 participants formed by members of the Green Team and other interested residents. The Green Team provided each participant with a list of acceptable food scraps and other items and guidelines as to how to collect and store the food scraps until the collection time. As Ingleside at King Farm dining department offers only reusable or compostable containers for carry out, the compostable containers are also collected. During a one-hour period every Monday afternoon and Thursday morning, the residents bring their food scraps to the collection area near the kitchen of the Café. A volunteer resident monitor removes any contaminants prior to placing scraps in the bin.

The resident food scrap collection was so popular that it was expanded to 50 residents, and then after 3 months it was expanded to serve all residents of the community. Every week, in addition to the kitchen compost, the resident program composts approximately 300 pounds of food scraps and containers, turning them back into soil.

Ingleside at King Farm was nominated by Councilmember Barry Jackson.

Mayor and Council History

The Mayor and Council periodically present the awards for Environmental Excellence as deserving candidates are nominated and evaluated by the Environment Commission.

Boards and Commissions Review

On March 5, 2025, the Environment Commission voted unanimously to recommend Ingleside at King Farm for an Environmental Excellence Award. On May 1, 2025, the Environment Commission voted unanimously to recommend Dawn Samen for an Environmental Excellence Award.

Attachments



MAYOR AND COUNCIL Meeting Date: June 2, 2025

Agenda Item Type: PROCLAMATION

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: DANNY WINBORNE

Subject

Proclamation Declaring June 6-8, 2025, as National Gun Violence Awareness Day, Weekend and Month in Rockville, Maryland

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff Recommends May and Council read and approve the proclamation, and present it to Maria Pekala, Maryland Chapter, Moms Demand Action for Gun Sense in America, and other Chapter members.

Discussion

National Gun Violence Awareness Day, also known as **#WearOrange Day**, is on June 6, 2025, the first Friday of the month. The day recognizes the more than 100,000 people killed or wounded by gunfire in the United States each year. The day also kicks off Wear Orange Weekend, which will take place June 6–8, 2025 and will feature virtual and in-person events across the country. Orange is the color that Hadiya Pendleton's friends wore in her honor and is worn throughout the nation to raise awareness about gun violence.

Every day, more than 300 people are directly impacted by gun violence in the United States. Gun Violence Awareness Month was created to draw attention to this tragic reality and demand life-saving change.

Of the 300 largest U.S. cities, cities in states with the strongest gun laws experienced 19.4 percent fewer total gun homicides in 2023 than in 2022, while cities in states with the weakest gun laws saw only 5.1 percent fewer total gun homicides.

Gun violence surged during the COVID-19 pandemic, and 2021 saw a record number of gun murders—up 45 percent from 2019. Similarly, the 2023 national murder rate is estimated to still be above pre-pandemic levels. And the declines from 2022 are not being felt evenly across the United States. Many U.S. cities are making only marginal public safety improvements or none at all, and new analysis from the Center for American Progress shows that weak state gun laws likely contributed to the lack of progress in those places. Analysis of incident-level data from the Gun Violence Archive reveals that of the 300 largest U.S. cities, cities in states with the

strongest gun laws experienced 19.4 percent fewer total gun homicides in 2023 than in 2022, while cities in states with the weakest gun laws saw only 5.1 percent fewer total gun homicides—more than a 14 percent difference between cities in states with the strongest gun laws and those with the weakest gun laws.

GUN VIOLENCE IN MARYLAND

GUN DEATHS OVER TIME

In Maryland, the rate of gun deaths increased 46% from 2011 to 2020, compared to a 33% increase nationwide. The rate of gun suicides increased 2% and gun homicides increased 81% compared to a 12% increase and 70% increase nationwide, respectively.

THERE IS SOME GOOD NEWS!

According to data released by the U.S Attorney’s Office in Baltimore, Maryland saw a major reduction in violent crimes in 2024. Statewide violent crime from 2021-2024 is down:

Maryland Statewide Violent Crimes – 2021 - 2024				
	2021	2022	2023	2024
Homicides	659	599	519	455
Non-Fatal	1332	1287	1190	891

There is more good news!

In 2025, Maryland saw a reduction in gun violence, with homicides and non-fatal shootings decreasing in Baltimore. The Baltimore Police Department reported a 23% decrease in homicides and a 34% decrease in non-fatal shootings in Baltimore City. Statewide, homicides decreased by 32% since 2021, with Baltimore City experiencing a 41% decrease.

Additional Statistics:

- **Homicides:**

In 2024, Baltimore City recorded 201 homicides, the lowest total since 2011.

- **Non-fatal shootings:**

Baltimore experienced a 34% decrease in non-fatal shootings between 2023 and 2024.

- **Youth Victims:**

At least 47 children and teens were victims of armed violence near schools in the 2024-2025 school year, a 27% decrease compared to the previous year.

While numbers down, there is still work to be done to totally eradicate gun violence in Maryland and throughout America.

[EveryStat - EveryStat.org](https://www.cbsnews.com/baltimore/news/maryland-violent-crime-reduction-gun-violence/)

<https://www.cbsnews.com/baltimore/news/maryland-violent-crime-reduction-gun-violence/>

Mayor and Council History

The Mayor and Council present the National Gun Violence Awareness Month proclamation annually.

Public Notification and Engagement

Event #1 - **Wear Orange** will be taking place June 6, 2025. Join everyone wearing orange to honor survivors and building community with those working to end gun violence.

Event #2 - **Moms Demand Action** group is again holding a **Wear Orange** gathering this year, on **Saturday, June 7, from 11 am to 1 pm at Wheaton Regional Park**. As you may know, **Wear Orange** (or more formally the **National Gun Violence Awareness Day** and **Wear Orange Weekend**) is a nation-wide, annual event that brings people together to recognize the impact of gun violence and to act in solidarity against it. During the one-hour event, we will hear from gun violence survivors and highlight the work of our community partners. A talented local musician will give a brief musical performance. We will then invite everyone to join us on a walk through the park to raise awareness of the problem of gun violence in our community. You can read more about Wear Orange here: <https://wearorange.org/>

Attachments

Proclamation Declaring June 6, 2025 as Gun Violence Awareness Day and June 6-8, 2025, as Gun Violence Awareness Weekend



WHEREAS, in the years 2021-2024 an average of 558 people died by homicide in Maryland, and more than 1,175 are wounded by gun violence; and

WHEREAS, while homicides and gun violence are down significantly in Maryland compared to nationwide, guns are still the leading cause of death among children and teens every year, and we still need to work to eliminate gun violence and gun homicides across the country; and

WHEREAS, Rockville, Maryland, and other cities across the nation, are working to end this senseless violence with evidence-based solutions, and in support of these efforts, the State of Maryland passed legislation in 2024 restricting ghost guns; and

WHEREAS, in January 2013, Hadiya Pendleton was tragically shot and killed at age 15; and on June 6, 2025, people across the United States will recognize National Gun Violence Awareness Day and wear orange in tribute to - (1) Hadiya Pendleton and other victims of gun violence; and (2) the loved ones of those victims; and

WHEREAS, vigils and events will be held in Montgomery County, and throughout Maryland to raise awareness regarding gun violence, and to honor the lives of gun violence victims and survivors in our area and across the nation; and

WHEREAS, Rockville renews its commitment to reduce gun violence and pledge to do all we can to keep firearms out of the wrong hands and encourage responsible gun ownership to help keep our communities safe, and the City of Rockville in partnership with the Montgomery County State's Attorney's Office participates in the Gun Buy-Back program annually.

NOW, THEREFORE, the Mayor and Council of the City of Rockville, Maryland, declare **June 6, 2025**, as **Gun Violence Awareness Day**, **June 6-8, 2025**, as **Gun Violence Awareness Weekend**, and **June 2025**, as **National Gun Violence Awareness Month**, and encourage all residents to support their local communities' efforts to prevent the tragic effects of gun violence and to honor and value human lives.




Monique Ashton, Mayor


Kate Fulton, Councilmember


Izola (Zola) Shaw, Councilmember


Barry Jackson, Councilmember


Marissa Valeri, Councilmember


David Myles, Councilmember


Adam Van Grack, Councilmember

June 2, 2025



MAYOR AND COUNCIL Meeting Date: June 2, 2025

Agenda Item Type: PROCLAMATION

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: DANNY WINBORNE

Subject

Proclamation Declaring June 9-15, 2025, as Men's Health Week in Rockville, Maryland

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff Recommend that the Mayor and Council read and approve the proclamation, and present it to Craig Simoneau, Director of Public Works for the City of Rockville, Maryland.

Discussion

International Men's Health Week 2025 is 9-15 June

Men's Health Week is 31 years old this year! It began in the U.S. in 1994 following a Senate Joint Resolution to establish the Week by Senator Bob Dole. The Week was linked to Father's Day in the U.S. (the Week always ends on that Day, the third Sunday in June) and it became an international event in 2002 when it was first marked in the UK. It has since been adopted in Australia, Canada, Denmark, Ireland, New Zealand and beyond. The Week provides an opportunity for a wide range of organizations and individuals to draw attention to the poor state of men's health, organize activities that engage men, and advocate changes to health policy and practice. In short, it puts men's health on the map both nationally and globally.

Led by Men's Health Network, representatives from six leading men's health organizations around the world met at the 2nd World Congress on Men's Health in Vienna, Austria in 2002 and resolved to work together to launch International Men's Health Week (IMHW). The goal is to increase awareness of male health issues on a global level and to encourage inter-and intra-national institutions to develop health policies and services that meet the specific needs of men, boys, and their families.

Men's Health Week/Men's Health Month

This awareness period was created by Senator Bob Dole and Congressman Bill Richardson with support from Men's Health Network. It was passed by the U.S. Congress and signed into law by President Bill Clinton in 1994 as Men's Health Week (The Week ending on the U.S. Father's Day). Men's Health Week is still celebrated as "a special awareness period recognized by

Congress and the President' and international Men's Health Week is celebrated around the globe.

Men's Health Month (June) is an annual awareness period designed to heighten the awareness of preventable health problems (mental and physical) and encourage early detection and treatment of disease among men and boys. Medical professionals and community activities use this opportunity to encourage regular self-exams and screenings.

Wear BLUE Day is celebrated every year on the Friday of Men's Health Week!

www.MensHealthMonth.org

www.MensHealthWeek.org

www.InternationalMensHealthWeek.org

www.imhw.org

www.WearBlueFriday.org

Mayor and Council History

The Mayor and Council present this proclamation annually

Public Notification and Engagement

In the USA, the Men's Health Network also had a Men's Health Month, part of which is '**Wear Blue Day**' on 15 June.

Attachments

Proclamation Declaring June 9 -15, 2025, as Men's Health Week in Rockville, Maryland



WHEREAS, despite advances in medical technology and research, men's life expectancy continues to average five years less than women's, with men of Native American and African American ethnic backgrounds having the lowest life expectancy overall; and

WHEREAS, educating the public about the importance of a healthy lifestyle and early detection of male health issues will assist in reducing the number of deaths caused by detectable and preventable diseases; and

WHEREAS, men who understand the important role that preventative health can play in prolonging their lifespan and role as productive family members, will be more likely to participate in health screenings; and

WHEREAS, **Men's Health Week**, ends with Father's Day, to celebrate fathers who maintain a healthy lifestyle are role models for their children and have happier, healthier children; therefore; and

WHEREAS, Men's Health Network worked with Congress to develop a national men's health awareness period as a special campaign to help educated men, boys, and their families about the importance of positive health attitudes and preventative health practices

NOW, THEREFORE, the Mayor and Council of the City of Rockville, Maryland, do hereby proclaim **June 9-15, 2025, Men's Health Week and June 2025 Men's Health Month**, and encourage the Rockville community to support increased awareness and the importance of a healthy lifestyle, regular exercise, and medical checkups for men and their families.




Monique Ashton, Mayor


Kate Fulton, Councilmember


Izola (Zola) Shaw, Councilmember


Barry Jackson, Councilmember


Marissa Valeri, Councilmember


David Myles, Councilmember


Adam Van Grack, Councilmember

June 2, 2025



MAYOR AND COUNCIL Meeting Date: June 2, 2025

Agenda Item Type: PROCLAMATION

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: DANNY WINBORNE

Subject

Proclamation Declaring June 14, 2025, as Flag Day in Rockville, Maryland

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff recommends that Mayor and Council read and approve the proclamation, and Henderson Smith Edwards American Legion Post 86 Color Guard will accept the proclamation.

Discussion

The American Flag is a living symbol of our great nation. Its care is essential to honoring our country's past, present, and future.

Flag Day, also called **National Flag Day**, in the United States, is a day honoring the national flag, observed on June 14. The holiday commemorates the date in 1777 when the United States approved the design for its first national flag.

Many Americans celebrate Flag Day by displaying the Red, White, and Blue in front of homes and businesses. The day commemorates the adoption of the Stars and Stripes as the official flag of the United States.

Flag Day is a non-federal holiday in the United States that honors the history and meaning of the American Flag. To celebrate Flag Day, get a high-quality American flag and display it in a prominent location outside of your home. Raise the flag at sunrise and lower it at sunset to adhere to the U.S. Flag Code.

Respect for the flag:

No disrespect should be shown to the flag of the United States of America; the flag should not be dipped to any person or thing. Regimental colors, State flags, and organization or institutional flags are to be dipped as a mark of honor.

- (a) The flag should never be displayed with the union down, except as a signal of dire distress in instances of extreme danger to life or property.

- (b) The flag should never touch anything beneath it, such as the ground, the floor, water, or merchandise.
- (c) The flag should never be carried flat or horizontally, but always aloft and free.
- (d) The flag should never be used as wearing apparel, bedding, or drapery. It should never be festooned, drawn back, nor up, in folds, but always allowed to fall free. Bunting of blue, white, and red, always arranged with the blue above, the white in the middle, and the red below, should be used for covering a speaker's desk, draping the front of the platform, and for decoration in general.
- (e) The flag should never be fastened, displayed, used, or stored in such a manner as to permit it to be easily torn, soiled, or damaged in any way.
- (f) The flag should never be used as a covering for a ceiling.
- (g) The flag should never have placed upon it, nor on any part of it, nor attached to it any mark, insignia, letter, word, figure, design, picture, or drawing of any nature.
- (h) The flag should never be used as a receptacle for receiving, holding, carrying, or delivering anything.
- (i) The flag should never be used for advertising purposes in any manner whatsoever. It should not be embroidered on such articles as cushions or handkerchiefs and the like, printed or otherwise impressed on paper napkins or boxes or anything that is designed for temporary use and discard. Advertising signs should not be fastened to a staff or halyard from which the flag is flown.
- (j) No part of the flag should ever be used as a costume or athletic uniform. However, a flag patch may be affixed to the uniform of military personnel, firemen, policemen, and members of patriotic organizations. The flag represents a living country and is itself considered a living thing. Therefore, the lapel flag pin being a replica, should be worn on the left lapel near the heart.
- (k) The flag, when it is in such condition that it is no longer a fitting emblem for display, should be destroyed in a dignified way, preferably by burning.

Position and manner of display

- When flags of two or more nations are displayed, they are to be flown from separate staffs of the same height. The flags should be of approximately equal size. International usage forbids the display of the flag of one nation above that of another nation in time of peace.
- The flag of the United States of America, when it is displayed with another flag against a wall from crossed staffs, should be on the right, the flag's own right and its staff should be in front of the staff of the other flag.
- The flag of the United States of America should be at the center and at the highest point of the group when a number of flags of States or localities or pennants of societies are grouped and displayed by the staff.

Mayor and Council History

Mayor and Council present this proclamation annually.

Attachments

Proclamation Declaring June 14, 2025, as Flag Day in Rockville, Maryland



WHEREAS, by resolution of the second Continental Congress dated June 14, 1777, the first official flag of the United States was adopted; and

WHEREAS, by Act of Congress dated August 3, 1949, June 14 of each year was designated as "**National Flag Day**;" and

WHEREAS, on December 8, 1982, the National Flag Day Foundation was chartered to conduct educational programs and to encourage all Americans to **PAUSE FOR THE PLEDGE** of Allegiance as part of National Flag Day ceremonies; and

WHEREAS, The American flag is a living symbol of our great nation. Its care is essential to honoring our country's past, present, and future, The American flag should never be displayed lower than any other flag, and should not be used as wearing apparel, bedding, costume, or as an athletic uniform, among other things; and

WHEREAS, Flag Day celebrates our nation's symbol of unity, a democracy in a republic, and stands for our country's devotion to freedom and to equal rights for all.

NOW, THEREFORE, the Mayor and Council of the City of Rockville, Maryland, do hereby proclaim **June 14, 2025**, as **FLAG DAY**, and urge the Rockville community to pause at 7:00 p.m. on this date for the annual **PAUSE FOR THE PLEDGE**, and recite with all Americans the Pledge of Allegiance to our Flag and Nation.




Monique Ashton, Mayor


Kate Fulton, Councilmember


Izola (Zola) Shaw, Councilmember


Barry Jackson, Councilmember


Marissa Valeri, Councilmember


David Myles, Councilmember


Adam Van Grack, Councilmember

June 2, 2025



MAYOR AND COUNCIL Meeting Date: June 2, 2025

Agenda Item Type: PROCLAMATION

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: DANNY WINBORNE

Subject

Proclamation Declaring June 19, 2025, as Juneteenth in Rockville, Maryland

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff recommends Mayor and Council read and approve the proclamation, and present it to Jeanne Booth Director of Justice, Equity, Diversity, And Inclusion (JEDI) • City Manager's Office.

Discussion

Juneteenth is recognized each year on June 19th. In June 1865, Major General Gordon Granger and his Union troops landed in Galveston, Texas, and announced that the Civil War had ended. Major General Gordon read a proclamation declaring that all enslaved people were free, two-and-a-half years after President Abraham Lincoln's Emancipation Proclamation had declared that enslaved people living in the secessionist Confederate states were free. The first Juneteenth was celebrated in Texas. The name **Juneteenth** was derived by combining the word "**June**" and "**Nineteen**." Today, Juneteenth is recognized across the country.

In 1996, Michigan Congresswoman Barbara-Rose Collins introduced the first legislation to recognize "Juneteenth Independence Day." Today, Juneteenth celebrates African American freedom and achievements. The day also encourages continuous self-development and improvement. While Juneteenth celebrates freedom, it also serves as a reminder of the need to recognize and eliminate systemic racism towards African Americans.

On July 20, 2020, the Mayor and Council unanimously voted to make Juneteenth a City holiday in Rockville. This year, the City is collaborating with Montgomery County to celebrate and further the understanding of Juneteenth through a two-day community event on June 17th and 18th. Juneteenth celebration activities will include exhibits, food, vendors, games, arts, books, and live music.

Mayor and Council History

Mayor and Council issue this proclamation annually.

Public Notification and Engagement

The City of Rockville will join Montgomery County to celebrate Juneteenth at a special event featuring live music, food, art, films, and awards from 1 pm - 10 pm Saturday, June 21, 2025, 28th Annual Montgomery County Juneteenth Celebration: **PUSHING BACK – THE FIGHT FOR FREEDOM IS NOT OVER** BlackRock Center for the Arts, 12901 Town Commons Drive, Germantown, MD 20874.

The Montgomery County Office of Human Rights coordinates the program, which also features the Living Legends Awards honoring County residents who have helped shape the cultural heritage of the African American community. Look for a City of Rockville table and City representatives at the celebration.

Again - Reminder and Event Address:

Saturday, June 21, 1 pm - 10 pm
BlackRock Center for the Arts
12901 Town Commons Drive, Germantown, MD 20874

Attachments

Proclamation Declaring June 19 2025, as Juneteenth in Rockville, Maryland



WHEREAS, In August 1619, twenty (20) enslaved Africans arrived in Jamestown, Virginia after a torturous journey through the Middle Passage; and

WHEREAS, enslaved Africans continued to be shipped to our shores until the 19th century, after surviving the Middle Passage as the initial twenty (20) enslaved Africans endured during their journey; and

WHEREAS, in spite of the conditions enslaved Africans were forced to live, they persevered and contributed significantly to the development of our nation; and

WHEREAS, President Abraham Lincoln issued the Emancipation Proclamation on January 1, 1863, declaring enslaved people in confederate territory free, paving the way for the passing of the 13th amendment which formally abolished slavery in the United States of America; and

WHEREAS, enforcement of the Proclamation in the state of Texas didn't occur until on June 19, 1865, when Major General Gordon Granger led union soldiers into Galveston, Texas to declare that all enslaved people were free; and

WHEREAS, Juneteenth (combination of June and Nineteenth) commemorates the date of General Gordon Granger's announcement of General Order No. 3, proclaiming freedom for enslaved people in Texas, the last state of the confederacy with institutional slavery; and

WHEREAS, Juneteenth celebrations have taken place since 1866 and have evolved over the years to include events to increase voter registration, historical re-enactments, oral history of resiliency, and appreciation of the significant contributions that African Americans have made to the United States of America; and

WHEREAS, in July 2020, the Mayor and Council of Rockville unanimously voted in favor of declaring June 19th as a City holiday, and Juneteenth officially becoming a federal holiday on June 17, 2021, making Juneteenth the first new federal holiday since Martin Luther King Jr. Day was declared a holiday in 1986; and

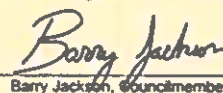
NOW, THEREFORE, the Mayor and Council of the City of Rockville, Maryland, proclaim **June 19, 2025**, as **Juneteenth** and encourage all employees, visitors, and residents to use this day to appreciate the freedom for all, and to become more aware of the significance of this celebration in African American History and in the heritage of our Nation and City.




Monique Ashton, Mayor


Kate Fulton, Councilmember


Izola (Zola) Shaw, Councilmember


Barry Jackson, Councilmember


Marissa Valeri, Councilmember


David Myles, Councilmember


Adam Van Grack, Councilmember

June 2, 2025



MAYOR AND COUNCIL Meeting Date: June 2, 2025

Agenda Item Type: PROCLAMATION

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: DANNY WINBORNE

Subject

Proclamation Declaring June 20, 2025, as World Refugee Day

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff recommends that the Mayor and Council read and approve the proclamation.

Discussion

World Refugee Day is an international day organized every year on June 20 by the United Nations. It is designed to celebrate and honor refugees from around the world. The day was first established on June 20, 2001, in recognition of the 50th anniversary of the 1951 Convention Relating to the Status of Refugees.

The event aims to recognize the strength of the refugees who have fled the conflict and persecution of their country in hope of finding sanctuary and living a better life. World Refugee Day builds the concept of understanding for their plight which shows one's resilience and courage in the rebuilding of their future.

The day is seen as an opportunity for everyone to experience, understand and celebrate "the rich diversity" of the communities of refugees. Events such as theatre, dance, films, and music aim to allow refugee community organizations, voluntary and statutory organizations, local councils, and schools to host events during the week in order to honor the cause.

World Refugee Day is also celebrated through World Refugee Week and is designed to provide an important chance for asylum seekers and refugees to be seen, listened to and valued by the community that they are living in.

Background

A refugee is an individual who leaves their country due to the ramifications of war, conflict persecutions and violence that they have faced within their home country. Through undertaking the process of crossing international borders, some refugees are often found to

leave everything behind carrying only the minimal clothing and possessions; with the plan to find safety and haven in a different country.

The 1951 Refugee Convention acknowledges a refugee as an individual who is unable to return to their country of origin owing to the founded fear of being affected by their race, religion, participation of a social group or in different political opinions.

From June 16 - 22, 2025, we will celebrate Refugee Week with the theme **“Community as a Superpower.”**

Source: https://en.wikipedia.org/wiki/World_Refugee_Day

Mayor and Council History

The Mayor and Council present the proclamation for World Refugee Day and Week annually.

Attachments

Proclamation Declaring June 2025, as World Refugee Month and June 16 - 22, 2025, as World Refugee Week in Rockville



WHEREAS, World Refugee Day is an annual commemoration adopted by the United Nations in 2000 to honor and raise awareness of refugees; and

WHEREAS, more than 122.6 million displaced people have been forced from their homes worldwide, more than any time in recorded history, including over 30 million refugees around the world; and

WHEREAS, refugees have fled their country because they have a well-founded fear of persecution because of their race, religion, nationality, sexual orientation, political opinion, or membership in a particular social group; and

WHEREAS, resettlement provides a safe haven when refugees cannot return home and cannot rebuild their lives in the country, and have fled due to lack of access to safety, shelter, health care, education, or protection; and

WHEREAS, World Refugee Day is dedicated to providing refugees with opportunities to rebuild and enjoy their lives in a safe environment with dignity and grace; and

WHEREAS, World Refugee Week is dedicated to bringing people together, bridging divides and offering support, and resilience and the 2025 theme is, ***“Community as a Superpower;”*** and

WHEREAS, the City of Rockville is a welcoming city that celebrates the growing diversity of its residents and acknowledges that refugees, immigrants, and all newcomers enhance the culture and the economy; and

WHEREAS, residents of Rockville aspire to live up to our highest societal values of acceptance, equity, and inclusion, treat newcomers with decency and respect, and creating a vibrant community for all.

NOW, THEREFORE, the Mayor and Council of the City of Rockville, Maryland, proclaim **June 20, 2025,** as **World Refugee Day,** and **June 16 - 22, 2025,** as **World Refugee Week,**



 Monique Ashton, Mayor	 Izola (Zola) Shaw, Councilmember
 Kate Fulton, Councilmember	 Mahissa Valeri, Councilmember
 Barry Jackson, Councilmember	 Adam Van Grack, Councilmember
 David Myles, Councilmember	

June 2, 2025



MAYOR AND COUNCIL Meeting Date: June 2, 2025

Agenda Item Type: PROCLAMATION

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: DANNY WINBORNE

Subject

Proclamation Declaring June 2025, as Caribbean-American Heritage Month

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff recommends Mayor and Council read and approve the proclamation and present it to Althea Grey-McKenzie, Chair, National Caribbean American Heritage Month Steering Committee.

Discussion

National Caribbean American Heritage Month (NCAHM) began in 1999 with outreach to President Bill Clinton asking for the recognition of August as National Caribbean American Heritage Month. This resulted in the first White House Caribbean American Community Briefing being held at the Clinton White House in 1999.

Congresswoman Barbara Lee led the effort to establish June as Caribbean American Heritage Month over a decade ago. On February 14, 2006, the resolution similarly passed the Senate, culminating a two-year, bipartisan, and bicameral effort. The Proclamation was issued by President George Bush on June 6, 2006.

Since the declaration, the White House has issued an annual proclamation recognizing June as Caribbean-American Heritage Month. This year marks the eighteenth celebration of June as National Caribbean American Heritage Month.

The campaign to designate June as National Caribbean American Heritage Month was spearheaded by Dr. Claire Nelson, Founder, and President of the Institute of Caribbean Studies. Through the commemoration of this month, we hope to ensure that America is reminded that its greatness lies in its diversity, with Caribbean immigrants from founding father Alexander Hamilton to journalist Malcolm Gladwell, who have shaped the American dream.

In June 2000, National Caribbean American Heritage Month, and organized events in June under that banner. In 2001, Institute of Caribbean Studies was joined by Trans Africa Forum and the Caribbean Staff Association of the World Bank to organize events during June, promoting

recognition of June as National Caribbean American Heritage Month, and the momentum slowly began to build. In 2004, the efforts gathered steam, when an Official Campaign for June as National Caribbean American Heritage Month was launched upon the tabling of a Bill in the US Congress by Congresswoman Barbara Lee, with language provided by ICS Founder and President, Dr. Claire Nelson. ICS worked with the Office of Congresswoman Barbara Lee to galvanize support for the Bill from organizations across the country and organized events on Capitol Hill in recognition of June in 2004. The Bill was reintroduced and passed the House in June 2005, and the Senate in February 2006. A Proclamation making the Resolution official was signed by President George Bush on June 5, 2006.

Mayor and Council History

Mayor and Council present this proclamation annually.

Attachments

Proclamation Declaring June 2025, as Caribbean American Heritage Month in Rockville, Maryland



WHEREAS, the commemoration of **Caribbean-American Heritage Month** was initiated in 2004 by Ms. Claire Nelson, Ph.D., and adopted by the U.S. House of Representatives in 2005, to recognize the significance of Caribbean people and their descendants on the history and culture of the United States. The resolution passed the Senate in February 2006, and President George H.W. Bush issued the proclamation in June 2006; and

WHEREAS, since the declaration, the White House has issued an annual proclamation recognizing June as **Caribbean-American Heritage Month**; and

WHEREAS, during **Caribbean-American Heritage Month**, we acknowledge the significant ways Americans with roots in the Caribbean have shaped our culture and heritage, greatly enriching our society as scholars, business leaders, authors, community leaders, inventors, activists, athletes, artists, and musicians. Some notable leaders include Alexander Hamilton, the first Secretary of Treasury; Former Secretary of State Colin Powell; Celia Cruz, the world-renowned Salsa music pioneer; Shirley Chisholm, the first African American Congresswoman, Academy Award-winning actor Sidney Portier; Harlem Renaissance poet James Weldon Johnson author of *Lift Every Voice and Sing*, and his brother, John Rosamond Johnson, who composed the music to this famous poem; Supreme Court Justice Sonia Sotomayor, among many others. Caribbean Americans have made their mark in every facet of our society and have contributed to the betterment and diversity of our Nation, State, and City; and

WHEREAS, as we celebrate **Caribbean-American Heritage Month**, let us hold fast to the spirit that makes our country a beacon to the world. This month let us remember that we are always at our best when we focus on what we can build up and together let us strengthen the bonds that hold together the most diverse Nation on earth.

NOW, THEREFORE, the Mayor and Council of the City of Rockville, Maryland, do hereby proclaim **June 2025**, as **Caribbean-American Heritage Month** in the City of Rockville, and urge all of the residents of our City to honor these cultural and historical bonds and be reminded that America's greatness lies in its diversity.




Monique Ashton, Mayor


Kate Fulton, Councilmember


Izola (Zola) Shaw, Councilmember


Barry Jackson, Councilmember


Marissa Valeri, Councilmember


David Myles, Councilmember


Adam Van Grack, Councilmember

June 2, 2025



MAYOR AND COUNCIL Meeting Date: June 2, 2025

Agenda Item Type: PROCLAMATION

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: DANNY WINBORNE

Subject

Proclamation Declaring June 2025, as LGBTQ+ Pride Month in Rockville, Maryland

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff recommends the Mayor and Council read and approve the proclamation, and Rebecca Murphy, Chair of the Rockville Human Rights Commission will accept it.

Discussion

Lesbian, Gay, Bisexual, Transexual, Queer/Questioning Plus (LGBTQ+) Pride Month is celebrated in the United States to commemorate the Stonewall Riots, which occurred at the end of June 1969. The commemorative month also recognizes the impact LGBTQ+ individuals have had on history—locally, nationally, and internationally.

In June of 1969, patrons and supporters of the Stonewall Inn in New York City staged an uprising to resist the police harassment and persecution to which LGBTQ Americans were commonly subjected. This uprising marks the beginning of a movement to outlaw discriminatory laws and practices against LGBTQ Americans.

PRIDE Month celebrations include parades, picnics, parties, workshops, symposia and concerts. LGBTQ Pride Month events attract millions of participants around the world. Memorials are held during PRIDE month for those community members lost to hate crimes or HIV/AIDS. Two former US presidents, Bill Clinton and Barack Obama, have issued proclamations declaring June as Pride Month. The City of Rockville has issued proclamations declaring LGBTQ+ Pride Month since June 2017.

WorldPride 2025 will take place May 17 – June 8 in Washington, DC. It travels across the globe. Next year it will be in Amsterdam. It is an honor for it to be in this region.

Mayor and Council History

Mayor and Council annually presents the proclamation declaring June as LGBTQ+ Pride Month.

Public Notification and Engagement

The City of Rockville's Human Rights Commission will celebrate the eighth annual Rockville Pride in Rockville Town Square on Sunday, June 1, 2025.

Attachments

Proclamation Declaring June 2025, as LGBTQ+ Pride Month in Rockville (Mayor and Council Meeting Verison)



WHEREAS, the riots at the Stonewall Inn (Manhattan, New York) in June of 1969 are recognized as the beginning of the modern-day Lesbian, Gay, Bisexual, and Transgender Queer+(LGBTQ+) civil rights movement; and

WHEREAS, the rainbow flag, also known as the LGBTQ+ Pride flag, or Gay Pride flag, has been used since the 1970s as a symbol of LGBTQ+ pride and social movements; and

WHEREAS, Rockville has a diverse LGBTQ+ community and is committed to supporting visibility, dignity, and equity for all people in the community; and

WHEREAS, the City of Rockville proudly recognizes the efforts that made Bayard Rustin Elementary School the first school in the county named after a gay American civil rights activist; and

WHEREAS, The City of Rockville remains committed to the goal of ensuring equal treatment for LGBTQ+ employees, residents, and those who work and visit Rockville, by continuing to review and update policies, facilities, and programs, and by providing staff training to meet that goal; and

WHEREAS, the City of Rockville joins Montgomery County in observing Pride Month with a Pride flag-raising ceremony to honor the history of the LGBTQ+ liberation movement, and to support the rights of all citizens to experience equality and freedom from discrimination.

NOW, THEREFORE, the Mayor and Council of the City of Rockville proclaim **June 2025**, as **Lesbian, Gay, Bisexual, Transgender and Queer+ Pride Month**.




Monique Ashton, Mayor


Kate Fulton, Councilmember


Izola (Zola) Shaw, Councilmember


Barry Jackson, Councilmember


Marissa Valeri, Councilmember


David Myles, Councilmember


Adam Van Grack, Councilmember

June 2, 2025



MAYOR AND COUNCIL Meeting Date: June 2, 2025
Agenda Item Type: CONSENT
Department: RECREATION & PARKS
Responsible Staff: PAIGE JANZEN

Subject

Approve and Authorize the City Manager to Execute the Fiscal Year 2026 Agreements that extend Resident Community Performing Arts Organization status to Rockville Little Theatre, Rockville Musical Theatre, and Victorian Lyric Opera Company to enable these community organizations to provide performances at the F. Scott Fitzgerald Theatre & Social Hall.

Department

Recreation & Parks

Recommendation

Staff recommends that the Mayor and Council of Rockville authorize the City Manager to continue to extend resident community performing arts organization ("**RESCO**") status to Rockville Little Theatre, Rockville Musical Theatre, and Victorian Lyric Opera Company in Fiscal Year 2026 and authorize the City Manager to execute the attached agreements.

Discussion

The Fiscal Year ("**FY**") 2026 agreements continue the provision of RESCO status to Rockville Little Theatre, Rockville Musical Theatre, and Victorian Lyric Opera Company, that are legacy community performing arts organizations based within the City of Rockville's municipal boundaries. These organizations have performed out of the F. Scott Fitzgerald Theatre & Social Hall ("**theater**") and held RESCO status for decades. Through the designation of RESCO status, the City of Rockville:

- supports legacy performing arts organizations with a complete theater experience by allowing their members to fully participate in every aspect of a theatrical production;
- establishes a commitment to allow the performing arts organizations to have recognized visibility via association with the theater;
- encourages community engagement through theatrical productions;
- allows the theater to present a season which showcases different performing styles; and
- provides reduced rental rates for the selected community performing arts organizations.

Additionally, the agreements determine the framework of RESCO operations at the theater, provide a portion of leased storage space at the storage building located at Rockville Civic Center Park, and offer premier placement of productions in the venue’s master calendar.

Historically, the Mayor and Council of Rockville have supported Rockville Little Theatre, Rockville Musical Theatre, and Victorian Lyric Opera Company and their RESCO status. The execution of the agreements will extend the City of Rockville’s relationship with its legacy RESCOs and continue to encourage community engagement and participation in the performing arts.

Mayor and Council History

The first time the agreements were brought to the Mayor and Council of Rockville was in FY 2023. The agreements are brought to the body for consent annually.

Next Steps

If approved by the Mayor and Council of Rockville, the RESCOs and City Manager will execute the attached FY 2026 agreements, which have been reviewed for legal sufficiency by the Office of the City Attorney.

Attachments

ATTACHMENT 1 - Rockville Little Theatre Agreement (FY26), ATTACHMENT 2 - Rockville Musical Theatre Agreement (FY26), ATTACHMENT 3 - Victorian Lyric Opera Company Agreement (FY26)



RESCO Agreement – Rockville Little Theatre

This RESCO Agreement (“**the Agreement**”) is made on this ____ day of _____ 2025 (“**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**”), acting through its City Manager, and the Rockville Little Theatre.

RECITALS

- A. The Mayor and Council seeks to encourage the performing arts in Rockville through the operation of the F. Scott Fitzgerald Theatre (the “**Theatre**”) and the recognition of certain community performing arts organizations based within the City’s municipal boundaries as “**City Theatre Resident Companies**,” or “**RESCOs**”; and
- B. Through designation of such organizations as RESCOs, the Mayor and Council:
 - 1. supports legacy performing arts organizations with a complete theatre experience by allowing their members to fully participate in every aspect of a theatrical production;
 - 2. establishes a commitment to allow the performing arts organizations to have recognized visibility via association with the Theatre;
 - 3. encourages community engagement through theatrical productions;
 - 4. allows the Theatre to present a season which showcases different performing styles; and
 - 5. provides reduced rental rates for the selected community performing arts organizations.
- C. An organization designated as a RESCO receives the following benefits:
 - 1. The RESCO can present multiple productions with multiple performances per production in the Theatre each season.
 - 2. The RESCO will receive placement in the Theatre and Social Hall master calendars for contracted productions before contracted reservations 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.

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.
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.
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.
6. The RESCO technical crews may receive up to two light and sound trainings each City fiscal year (available upon request).
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.
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.
9. Itemized charges listed in production contracts and/or addendums are paid after the production and come out of the RESCO’s ticket revenue.
10. The RESCO will pay a reduced rental fee on Theatre equipment.
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.
12. The RESCO may collect donations through the Theatre Box Office during the entire season without a Theatre per donation fee.
13. The RESCO may reserve the Social Hall for a minimum of three rental hours per contracted date.

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.
 15. The RESCO ushers will be seated at no charge in the auditorium during a performance.
 16. The Theatre Box Office will provide the RESCO reports on ticket sales and a patron list per production.
 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.
 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.
 19. The RESCO may request three meetings with Theatre staff each City fiscal year; and
- D. On _____, 2025, the Mayor and Council of Rockville voted to confer RESCO status on the Rockville Little Theatre for the City fiscal year 2026, subject to the terms and conditions of this Agreement; and

NOW THEREFORE, in consideration of the above recitals, which are incorporated into this Agreement by reference, the mutual benefits and obligations provided for in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. Recitals Incorporated

The foregoing recitals above 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 into this Agreement. Accordingly, the foregoing recitals above are fully incorporated into this Agreement by reference as if fully set forth herein.

II. Term of Agreement

The Agreement is valid for City fiscal year 2026, running from July 1, 2025 through June 30, 2026.

III. RESCO Responsibilities

The RESCO agrees to:

- A. 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 Superintendent of Community Facilities and receive approval of the certificate from the City's Department of Human Resources, Risk Management Division prior to the start of any production. Proof of current insurance must be submitted to the Superintendent of Community Facilities prior to execution of the Agreement by the City.

- B. 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.
- C. 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.
- D. 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.
- E. Align its season to coincide with the City's fiscal year timeframe, which is July 1 to June 30 annually.
- F. Provide three production per City fiscal year/season with six performances per production. Each production must have a minimum of 58 contracted hours.
- G. 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.
- H. Provide two to four ushers for all performances. The ushers work with the City House Manager at each performance.
- I. 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 and Superintendent of Community Facilities in writing after each occurrence of community giveback is completed.
- J. Attend three annual all-RESCO meetings with Theatre staff to discuss mutual topics, such as marketing and advertising, Theatre operations, ticket sales, etc.
- K. 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.

- L. Execute a City contract and/or addendum 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.
- M. 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.
- N. Provide a complimentary ticket list to the Box Office and Marketing Manager at least 72 hours in advance of each contracted performance date.
- O. 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.
- P. 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.
- Q. 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.
- R. 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; violence; racially, ethnically, or sexually charged subject matter; nudity; alcohol or substance abuse; self-harm or suicide; and depictions of smoking or vaping.
 - ii. 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.
 - iii. 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.
- S. 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, including but not limited to the Local Government Tort Claims Act, Section 5-303(a), Courts & Judicial Proceedings Article, Annotated Code of Maryland. The provisions in this Agreement regarding indemnity and insurance shall survive the expiration of this Agreement.

- T. 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.
- U. 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.
- V. 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.
- W. Follow all the regulations outlined in the F. Scott Fitzgerald Theatre and Social Hall Information Packet, which is attached to the RESCO's contract and/or addendum, unless the regulation contradicts the terms and conditions outlined in this Agreement.

IV. City Responsibilities

In addition to conferring to the RESCO the benefits listed in Recital 3 of this Agreement, the Mayor and Council agrees to:

- A. Provide the RESCO with a contract and/or addendum for each production that itemizes all rental, equipment, extra labor, and special package fees.
- B. Serve as a resource for technical support and concept ideas for RESCO productions.
- C. Attend three annual all-RESCO meetings to discuss mutual topics, such as marketing and advertising, Theatre operations, ticket sales, etc.
- D. Provide space in Rockville Civic Center Park storage building per the terms and conditions of the RESCO's storage lease agreement (see "**Attachment B**").

- E. 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.
- F. 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.

V. City and RESCO Financial Responsibilities

The RESCO contracts, addendums, and production close-out reports will reflect the following criteria:

- A. The RESCO agrees to pay all their production rental fees, equipment fees, extra labor fees, special package fees, overtime, and damages and loss.
- B. 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.
- C. 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.
- D. 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.
- E. 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.
- F. 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 Superintendent of Community Facilities 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.

- G. 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.
- H. 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.
- I. 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.

VI. Rescission of RESCO Status

- A. 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.
- B. If the Mayor and Council rescinds an organization's RESCO status:
 - i. The City may terminate the Rockville Civic Center Park storage lease agreements.
 - 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.

VII. Cancellations

- A. If the RESCO cancels a season, production, or performance, the cancellation request must be submitted in writing to the Superintendent of Community Facilities for review and approval/denial. If the cancellation request is denied, the Superintendent of Community Facilities 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.
- B. 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.
- C. 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.

VIII. RESCO Reporting Responsibilities

The RESCO must meet the following reporting obligations:

- A. 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.
- B. 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.
- C. 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.

IX. RESCO Rate & Fee Increases

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.

X. RESCO 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.

XI. RESCO 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
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

XII. RESCO 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.

XIII. RESCO 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.

The RESCO is allowed to handle the ticketing for up to one student matinee performances each season, which will not be subject to Theatre per ticket fees or Theatre Box Office buy-out fee. The student matinee is beneficial to both the RESCO and City/Theatre and can also be considered community giveback.

XIV. Miscellaneous

- A. An award of RESCO status during the term of this Agreement is not a guarantee of future RESCO status.
- B. 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.
- C. 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.
- D. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland. The exclusive venue for litigation shall be Montgomery County. If the Parties are not able to resolve disputes directly with each other, the Parties may, prior to litigation, attempt to resolve any disputes that arise out of this Agreement through mediation before a mutually acceptable mediator.
- E. This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the Parties. All amendments and modifications hereto must be in writing and signed by the appropriate authorities of the Parties.
- F. The language of each and all paragraphs, terms and/or provisions of this Agreement, shall in all cases and for any and all purposes, and in any way and all circumstances whatsoever, be construed as a whole, according to its fair meaning, and not for or against any Party and with no regard whatsoever to the identity or status of any person or persons who drafted all or any portion of this Agreement.

G. 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.

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

ATTEST:

THE MAYOR AND COUNCIL OF ROCKVILLE:

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

Jeff Mihelich
City Manager
City of Rockville, Maryland

WITNESS:

ROCKVILLE LITTLE THEATRE:

Jeff McDermott
Treasurer
Rockville Little Theatre

Dean Fiala
President
Rockville Little Theatre

APPROVED AS TO FORM AND LEGALITY:

Robert E. Dawson
City Attorney
City of Rockville, Maryland



Attachment A:

City of Rockville, Maryland Liability Insurance Requirements for RESCOs

Prior to the execution of the contract by the Mayor and Council, the User must obtain at their own cost and expense and keep in force and effect during the term of the contract including all extensions, the following insurance with an insurance company/companies licensed to do business in the State of Maryland evidenced by a certificate of insurance and/or copies of the insurance policies. The User's insurance shall be primary. The User must submit a certificate of insurance, prior to the start of any work, to this City office:

City of Rockville, Maryland
c/o Glenview Mansion at Rockville Civic Center Park
603 Edmonston Drive
Rockville, MD 20851

In no event may the insurance coverage be less than shown below. Unless otherwise described in this contract the successful User will be required to maintain for the life of the contract and to furnish the City evidence of insurance as follows:

Mandatory Requirements for Insurance

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

Type of Insurance	Amounts of Insurance	Endorsements and Provisions
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.

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

Policy Cancellation

The User shall furnish a new certificate prior to any change or cancellation date. The failure of the User to deliver a new and valid certificate will result in suspension of all payments and cessation of on-site work activities until a new certificate is furnished.

Additional Insured

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

Subcontractors

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

Certificate Holder

The Mayor and Council of Rockville

(Contract #, Title)

City Hall

111 Maryland Avenue

Rockville, MD 20850



Attachment B: Storage Lease Agreement

This Lease Agreement, made this _____ day of _____ 2025, (**"Effective Date"**) by and between the Mayor and Council of Rockville, (**"the Mayor and Council"**), and the Resident Community Performing Arts Company called Rockville Little Theatre, a non-profit Maryland corporation, (**"the RESCO"**) (**"the Parties"**).

The City is the owner of a storage building, located at 850 Avery Lane, Rockville, Maryland, situated on the grounds of Rockville Civic Center Park, and primarily used by amateur resident theatre groups performing at the City's F. Scott Fitzgerald Theatre (**"the storage building"** or **"leased premises"**).

The RESCO desires to lease a portion of the storage building, which it currently occupies, for use in connection with performances at the F. Scott Fitzgerald Theatre (the **"Theatre"**).

The parties initially entered a lease agreement for use and enjoyment of the leased premises (**"Initial Lease"**) from January 1, 2017, through June 30, 2022.

The parties now wish to extend the initial lease agreement.

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein, the parties hereto agree as follows:

- 1. Lease Area.** The RESCO shall have the right to utilize the storage units assigned to them by the City in the storage building, measured at 43 feet by 44 feet in size, designated as the leased premises, 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.
- 2. Lease Term.** The term of this lease agreement shall be for one (1) fiscal year, from July 1, 2025 through June 30, 2026, unless terminated earlier in accordance with the terms in this lease agreement. The parties may extend the term of this lease agreement under such terms and conditions as they may agree upon in writing. The RESCO shall notify the City at least ninety (90) days prior to June 30, 2026, if it desires to enter negotiations with the City to extend this lease agreement beyond its initial one (1) fiscal year term.
- 3. Rent.** The RESCO will pay rent in the amount of \$3,549 for the full term of the lease and payment is due on or before November 15, 2025.
- 4. Utilities.** The City will pay for the following utilities serving the storage building: water, electricity, and gas.

- 5. Maintenance Responsibilities to the City.** 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 unit 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.

- 6. Maintenance Responsibilities to the RESCO.** The RESCO shall maintain the leased storage building 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.

At the expiration of the lease agreement, the RESCO shall remove all materials from the storage building and return the leased premises to the City in the same condition as existed at the beginning of the initial lease agreement. The RESCO will be responsible for security of their storage building; custodial cleaning; and trash and recycling removal (the RESCO can use the City dumpsters and recycling bins).

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.

- 7. Improvements to Infrastructure and Building Envelope by the RESCO.** Any improvement (additional outlets, new light fixtures, tiled floor, etc.) or new maintenance items to the RESCO's leased storage building 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.
- 8. Indemnification and Hold Harmless.** The RESCO shall indemnify the City, and all its employees, agents, representatives, and assigns, and shall save them harmless from and against any and all claims, damages, liability, and expense, and/or damage to property arising from or out of any occurrence in, upon or at the leased premises or any part thereof or occasioned wholly or in

part by any act or omission of the RESCO, its agents, servants, employees, assignees, or invitees. The RESCO waives all rights and claims against the City in connection with any and all such injuries or damages alleged to have arisen during the term of this lease agreement. This paragraph does not apply to damages resulting solely from the negligence of the City, its employees, agents, representatives, or assigns.

- 9. Liability.** 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 leased premises 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 leased premises 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.
- 10. Insurance.** For the duration of the lease term, the RESCO at its sole cost and expense, shall obtain, furnish, and maintain in full force and effect a liability insurance policy to protect the City against any and all claims for personal and property injury, including death, with bodily injury limits. A certificate of insurance shall be provided to the City. The RESCO must submit its certificate of liability insurance to the Superintendent of Community Facilities and receive approval from the City's Department of Human Resources, Risk Management Division prior to execution of the lease agreement by the City.
- 11. Subleasing.** The RESCO shall not sublease any portion of the leased premises to any other individual or entity.
- 12. Termination for convenience.** This lease agreement may be terminated by either party prior to the expiration of the lease 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 lease agreement 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.
- 13. Termination by City for cause.** If the RESCO breaches any of its obligations under this lease 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 lease agreement for cause pursuant to this paragraph, the RESCO shall not be entitled to any rent refund.
- 14. Changes to Agreement.** All changes to this lease agreement shall be made in writing and signed by both parties prior to taking effect.
- 15. Notification.** All notifications and other communications given pursuant to this lease agreement shall be given in writing by e-mail or delivered by certified mail, return receipt requested, postage prepaid, or by private delivery service with written acknowledgement of receipt thereof, to the parties at the following addresses or at such other addresses as may be designated in writing by the parties listed below. The City may also post a copy of any notification or other communication to the RESCO at the leased premises. Such posting shall satisfy the notification requirements of this agreement, whether effective delivery of the notification is made by e-mail, mail, or private delivery service.

As to the City:

City of Rockville, Maryland
c/o Superintendent of Community Facilities
Glenview Mansion at Rockville Civic Center Park
603 Edmonston Drive
Rockville, MD 20851

With copies each to:

City of Rockville, Maryland
c/o Director of Recreation and Parks and
c/o City Attorney's Office
111 Maryland Avenue
Rockville, MD 20850

As to the RESCO:

Rockville Little Theatre
c/o President and Treasurer
PO Box 4466
Rockville, MD 20849

16. Venue, Choice of Law, and Mediation. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland. The exclusive venue for litigation shall be Montgomery County. If the Parties are not able to resolve disputes directly with each other, the Parties may, prior to litigation, attempt to resolve any disputes that arise out of this Agreement through mediation before a mutually acceptable mediator.

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

18. Fair Meaning. The language of each and all paragraphs, terms and/or provisions of this Agreement, shall in all cases and for any and all purposes, and in any way and all circumstances whatsoever, be construed as a whole, according to its fair meaning, and not for or against any Party and with no regard whatsoever to the identity or status of any person or persons who drafted all or any portion of this Agreement.

19. 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 appear on the following page]

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

ATTEST:

THE MAYOR AND COUNCIL OF ROCKVILLE:

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

Jeff Mihelich
City Manager
City of Rockville, Maryland

WITNESS:

ROCKVILLE LITTLE THEATRE:

Jeff McDermott
Treasurer
Rockville Little Theatre

Dean Fiala
President
Rockville Little Theatre

APPROVED AS TO FORM AND LEGALITY:

Robert E. Dawson
City Attorney
City of Rockville, Maryland



RESCO Agreement – Rockville Musical Theatre

This RESCO Agreement ("the **Agreement**") is made on this ____ day of _____ 2025, ("**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**"), acting through its City Manager, and the Rockville Musical Theatre.

RECITALS

- A. The Mayor and Council seeks to encourage the performing arts in Rockville through the operation of the F. Scott Fitzgerald Theatre (the "**Theatre**") and the recognition of certain community performing arts organizations based within the City's municipal boundaries as "**City Theatre Resident Companies**," or "**RESCOs**"; and
- B. Through designation of such organizations as RESCOs, the Mayor and Council:
 - 1. supports legacy performing arts organizations with a complete theatre experience by allowing their members to fully participate in every aspect of a theatrical production;
 - 2. establishes a commitment to allow the performing arts organizations to have recognized visibility via association with the Theatre;
 - 3. encourages community engagement through theatrical productions;
 - 4. allows the Theatre to present a season which showcases different performing styles; and
 - 5. provides reduced rental rates for the selected community performing arts organizations.
- C. An organization designated as a RESCO receives the following benefits:
 - 1. The RESCO can present multiple productions with multiple performances per production in the Theatre each season.
 - 2. The RESCO will receive placement in the Theatre and Social Hall master calendars for contracted productions before contracted reservations 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.

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.
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.
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.
6. The RESCO technical crews may receive up to two light and sound trainings each City fiscal year (available upon request).
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 City offers to the public.
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.
9. Itemized charges listed in production contracts and/or addendums are paid after the production and come out of the RESCO’s ticket revenue.
10. The RESCO will pay a reduced rental fee on Theatre equipment.
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.
12. The RESCO may collect donations through the Theatre Box Office during the entire season without a Theatre per donation fee.
13. The RESCO may reserve the Social Hall for a minimum of three rental hours per contracted date.

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.
 15. The RESCO ushers will be seated at no charge in the auditorium during a performance.
 16. The Theatre Box Office will provide the RESCO reports on ticket sales and a patron list per production.
 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.
 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.
 19. The RESCO may request three meetings with Theatre staff each City fiscal year; and
- D. On _____, 2025, the Mayor and Council of Rockville voted to confer RESCO status on the Rockville Little Theatre for the City fiscal year 2026, subject to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the above recitals, which are incorporated into this Agreement by reference, the mutual benefits and obligations provided for in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. Recitals Incorporated

The foregoing recitals above 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 into this Agreement. Accordingly, the foregoing recitals above are fully incorporated into this Agreement by reference as if fully set forth herein.

II. Term of Agreement

The Agreement is valid for City fiscal year 2025, running from July 1, 2025 through June 30, 2026.

III. RESCO Responsibilities

The RESCO agrees to:

- A. 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 Superintendent of Community Facilities

and receive approval of the certificate from the City's Department of Human Resources, Risk Management Division prior to the start of any production. Proof of current insurance must be submitted to the Superintendent of Community Facilities prior to execution of the Agreement by the City.

- B. 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.
- C. 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.
- D. 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 Manager or his designee 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.
- E. Align its season to coincide with the City's fiscal year timeframe, which is July 1 to June 30 annually.
- F. Provide one production per City fiscal year/season with eight performances per production. Each production must have a minimum of 78 contracted hours.
- G. 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.
- H. Provide two to four ushers for all performances. The ushers work with the City House Manager at each performance.
- I. 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 and Superintendent of Community Facilities in writing after each occurrence of community giveback is completed.
- J. Attend three annual all-RESCO meetings with Theatre staff to discuss mutual topics, such as marketing and advertising, Theatre operations, ticket sales, etc.
- K. 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.

- L. Execute a City contract and/or addendum 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.
- M. 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.
- N. Provide a complimentary ticket list to the Box Office and Marketing Manager at least 72 hours in advance of each contracted performance date.
- O. 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.
- P. 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.
- Q. 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.
- R. 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; violence; racially, ethnically, or sexually charged subject matter; nudity; alcohol or substance abuse; self-harm or suicide; and depictions of smoking or vaping.
 - ii. 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.
 - iii. 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 Mayor and Council priorities or initiatives.
- S. 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, including but not limited to the Local Government Tort Claims Act, Section 5-303(a), Courts & Judicial Proceedings Article, Annotated Code of Maryland. The provisions in this Agreement regarding indemnity and insurance shall survive the expiration of this Agreement.

- T. 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.
- U. 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.
- V. 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.
- W. Follow all the regulations outlined in the F. Scott Fitzgerald Theatre and Social Hall Information Packet, which is attached to the RESCO's contract and/or addendum, unless the regulation contradicts the terms and conditions outlined in this Agreement.

IV. City Responsibilities

In addition to conferring to the RESCO the benefits listed in Recital 3 of this Agreement, the Mayor and Council agrees to:

- A. Provide the RESCO with a contract and/or addendum for each production that itemizes all rental, equipment, extra labor, and special package fees.
- B. Serve as a resource for technical support and concept ideas for RESCO productions.
- C. Attend three annual all-RESCO meetings to discuss mutual topics, such as marketing and advertising, Theatre operations, ticket sales, etc.
- D. Provide space in Rockville Civic Center Park storage building per the terms and conditions of the RESCO's storage lease agreement (see "**Attachment B**").

- E. 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.
- F. 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.

V. City and RESCO Financial Responsibilities

The RESCO contracts, addendums, and production close-out reports will reflect the following criteria:

- A. The RESCO agrees to pay all their production rental fees, equipment fees, extra labor fees, special package fees, overtime, and damages and loss.
- B. 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.
- C. 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.
- D. 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.
- E. 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.
- F. 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 Superintendent of Community Facilities 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.

- G. 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.
- H. 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.
- I. 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.

VI. Rescission of RESCO Status

- A. 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.
- B. If the Mayor and Council rescinds an organization's RESCO status:
 - i. The City may terminate the Rockville Civic Center Park storage lease agreements.
 - 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.

VII. Cancellations

- A. If the RESCO cancels a season, production, or performance, the cancellation request must be submitted in writing to the Superintendent of Community Facilities for review and approval/denial. If the cancellation request is denied, the Superintendent of Community Facilities 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.
- B. 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.
- C. 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.

VIII. RESCO Reporting Responsibilities

The RESCO must meet the following reporting obligations:

- A. 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.
- B. 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.
- C. 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.

IX. RESCO Rate & Fee Increases

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.

X. RESCO 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
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* 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.

XI. RESCO 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
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

XII. RESCO 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.

XIII. RESCO 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.

XIV. Miscellaneous

- A. An award of RESCO status during the term of this Agreement is not a guarantee of future RESCO status.
- B. 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.
- C. 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.
- D. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland. The exclusive venue for litigation shall be Montgomery County. If the Parties are not able to resolve disputes directly with each other, the Parties may, prior to litigation, attempt to resolve any disputes that arise out of this Agreement through mediation before a mutually acceptable mediator.
- E. This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the Parties. All amendments and modifications hereto must be in writing and signed by the appropriate authorities of the Parties.
- F. The language of each and all paragraphs, terms and/or provisions of this Agreement, shall in all cases and for any and all purposes, and in any way and all circumstances whatsoever, be construed as a whole, according to its fair meaning, and not for or against any Party and with no regard whatsoever to the identity or status of any person or persons who drafted all or any portion of this Agreement.
- G. 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 page]

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

ATTEST:

THE MAYOR AND COUNCIL OF ROCKVILLE:

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

Jeff Mihelich
City Manager
City of Rockville, Maryland

WITNESS:

ROCKVILLE MUSICAL THEATRE:

Courtney Knoerlein
Vice President
Rockville Musical Theatre

Megan Evans
President
Rockville Musical Theatre

APPROVED AS TO FORM AND LEGALITY:

Robert E. Dawson
City Attorney
City of Rockville, Maryland



Attachment A:

City of Rockville, Maryland Liability Insurance Requirements for RESCOs

Prior to the execution of the contract by the City, the User must obtain at their own cost and expense and keep in force and effect during the term of the contract including all extensions, the following insurance with an insurance company/companies licensed to do business in the State of Maryland evidenced by a certificate of insurance and/or copies of the insurance policies. The User's insurance shall be primary. The User must submit a certificate of insurance, prior to the start of any work, to this City office:

City of Rockville, Maryland
c/o Glenview Mansion at Rockville Civic Center Park
603 Edmonston Drive
Rockville, MD 20851

In no event may the insurance coverage be less than shown below. Unless otherwise described in this contract the successful User will be required to maintain for the life of the contract and to furnish the City evidence of insurance as follows:

Mandatory Requirements for Insurance

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

Type of Insurance	Amounts of Insurance	Endorsements and Provisions
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.

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

Policy Cancellation

The User shall furnish a new certificate prior to any change or cancellation date. The failure of the User to deliver a new and valid certificate will result in suspension of all payments and cessation of on-site work activities until a new certificate is furnished.

Additional Insured

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

Subcontractors

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

Certificate Holder

The Mayor and Council of Rockville

(Contract #, Title)

City Hall

111 Maryland Avenue

Rockville, MD 20850



Attachment B: Storage Lease Agreement

THIS LEASE AGREEMENT, made this _____ day of _____ 2025, ("**Effective Date**") by and between the Mayor and Council of Rockville, ("**Mayor and Council**"), and the Resident Community Performing Arts Company called Rockville Musical Theatre, a non-profit Maryland corporation, ("**the RESCO**") ("**the Parties**").

The Mayor and Council own a storage building, located at 850 Avery Lane, Rockville, Maryland, situated on the grounds of Rockville Civic Center Park, and primarily used by amateur resident theatre groups performing at the Rockville F. Scott Fitzgerald Theatre ("**the storage building**" or "**leased premises**").

The RESCO desires to lease a portion of the storage building, which it currently occupies, for use in connection with performances at the F. Scott Fitzgerald Theatre ("**Theatre**").

The parties initially entered a lease agreement for use and enjoyment of the leased premises ("**Initial Lease**") from January 1, 2017, through June 30, 2022.

The parties now wish to extend the initial lease agreement.

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein, the parties hereto agree as follows:

- 1. Lease Area.** The RESCO shall have the right to utilize the storage units assigned to them by the Mayor and Council in the storage building, measured at 43 feet by 44 feet in size, designated as the leased premises, 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 City of Rockville Superintendent of Community Facilities in writing.
- 2. Lease Term.** The term of this lease agreement shall be for one fiscal year, from July 1, 2025, through June 30, 2026, unless terminated earlier in accordance with the terms in this lease agreement. The parties may extend the term of this lease agreement under such terms and conditions as they may agree upon in writing. The RESCO shall notify the City Manager or his designee at least 90 days prior to June 30, 2026, if it desires to enter negotiations with the City to extend this lease agreement beyond its initial one fiscal year term.
- 3. Rent.** The RESCO will pay rent in the amount of \$3,549 for the full term of the lease and payment is due on or before November 15, 2025.

4. **Utilities.** The Mayor and Council will pay for the following utilities serving the storage building: water, electricity, and gas.
5. **Maintenance Responsibilities by the Mayor and Council.** Base building maintenance and repairs by the Mayor and Council 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 Manager or his designee, the equipment will be removed permanently from the storage unit and will not be replaced by the Mayor and Council.

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 Mayor and Council. In the event the Mayor and Council conducts such repairs, it shall issue a written invoice to the RESCO. The RESCO must pay the full amount of the invoice within 30 days of receipt of the invoice.

6. **Maintenance Responsibilities by the RESCO.** The RESCO shall maintain the leased storage building 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 Manager or his designee shall provide the RESCO keys for access to the storage building. Requests for keys should be directed to the Superintendent of Community Facilities.

At the expiration of the lease agreement, the RESCO shall remove all materials from the storage building and return the leased premises to the Mayor and Council in the same condition as existed at the beginning of the initial lease agreement. The RESCO will be responsible for security of their storage building; custodial cleaning; and trash and recycling removal (the RESCO can use the City dumpsters and recycling bins).

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 Manager's representatives to review and outline the damages and repairs, and an itemized invoice will be provided to the RESCO for payment to the Mayor and Council. The RESCO must pay the full amount of the invoice within 30 days of receipt of the invoice.

7. **Improvements to Infrastructure and Building Envelope by the RESCO.** Any improvement (additional outlets, new light fixtures, tiled floor, etc.) or new maintenance items to the RESCO's leased storage building 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.

- 8. Indemnification and Hold Harmless.** The RESCO shall indemnify and hold harmless the Mayor and Council, and its appointed officials, employees, and volunteers and others working on behalf of the Mayor and Council against any and all claims, damages, liability, and expense, and/or damage to property arising from or out of any occurrence in, upon or at the leased premises or any part thereof or occasioned wholly or in part by any act or omission of the RESCO, its agents, servants, employees, assignees, or invitees. The RESCO waives all rights and claims against the City in connection with any and all such injuries or damages alleged to have arisen during the term of this lease agreement. This paragraph does not apply to damages resulting solely from the negligence of the Mayor and Council, its employees, agents, representatives, or assigns. 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, including but not limited to the Local Government Tort Claims Act, Section 5-303(a), Courts & Judicial Proceedings Article, Annotated Code of Maryland.
- 9. Liability.** 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 leased premises 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 leased premises 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.
- 10. Insurance.** For the duration of the lease term, the RESCO at its sole cost and expense, shall obtain, furnish, and maintain in full force and effect a liability insurance policy to protect the City against any and all claims for personal and property injury, including death, with bodily injury limits. A certificate of insurance shall be provided to the City. The RESCO must submit its certificate of liability insurance to the Superintendent of Community Facilities and receive approval from the City's Department of Human Resources, Risk Management Division prior to execution of the lease agreement by the City.
- 11. Subleasing.** The RESCO shall not sublease any portion of the leased premises to any other individual or entity.
- 12. Termination for convenience.** This lease agreement may be terminated by either party prior to the expiration of the lease term upon written notice to the other party specifying the effective date of terminations at least 90 days before said effective date. If this lease agreement is terminated pursuant to this paragraph, the Mayor and Council will refund to the RESCO a prorated amount of the annual rent for the period of time the storage building is not used.
- 13. Termination for cause.** If the RESCO breaches any of its obligations under this lease agreement, the City may terminate this Agreement for cause by sending written notice to the RESCO specifying the effective date of termination, at least 30 days before this effective date. If the City terminates this lease agreement for cause pursuant to this paragraph, the RESCO shall not be entitled to any rent refund.
- 14. Changes to Agreement.** All changes to this lease agreement shall be made in writing and signed by both parties prior to taking effect.

15. Notification. All notifications and other communications given pursuant to this lease agreement shall be given in writing by e-mail or delivered by certified mail, return receipt requested, postage prepaid, or by private delivery service with written acknowledgement of receipt thereof, to the parties at the following addresses or at such other addresses as may be designated in writing by the parties listed below. The City may also post a copy of any notification or other communication to the RESCO at the leased premises. Such posting shall satisfy the notification requirements of this agreement, whether effective delivery of the notification is made by e-mail, mail, or private delivery service.

As to the City: City of Rockville, Maryland
c/o Superintendent of Community Facilities
Glenview Mansion at Rockville Civic Center Park
603 Edmonston Drive
Rockville, MD 20851

With copies each to: City of Rockville, Maryland
c/o Director of Recreation and Parks and
c/o City Attorney's Office
111 Maryland Avenue
Rockville, MD 20850

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

16. Venue, Choice of Law, and Mediation. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland. The exclusive venue for litigation shall be Montgomery County. If the Parties are not able to resolve disputes directly with each other, the Parties may, prior to litigation, attempt to resolve any disputes that arise out of this Agreement through mediation before a mutually acceptable mediator.

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

18. Fair Meaning. The language of each and all paragraphs, terms and/or provisions of this Agreement, shall in all cases and for any and all purposes, and in any way and all circumstances whatsoever, be construed as a whole, according to its fair meaning, and not for or against any Party and with no regard whatsoever to the identity or status of any person or persons who drafted all or any portion of this Agreement.

19. 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 appear on the following page]

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

ATTEST:

THE MAYOR AND COUNCIL OF ROCKVILLE:

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

Jeff Mihelich
City Manager
City of Rockville, Maryland

WITNESS:

ROCKVILLE MUSICAL THEATRE:

Courtney Knoerlein
Vice President
Rockville Musical Theatre

Megan Evans
President
Rockville Musical Theatre

APPROVED AS TO FORM AND LEGALITY:

Robert E. Dawson
City Attorney
City of Rockville, Maryland



RESCO Agreement – Victorian Lyric Opera Company

This RESCO Agreement (“the **Agreement**”) is made on this ____ day of _____ 2025 (“**Effective Date**”) by and between the Mayor and Council of Rockville, a body politic and Maryland municipal corporation (“the **Mayor and Council**”), acting through its City Manager, and the Victorian Lyric Opera Company.

RECITALS

- A. The Mayor and Council seeks to encourage the performing arts in Rockville through the operation of the F. Scott Fitzgerald Theatre (the “**Theatre**”) and the recognition of certain community performing arts organizations based within the City’s municipal boundaries as “**City Theatre Resident Companies**,” or “**RESCOs**”; and
- B. Through designation of such organizations as RESCOs, the Mayor and Council:
 - 1. supports legacy performing arts organizations with a complete theatre experience by allowing their members to fully participate in every aspect of a theatrical production;
 - 2. establishes a commitment to allow the performing arts organizations to have recognized visibility via association with the Theatre;
 - 3. encourages community engagement through theatrical productions;
 - 4. allows the Theatre to present a season which showcases different performing styles; and
 - 5. provides reduced rental rates for the selected community performing arts organizations.
- C. An organization designated as a RESCO receives the following benefits:
 - 1. The RESCO can present multiple productions with multiple performances per production in the Theatre each season.
 - 2. The RESCO will receive placement in the Theatre and Social Hall master calendars for contracted productions before contracted reservations 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.

3. The RESCO may use the following facility areas during rehearsal and performance rental hours for a production: Lobby, Concessions Stand, Auditorium (a.k.a. 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.
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.
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.
6. The RESCO technical crews may receive up to two light and sound trainings each City fiscal year (available upon request).
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.
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.
9. Itemized charges listed in production contracts and/or addendums are paid after the production and come out of the RESCO’s ticket revenue.
10. The RESCO will pay a reduced rental fee on Theatre equipment.
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.
12. The RESCO may collect donations through the Theatre Box Office during the entire season without a Theatre per donation fee.
13. The RESCO may reserve the Social Hall for a minimum of three rental hours per contracted date.

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.
 15. The RESCO ushers will be seated at no charge in the auditorium during a performance.
 16. The Theatre Box Office will provide the RESCO reports on ticket sales and a patron list per production.
 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.
 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.
 19. The RESCO may request three meetings with Theatre staff each City fiscal year; and
- D. On _____, 2025, the Mayor and Council of Rockville voted to confer RESCO status on the Victorian Lyric Opera Company for the City fiscal year 2026, subject to the terms and conditions of this Agreement; and

NOW THEREFORE, in consideration of the above recitals, which are incorporated into this Agreement by reference, the mutual benefits and obligations provided for in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. Recitals Incorporated

The foregoing recitals above 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 into this Agreement. Accordingly, the foregoing recitals above are fully incorporated into this Agreement by reference as if fully set forth herein.

II. Term of Agreement

The Agreement is valid for City fiscal year 2025, running from July 1, 2025 through June 30, 2026.

III. RESCO Responsibilities

The RESCO agrees to:

- A. 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 Superintendent of Community Facilities and receive approval of the certificate from the City's Department of Human Resources Risk Management Division prior to the start of any production. Proof of current insurance must be submitted to the Superintendent of Community Facilities prior to execution of the Agreement by the City.

- B. 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.
- C. 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.
- D. 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.
- E. Align its season to coincide with the City's fiscal year timeframe, which is July 1 to June 30 annually.
- F. Provide three productions per City fiscal year/season – one small-scale production and two large-scale productions. The small-scale production must have three performances with a minimum of 22.50 contracted hours. Each large-scale production must have six performances with a minimum of 63.50 contracted hours.
- G. 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.
- H. Provide two to four ushers for all performances. The ushers work with the City House Manager at each performance.
- I. 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 and Superintendent of Community Facilities in writing after each occurrence of community giveback is completed.
- J. Attend three annual all-RESCO meetings with Theatre staff to discuss mutual topics, such as marketing and advertising, Theatre operations, ticket sales, etc.

- K. 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.
- L. Execute a City contract and/or addendum 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.
- M. 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.
- N. Provide a complimentary ticket list to the Box Office and Marketing Manager at least 72 hours in advance of each contracted performance date.
- O. 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.
- P. 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.
- Q. 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.
- R. 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; violence; racially, ethnically, or sexually charged subject matter; nudity; alcohol or substance abuse; self-harm or suicide; and depictions of smoking or vaping.
 - ii. 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.
 - iii. 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.

- S. 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, including but not limited to the Local Government Tort Claims Act, Section 5-303(a), Courts & Judicial Proceedings Article, Annotated Code of Maryland. The provisions in this Agreement regarding indemnity and insurance shall survive the expiration of this Agreement.
- T. 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.
- U. 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.
- V. 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.
- W. Follow all the regulations outlined in the F. Scott Fitzgerald Theatre and Social Hall Information Packet, which is attached to the RESCO's contract and/or addendum, unless the regulation contradicts the terms and conditions outlined in this Agreement.

IV. City Responsibilities

In addition to conferring to the RESCO the benefits listed in Recital 3 of this Agreement, the Mayor and Council agree to:

- A. Provide the RESCO with a contract and/or addendum for each production that itemizes all rental, equipment, extra labor, and special package fees.
- B. Serve as a resource for technical support and concept ideas for RESCO productions.
- C. Attend three annual all-RESCO meetings to discuss mutual topics, such as marketing and advertising, Theatre operations, ticket sales, etc.
- D. Provide space in Rockville Civic Center Park storage building per the terms and conditions of the RESCO's storage lease agreement (see "**Attachment B**").

- E. 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.
- F. 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.

V. City and RESCO Financial Responsibilities

The RESCO contracts, addendums, and production close-out reports will reflect the following criteria:

- A. The RESCO agrees to pay all their production rental fees, equipment fees, extra labor fees, special package fees, overtime, and damages and loss.
- B. 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.
- C. 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.
- D. 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.
- E. 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.
- F. 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 Superintendent of Community Facilities 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.

- G. 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.
- H. 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.
- I. 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:
 - a. 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.
 - b. 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.

VI. Rescission of RESCO Status

- A. 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.
- B. If the Mayor and Council rescinds an organization's RESCO status:
 - i. The City may terminate the Rockville Civic Center Park storage lease agreements.
 - 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.

VII. Cancellations

- A. If the RESCO cancels a season, production, or performance, the cancellation request must be submitted in writing to the Superintendent of Community Facilities for review and approval/denial. If the cancellation request is denied, the Superintendent of Community Facilities 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.
- B. 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.
- C. 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.

VIII. RESCO Reporting Responsibilities

The RESCO must meet the following reporting obligations:

- A. 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.
- B. 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.
- C. 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.

IX. RESCO Rate & Fee Increases

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.

X. RESCO 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
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* 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.

XI. RESCO 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
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

XII. RESCO 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.

XIII. RESCO 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.

XIV. Miscellaneous

- A. An award of RESCO status during the term of this Agreement is not a guarantee of future RESCO status.
- B. 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.
- C. 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.
- D. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland. The exclusive venue for litigation shall be Montgomery County. If the Parties are not able to resolve disputes directly with each other, the Parties may, prior to litigation, attempt to resolve any disputes that arise out of this Agreement through mediation before a mutually acceptable mediator.
- E. This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the Parties. All amendments and modifications hereto must be in writing and signed by the appropriate authorities of the Parties.
- F. The language of each and all paragraphs, terms and/or provisions of this Agreement, shall in all cases and for any and all purposes, and in any way and all circumstances whatsoever, be construed as a whole, according to its fair meaning, and not for or against any Party and with no regard whatsoever to the identity or status of any person or persons who drafted all or any portion of this Agreement.
- G. 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 page]

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

ATTEST:

THE MAYOR AND COUNCIL OF ROCKVILLE:

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

Jeff Mihelich
City Manager
City of Rockville, Maryland

WITNESS:

VICTORIAN LYRIC OPERA COMPANY:

Stephen Brown
Treasurer
Victorian Lyric Opera Company

Bill Rogers
President
Victorian Lyric Opera Company

APPROVED AS TO FORM AND LEGALITY:

Robert E. Dawson
City Attorney
City of Rockville, Maryland



Attachment A:

City of Rockville, Maryland Liability Insurance Requirements for RESCOs

Prior to the execution of the contract by the Mayor and Council, the User must obtain at their own cost and expense and keep in force and effect during the term of the contract including all extensions, the following insurance with an insurance company/companies licensed to do business in the State of Maryland evidenced by a certificate of insurance and/or copies of the insurance policies. The User's insurance shall be primary. The User must submit a certificate of insurance, prior to the start of any work, to this City office:

City of Rockville, Maryland
c/o Glenview Mansion at Rockville Civic Center Park
603 Edmonston Drive
Rockville, MD 20851

In no event may the insurance coverage be less than shown below. Unless otherwise described in this contract the successful User will be required to maintain for the life of the contract and to furnish the City evidence of insurance as follows:

Mandatory Requirements for Insurance

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

Type of Insurance	Amounts of Insurance	Endorsements and Provisions
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.

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

Policy Cancellation

The User shall furnish a new certificate prior to any change or cancellation date. The failure of the User to deliver a new and valid certificate will result in suspension of all payments and cessation of on-site work activities until a new certificate is furnished.

Additional Insured

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

Subcontractors

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

Certificate Holder

The Mayor and Council of Rockville

(Contract #, Title)

City Hall

111 Maryland Avenue

Rockville, MD 20850



Attachment B: Storage Lease Agreement

This Lease Agreement, made this _____ day of _____ 2025, ("**Effective Date**") by and between the Mayor And Council of Rockville, ("the **Mayor and Council**"), and the Resident Community Performing Arts Company called Victorian Lyric Opera Company, a non-profit Maryland corporation, ("**the RESCO**") (collectively referred to as "**the Parties**").

The Mayor and Council is the owner of a storage building, located at 850 Avery Lane, Rockville, Maryland, situated on the grounds of Rockville Civic Center Park, and primarily used by amateur resident theatre groups performing at the City's F. Scott Fitzgerald Theatre ("**the storage building**" or "**leased premises**").

The RESCO desires to lease a portion of the storage building, which it currently occupies, for use in connection with performances at the F. Scott Fitzgerald Theatre (the "**Theatre**").

The parties initially entered a lease agreement for use and enjoyment of the leased premises ("**Initial Lease**") from January 1, 2017 through June 30, 2022.

The parties now wish to extend the initial lease agreement.

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein, the parties hereto agree as follows:

- 1. Lease Area.** The RESCO shall have the right to utilize the storage units assigned to them by the City in the storage building, measured at 47 feet by 25 feet in size for Unit 1 and 576 square feet in size for Unit 2, designated as the leased premises, 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.
- 2. Lease Term.** The term of this lease agreement shall be for one (1) fiscal year, from July 1, 2025 through June 30, 2026, unless terminated earlier in accordance with the terms in this lease agreement. The parties may extend the term of this lease agreement under such terms and conditions as they may agree upon in writing. The RESCO shall notify the City at least ninety (90) days prior to June 30, 2026, if it desires to enter negotiations with the City to extend this lease agreement beyond its initial one (1) fiscal year term.
- 3. Rent.** The RESCO will pay rent in the amount of \$3,163 (\$2,204 for Unit 1 and \$959 for Unit 2) for the full term of the lease and payment is due on or before November 15, 2025.

4. **Utilities.** The City will pay for the following utilities serving the storage building: water, electricity, and gas.
5. **Maintenance Responsibilities to the City.** 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 unit 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.

6. **Maintenance Responsibilities to the RESCO.** The RESCO shall maintain the leased storage building 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.

At the expiration of the lease agreement, the RESCO shall remove all materials from the storage building and return the leased premises to the City in the same condition as existed at the beginning of the initial lease agreement. The RESCO will be responsible for security of their storage building; custodial cleaning; and trash and recycling removal (the RESCO can use the City dumpsters and recycling bins).

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.

7. **Improvements to Infrastructure and Building Envelope by the RESCO.** Any improvement (additional outlets, new light fixtures, tiled floor, etc.) or new maintenance items to the RESCO's leased storage building 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.

- 8. Indemnification and Hold Harmless.** The RESCO shall indemnify the City, and all its employees, agents, representatives, and assigns, and shall save them harmless from and against any and all claims, damages, liability, and expense, and/or damage to property arising from or out of any occurrence in, upon or at the leased premises or any part thereof or occasioned wholly or in part by any act or omission of the RESCO, its agents, servants, employees, assignees, or invitees. The RESCO waives all rights and claims against the City in connection with any and all such injuries or damages alleged to have arisen during the term of this lease agreement. This paragraph does not apply to damages resulting solely from the negligence of the City, its employees, agents, representatives, or assigns.
- 9. Liability.** 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 leased premises 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 leased premises 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.
- 10. Insurance.** For the duration of the lease term, the RESCO at its sole cost and expense, shall obtain, furnish, and maintain in full force and effect a liability insurance policy to protect the City against any and all claims for personal and property injury, including death, with bodily injury limits. A certificate of insurance shall be provided to the City. The RESCO must submit its certificate of liability insurance to the Superintendent of Community Facilities and receive approval from the City's Department of Human Resources, Risk Management Division prior to execution of the lease agreement by the City.
- 11. Subleasing.** The RESCO shall not sublease any portion of the leased premises to any other individual or entity.
- 12. Termination for convenience.** This lease agreement may be terminated by either party prior to the expiration of the lease 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 lease agreement 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.
- 13. Termination by City for cause.** If the RESCO breaches any of its obligations under this lease 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 lease agreement for cause pursuant to this paragraph, the RESCO shall not be entitled to any rent refund.
- 14. Changes to Agreement.** All changes to this lease agreement shall be made in writing and signed by both parties prior to taking effect.
- 15. Notification.** All notifications and other communications given pursuant to this lease agreement shall be given in writing by e-mail or delivered by certified mail, return receipt requested, postage prepaid, or by private delivery service with written acknowledgement of receipt thereof, to the parties at the following addresses or at such other addresses as may be

designated in writing by the parties listed below. The City may also post a copy of any notification or other communication to the RESCO at the leased premises. Such posting shall satisfy the notification requirements of this agreement, whether effective delivery of the notification is made by e-mail, mail, or private delivery service.

As to the City:

City of Rockville, Maryland
c/o Superintendent of Community Facilities
Glenview Mansion at Rockville Civic Center Park
603 Edmonston Drive
Rockville, MD 20851

With copies each to:

City of Rockville, Maryland
c/o Director of Recreation and Parks and
c/o City Attorney's Office
111 Maryland Avenue
Rockville, MD 20850

As to the RESCO:

Victorian Lyric Opera Company
c/o President and Treasurer
PO Box 10391
Rockville, MD 20849

16. Venue, Choice of Law, and Mediation. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland. The exclusive venue for litigation shall be Montgomery County. If the Parties are not able to resolve disputes directly with each other, the Parties may, prior to litigation, attempt to resolve any disputes that arise out of this Agreement through mediation before a mutually acceptable mediator.

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

18. Fair Meaning. The language of each and all paragraphs, terms and/or provisions of this Agreement, shall in all cases and for any and all purposes, and in any way and all circumstances whatsoever, be construed as a whole, according to its fair meaning, and not for or against any Party and with no regard whatsoever to the identity or status of any person or persons who drafted all or any portion of this Agreement.

19. 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 appear on the following page]

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

ATTEST:

THE MAYOR AND COUNCIL OF ROCKVILLE:

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

Jeff Mihelich
City Manager
City of Rockville, Maryland

WITNESS:

VICTORIAN LYRIC OPERA COMPANY

Stephen Brown
Treasurer
Victorian Lyric Opera Company

Bill Rogers
President
Victorian Lyric Opera Company

APPROVED AS TO FORM AND LEGALITY:

Robert E. Dawson
City Attorney
City of Rockville, Maryland



MAYOR AND COUNCIL Meeting Date: June 2, 2025

Agenda Item Type: CONSENT

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: SARA TAYLOR-FERRELL

Subject

Approval of Minutes

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff recommends Mayor and Council approve the following minutes:

May 5, 2025 (Meeting No. 12-25)

Attachments



MAYOR AND COUNCIL Meeting Date: June 2, 2025
Agenda Item Type: INTRODUCTION AND POSSIBLE ADOPTION
Department: FINANCE
Responsible Staff: MARY SUE MARTIN

Subject

Introduction and Possible Adoption of an Ordinance to amend Ordinance No. 04-25 to appropriate funds and levy taxes for FY 2025 (Budget Amendment #4)

Department

Finance

Recommendation

In accordance with the City Charter, since the budget ordinance is adopted at the fund level, a change in the appropriated amount of any fund requires action by the Mayor and Council. The vehicle for such action is an amendment to the budget ordinance. The proposed ordinance, Attachment 1, would amend the FY 2025 budget. The FY 2025 budget was adopted by the Mayor and Council on May 6, 2024, and has been amended three times since: on August 5, 2024, October 28, 2024, and February 24, 2025.

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

Discussion

The proposed ordinance, Attachment 1, would amend the FY 2025 budget. This amendment recognizes the items that are described in this agenda report and detailed on Attachment 2. Attachment 3 is the 3Q FY 2025 Financial Report.

Amendment Detail (Attachment 2)

This amendment includes operating and capital improvements program (CIP) budget adjustments as described below.

Operating Budget

Leases and SBITA adjustments (General Fund, \$8 million offsetting revenue and expenditure increase; Special Activities Fund, \$70,000 offsetting revenue and expenditure increase): This administrative adjustment allows for the GASB-compliant recording of long-term leases and subscription-based IT arrangements (SBITAs).

Swim and Fitness Center program fees and temp wages (General Fund, \$127,000 revenue increase; \$47,000 expenditure increase): Swim and Fitness Center program participation and resulting revenue has exceeded estimates for the year. This revenue increase offsets both the need for additional temporary employee staffing at the Center, as well as other General Fund needs.

General Fund transfer to the Special Activities fund for REAP/Bethany House (General Fund, \$80,000 expenditure increase; Special Activities Fund \$80,000 revenue and expenditure increase): Staff from the Department of Housing and Community Development have been working closely with non-profit senior affordable housing provider Bethany House on its high number of tenants with large rental arrears. Given the vulnerability of seniors on minimal fixed-incomes, preventing evictions at this location is an urgent need. This funding will allow staff, in partnership with Montgomery County, to clear tenants' rental arrears.

Overfill authorization for 2 Police Officer positions (General Fund, no change in appropriations): The city has struggled in recent years to attract and retain qualified applicants for sworn positions. Acknowledging that the training process is long and not all new hires complete the full academy and field training, this amendment provides authorization for up to two Police Officer hires over the authorized level to increase the department's likelihood of reaching full staffing levels. No additional appropriation is needed for this standing authorization, as the overfill positions will be covered by unspent General Fund personnel funds resulting from vacant positions. This overfill authorization will carry forward into FY 2026 and beyond.

Facility rental fees (Special Activities Fund, \$10,000 expenditure increase): The Friends of the Arts program needs to appropriate additional funding, supported by fund balance, to cover rental fees for the city-managed performing arts groups presenting concerts or performances in the auditoriums at Montgomery College, Rockville Campus and Montgomery County Public Schools due to the temporary closure of the theatre during the construction of the F. Scott Fitzgerald Theatre ADA Improvements (RA20) CIP project.

Arbitrage liability payments (Water, Sewer, and Stormwater Management Funds, \$548,400 total expense increase): Recent project delays have resulted in a slower spend-down rate than projected for recent bond proceeds. Because the bond proceeds have been earning more in investment income than the yield paid to bondholders, the city is required to repay this excess amount to the IRS as follows: Water Fund \$356,100; Sewer Fund \$46,600; Stormwater Management Fund \$145,700. Staff across multiple departments have collaborated to develop a plan to accelerate contract execution and project spending to help mitigate arbitrage liabilities going forward.

Blue Plains reconciliation payment (Sewer Fund, \$163,600 expense increase): Additional funding is needed to cover the final FY 2025 payment for the city's share of operating costs for the Blue Plains Advanced Wastewater Treatment Plant, which includes a reconciliation adjustment that exceeds the current budget.

Depreciation adjustment (Sewer Fund, \$198,900 expense increase): This adjustment provides the additional budget authority needed to record the updated end-of-year Sewer Fund depreciation estimate for FY 2025.

Capital Improvements Program (CIP) Budget

Water Treatment Plant Safety Improvements (UB19, Water Fund, \$210,000 expense increase): Additional funding is needed to accommodate updated construction support requirements and construction contingency. Due to the timing of this adjustment, any unspent funding as of June 30 will need to be reappropriated on the first FY 2026 budget amendment.

3Q FY 2025 Financial Report (Attachment 3)

As shown on page 1 of the attached 3Q FY 2025 Financial Report (Attachment 3) the FY 2025 estimated ending unassigned fund balance equals \$25.2 million, which is \$3.4 million above the target. This amount factors in the funds committed on the FY 2026 adopted budget ordinance totaling just over \$2 million for a subsidy to the Housing Opportunities Fund sub-account (\$750,000), a Green Space Management Plan (\$280,000), a contribution to the Rockville Volunteer Fire Department for the purchase of a new vehicle (\$250,000), and a transfer to the Capital Projects Fund for the construction of the Senior Center Entrance (TA24) CIP project (\$800,000).

Impact Statements

Equity

This budget amendment provides funds to support non-profit senior affordable housing provider Bethany House on its high number of tenants with large rental arrears. Given the vulnerability of seniors on minimal fixed-incomes, preventing evictions at this location is an urgent need.

Environment

This amendment provides additional funding for the city's portion of operating costs for the Blue Plains Advanced Wastewater Treatment Plant, responsible for the safe treatment of the city's wastewater, as well as additional funding for the Water Treatment Plant Safety Improvements (UB19) CIP project, which funds the transition to safer processing at the city's Water Treatment Plant.

Economy

There are no significant economic impacts resulting from the adoption of this budget amendment.

Mayor and Council History

This is the fourth budget amendment for FY 2025. The FY 2025 budget was adopted by the Mayor and Council on May 6, 2024, and has been amended three times since: on August 5, 2024, October 28, 2024, and February 24, 2025.

Fiscal Impact

The following operating fund(s) will be adjusted if this budget amendment is adopted.

TABLE 1

Operating Fund	Amended Budget	6/2/2025 Amendment	Amended Budget
General Fund	\$121,153,825	\$8,127,000	\$129,280,825
Water Fund	\$16,357,483	\$356,100	\$16,713,583
Sewer Fund	\$16,417,346	\$409,100	\$16,826,446
Refuse Fund	\$9,105,300	\$ -	\$9,105,300
Parking Fund	\$2,791,920	\$ -	\$2,791,920
Stormwater Mgt Fund*	\$7,319,350	\$98,144	\$7,417,494
Special Act. Fund	\$2,946,210	\$160,000	\$3,106,210
CDBG Fund	\$526,000	\$ -	\$526,000
Speed Camera Fund	\$1,420,000	\$ -	\$1,420,000
Debt Service Fund	\$4,455,600	\$ -	\$4,455,600
Total	\$182,493,034	\$9,150,344	\$191,643,378

**Changes were made to the Stormwater Management Fund as detailed in Attachment 2, but the amount of the changes was partially offset by a reduction in the budgeted use of reserves, resulting in a smaller net change to the appropriated fund total.*

The following Capital Improvements Program (CIP) fund(s) will be adjusted if this budget amendment is adopted:

TABLE 2

CIP Fund	Amended Budget	6/2/2025 Amendment	Amended Budget
Capital Projects Fund	\$68,483,200	\$ -	\$68,483,200
Water Fund	\$22,094,904	\$210,000	\$22,304,904
Sewer Fund	\$12,132,725	\$ -	\$12,132,725
Refuse Fund	\$741,022	\$ -	\$741,022
Stormwater Mgt Fund	\$18,567,082	\$ -	\$18,567,082
Special Activities Fund	\$1,509,109	\$ -	\$1,509,109
Speed Camera Fund	\$104,957	\$ -	\$104,957
Total	\$123,632,999	\$210,000	\$123,842,999

Attachments

Attach1_BudgetOrdinance_060225, Attach2_AmendmentDetail_060225, Attach3_FY25_3QFR

ORDINANCE NO. _____

ORDINANCE: To Amend Ordinance
04-25 to Appropriate
Funds and Levy
Taxes for Fiscal Year
2025.

**BE IT ORDAINED BY THE MAYOR AND COUNCIL OF ROCKVILLE,
MARYLAND** as follows:

SECTION I - ANNUAL OPERATING APPROPRIATIONS

There are hereby appropriated for the fiscal year beginning July 1, 2024, and ending June 30, 2025, out of the revenues accruing to the City for the purpose of operations, the several amounts hereinafter listed under the column designated "Amounts Appropriated":

FUNDS	AMOUNTS APPROPRIATED	
General Fund	[\$121,153,825]	<u>\$129,280,825</u>
Water Fund	[\$16,357,483]	<u>\$16,713,583</u>
Sewer Fund	[\$16,417,346]	<u>\$16,826,446</u>
Refuse Fund	\$9,105,300	
Parking Fund	\$2,791,920	
Stormwater Management Fund	[\$7,319,350]	<u>\$7,417,494</u>
Special Activities Fund	[\$2,946,210]	<u>\$3,106,210</u>
Community Development Block	\$526,000	
Speed Camera Fund	\$1,420,000	
Debt Service Fund	\$4,455,600	
Town Center Management District	\$0	

The "Amounts Appropriated" by this section totaling [\$182,493,034] \$191,643,378 shall be for the annual operating expenses of the departments and agencies of the City and shall be disbursed pursuant to the City Charter and the City Code, under the supervision of the City Manager.

SECTION II - CAPITAL PROJECTS APPROPRIATIONS

There is hereby appropriated out of the revenues accruing to the City for the purpose of capital improvements, the several amounts hereinafter listed under the column designated

"Amounts Appropriated":

FUNDS	AMOUNTS APPROPRIATED	
Capital Projects Fund	\$68,483,200	
Water Fund	[\$22,094,904]	<u>\$22,304,904</u>
Sewer Fund	\$12,132,725	
Refuse Fund	\$741,022	
Stormwater Management Fund	\$18,567,082	
Special Activities Fund	\$1,509,109	
Speed Camera Fund	\$104,957	

The "Amounts Appropriated" by this section totaling [\$123,632,999] \$123,842,999 shall be for improvement projects and shall be disbursed pursuant to the City Charter and the City Code, under the supervision of the City Manager.

SECTION III - GENERAL LEVY

There is hereby levied against all assessable real property within the corporate limits of the City a tax at the rate of twenty-nine and two-tenths cents (\$0.292) on each \$100 of assessable value of said property. There is also hereby levied, against all assessable personal property within the corporate limits of the City, a tax at the rate of eighty and one-half cents (\$0.805) on each \$100 of assessable value of said property. These taxes are hereby levied in order, together

with other available revenues and funds of the City government, to provide funds for the "Amounts Appropriated" as set forth in the foregoing Section I. The tax levies herein provided in this section shall not apply to property in the City of Rockville to the extent that such property is not subject to taxes as provided in any valid and binding annexation agreement.

SECTION IV – TOWN SQUARE PARKING DISTRICT LEVY

There is hereby levied against all non-exempt real property within the Town Square Parking District a tax at the rate of thirty-three cents (\$0.33) on each \$100 of assessable value of said property. These taxes are hereby levied in order, together with other available revenues and funds of the City government, to provide funds for the "Parking Fund" as listed in the "Amounts Appropriated" in Section I.

SECTION V – TOWN SQUARE STREET AND AREA LIGHTING DISTRICT LEVY

There is hereby levied against all non-exempt real property within the Town Square Street and Area Lighting District a tax at the rate of zero cents (\$0.00) on each \$100 of assessable value of said property. These taxes are hereby levied in order, together with other available revenues and funds of the City government, to provide funds for the "Town Center Management District Fund" as listed in the "Amounts Appropriated" in Section I.

SECTION VI – TOWN SQUARE COMMERCIAL DISTRICT LEVY

There is hereby levied against all commercial real property within the Town

Square Commercial District a tax at the rate of zero cents (\$0.00) on each \$100 of assessable value of said property. These taxes are hereby levied in order, together with other available revenues and funds of the City government, to provide funds for the “Town Center Management District Fund” as listed in the “Amounts Appropriated” in Section I.

NOTE: [Brackets] indicate material deleted.
Underlining indicates material added.

I hereby certify that the foregoing is a true and correct copy of an Ordinance adopted
by the Mayor and Council of Rockville at its meeting of

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

FY 2025 Budget Amendment #4 - June 2, 2025

OPERATING

GENERAL	Revenues		Expenditures	
	Leases and SBITA adjustment	8,000,000	Leases and SBITA adjustment	8,000,000
	Swim & Fitness Center program fees	127,000	Swim & Fitness Center temp wages	47,000
			Transfer to Special Activities Fund (REAP for Bethany House)	80,000
			Overfill authorization for 2 Police Officer FTEs	-
	TOTAL	8,127,000	TOTAL	8,127,000

ACT.	Revenues		Expenditures	
	Leases and SBITA adjustment	70,000	Leases and SBITA adjustment	70,000
	Use of reserves (Friends of the Arts)	10,000	Facility rental	10,000
	Transfer from the General Fund (REAP)	80,000	REAP funding for Bethany House	80,000
	TOTAL	160,000	TOTAL	160,000

WATER	Revenues		Expenses	
	Use of reserves	356,100	Arbitrage liability payment	356,100
	TOTAL	356,100	TOTAL	356,100

SEWER	Revenues		Expenses	
	Use of reserves	409,100	Arbitrage liability payment	46,600
			Blue Plains reconciliation payment	163,600
			Depreciation adjustment	198,900
	TOTAL	409,100	TOTAL	409,100

SWM	Revenues		Expenses	
	Use of reserves	98,144	Arbitrage liability payment	145,700
			Addition to reserves	(47,556)
	TOTAL	98,144	TOTAL	98,144

CAPITAL IMPROVEMENTS PROGRAM (CIP)

WATER	Revenues		Expenses	
	Paygo	210,000	Water Treatment Plant Safety Improvements (UB19)	210,000
	TOTAL	210,000	TOTAL	210,000

Third Quarter FY 2025 Financial Report

Category	Current Year (in thousands)				Prior Yr. (in thousands)		
	FY25 Adp.	FY25 Amd.	Actual 3/31/25	% Amd.	Actual 6/30/24	Actual 3/31/24	% Act.
Revenue							
Property Taxes	49,060	49,060	48,181	98%	46,786	45,908	98%
From Other Gov't.	35,415	37,209	24,581	66%	34,764	22,494	65%
Fines/Forfeitures	2,010	2,722	2,407	88%	3,505	2,725	78%
Use of Money/Property	1,679	2,179	2,531	116%	3,414	2,307	68%
Charges for Services	7,988	8,055	6,969	87%	9,122	6,556	72%
Licenses/Permits	4,790	4,790	3,317	69%	4,021	2,334	58%
Other Revenue	8,140	8,140	4,777	59%	9,755	6,228	64%
Total Revenue (\$)	109,082	112,156	92,764	83%	111,367	88,551	80%
Expenditures							
Personnel	65,008	66,032	50,062	76%	60,483	45,300	75%
Operating	20,387	23,847	14,267	60%	17,099	11,480	67%
Capital Outlay	3,536	6,522	1,963	30%	4,829	1,412	29%
Other	5,228	5,228	3,005	57%	4,684	2,638	56%
CIP Transfer	9,300	12,974	9,730	75%	12,790	9,142	71%
Transfers Out	5,553	6,381	4,785	75%	5,680	4,290	76%
Total Expenditures (\$)	109,012	120,983	83,812	69%	105,563	74,263	70%

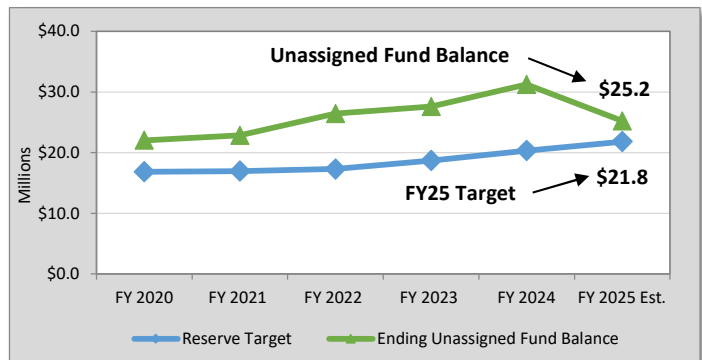
General Fund Summary

The FY25 amended budget in this report reflects adjustments included on the August, October, and February budget amendments. June budget amendment adjustments will be shown on the 4Q report but are discussed as applicable throughout the report.

General Fund revenues are ahead of estimates, with investment earnings (**Use of Money/Property**) and recreation program fees (**Charges for Services**) both exceeding end of year estimates as of the end of 3Q. General Fund expenditures are in line with estimates and prior year spending patterns.

General Fund Unassigned Fund Balance

The FY25 estimated ending unassigned fund balance equals \$25.2 million, which is \$3.4 million above the FY25 target. This amount factors in the funds committed on the FY26 adopted budget ordinance totaling just over \$2 million for a subsidy to the Housing Opportunities Fund sub-account (\$750,000), a Green Space Management Plan (\$280,000), a contribution to the Rockville Volunteer Fire Department for the purchase of a new vehicle (\$250,000), and a transfer to the Capital Projects Fund for the construction of the Senior Center Entrance (TA24) CIP project (\$800,000). This funding will be appropriated on the first budget amendment of FY26.



General Fund Contingency Status

Per the city's Financial Management Policies, contingency funds are available for unanticipated, unbudgeted expenditures of a non-recurring nature and/or unexpected cost increases.

General Fund Contingency Usage through 3Q	Amount
Adopted FY25 General Fund Contingency	350,000
Replacement of postage meter	(25,700)
Supplemental funding for gun buyback	(2,000)
Lobbying contract increase	(8,000)
Furniture for City Manager's Office	(22,210)
Time to Care Act MML Collaborative	(10,000)
Executive recruitment	(40,000)
Election review consultant	(60,000)
Outside legal services	(543,417)
SBITA savings	361,327
FY25 Contingency Remaining (\$) *	-

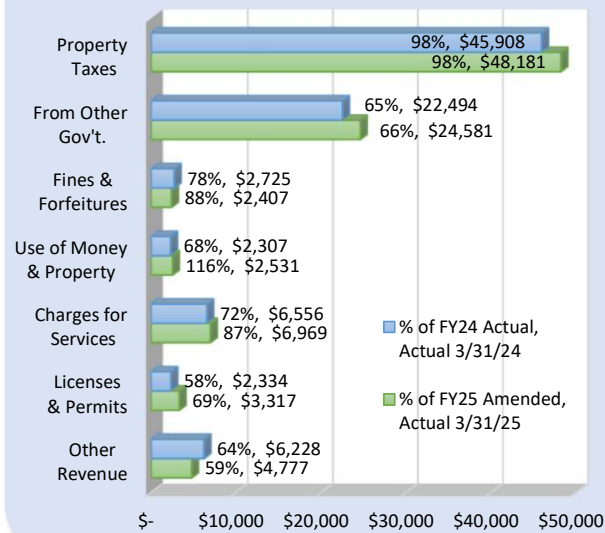
*Spending for outside legal services exceeded available contingency by \$361,327, supported by SBITA savings.

Unspent Personnel Funds

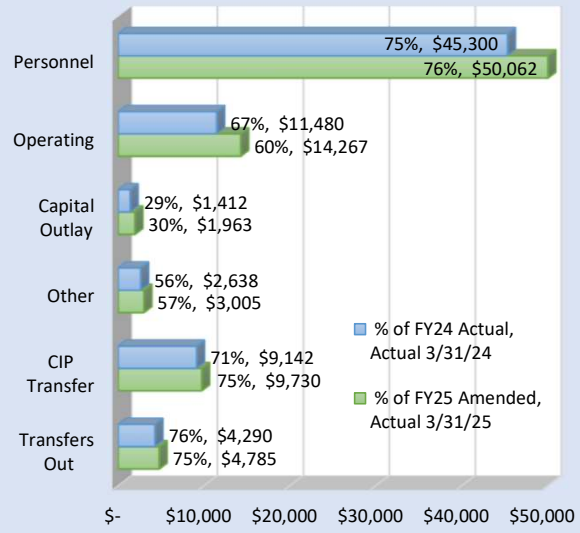
Unspent funds related to vacant General Fund positions are tracked and reported quarterly, along with any uses of these funds outside of routine personnel adjustments. Historically, in addition to vacancy-related costs, these funds have been used for weather-related needs such as snow removal.

Unspent Personnel Funds	3Q Only	YTD FY25
Gross unspent funds from vacancies	529,308	1,937,927
Vacancy-related (costs)/savings	(432,627)	(1,325,501)
Net Unspent Funds	96,681	612,426
<i>Uses of Net Unspent Funds</i>		
Sworn police pay increase	-	(231,035)
Holiday employee gift cards	-	(56,673)
Snow and ice removal	(84,712)	(84,712)
Net Unspent Funds Remaining (\$)	11,969	240,006

General Fund Revenues (in thousands)



General Fund Expenditures (in thousands)



General Fund Revenues by Category

Property Taxes totaled \$48.2 million, or 98% of the amended budget. The majority of property tax revenue is received in 2Q.

Revenue **From Other Governments** totaled \$24.6 million, or 66% of the amended budget. Income tax revenue is included in this category and totaled \$12 million through 3Q, approximately \$136,000 higher than 3Q FY24.

Revenue from **Fines & Forfeitures** totaled \$2.4 million for 3Q, or 88% of the amended budget. The main revenue source in this category is redlight camera citations. This revenue source was adjusted on the February budget amendment due to higher than budgeted citations and resulting citation revenue.

Use of Money & Property revenue totaled \$2.5 million, or 116% of the amended budget due to investment earnings, which have exceeded amended estimates by over \$600,000 as of 3Q. While it is not necessary to amend the budget to recognize this increase, this overage will contribute to an increase in unassigned General Fund balance at the close of FY25.

Charges for Services revenue totaled \$7 million, or 87% of the amended budget. Recreation revenues make up the majority of this category and have exceeded estimates. The June budget amendment recommends an adjustment to Swim and Fitness Center program fees to recognize increased program participation and fund additional supporting temporary employee spending. Additional revenue beyond the amended budget will contribute to an increase in unassigned General Fund balance at the close of FY25.

Licenses & Permits revenue totaled \$3.3 million, or 69% of the amended budget. The majority of revenue in this category comes from rental licenses and building permits. Rental license revenue has increased significantly compared to 3Q FY24, while building permit revenue remained relatively flat.

Other Revenue totaled \$4.8 million, or 59% of the amended budget. The majority of the revenue in this category comes from administrative charges to other funds for overhead costs. These charges are recorded quarterly. Revenue in this category was higher in FY24 due to a one-time return of workers compensation collateral.

General Fund Expenditures by Category

Personnel spending totaled \$50.1 million, or 76% of the total amended personnel budget. Overtime spending increased by 21% compared to FY24, with the majority of the increase coming from the Police Department. The June budget amendment includes an overfill authorization for two additional police officer positions, funded from personnel savings. As the Police Department returns to full staffing levels overtime spending should decrease.

Operating expenditures totaled \$14.3 million, or 60% of the amended operating budget. This category includes services and commodities, including utilities. Spending varies throughout the year based on payment timing and need.

Capital Outlay expenditures totaled \$2 million, or 30% of the amended budget. This funding covers one-time equipment purchases including vehicle replacements, and varies from year to year based on needs and replacement schedules.

Other expenditures totaled \$3 million, or 57% of the amended budget. This category includes the city's outside agency grants and contribution to REDI, as well as lease agreements.

The **CIP Transfer** totaled \$9.7 million for 3Q. The transfer to the CIP is expended quarterly based on the amended budget.

The **Transfers Out** category totaled \$4.8 million for 3Q. This category includes transfers to the Parking, Debt Service, Refuse (for RHE refuse bills), and Special Activities funds. These transfers are expended quarterly based on the amended budget.

WATER FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY25	FY25	Actual	%	Actual	Actual	%
	Adp.	Amd.	3/31/25	Amd.	6/30/24	3/31/24	Act.
Total Revenue (\$)	14,453	14,453	8,460	59%	13,841	8,441	61%
<i>Expenses</i>							
Personnel	4,622	4,689	3,594	77%	4,487	3,438	77%
Operating ¹	3,729	3,890	2,310	59%	3,340	2,396	72%
Capital Outlay ¹	752	1,054	490	47%	416	112	27%
Admin/Other/Interest	6,724	6,724	1,749	26%	6,225	1,568	25%
Total Expenses (\$)	15,828	16,357	8,143	50%	14,468	7,514	52%

Water Fund revenue through 3Q was roughly equal to 3Q FY24.

The June budget amendment includes an adjustment for an arbitrage liability payment due to slower than planned spending of bond proceeds. A large portion of Water Fund spending occurs in the multi-year CIP.

SEWER FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY25	FY25	Actual	%	Actual	Actual	%
	Adp.	Amd.	3/31/25	Amd.	6/30/24	3/31/24	Act.
Total Revenue (\$)	15,547	15,573	8,868	57%	15,830	9,463	60%
<i>Expenses</i>							
Personnel	2,327	2,363	1,632	69%	2,154	1,613	75%
Operating ¹	4,736	5,598	3,842	69%	4,654	3,521	76%
Capital Outlay ¹	414	758	496	65%	558	277	50%
Admin/Other/Interest	7,698	7,698	1,211	16%	7,614	1,202	16%
Total Expenses (\$)	15,175	16,417	7,182	44%	14,979	6,612	44%

Sewer Fund revenue through 3Q is less than 3Q FY24, with the biggest difference in utility fees.

The June budget amendment includes an adjustment for an arbitrage liability payment due to slower than planned spending of bond proceeds, as well as an increase to Blue Plains operating costs and an adjustment to depreciation. A large portion of Sewer Fund spending occurs in the CIP and goes toward the city's capital contribution to the Blue Plains Wastewater Treatment Facility.

REFUSE FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY25	FY25	Actual	%	Actual	Actual	%
	Adp.	Amd.	3/31/25	Amd.	6/30/24	3/31/24	Act.
Total Revenue (\$)	7,626	7,626	7,718	101%	7,553	7,372	98%
<i>Expenses</i>							
Personnel	3,790	3,847	2,625	68%	3,375	2,517	75%
Operating ¹	2,424	2,424	1,348	56%	2,176	1,445	66%
Capital Outlay ¹	846	991	2	0%	1,118	822	73%
Admin/Other/Interest	1,843	1,843	1,030	56%	1,765	976	55%
Total Expenses (\$)	8,903	9,105	5,005	55%	8,434	5,760	68%

The majority of refuse revenue is received during 2Q, as it is collected through property tax bills.

Operating costs through 3Q are lower compared to FY24 mainly due to lower than budgeted dump fees as well as less spending on refuse fleet repairs. The capital outlay budget includes funds for replacement vehicles which are on order but have not yet been received.

¹Capital outlay purchases and operating leases with useful lives of more than five years are capitalized and depreciated or amortized in accordance with Generally Accepted Accounting Principles (GAAP). The City's financial statements reflect this adjustment, whereas this report shows the actual expense. As a result, the prior year actuals shown on this report in enterprise funds will differ from the financial statements in the amount of the cost of any capitalized assets or leases.

SWM FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY25	FY25	Actual	%	Actual	Actual	%
	Adp.	Amd.	3/31/25	Amd.	6/30/24	3/31/24	Act.
Total Revenue (\$)	7,319	7,319	6,076	83%	6,912	6,331	92%
<i>Expenses</i>							
Personnel	3,127	3,173	2,300	72%	2,762	2,082	75%
Operating ¹	1,243	1,283	547	43%	1,233	494	40%
Capital Outlay ¹	128	150	2	1%	109	88	81%
Admin/Other/Interest	2,561	2,665	832	31%	2,437	886	36%
Total Expenses (\$)	7,058	7,272	3,682	51%	6,542	3,550	54%

The majority of the city's SWM fee revenue is received during 2Q, as it is collected through property tax bills. Total SWM Fund revenue is lower compared to FY25 due to a decrease in waiver fees due to delays in development projects.

The capital outlay budget includes funds for a vehicle and major equipment which are on order but have not yet been received. A large portion of SWM Fund spending occurs in the multi-year CIP.

PARKING FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY25	FY25	Actual	%	Actual	Actual	%
	Adp.	Amd.	3/31/25	Amd.	6/30/24	3/31/24	Act.
Total Revenue (\$)	2,792	2,792	1,720	62%	2,689	1,752	65%
<i>Expenses</i>							
Personnel	329	334	221	66%	302	235	78%
Operating ¹	144	144	77	53%	108	74	68%
Capital Outlay ¹	0	0	0	0%	0	0	0%
Admin/Other/Int.	1,624	1,624	350	22%	1,576	359	23%
Total Expenses (\$)	2,097	2,102	648	31%	1,987	668	34%

The General Fund transfer to the Parking Fund totaled \$750,000 for 3Q, compared to \$885,000 in FY24. Parking Fund revenue in total is lower compared to FY24 due to several vacancies earlier in FY25 that resulted in a temporary decrease in issued citations and resulting revenue from fines and violations.

Personnel spending is under budget due to Parking Enforcement Officer vacancies earlier in FY25. These

vacancies contributed to the drop in revenue discussed above, as well as a decrease in operating costs which are tied to the number of issued citations.

Capital Improvements Program (CIP) Transfers, All Funds

The City's Financial Management Policies allow the City Manager to approve transfers of unspent project appropriations between capital projects within the same fund. These transfers will always net to zero, as any change in total appropriation by fund must be approved by the Mayor and Council through an appropriations ordinance. Any transfers between projects during the reporting period are shown below.

3Q CIP Transfers	Amount (\$)	Fund	Reason for Transfer
Pedestrian Bridge Replacement: Horizon Hill (RB22)	52,000	Capital Projects Fund	Additional funds needed to award design
King Farm Farmstead Fire Suppression (RB21)	(27,000)		Projects are substantially complete and have savings available
Promenade Park Elevator Replacement (RD21)	(25,000)		

¹Capital outlay purchases and operating leases with useful lives of more than five years are capitalized and depreciated or amortized in accordance with Generally Accepted Accounting Principles (GAAP). The City's financial statements reflect this adjustment, whereas this report shows the actual expense. As a result, the prior year actuals shown on this report in enterprise funds will differ from the financial statements in the amount of the cost of any capitalized assets or leases.



MAYOR AND COUNCIL Meeting Date: June 2, 2025
Agenda Item Type: ADOPTION
Department: HUMAN RESOURCES
Responsible Staff: SUSAN SELING

Subject

Consider Actions Related to Reorganization and Revisions to Chapter 15 – Personnel of City Code

Department

Human Resources

Recommendation

Staff recommends that the Mayor and Council consider and adopt the following Ordinances and Resolutions related to the reorganization and proposed changes to Chapter 15 (Personnel) of the City Code:

1. Adopt an Ordinance to create the Department of Procurement and the Communications and Community Engagement Department.
2. Adopt an Ordinance that amends certain provisions of Chapter 15-Personnel of the City Code.
3. Adopt a Resolution that establishes and updates certain Classified Civil Service Positions, as Non-Merit Civil Service positions.
4. Adopt a Resolution that amends the July 1, 2024, Amended and Restated Pension Plan document.

Change in Law or Policy

If adopted, the ordinance and resolution will result in changes to the respective city code chapters.

Discussion

Ordinance #1: Creating Departments

As part of the FY2026 budget deliberations, the City Manager recommended, and the Mayor and Council authorized the creation of two new departments – the Department of Procurement and the Communications and Community Engagement Department. The two departments were previously divisions within the City Manager’s Office. To formally effectuate the creation of the departments, an ordinance is needed. Pursuant to the Article IV, Section b (18) of the City Charter, the Mayor and Council has authority to create new department(s) by passage of an ordinance.

Attached to this staff report is the draft ordinance (Attachment 1) that creates the two departments for your consideration and adoption.

Resolution #1: Establishing and modifying list of Classified Civil Service Positions placed in the Non-Merit Civil Service

Pursuant to Section 15-2(4) of the City Code, the Mayor and Council shall provide by resolution the positions that are placed in the Non-Merit Civil Service. The creation of the two departments required a change to the list of Classified Civil Service Positions that are in the Non-Merit Civil Service to include the two director positions. Resolution No.12-89, passed on May 22, 1989, is the most recent resolution that identifies the positions that are in the Non-Merit Civil Service. These positions include: all department heads; the administrative assistant to the city manager; the assistant city manager; and part-time, temporary and unpaid offices and positions, except for permanent part-time classified employees.

Upon review of Resolution No.12-89, not only were revisions needed to remove positions that are nonexistent and add the two new department director positions but also include the positions of the Deputy City Manager, Deputy City Attorney; except for permanent part-time classified employees.

Attached to this staff report is the draft Resolution (Attachment 2) that establishes and modifies the list of at-will Classified Civil Service positions place in the city of Rockville Non-Merit Civil Service for your consideration and adoption.

Resolution #2: Amending Pension Plan Document

Concurrent with the actions above, amendments to the July 1, 2024, Amended and Restated City of Rockville Pension Plan document, are needed. The amendments include: the addition of a definition for Non-Merit Civil Service Employees (Article I, Section 1.3), clarification that supplemental contributions to the Thrift Plan are authorized for Non-Merit Civil Service Employees without reference to contract provisions (Article II, Section 2.2 and Article XVI, Section 16.4), and an appendix addition to recognize the retiree cost of living adjustment that was provided in January 2025 (Appendix A). The last time the Mayor and Council approved changes to the Pension Plan was on May 6, 2024, when DROP was added as a benefit for the Police officers.

To effectuate these changes, staff prepared the attached draft resolution (Attachment #3) for your consideration and adoption.

Ordinance #2: Revisions for Chapter 15-Personnel

City staff reviews the city code regularly and as needed brings forth proposal for change. The impetus for a proposed change could be the need to provide clarity, alignment with best

practices and changes in state laws or Mayor and Council directives or policy, alignment with City Charter among others. As part of the reorganization and recent personnel actions, staff identified sections of Chapter 15 (Personnel) of the city code that require revisions. The proposed revisions are meant to provide clarity, align our practices with the City Charter, and best practices. These changes include:

1. Amending Chapter 15. Sec. 15-2 to clarify and provide for the administrative approval of personnel policies and procedures. This amendment will ensure that discrepancies between General Orders and personnel policies can be addressed quickly, and changes to personnel related policies and procedures are responsive in meeting employee needs.
2. Amending Chapter 15. Sec. 15-2 and Sec 15-3 to make it clear that the Mayor and Council approve the employment contracts of the appointed officials; and the appointed officials approved the employment agreement of their respective Non-Merit Civil service employees.
3. Amending Chapter 15. Sec. 15-63 and Sec. 15-64 to provide more time for when the Personnel Appeals Board may schedule a hearing and clarifying that the Personnel Appeals Board findings be limited to whether an employee violated any law, City policy, rule, regulation or directive.

To effectuate the proposed amendments to Chapter 15 (Personnel) of the City Code, staff prepared the attached draft ordinance (Attachment 4) for your consideration and adoption.

Mayor and Council History

This is the first time this item is being presented.

Fiscal Impact

The FY2026 budget accounted for the reorganization. The newly created departments will have their budgets with their respective cost centers.

Next Steps

Following the approval of the ordinances and resolutions, staff will proceed with implementation.

Attachments

Attachment 1_Ordinance Creating Two Departments (May 23 Draft).pdf, Attachment 2_Resolution - Updating Non-Merit Civil Service Positions (5-20-25 draft).pdf, Attachment 3_Resolution - Amending Amended and Restated Pension Plan (5-21-25 draft).pdf, Attachment 4_Ordinance Amending Chapter 15 of City Code (May 23 Draft).pdf, PPT_Chapter 15 Mayor and Council 6.2.2025.v3 REVISED

Ordinance No. _____ **ORDINANCE:** To create the Department of Procurement and the Department of Communications and Community Engagement

RECITALS

WHEREAS, pursuant to Article IV, Section 1.b.(18) of the Rockville City Charter, the Mayor and Council has the authority to, among other things, create offices, departments, or agencies within City government; and

WHEREAS, the Division of Procurement and the Division of Communication are currently Divisions within the Office of the City Manager; and

WHEREAS, because of the increase in responsibilities and the level of specialization required for each of the two divisions, the City Manager has recommended to the Mayor and Council that the Division of Procurement and the Division of Communication be elevated to department status.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF ROCKVILLE, MARYLAND, as follows:

1. Two new departments are hereby created and shall be known as (a) the Department of Procurement, and (2) the Department of Communications and Community Engagement.
2. This ordinance shall take effect on July 1, 2025.

* * * * *

I hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the Mayor and Council of Rockville as its meeting of June 2, 2025.

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

Resolution No. [REDACTED]

RESOLUTION: To establish and modify the list of at-will Classified Civil Service positions placed in the City of Rockville Non-Merit Civil Service.

RECITALS

WHEREAS, in accordance with Article VIII, Section 5 of the Rockville City Charter, (i) the Classified Civil Service for the City of Rockville shall be divided into Non-Merit Civil Service and Merit Civil Service, (ii) the Mayor and Council shall establish by ordinance the Non-Merit Service, and (iii) the Merit Service shall comprise all positions except those placed in the Non-Merit Service; and

WHEREAS, the terms and conditions of employment for all offices and positions included in the Merit Service are subject to and governed by the City of Rockville Personnel Policies and Procedures (the “PPM”), and the terms and conditions of employment for all offices and positions included in the Non-Merit Services are subject to and governed by employment agreements, unless otherwise provided; and

WHEREAS, pursuant to Section 15-2(4) of the Rockville City Code the Mayor and Council shall provide by resolution those positions which shall be placed in the Non-Merit Civil Service; and

WHEREAS, on October 12, 1987, pursuant to Resolution No. 24-87, the Mayor and Council established and placed certain Classified Civil Service positions in the Non-Merit Civil Service; and

WHEREAS, on May 22, 1989, pursuant to Resolution No. 12-89, the Mayor and Council modified the list of Classified Civil Service positions established in Resolution No. 24-87, and placed the following positions in the Non-Merit Civil Service: (i) all “Department Heads,” (ii) the “Administrative Assistant to the City Manager,” (iii) the “Assistant City Manager,” and (iv) “Part-time, temporary and unpaid offices and positions, except for permanent part-time classified employees”; and

WHEREAS, the Mayor and Council desires to establish and further modify the list of at-will Classified Civil Service positions placed in the Non-Merit Civil Service by adding the Deputy City Manager and the Deputy City Attorney and removing the Administrative Assistant to the City Manager.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF ROCKVILLE as follows:

Section 1. Pursuant to the authority of Article VIII, Section 5(b) of the Rockville City Charter, and Section 15-2 of the Rockville City Code, the Mayor and Council of Rockville hereby establishes and modifies the Non-Merit Civil Service by placing the following specific at-will positions in the Non-Merit Civil Service:

- 1) Deputy City Manager
- 2) Deputy City Attorney
- 3) Assistant City Manager
- 4) Department Directors including:
 - a) Director, Communications and Community Engagement Department
 - b) Director, Community Planning and Development Services Department
 - c) Director / Chief Financial Officer, Finance Department
 - d) Director, Housing and Community Development Department
 - e) Director, Human Resources Department
 - f) Director / Chief Information Officer, Information Technology Department
 - g) Director, Procurement Department
 - h) Director, Public Works Department
 - i) Director, Recreation and Parks Department
 - j) Director / Chief of Police, Rockville City Police Department
- 5) [Part-time, temporary and unpaid offices and positions, except for permanent part-time classified employees]

Section 2. This Resolution supersedes Resolution No. 12-89 and shall become effective as of July 1, 2025.

* * * * *

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the Mayor and Council of Rockville as its meeting of June 2, 2025.

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

Resolution No. [REDACTED]

RESOLUTION: To amend the Amended and Restated City of Rockville Pension Plan, effective as of July 1, 2024.

RECITALS

WHEREAS, pursuant to Article VIII, Section 7 of the Rockville City Charter, the Mayor and Council has the authority to “do all things necessary to include its officers and employees, or any of them, within any retirement system or pension system; and

WHEREAS, on May 6, 2024, the Mayor and Council approved the Amended and Restated City of Rockville Pension Plan, effective July 1, 2024 (the “**City of Rockville Pension Plan**”), which, among other things, added a Deferred Retirement Option Program (DROP) benefit for Police employees, and included a reduction in the number of months related to the final average earnings calculation for Police employees; and

WHEREAS, pursuant to Section 15-81(b) of the Rockville City Code, amendments to the City of Rockville Pension Plan require approval by the Mayor and Council; and

WHEREAS, the Mayor and Council desires to approve certain amendments to the City of Rockville Pension Plan to provide that certain at-will Classified Civil Service positions that the Mayor and Council placed in the Non-Merit Civil Service pursuant to a Resolution adopted June 2, 2025, shall receive the Thrift Plan Supplemental Contribution under the City of Rockville Pension Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF ROCKVILE as follows:

1. Article I of the City of Rockville Pension Plan is hereby amended by inserting the following definition “At-Will Non-Merit Civil Service Employees” at subsection 1.3, and subsequently renumbering the remaining definitions sequentially (e.g., “Beneficiary” will be renumbered 1.4, “City” will be renumbered 1.5, etc.):

ARTICLE I DEFINITIONS

* * * * *

1.3 “**At-Will Non-Merit Civil Service Employees**” means the following Classified Civil Service positions that were placed in the Non-Merit Civil Service by the Mayor and Council on June [REDACTED], 2025:

(a) Deputy City Manager

(b) Deputy City Attorney

(c) Assistant City Manager

(c) All Department Directors

2. Article II, Section 2.2, of the City of Rockville Pension Plan is hereby amended and hereinafter shall be read as follows:

2.2 A contract Employee who is in a highly paid or managerial position may be excluded from the Plan under the terms of his/her employment contract with the City. Effective April 1, 1989, a contract Employee who does not join the Plan when first employed, but subsequently joins the Plan, shall be treated as though his/her date of employment were the date he/she begins participation in the Plan and no Credited Service shall be given for prior service. Notwithstanding the foregoing, all At-Will Non-Merit Civil Service Employees ~~non-appointed at will contract employees~~ of the City whose terms of employment ~~contracts~~ contain provisions authorizing Thrift Plan Supplemental Contributions, shall receive such Thrift Plan Supplemental ~~e~~Contributions under the Thrift Plan.

3. Article XVI, Section 16.4, of the City of Rockville Pension Plan is hereby amended and hereinafter shall be read as follows:

16.4 The Thrift Plan Supplemental Contribution set forth in this Section 16.4 covers all charter-appointed employees, and all At-Will Non-Merit Civil Service Employees ~~non-appointed at will contract employees~~ of the City whose terms of employment ~~contracts~~ contain provisions authorizing this benefit. For each payroll period, the City shall provide an employer contribution equal to 10% of the amount of base salary paid for such payroll period for each Employee eligible therefor under this Section 16.4.

4. Appendix A, Cost-of-Living-Adjustments Since January 1, 1988, of the City of Rockville Pension Plan is hereby amended to add the following subsection (t):

(t) Increase Effective January 1, 2025:
Each Retired Employee who commenced to receive Retirement Benefits prior to January 1, 2024, shall receive a 1.0% increase in his/her Retirement Benefits.

NOTE: ~~Strikethrough~~ indicates material deleted
Double underlining (red) indicates material added

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the Mayor and Council of Rockville as its meeting of June 2, 2025.

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

Ordinance No. _____ ORDINANCE: To amend Chapter 15 of the Rockville City Code so as to amend the provisions regarding nonmerit positions; to amend the provisions regarding the Personnel Appeals Board; and to rename the Director of Personnel to the Director of Human Resources

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF ROCKVILLE, a body corporate and municipal corporation of the State of Maryland, that Chapter 15 of the Rockville City Code entitled “Personnel” be amended as follows:

Chapter 15
PERSONNEL

ARTICLE I. IN GENERAL

Sec. 15-1. Application and effect.

There is hereby established a City Civil Service, consisting of both a merit and nonmerit system, for the City. All offices, employments and positions now existing and hereafter created within the City service (except those filled by election of the people, the positions of City Manager, City Clerk/Director of Council Operations, City Attorney, and such other appointments as may be required by statute) are hereby placed under Civil Service and shall be subject to such rules and procedures as may be included within, or established pursuant to, this chapter or as provided by resolution of the Council. Where such rules and procedures conflict with the provisions of a written agreement between the City and any employee or employee organization, the provisions of the written agreement shall apply and take precedence over City rules and procedures, but only to the extent of any conflict.

Sec. 15-2. Council's responsibilities.

The Council shall:

- ~~(1)~~ ~~Approve Personnel Policies and Procedures for the regulation of personnel matters in conformity with and in furtherance of this chapter.~~
- ~~(2)~~(a) Adopt a classification plan and set compensation rates as part of the annual budget for all Civil Service positions, both merit and nonmerit.
- ~~(3)~~(b) Approve, when necessary, procedures and rules governing relationships between the City and any employee organization which may be created for the purpose of representing a group of City employees on matters relating to conditions of employment including: recognition of such employee organization, bargaining and negotiation with an employee organization, and adoption of a written agreement with an employee organization. Any agreement entered into with a recognized employee organization may include provisions concerning the administration of personnel matters which alter procedures set forth in this chapter but which do not alter the intent

or application thereof. Any written agreement with an employee organization shall be approved by the Council before it becomes effective.

- ~~(4)~~(c) Provide by resolution those positions in the Civil Service which shall be placed in the nonmerit Civil Service.
- ~~(5)~~(d) Approve the contracts of employment for the City Manager, City Attorney, and City Clerk/Director of Council Operations, ~~nonmerit Civil Service employees~~, which contracts and not this chapter, shall govern the terms and conditions of employment, unless otherwise provided.

Sec. 15-3. City Manager.

- (a) Except as provided in subsection (c) below, the responsibility for implementing the provisions of this chapter and for general supervision of the Civil Service is vested in the City Manager. Authority to administer and direct the provisions of this chapter may be delegated to the Director of Human Resources Personnel by the City Manager.
- (b) These responsibilities include:
 - (1) Approve the letter agreements of employment and maintain the existing contracts for certain nonmerit civil service employees whose agreements, not this chapter, shall govern the terms and conditions of employment unless otherwise provided.
 - (2) Recommendations to the Council for the establishment and the classification or reclassification of all positions in the Civil Service;
 - ~~(2)~~(3) Recommendations for, and after adoption by the Council, the administration of rates of compensation covering all classes of positions in the Civil Service. Such recommendations shall be included each year as a part of the budget recommendations of the City Manager;
 - ~~(3)~~(4) Establishing standards of qualifications for all employment positions established by the Council;
 - ~~(4)~~(5) Recruiting, examining, investigating and determining qualifications of applicants for all positions in the Civil Service;
 - ~~(5)~~(6) The appointment, transfer, promotion, demotion, suspension, dismissal or any other change in status of an employee;
 - ~~(6)~~(7) Maintenance of such personnel records as may be required;
 - ~~(7)~~(8) Recommending measures calculated to increase efficiency and to promote the interest and welfare of employees;
 - ~~(8)~~(9) Recommending for approval by the Council, when necessary Approve and implement, policies, procedures and rules governing relationships between the City and individual employees, employee groups, and/or employee organizations which may be created for the purpose of representing a group of City employees on matters relating to conditions of employment for the regulation of personnel matters in conformity with and in furtherance of this chapter (Personnel Policies and Procedures);
 - ~~(9) Establishing and proposing for approval by the Mayor and Council Personnel Policies and Procedures implementing this chapter and the policies of the Mayor and Council~~

~~and otherwise governing personnel matters and employment with the City. A summary of any proposed Personnel Policies and Procedures, and any amendments thereto, shall be transmitted to the Mayor and Council. If within fifty five (45) days of said transmittal no action is taken by the Mayor and Council to formally consider the proposal, said proposed Personnel Policies and Procedures, or any amendments thereto, shall be deemed to have been approved by the Mayor and Council and shall become effective upon the expiration of said fifty five (45) days or upon such other date set by the City Manager, whichever date comes later. Any provision of this chapter that requires approval by the Mayor and Council may be approved as part of the approval of the Personal Policies and Procedures.~~

- (10) Establishing or authorizing supervisors to establish, work rules for their subordinates. Work rules so established shall not require the approval of the Mayor and Council.
- ~~(11) Devising necessary administrative policies and procedures to execute and implement the approved Personnel Policies and Procedures and any work rules. Such administrative policies and procedures shall not require the approval of the Mayor and Council.~~
- ~~(12)~~(11) Administering such rules and procedures as may be set forth relating to the Civil Service.

* * *

Sec. 15-4. Records, forms and reports.

The Director of Human Resources Personnel shall maintain appropriate files each Civil Service employee containing records, memoranda or other data which will aid in developing a record of the employee's service within the City.

Sec. 15-5. Classification of positions.

The Director of Human Resources Personnel shall recommend to the City Manager classification of all the positions in the Civil Service, both merit and nonmerit, assigning to each the appropriate title and prerequisites for appointment. The classification plan shall be so developed as to designate appropriate salary grades and/or rates of compensation for all recommended classes and positions. A classification plan shall be reviewed and adopted with or without modification by the Council as part of the annual budget. Between budgets, the City Manager may make provisional classifications of positions and appointments thereto provided that such positions are classified consistently with the system adopted by the Council and that funds are budgeted for personnel services for the programs in which the positions exist.

Sec. 15-6. Part-time merit system employees.

* * *

Sec. 15-7. Health care and life insurance.

The Director of Human Resources Personnel may arrange for, and administer health care and life insurance programs and plans for coverage of all merit system City employees.

Sec. 15-8. Hours of work.

The number of hours in a normal work week shall be established ~~either by resolution of the Council or~~ by the approved Personnel Policies and Procedures, provided that all authorized work in excess of the prescribed working hours per week, as listed in the adopted compensation plan, shall be compensated for at the rate prescribed in section 15-24.

Secs. 15-9, 15-10. Reserved.

ARTICLE II. APPOINTMENTS

Sec. 15-11. Nondiscrimination policy.

All appointments to the City Civil Service shall be made on the basis of merit without discrimination because of any factor as defined in Chapter 11, Article 1, Section 11-1, of the Rockville City Code. It shall be the policy of the City to ensure equal opportunities for its employees without any discrimination.

Sec. 15-12. Vacancies.

- (a) In the event that a vacancy occurs in any position established under the Civil Service system, the Director of Human Resources ~~Personnel~~ shall seek the best qualified job applicant available by advertisement or by such other means as may be deemed appropriate.
- (b) All vacancies will be announced within the organization.
- (c) All applicants for employment shall be required to complete an application on forms provided by the City, complete information as to education, special training, experience and skills, as well as a chronological statement of previous employment together with references and such other information as may be deemed necessary by the Director of Human Resources ~~Personnel~~.
- (d) The Director of Human Resources ~~Personnel~~ shall make, or cause to be made, such investigation as is necessary to verify the facts, contained in the application and shall manage the conduct of such oral interviews as may be deemed necessary. The Director of Human Resources ~~Personnel~~ may conduct such tests and examinations as may be deemed necessary.

Sec. 15-13. Probational appointments.

- (a) Except as provided under section 15-34, all appointments to merit system positions shall be subject to a one (1) year probationary period; provided however, that a probationary period of shorter duration may be permitted for employees in classes of positions covered by a written agreement between the City and any employee organization. Terms of probation may be extended to offset absences without pay or periods of required training on a day for day basis.
- (b) During the probationary period, the appointee's performance shall be closely reviewed to determine the appointee's ability to carry out assigned tasks, efficiency, and other characteristics relative to the requirements of the position. Such a review shall be conducted by the appointee's immediate supervisor and reviewed by the appropriate department director, and by the Director of Human Resources ~~Personnel~~.

- (c) If the Director of Human Resources Personnel determines that continued employment is not in the best interest of the City, the Director of Human Resources Personnel may recommend to the City Manager release of the probationary appointee from the job with appropriate notice. Only the City Manager may approve the release of an appointee. A probationary appointee may be released for any non-discriminatory reason and the probationary employee is not entitled to the protections of the merit system. If the appointee so released was promoted or transferred to the position from within the Civil Service and the appointee's work was satisfactory prior to the transfer or promotion, the appointee shall be returned to the previous position or to another suitable position in the same class as previously held, if such a position is available.

Sec. 15-14. Regular appointments.

Upon satisfactory completion of the prescribed probationary period, each employee in a merit system position shall be granted a regular appointment in the Civil Service merit system. In each case, the Director of Human Resources Personnel shall include in the appointee's personnel file a statement evaluating the employee's performance during the probationary period. In the event the Director of Human Resources Personnel is unable to make a determination as to whether an employee subject to a probationary period shall be granted a regular appointment at the end of the probationary period, the Director of Human Resources Personnel may extend the employee's probation for up to an additional six (6) month period, at which time the decision must be made whether or not to grant the probationary employee a regular appointment.

Sec. 15-15. Temporary appointments.

* * *

Secs. 15-16—15-20. Reserved.

ARTICLE III. COMPENSATION PLAN

DIVISION 1. GENERALLY

Sec. 15-21. Generally.

* * *

Sec. 15-22. Initial pay rate.

The minimum rate established for a class shall be paid upon appointment unless the City Manager shall determine upon advice of the Director of Human Resources Personnel that due to extraordinary difficulty in recruitment or extraordinary qualifications of an individual applicant, appointment at another step is necessary.

Sec. 15-23. Reimbursement for travel, etc.

* * *

Sec. 15-24. Overtime pay and compensatory time.

- (a) Employees may be compensated for overtime as defined by the Federal Fair Labor Standards Act (FLSA), City of Rockville Personnel Policies and Procedures, and/or any contractual agreement. Overtime hours worked must be required by an actual emergency or such other unusual circumstances requiring the assignment of employees to overtime hours of work and must be certified by the department director and approved by the City Manager or a designee.
- (b) Compensatory leave time may be granted, in lieu of overtime pay, to any employee in accordance with such rules as the City Manager may establish as long as it does not conflict with State or Federal law. Exempt employees (as defined by the FLSA) shall be eligible only for compensatory leave time.
- (c) The City Manager shall make such rules and regulations as are necessary to carry out the provisions of this section relating to additional compensation for work in excess of regular hours worked.
- ~~(d) Nothing in this section requires the payment of overtime compensation to an employee who, because of a secondary part time job with the City, works in excess of forty (40) hours per week, provided those hours in excess of the forty (40) hours for the City are performed in a different capacity from the employee's regular job, and nothing in the United States Fair Labor Standards Act requires the payment of overtime.~~

Secs. 15-25—15-30. Reserved.

DIVISION 2. PAY ADJUSTMENTS

Sec. 15-31. Limitations and career incentive plans.

* * *

Sec. 15-32. Anniversary dates for increment purposes.

For the purpose of granting increments, anniversary dates shall be as established by the City Manager ~~or by contractual agreement.~~

Sec. 15-33. In-grade salary increases.

An in-grade salary increase may be granted new merit system appointees after completion of the employee's probationary service if the Director of Human Resources ~~Personnel~~ determines that the quality of performance is satisfactory. In the event an in-grade salary increase is granted after the probationary service period, the employee will not be eligible for regular in-grade increment for one (1) full year from the date thereof.

Sec. 15-34. Promotions or position upgrade.

* * *

Sec. 15-35. Demotion or reassignment to lower grade.

In the event an employee is demoted or reassigned to a lower grade, the Director of Human Resources Personnel shall have the authority to place the employee in any pay rate of the grade in which the new position is classified.

Secs. 15-36—15-40. Reserved.

ARTICLE IV. EMPLOYEE DISCIPLINE

DIVISION 1. GENERALLY

Sec. 15-41. Non-Civil Service employees.

Personnel subject to appointment by the Council and not covered under Civil Service as provided in section 15-1 shall serve at the pleasure of the Council.

Sec. 15-42. Political activities.

- (a) No employee shall directly or indirectly use or seek to use the employee's official position, authority or influence to control or modify the political action of any other person, nor shall any employee, during duty hours, engage in any form of political activity.
- ~~(b) With respect to City elections, employees shall not take part in any political movement, nor actively support any candidates or group of candidates in any manner other than by casting their own ballots.~~
- ~~(c)~~(b) No public officer or employee shall receive or be in any manner concerned with receiving any money or things of value from any other City employee for any political purpose.
- ~~(d)~~(c) Violation of any provision of this section is grounds for immediate dismissal.

Sec. 15-43. Outside employment.

Employees shall not take any employment other than their regular City position without the express permission of the City Manager, City Attorney, or City Clerk/Director of Council Operations. Violation of this section is grounds for immediate dismissal.

Secs. 15-44—15-50. Reserved.

DIVISION 2. CIVIL SERVICE EMPLOYEES

Sec. 15-51. Generally.

- (a) The City Manager, through the Director of Human Resources Personnel, may establish as part of the approved Personnel Policies and Procedures, or through appropriate work rules and other administrative policies and procedures, such rules and regulations governing the behavior and discipline of employees in accordance with existing laws, applicable labor union agreements, accepted labor relation standards and principles of progressive discipline as may be appropriate.
- (b) Disciplinary measures shall include, but not be limited to, oral warnings, written warnings, reprimands, demotion, transfer, disciplinary probation, suspension, and dismissal.

Sec. 15-52. Grievance procedure.

A grievance procedure shall be established as part of the approved Personnel Policies and Procedures. The grievance procedure shall provide for an appeal to the City Manager whose decision on the grievance shall be final, except that an appeal from the City Manager's decision to the Personnel Appeals Board shall be available in cases of disciplinary dismissals. At any time prior to the conclusion of the grievance process, the employee and the City may reach a binding settlement of the grievance.

Secs. 15-53—15-60. Reserved.*DIVISION 3. PERSONNEL APPEALS BOARD***Sec. 15-61. Composition.**

- (a) The Council shall appoint a Personnel Appeals Board of three (3) persons for the purpose of hearing appeals by employees from disciplinary dismissals. Membership upon the Board shall be restricted to qualified voters of the City who are not City employees and who are not officials of the City. Appointments shall be for terms of three (3) years.
- (b) The Mayor shall designate a Chairman for the Board.

Sec. 15-62. Procedure for appeal to Personnel Appeals Board.

- (a) Any regular employee who has been subject to disciplinary dismissal and is not satisfied with the decision of the City Manager, may within seven (7) calendar days file a written notice of appeal to the Personnel Appeals Board. The notice of appeal shall be filed with the City Clerk/Director of Council Operations.
- (b) The notice of appeal shall contain particulars as to the nature of the grievance and the remedy requested, and may not raise any issue not previously raised before the City Manager during the grievance process.

Sec. 15-63. Hearing of appeal by Personnel Appeals Board.

- (a) Upon the timely filing of the notice of appeal, the Personnel Appeals Board shall schedule a hearing as soon as practicable, but no later than ~~sixty (60) thirty-five (35)~~ days from the filing of the notice of appeal, unless a later date is required due to the unavailability of any member of the Personnel Appeals Board.
- (b) The hearings shall be closed to the public unless the parties agree otherwise. The employee may be represented by counsel, and may present witnesses or other evidence in their own behalf. The employee, insofar as administratively possible, may request the presence of City employees as witnesses. The City shall require such witnesses, up to a maximum of three (3), to attend the hearing and such witnesses shall be considered to be in a duty status during the time they serve as witnesses. All testimony shall be upon oath or affirmation given by the person duly authorized to administer oaths within this State, and a verbatim transcript of the hearing shall be taken. The City Attorney shall act in behalf of the City. The right of cross-examination of all witnesses shall be available.
- (c) At any time prior to the decision of the Personnel Appeals Board, the employee and the City may reach a binding settlement of the grievance.

Sec. 15-64. Decision and opinion by Personnel Appeals Board.

Within thirty (30) ~~fifteen (15)~~ calendar days following the hearing, the Personnel Appeals Board shall render a written opinion in which findings of fact are made with respect to whether the employee violated any law, City policy, rule, regulation, or directive ~~the action taken~~. ~~The Board shall have the power to approve, rescind, or modify the dismissal action, and shall file the decision with the City Clerk.~~ Within fifteen (15) calendar days of issuance of the Personnel Appeals Board's decision, the City Manager, City Clerk/Director of Council Operations, or City Attorney, as applicable, shall issue a final decision regarding dismissal, taking into consideration the findings of the Board. The decision of the City Manager, City Clerk/Director of Council Operations, or City Attorney, as applicable, shall be final.

Secs. 15-65—15-70. Reserved.

ARTICLE V. LEAVE

Sec. 15-71. Records.

The Director of Human Resources ~~Personnel~~ shall cause to be maintained adequate current records for leave accounting. The records shall be a part of the personnel and/or fiscal records of the City.

Sec. 15-72. Types of leave.

Regular merit system employees may be eligible for various forms of leave as defined by personnel policies and procedures. Such leave may include, but not be limited to, leave of absence without pay, official leave, administrative leave, jury leave, family and medical leave, military leave, annual leave, sick leave, death leave, job injury leave, and holiday leave. Such leave may be paid or non-paid in accordance with the policy and procedures as established by the City Manager ~~as approved by the Council~~.

Secs. 15-73—15-80. Reserved.

NOTE: ~~Strikethrough~~ indicates material deleted.
Underlining indicates material added.
Asterisks * * * indicate material unchanged by this ordinance.

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the Mayor and Council of Rockville as its meeting of June 2, 2025.

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



Actions Related to Reorganization and Revisions to Chapter 15 – Personnel

Action Item

Mayor and Council, June 2, 2025



Requested Actions

1. Adopt an ordinance to create the Departments of Procurement, and Communications and Community Engagement
2. Adopt a resolution to establish and modify the list of Classified Civil Service positions placed in the Non-Merit Civil Service
3. Adopt a resolution to update the Pension Plan document
4. Adopt ordinance to revise Chapter 15 – Personnel of the City Code



Ordinance #1: Departments

Creates the:

- ❑ Department of Procurement
- ❑ Department of Communications and Community Engagement



Resolution #1: Non-Merit Civil Service Positions

- ❑ Establishes and updates certain positions as nonmerit Civil Service positions to include:
 - *Deputy City Manager;*
 - *Deputy City Attorney;*
 - *Assistant City Manager; and*
 - *Department Directors*
 - *Part-time, temporary, and unpaid offices and positions, except for permanent part-time classified employees*



Resolution #2: Pension Plan Document

- ❑ Amends the Pension Plan document to align with Non-Merit Civil Service positions established by Resolution #1.



Ordinance #2: Revisions to Chapter 15 (Personnel) of the City Code

- ☐ Administrative approval of personnel policies and procedures
- ☐ Mayor and Council approval of appointed officials' employment contracts
- ☐ Non-Merit Civil Service employment agreements to be approved by their respective appointed official
- ☐ Personnel Appeals Board findings be limited to whether an employee violated any law, City policy, rule, regulation, or directive.



Staff Recommendation

Ordinance #1:

- ❑ Staff recommends that the Mayor and Council adopt the Ordinance to create the Departments of Procurement and Communications and Community Engagement.

- ❑ Steps:
 - One Councilmember introduces the ordinance.
 - Move to waive the layover period.
 - Vote to adopt the Ordinance as stated above.

Staff Recommendation

Resolution #1 and #2:

- ❑ Staff recommends that the Mayor and Council adopt the Resolution to establish and modify the list of Classified Civil Service Positions placed in the City of Rockville Non-Merit Civil Service and the Resolution to amend the July 1, 2024, Amended and Restated City of Rockville Pension Plan Document

- ❑ Motion:

I move to adopt the Resolution to establish and modify the list of at-will Classified Civil Service positions placed in the Non-Merit Civil Service and the Resolution to amend the July 1, 2024, Amended and Restated City of Rockville Pension Plan Document

Staff Recommendation

Ordinance #2:

- ❑ Staff recommends that the Mayor and Council adopt the Ordinance to amend Chapter 15 – Personnel, of the Rockville City Code

- ❑ Steps:
 - One Councilmember introduces the ordinance.
 - Move to waive the layover period.
 - Vote to adopt the Ordinance



MAYOR AND COUNCIL Meeting Date: June 2, 2025
Agenda Item Type: WORKSESSION
Department: CPDS - INSPECTION SERVICES
Responsible Staff: CHRIS DEMPWOLF

Subject

Work Session – Green Building Regulations

Department

CPDS - Inspection Services

Recommendation

Staff recommends that the Mayor and Council hold a work session to review, discuss, and provide direction on amendments to Chapter 5, Article XIV of the City Code, Entitled “Green Building Regulations”.

Change in Law or Policy

The proposed amendments will update the Green Building Regulations in the City of Rockville by adopting and amending current versions of the model codes published by the International Code Council (ICC).

Discussion

During the 2024 updates to Chapter 5 of the Rockville City Code, staff recommended evaluating Article XIV – Green Building Regulations separate from the amendments to the other 13 articles, to provide thoughtful and meaningful updates. The City’s Climate Action Plan calls for progressively strengthened Green Building codes in Action Item C-03. The 2024 updates to Chapter 5 included several amendments to the City’s *Energy Conservation Code* which are substantially more progressive than the base text of the International Green Building Code (IgCC) and the National Green Building Standard (NGBS) and will continue to make Rockville a regional leader in this area.

The 2021 edition of the IgCC and the 2020 edition of the NGBS are more substantial than prior editions and warrant more in-depth review. The staff has conducted reviews of these documents and presents the following recommendations for amendments to Article XIV, the IgCC, and the NGBS. This report details only those changes that are significant and does not include grammatical or administrative changes that do not impact projects.

Article XIV

The newer editions of the IgCC and NGBS contain scoping provisions that were lacking in prior editions, enabling scoping to be relocated from the body of Article XIV. Scoping, or the applicability of the provisions, will now be included in the amendments to the IgCC and NGBS. The current thresholds for applicability of the Green Building Regulations are:

- All new buildings (Non-Residential and Residential)
- Additions of 7,500 gross square feet or more to existing nonresidential and multi-family residential buildings
- Alterations of more than 50% of the gross square footage of a non-residential or multi-unit residential building if the altered area is 7,500 gross square feet or larger
- Alterations to existing one- and two-family dwellings and additions meeting the criteria for "new construction" or "substantial reconstruction", as defined in the City's One- and Two-Family Dwelling Code

Similarly, the definitions currently found in Article XIV are unnecessary, as the definitions sections of the IgCC and NGBS have both been expanded.

Under current regulations, applicants are not required to obtain any sort of certification that their project meets the criteria of these standards. Amendments to this section will require third-party verification of projects to ensure the standards are met. There is generally a small fee associated with this third-party certification; however, there are also significant benefits to be gained from obtaining the certification, primarily in the form of tax incentives such as Montgomery County's Property Tax Credit for Newly Constructed Energy-Efficient Buildings. According to Home Innovation Research Labs, the accreditation entity for NGBS Green Verifiers, an NGBS-Certified home "...can expect to sell faster and for 8-30% more than a non-certified home of comparable size and location."

For the most common application of the Green Regulations, one- and two-family dwellings and townhouses, the cost of certification is approximately \$200 per home. Builders that construct 400+ homes per year qualify for a reduced cost of approximately \$100 per home. Multi-family and non-residential projects are priced based on size and scope.

Recommendations

Staff recommends retaining the thresholds as currently established, relocating the scoping language to the Technical Standards portion of the Article, deleting the definitions from the Article, and requiring third-party certifications for all applicable projects.

International Green Construction Code (IgCC)

Much of the IgCC will remain as published, with minor changes to meet the minimum requirements of the City's *Energy Conservation Code*.

More substantial changes will be noted in Chapter 5, which addresses Site Conditions. The bulk of this chapter will be deleted or amended, as the items covered in this chapter are addressed elsewhere in the City code.

Section 701.3.2 will be amended to allow off-site renewable energy to meet the section requirements. This allows some flexibility for projects while still promoting renewable energy. The section will require applicants to submit Renewable Energy Credits (RECs) or other approved means of verifying that a comparable amount of off-site energy is provided from renewable sources. As a note, Montgomery County has elected to delete this section in its entirety.

The IgCC does not contain any requirements for EV-charging infrastructure. To support Action Item C-12 of the Climate Action Plan, staff has developed the following proposal based on the current local amendments to the *Energy Conservation Code* and Montgomery County's amendments to the IgCC. Note that the specific applications (longer dwell time vs. brief destinations) shown in Montgomery County's table are addressed through language in the code, mirroring language found in the City's *Energy Conservation Code*.

Proposed EVSE Requirements

Occupancy Classification	EVSE-Installed	EVSE-Ready	EVSE-Capable
Groups A, B, E, F, I, M, S-2	5%	10%	25%
Groups R-1, R-2, R-4	15%	25%	65%

TABLE 701.3.1

	EVSE Installed	EVSE Ready	EVSE Capable	Total
Commercial Construction Residential use:				
Multi-family apartments, hotels, dormitories.	0%	25%	65%	90%
<i>R-1, R-2</i>	0%	25%	65%	90%
Longer dwell time visitor destinations:				
Business (B), Educational (E), Assembly (A), Factory (F) Institutional (I), <i>Residential (R-3, R-4)</i> , Large Mercantile > 50 spaces (M), S-2 parking garages, High Hazard (H)	0%	5% (10% employee parking)	20% (25% employee parking)	25 (35) %
Brief destinations:				
Small Mercantile (M) < 50 spaces, Storage (S except parking garages), Utility and Misc. (U)	0%	5%	5%	10%

Figure 1: Montgomery County EV-Charging Requirements in the IgCC

Recommendations

Staff recommends modifying Section 701.3.2 to incentivize both on- and off-site renewable energy and adding a section to require EV-charging infrastructure above current energy code requirements and more than Montgomery County.

National Green Building Standard (NGBS)

The nature of the NGBS is different than that of the IgCC, in that it allows for a more selective approach based on obtaining a certain number of points rather than following a uniform list of mandates. This allows homebuilders some flexibility in how they meet the requirements. Due to the scoring model and the recommendation to require third-party verification, staff recommends adopting the NGBS mostly as published, with a few minor changes to reference other City codes where applicable.

Mayor and Council History

This is the first work session that the Mayor and Council have held on amendments to the Green Building Regulations.

Public Notification and Engagement

Once the direction is received, staff will make a copy of the draft language available on the city website for public review and comment. Staff will also notify stakeholders and customers to see their input. Staff will collect any comments received and provide responses and recommendations to the Mayor and Council when this item is brought forward for introduction and adoption.

Next Steps

With the Mayor and Council's support of the proposed changes, staff will complete draft language for the amendments and release this draft to the public for a review and comment period.

Attachments

Green Building Regulations - June 2, 2025, Green Building Worksession Presentation Final



Green Building Regulations

Mayor & Council Worksession
June 2, 2025



Presentation Outline

- Purpose
- Review of previous Energy Conservation Code amendments
- City Code – Chapter 5, Article XIV – Proposed Changes
- International Green Construction Code – Proposed Changes
- National Green Building Standard – Proposed Changes
- Expected Outcomes
- Question: Do you support the proposed changes?
- Next Steps



Purpose

- Remain a leader in sustainability and resiliency
- Support the Climate Action Plan (CAP)
- Add sustainable building stock to the City
- Build on the local amendments to the Energy Conservation Code



Amendments to the IECC

- Mayor and Council approved significant amendments to the International Energy Conservation Code (IECC) in May 2024, which has a broader reach than Article XIV
- Amendments included requirements for EV-charging infrastructure, Solar-Ready, and Electrification-Ready (Incentive phase)
- Many sections of the International Green Construction Code (IgCC) will have to be enhanced to reflect the progressive provisions of local amendments to the IECC



Article XIV – Green Building Regulations

Significant Changes:

- Scoping is relocated from the body of Article XIV to the model code amendments – no change to thresholds
- The Definitions section is deleted from the body of Article XIV, contained within the model codes
- Third-party green verification will be required for all **new** structures



International Green Construction Code

Significant Changes:

- Majority of Chapter 5 (IgCC – Site Conditions) is deleted as it is
- Modification of Section 701.3.2, which mandates on-site solar installations, to incentivize both on-site and off-site renewable energy options (e.g., Community Solar Projects)
- Addition of EV-charging infrastructure requirements above those in the Energy Conservation Code



National Green Building Standard

- To facilitate third-party verification, minimal amendments are proposed to the NGBS
- Minor changes to reference applicable City codes and ordinances (e.g., FTPO, Floodplain, etc.)



Expected Outcomes

- More energy-efficient buildings
- Sustainable and resilient housing that is NGBS Verified
- Incentivization of adaptive reuse and life-cycle planning
- Expanded renewable energy use
- Strengthened Green Building Code for new construction (CAP C-03)
- Requirements for new developments to be EV-Ready (CAP C-12)



Questions

Do you support moving forward to adopt the amendments to Article XIV as proposed, including amendments to the International Green Construction Code and the National Green Building Standard?



Next Steps

- With the Mayor & Council's support, staff will finalize the draft language of proposed amendments and seek feedback from stakeholders
- Staff will then submit the amendments for adoption.
- Upon adoption, staff will begin implementation, including outreach to customers to notify them of changes



Thank You!



MAYOR AND COUNCIL Meeting Date: June 2, 2025
Agenda Item Type: WORKSESSION
Department: RECREATION & PARKS
Responsible Staff: ANDREW LETT

Subject

Exploring Child Care Solutions to Meet Community Needs

Department

Recreation & Parks

Recommendation

Staff recommends that the Mayor and Council of Rockville review existing child care and youth programs, discuss shared objectives, review opportunities to expand child care access, and provide policy direction to guide future child care initiatives in the City of Rockville, Maryland.

Discussion

The Mayor and Council of Rockville (Mayor and Council) expressed interest in identifying solutions to meet the growing need for accessible and affordable child care. This work session serves as an opportunity to define the City of Rockville, Maryland's (City) approach to expanding childcare services and support for working families through coordinated efforts across departments.

Community Planning and Development Services, Housing and Community Development, and Recreation and Parks have collaborated to align objectives and develop actionable strategies for this session. Staff will seek the Mayor and Council's guidance to help shape a coordinated, interdepartmental response to the increasing demand for childcare options in Rockville.

The work session presentation (Attachment 1) will cover the following topics:

Child Care Landscape in Montgomery County, Maryland

Montgomery County's March 2024 *Child Care Cost of Quality Study* identified several regional challenges in childcare access:

- Only 17% of infants and toddlers are currently served by existing child care capacity.
- Sustainability concerns among high-quality child care providers.
- Pay disparities between community-based child care educators and public-school staff.

The study recommended six key strategies to improve access, educator pay, and financial viability through targeted grants, subsidies, and policy changes.

Link: [Montgomery County Child Care Cost of Quality Study](#)

Child Care and Youth Programs in the City of Rockville

Recreation and Parks (Rec and Parks) Programs:

The department operates a range of child care and youth programs for children under 13 and school-aged teens up to age 15, including:

- **Licensed Child Care Programs** such as Montrose Discovery Preschool and Twinbrook After School Club, which meet State of Maryland standards for health, safety, and child development.
- **Weekday Out-of-School Programs** are offered before and after school and during MCPS non-instructional days.
- **Self-Regulated Summer Day Camps** served over 4,800 participants across 194 camps at 26 locations in 2024.

Financial Assistance Programs include:

- Federal Child and Dependent Care Credit
- Maryland Child Care Scholarship Program (CCS)
- Montgomery County Working Parents Assistance Program (WPA)
- Rockville Youth Recreation Assistance Fund (Rec Fund)

Cost Recovery Framework (Tiers 1–4) is used to assess program subsidies and recoup both direct and indirect costs associated with regulatory programs and community and individual benefit services:

- Tier 1: Community Benefit (Target of 0% or greater)
- Tier 2: Considerable Community Benefit (Target of 20% to 50%)
- Tier 3: Balanced Community & Individual Benefit (Target of 30% to 70%)
- Tier 4: Considerable Individual Benefit (Target of 70% to 100%)

Housing and Community Development (HCD) Programs:

The department supports youth and families through targeted enrichment and financial assistance programs:

- Youth Mentoring and Development Programs focus on children from households experiencing higher poverty rates or who qualify for MCPS' Free and Reduced-Price Meals (FARMS) program. These programs provide holistic care, enrichment, and socioemotional support, and partner with schools and nonprofit providers.

- Community Services and Enrichment Grants (FY26: \$1.5 million across 39 programs) fund various services for youth, seniors, and families. Future grant cycles (FY27) are proposed to prioritize childcare access and support, including criteria to increase lower-cost or no-cost childcare options for City residents.
- Rockville Emergency Assistance Program (REAP): This program has a new childcare component effective FY26. Families facing eviction, utility shutoff, or other emergency needs may request up to \$2,000 in childcare assistance as part of REAP's support portfolio. This ensures that a lack of access to care does not further burden families in crisis.

Geographic Distribution:

Childcare, out-of-school programs, summer day camps, and youth mentoring and development programs are delivered across City parks, facilities, MCPS sites, and through third-party partners, helping to ensure equitable access throughout Rockville. These combined Recreation and Parks and HCD programs aim to address the operational and financial barriers facing Rockville families who need quality child care and youth enrichment.

Planning and Regulatory Support for Child Care

Community Planning and Development Services (CPDS) supports childcare in Rockville by administering zoning, land use regulations, and permitting processes. The department plays a vital role in determining where and how childcare providers can operate within the city. Under current zoning regulations:

- **Family Child Care Homes** serving up to eight children are permitted by-right in all residential zones. These homes are subject to fire safety inspections but do not require additional zoning approvals.
- **Small Child Care Centers** serving between nine and twelve children may operate in residential zones only if granted a Special Exception by the City's Board of Appeals.
- **Larger Child Care Centers** serving more than twelve children are allowed by Special Exception in residential zones and are permitted by-right in nonresidential and mixed-use zones.

These zoning standards govern where licensed childcare providers may be located and under what conditions they can expand. CPDS collaborates with other departments to evaluate how these land use regulations align with City goals related to housing, economic development, and community well-being, including increasing access to quality childcare services.

While these zoning regulations have been in place for a number of years and are intended to address land use and neighborhood compatibility, there are several ways that the regulations could be modified to simplify the initial process and costs for child care providers while also retaining protections for communities. Staff recommends that daycare uses still be required to meet certain conditions that mitigate potential impacts on nearby properties while streamlining the process.

Obtaining special exception approval can be daunting to small providers, given the requirements for holding community meetings, preparing an application, and addressing the Board of Appeals in support of the application, as well as paying the filing fee. In addition, there are existing institutional uses that are well-located and have the building capacity to serve the population which could provide an opportunity for new or growing providers. These suggestions are incorporated into the strategies later in this report.

State Legislative Background: HB 389 / Chapter 122 (2025)

For the Mayor and Council's awareness, in 2025, the Maryland General Assembly enacted **House Bill 389 (Chapter 122)**, which authorizes new tax incentives to support licensed childcare providers and reduce the cost burden of operating childcare facilities. This legislation introduces:

- **Personal Property Tax Exemption** for registered family childcare homes and large family child care homes.
- **Real Property Tax Credit Authorization** for local jurisdictions—including Rockville—to grant property tax credits of up to \$10,000 (or the actual tax paid) for property space dedicated to child care operations.

These provisions are intended to incentivize quality childcare growth, improve provider sustainability, and reduce barriers to entry. CPDS is coordinating with the City Manager's Office, the City Attorney's Office, and Finance to evaluate aligning Rockville's municipal code to activate these new state-enabled tools for local providers.

Link: [Maryland HB 389 / Chapter 122 \(2025\)](#)

Recommended Strategies

As part of this work session, staff have developed a coordinated list of 11 strategies to improve access to child care across the city. These recommendations are aligned with Rockville's strategic goals of supporting families, enabling workforce participation, and improving quality of life. The proposed strategies include:

1. Increase Rockville Youth Recreation Assistance Fund (Rec Fund) scholarship amounts to improve affordability and increase access for families participating in programs and camps.
2. Adjust eligibility requirements for the Rec Fund to reduce barriers for qualifying families by allowing alternative independent financial verification, three months of support for the recently unemployed, and students who attend an MCPS school within City corporate limits are eligible for the fund.
3. Improve communication about existing subsidies and programs using the City's website, Recreation Guide, social media, and interdepartmental outreach.
4. Expand access to out-of-school programs and summer camps by exploring new MCPS bus routes, maximizing enrollment capacities, and incorporating Student Service Learning (SSL) in teen programs.

5. Expand youth mentoring and development programs to serve more students in underserved schools and neighborhoods.
6. Use the Rockville Emergency Assistance Program (REAP) to offer up to \$2,000 for the expense of childcare to qualifying families in crisis starting in FY26.
7. Incorporate child care focus into FY27 Community Services and Enrichment Grants, requiring funded providers to offer low- or no-cost child care for Rockville families and expand capacity through targeted support.
8. Modernize zoning rules for home-based childcare, including raising the maximum number of children allowed by right and enabling Conditional Use approval for mid-sized childcare homes.
9. Streamline zoning requirements for child care centers in residential zones, particularly in places of worship and community-serving facilities.
10. Permit and encourage childcare centers in nonresidential and mixed-use zones by treating them as accessory uses and adjusting parking and site requirements to suit urban contexts better.
11. Activate new State-authorized personal property tax credits under HB 389 / Chapter 122 by adopting enabling ordinances, creating transparent application processes, and communicating directly with eligible providers.

These strategies reflect increasing childcare and out-of-school access through financial relief, program expansion, and regulatory modernization. Feedback from the Mayor and Council will help prioritize the next steps and guide resource alignment across departments.

Mayor and Council History

This work session marks the first time the Mayor and Council have formally reviewed child care expansion and discussed how to further support child care in the city.

Fiscal Impact

If both Strategy 1 (increasing scholarship amounts) and Strategy 2 (expanding eligibility) are adopted, the Rockville Youth Recreation Assistance Fund (within the Special Activities Fund) is expected to increase by approximately 35%, or \$25,000, in FY 2026 compared to the FY 2025 amended budget of \$70,000.

This increase is due to higher scholarship rates per child per session (8% to 10% increase) and expanded eligibility, including income-based verification and MCPS students attending schools within City limits. Based on current trends and FY 2024 actual spending of \$62,881, full implementation could bring the total need to around \$95,000 in FY26. This adjustment can be brought forward for Mayor and Council approval with the first budget amendment of FY 2026.

If Strategy 11 is pursued, the fiscal impact associated with the reduced personal property tax revenue will need to be further evaluated, though it is not anticipated that the revenue reduction would have a material impact on overall City finances.

Next Steps

Based on the outcomes of this work session, staff will confirm the Mayor and Council's direction and goals for enhancing child care opportunities in the city, develop implementation plans, and/or proceed with implementing approved strategies.

Attachments

Attachment 1 - Exploring Child Care Solutions to Meet Community Needs (Presentation)



Exploring Child Care Solutions to Meet Community Needs

June 2, 2025

Mayor and Council Worksession

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Outline

- Purpose & Expected Outcomes
- Mayor and Council of Rockville Focus Areas & Commitments
- Requested Feedback
- Child Care Landscape – Montgomery County, Maryland
- Overview of Existing Programs and Financial Subsidies – City of Rockville, Maryland
- Strategies to Expand Child Care
- Worksession

Purpose & Expected Outcomes

This worksession allows the Mayor and Council to:

- Define the City of Rockville's approach to expand child care opportunities.
- Align objectives and explore how to effectively support child care through collaboration between Community Planning and Development Services, Housing and Community Development, and Recreation and Parks.
- Provide staff with guidance to develop actionable next steps.

Mayor and Council of Rockville

Focus Areas & Commitments

Economic Development



Public Safety



Housing



Mayor and Council's commitment to provide effective and efficient service delivery to:

- ✓ Improve quality of life
- ✓ Support families
- ✓ Support workforce participation
- ✓ Attract and retain businesses
- ✓ Provide safe and secure environments
- ✓ Allow people to live, work, and thrive

Requested Feedback

Do you support the
child care expansion strategies recommended
from tonight's presentation?

Child Care Landscape

Montgomery County, Maryland

Montgomery County Child Care Cost of Quality Study (March 2024)

Challenges

- Critical gap in child care capacity for infants and toddlers → only 17% are currently served.
- Providers at high-quality levels struggle to be financially sustainable.
- Pay disparities between educators in community-based and public-school programs.

Goals

- Expand access to infant and toddler care.
- Increase the number of high-quality providers.
- Achieve pay parity for community-based child care educators.

Child Care Landscape

Montgomery County, Maryland

Montgomery County Child Care Cost of Quality Study (March 2024)

The study recommended six strategies related to child care subsidies, grants, and policies:

Strategies	Goals		
	Expand access to infant and toddler care	Increase share of high-quality providers	Pay parity for child care educators
Promote higher participation in subsidy programs among families and providers	✓	✓	
Adjust WPA payments to cover the cost of high-quality care	✓	✓	
Expand the EquiCare grant program	✓	✓	✓
Adopt a foundational funding approach for child care providers	✓	✓	✓
Develop a salary scale for community-based child care professionals			✓
Provide wage stipends and other benefits directly to community-based child care professionals			✓

Child Care & Out-of-School Programs

City of Rockville - Recreation and Parks

Programs for children under 13 years & school-aged teens 15 years and younger.

- **Licensed Child Care Programs** meet State of Maryland regulations to ensure health, safety, and developmental standards for children.
- **Weekday Out-of-School Programs** are recreation programs offered Monday through Friday before or after school and during MCPS non-instructional days.
- **Self-Regulated Summer Day Camps** adhere to health and safety standards set by the State of Maryland to provide educational and recreational programs during summer months.

Financial Subsidies for Programs

City of Rockville - Recreation and Parks

- **Federal Child and Dependent Care Credit**
- **State of Maryland Child Care Scholarship (CCS)**
- **Montgomery County Working Parents Assistance Program (WPA)**
- **Rockville Youth Recreation Assistance Fund (Rec Fund)**
- **City's Cost Recovery:**
 - Tier 1:** Community Benefit → Target 0% or greater
 - ★ **Tier 2:** Considerable Community Benefit → Target 20% to 50%
 - ★ **Tier 3:** Balanced Community & Individual Benefit → Target 30% to 70%
 - ★ **Tier 4:** Considerable Individual Benefit → Target 70% to 100%



Licensed Child Care Programs

City of Rockville - Recreation and Parks

Programs meet State of Maryland regulations to ensure health, safety, and developmental standards for children.

Program	Location	Age	Focus	Eligible Subsidies	Current Capacity
Montrose Discovery Preschool (Tier 4)	Montrose Community Center	3 - 5 yrs.	Kindergarten Readiness	Maryland Child Care Scholarship County Working Parents Assistance Rockville Rec Fund	Full-Day: 17/17 slots filled or 100% Extended Day: 15/15 slots filled or 100%
Twinbrook After School Club (Tier 2)	Twinbrook ES	5 - 12 yrs.	Aftercare with Enrichment	Maryland Child Care Scholarship County Working Parents Assistance Rockville Rec Fund	30/30 slots filled or 100%



Weekday Out-of-School Programs

City of Rockville - Recreation and Parks

Before & After School Programs:

Rockville Rec Fund Eligible

(Tier 2)

Program	Location	Grades	Bus Transportation	Current Capacity
Early Birds Before School	Twinbrook CRC	K - 5	Twinbrook ES	28/30 slots filled or 93%
After School Adventure	Twinbrook CRC	K - 5	Meadow Hall ES Twinbrook ES	23/30 slots filled or 77%
Teen Scene After School	Twinbrook CRC	5 - 8	Meadow Hall ES Twinbrook ES Julius West MS Earle B. Woods MS	4/20 slots filled or 20%
Clubhouse After School	Lincoln Park CC	K - 5	Bayard Rustin ES Beall ES College Gardens ES Maryvale ES	21/21 slots filled or 100%
Beyond the Bell After School	Thomas Farm CC	K - 5	Richie Park ES	16/20 slots filled or 80%

170



Weekday Out-of-School Programs

City of Rockville - Recreation and Parks

Programs on MCPS Non-Instructional Days:

Rockville Rec Fund Eligible

(Tier 2)

Program	Location	Age or Grade	Current Capacity
Rock-ventures	Field Trips	Age 8 - 15 yrs.	135/161 slots filled or 84%
Fishing Club	Lake Needwood	Age 8 - 14 yrs.	38/38 slots filled or 100%
Adventure Half-Days	Twinbrook CRC Nature Center Field Trips	Grade K - 5	27/30 slots filled or 90%
Teen Scene Half-Days	Twinbrook CRC Nature Center	Grade 5 - 8	5/20 slots filled or 25%
Clubhouse Half-Days	Lincoln Park CC Nature Center	Grade K - 5	22/24 slots filled or 92%
Beyond the Bell Half-Days	Thomas Farm CC Nature Center Field Trips	Grade K - 5	15/20 slots filled or 75%

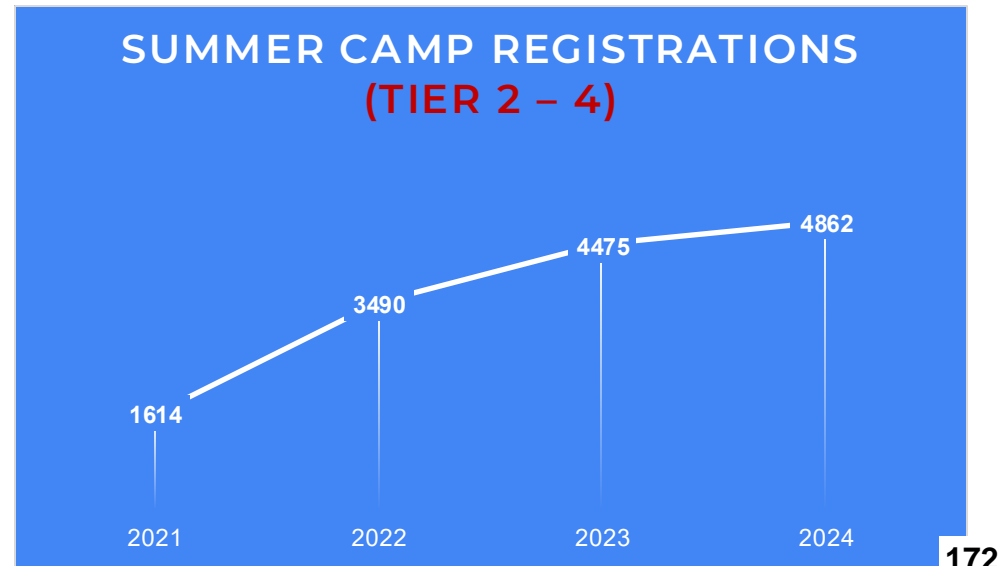
Self-Regulated Summer Day Camps

City of Rockville - Recreation and Parks

Programs adhere to specific health and safety standards set by the State of Maryland and COMAR to provide educational and recreational programs during summer months.

In 2024, Recreation and Parks:

- Served more than 4,800 participants.
- Offered more than 194 camps.
- Utilized 26 City facilities and parks, including MCPS sites.
- Rockville Rec Fund Eligible.



Location of Programs: Rec and Parks & HCD

City of Rockville, Maryland

Red → Licensed Child Care Programs

- Montrose Discovery Preschool
- Twinbrook After School Club

Dark Green → City Parks

- Self-Regulated Summer Day Camps

Light Green → City Facilities

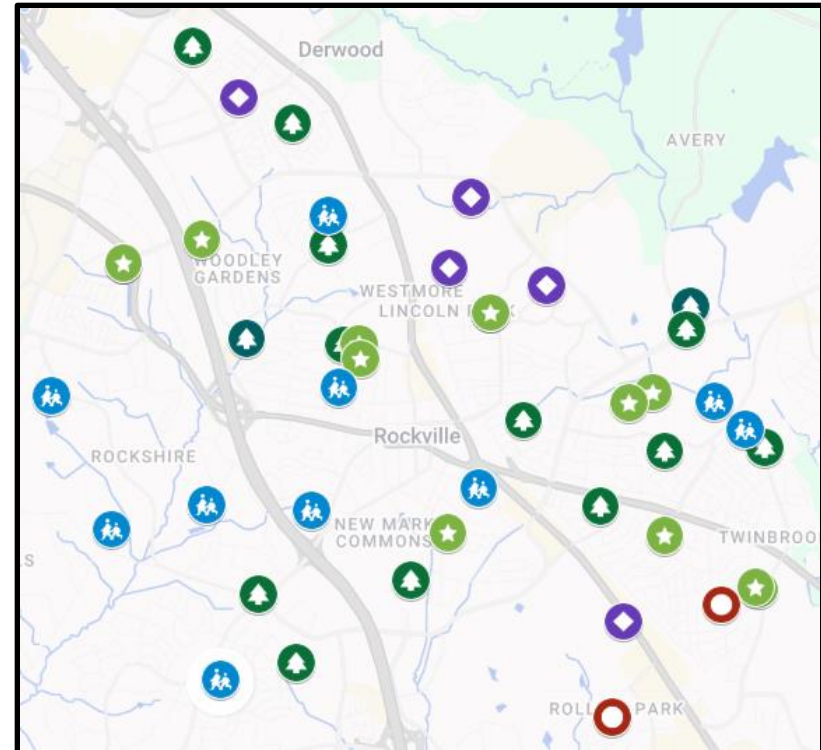
- Self-Regulated Summer Day Camps
- Weekday Out-of-School Programs

Blue → MCPS Facilities

- Mentoring and Development Programs
- Self-Regulated Summer Day Camps
- Weekday Out-of-School Programs

Purple → Third-Party Providers

- Self-Regulated Summer Day Camps



Strategies to Expand Child Care

Recreation and Parks

Strategy 1: Increase Rockville Youth Recreation Assistance scholarship funding.

Program Type	Current Policy	Proposed Policy
Licensed Child Care	\$115 per child/month \$1,000 max. per child/year Min. of \$15 toward each session	\$125 per child/month \$1,075 max. per family/year
Weekday Before & After School	\$100 per child/session \$1,000 max. per family/year Min. of \$15 toward each session	\$110 per child/session \$1,075 max. per family/year
Weekday MCPS Non-Instructional Days	\$100 per child/session \$1,000 max. per family/year Min. of \$15 toward each session	\$110 per child/session \$1,075 max. per family/year
Self-Regulated Summer Day Camps	\$175 per child/camp \$1,000 max. per child Min. of \$15 toward each camp	\$190 per child/camp \$1,075 max. per family/year

Strategies to Expand Child Care

Recreation and Parks

Strategy 2: Adjust Rockville Youth Recreation Assistance scholarship requirements.

Current Policy	Proposed Policy
<ul style="list-style-type: none">• Proof of Rockville residency.• Verification of financial need from a State or County-run assistance or benefits program.	<ul style="list-style-type: none">• Proof of Rockville residency.• Verification of financial need from a State or County-run assistance or benefits program.• Alternative independent financial verification based on income and number of individuals in household.• Recently unemployed may complete a self-declaration with applicable documentation for 3-months of support.• Any student who attends a MCPS school within City corporate limits is eligible for the Rec Fund.

Strategies to Expand Child Care

Recreation and Parks

Strategy 3: Enhance outreach regarding available subsidies and programs.

- Use City website, marketing platforms, social media, Recreation Guide.
- Work with other City departments to spread the word.

Strategies to Expand Child Care

Recreation and Parks

Strategy 4: Serve more children in out-of-school programs and summer days camps.

- Pursue new MCPS bus routes to before and after school recreation programs.
- Explore implementing Student Service Learning (SSL) opportunities in Teen Scene.
- Maximize existing summer day camp capacities across various cost centers in the department, where possible.

Youth Programs



City of Rockville - Housing and Community Development

Programs serve youth from higher rates of poverty and/or qualify for MCPS' free or reduced-price meals program (FARMS) and focus holistic care, enrichment, and socioemotional support.

Program	Location	Grades	Focus	Accessibility	Current Capacity
ROCK-KIDZ Mentoring Program (HCD/County Funded)	Twinbrook ES College Gardens ES Meadow Hall ES Beall ES Earle B. Wood MS	2 - 7	1-on-1 Mentoring Academic Guidance Recreational Activities Community Service	Free to Parents Referral-Based	47/60 slots filled or 78%
Latino Youth Development Program (HCD/County Funded)	Julius West MS Earle B. Wood MS Richard Mont. HS	7 - 12	Academic Guidance Year-Round Support Soccer League Prevention Workshops	Free to Parents Referral-Based	80 slots filled (no max. fulfillment)
Linkages to Learning (County Funded)	Maryvale ES Twinbrook ES	K - 5	Academic Mentoring Parent Guidance Case Management Mental Health Services Social Skills Enrichment Programming	FARMS Families Referral-Based	Counseling: 17/18 students or 94% Case Management: 22/28 families or 79% 178

Rockville Emergency Assistance Program (REAP)



Eligibility:

- 80% AMI and \$10,000 liquid asset limit
- Court summons for eviction (current max. \$2,000 -> \$3,000)
- Utility disconnection (max. \$1,500)
- Prescription medication needs
- **New: Childcare (max. \$2,000)**
- Other emergency housing assistance needs

Clients may be asked to apply to Montgomery County Dept. of Health and Human Services for assistance before receiving funds from the City of Rockville.

Community Service and Enrichment Grants

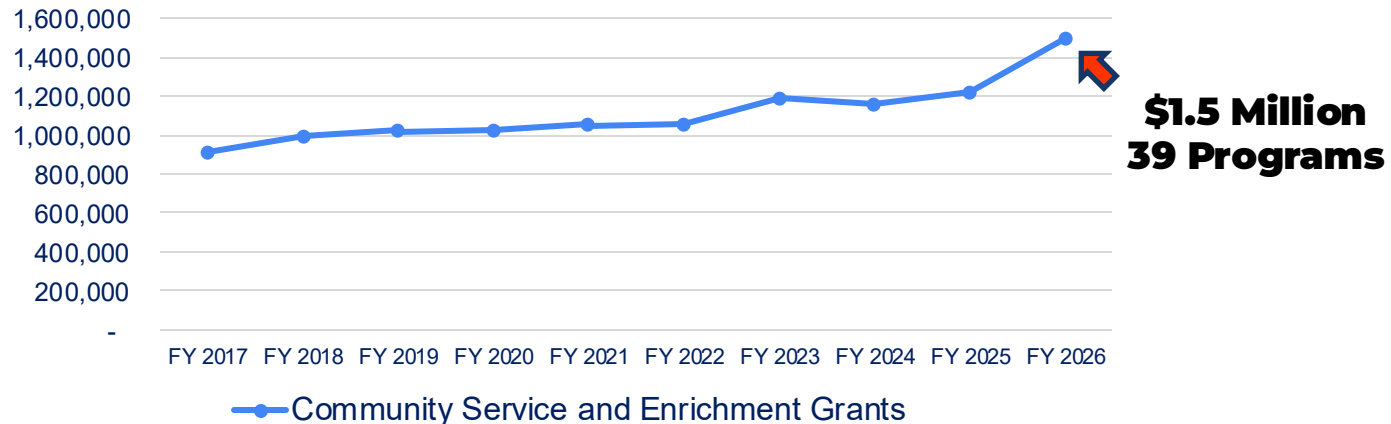
City of Rockville - Housing and Community Development



City's Community Service and Enrichment Grants:

FY26 budget has \$1.5 Million in funding for 39 programs

Historical Grant Awards



Community Service and Enrichment Grants



City of Rockville - Housing and Community Development

The grant awards fall under multiple categories
that align with the intended impact for the Rockville community.

Housing Services

Youth Development

Adult Education

Food and Clothing

Senior Services

Public Safety Services

Arts and Culture

Health Care

Strategies to Expand Child Care

Housing and Community Development

Strategy 5: Continue to expand existing youth mentoring and development programs.

- Focus on meeting current capacity levels.
- Expand programs to other schools and populations.

Strategies to Expand Child Care

Housing and Community Development

Strategy 6: Include child care assistance for families who qualify for the Rockville Emergency Assistance Program (REAP).

- Expand eligibility questions to include if they are parents and have childcare needs.
- Use current statistics to evaluate what the current rates for childcare.

Strategies to Expand Child Care

Housing and Community Development

Strategy 7: Incorporate a child care focus into FY27 Community Services and Enrichment Grants to expand community-based child care programs and providers.

- Criteria to include a certain percentage of families that providers must offer lower-cost and/or free child care to qualifying City residents.
- Funding used to expand the number of children the provider can serve.
- Funding to encourage providers to provide scholarships for parents/families in need.
- Site visits and quarterly evaluations to ensure that funding is appropriately serving City residents.



Current Zoning Requirements



City of Rockville - Community Planning and Development Services

- Child care homes: allowed by-right in all residential zones for up to 8 children; Fire Safety inspection required.
- Child care centers for between 9 and 12 children: allowed by Special Exception in residential zones, granted by the Board of Appeals.
- Child care centers for more than 12 children: allowed by Special Exception in residential zones and by right in nonresidential and mixed use zones.

Strategies to Expand Child Care

Community Planning and Development Services

Strategy 8: Change zoning regulations to encourage more home-based day care (child care homes).

- Increase the maximum number of children that may attend as a matter of right (currently the maximum is 8).
- Allow Conditional Use approval by staff for child care homes (9-12 children).

Strategies to Expand Child Care

Community Planning and Development Services

Strategy 9: Change zoning regulations to encourage more child care centers in residential zones.

- Replace special exception approval with conditional use approval and right-size the criteria for child care centers in residential zones, including those in places of worship.

Strategies to Expand Child Care

Community Planning and Development Services

Strategy 10: Change zoning regulations to encourage more child care centers in nonresidential and mixed use zones.

- Permitted accessory use in mixed use, office, retail and industrial buildings, if adequate pick up/drop-off areas are provided.
- Right size zoning requirements such as required parking.

2025 Child Care Tax Credit Bill Chapter 122



Community Planning and Development Services

Maryland's General Assembly passed Chapter 122 (HB 389), impacting property taxes for child care providers.

Key Provisions (Effective June 1, 2025):

- Personal Property Tax Exemption: For both registered family child care homes AND registered large family child care homes.
- Real Property Tax Credit: Authorizes Rockville to offer a credit (up to \$10,000 or actual tax on child care space) for properties with dedicated day care/child care areas.
- Purpose: Reduce provider costs and encourage more quality childcare in Maryland.

Strategies to Expand Child Care

Community Planning and Development Services

Strategy 11: Activate State Child Care Tax Benefits for Rockville providers.

- **Adopt Ordinances:** Align city codes to enable new state-authorized personal property tax credits for eligible childcare facilities.
- **Simplify Applications:** Create a clear, accessible process for providers to apply for personal & real property tax relief.
- **Inform Providers:** Actively communicate new tax relief opportunities and application steps to all eligible Rockville childcare providers.

Requested Feedback

Do you support the child care expansion strategies recommended from tonight's presentation?

1. Increase Rec Fund scholarship.
2. Adjust Rec Fund requirements.
3. Increase existing subsidy and program communication.
4. Serve more children in out-of-school programs and summer day camps.
5. Expand mentoring and development youth programs.
6. Include child care assistance for families who qualify for the REAP.
7. Incorporate child care focus into City-provided grants.
8. Change zoning regulations: More home-based day care (child care homes).
9. Change zoning regulations: More child care centers in residential zones.
10. Change zoning regulations: More child care centers in nonresidential and mixed use zones.
11. Activate State Childcare Personal Property Tax Benefits for Rockville providers.



MAYOR AND COUNCIL Meeting Date: June 9, 2025

Agenda Item Type: MOCK AGENDAS

Department: CITY CLERK/DIRECTOR OF COUNCIL OPERATIONS OFFICE

Responsible Staff: SARA TAYLOR-FERRELL

Subject

Mock Agenda

Department

City Clerk/Director of Council Operations Office

Recommendation

Staff recommends Mayor and Council review and provide comment.

Attachments

June 9, 2025 Mock Agenda.pdf



MAYOR AND COUNCIL

**Meeting No.16-25
Monday, June 9, 2025 - 6:30 PM**

AGENDA

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

Any person who requires assistance in order to attend a City meeting should call the ADA Coordinator at 240-314-8108.

Translation Assistance

Individuals who wish to participate in-person at Mayor and Council meetings during Community Forum or Public Hearings and who may need assistance with translation service other than English, please contact the City Clerk's Office at 240-314-8280, 3 business days prior to the meeting date (the Wednesday before the Monday meeting) or email at cityclerk@rockvillemd.gov, or by using this form: <https://www.rockvillemd.gov/FormCenter/City-Clerk-11/Sign-Up-for-Translation-Assistance-at-Co-368>

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

In-Person Attendance

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

Viewing Mayor and Council Meetings

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

Participating in Community Forum & Public Hearings:

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

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

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

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

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

The next scheduled Drop-In Session will be held by phone or in-person on Monday, June 9 from 5:15-6:15 pm with Mayor Ashton and Councilmember Valeri. Please sign up by 10 am on the meeting day using the form at: <https://www.rockvillemd.gov/formcenter/city-clerk-11/sign-up-for-dropin-meetings-227>

1. **Convene 6:30 PM**
2. **Pledge of Allegiance**
3. **Proclamation and Recognition - NONE**
4. **Agenda Review - 6:35 PM**
5. **City Manager's Report - 6:40 PM**
6. **Boards and Commissions Appointments and Reappointments - NONE**
7. **Community Forum - 6:50 PM**
8. **Special Presentations - 7:10 PM**
 - A. Planning Commission Annual Report
9. **Consent Agenda - NONE**

10. Public Hearing - 7:30 PM

- A. Zoning Text Amendment TXT2025-00270, to Regulate Establishments that Include the Retail Sale of Cannabis for Personal Use; Mayor and Council of Rockville, Applicants

11. Action Items - 8:00 PM

- A. Introduction and Possible Adoption of Zoning Text Amendment TXT2025-00270, to Regulate Establishments that Include the Retail Sale of Cannabis for Personal Use; Mayor and Council of Rockville, Applicants
- B. Consider Approval of 2026 Proposed Maryland Municipal League Legislative Action Requests

12. Worksession - NONE**13. Mock Agenda - 8:30 PM**

- A. Mock Agenda

14. Old / New Business - 8:35 PM**15. Adjournment - 8:40 PM**