

LICENSE AGREEMENT
BETWEEN
MONTGOMERY COUNTY, MARYLAND
AND
THRESHOLD SERVICES, INC.

DATE:

TABLE OF CONTENTS

Paragraph

1. Premises
2. Term
3. Early Termination
4. Consideration
5. Use of Premises
6. Parking
7. Assignment
8. Condition of Premises
9. Alterations and Improvements
10. Liens
11. Services and Operating Expenses
12. Fixtures and Equipment
13. Liability, Property Damage and Fire Insurance
14. Hold Harmless
15. Responsibilities of Licensee
16. Destruction of Premises
17. Default
18. Eminent Domain
19. Access
20. Surrender of Possession
21. Notice of Accidents, Defects or Damages
22. Compliance with Laws
23. Wavier
24. Non-Discrimination
25. Public Employment
26. Mailing Notices
27. Resident Agent
28. Prohibition of Hazardous Substances
29. Non-Appropriation
30. American Disabilities Act Requirement

Exhibit A - Licensed Premises

Exhibit B – Program Specifications

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (hereinafter referred to as "License"), made this day of _____, 2004, by and between MONTGOMERY COUNTY, MARYLAND, a body corporate and politic (the "County") and THRESHOLD SERVICES, INC. (the "Licensee"), (the County and the Licensee together the "PARTIES").

WITNESSETH:

In consideration of the covenants contained in this License, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties mutually agree as follows:

1. PREMISES: County does hereby grant Licensee the privilege, license and right to use 596 square feet on the second floor in the premises at 8818 Georgia Avenue, Silver Spring, Maryland 20910, as outlined in red on **EXHIBIT A**, (the "Licensed Premises") which is attached to this License and incorporated as if fully set forth, for the exclusive purpose of providing a mental health program.

2. TERM: The License commences January 1, 2004 and is coterminous with the expiration or termination of the Service Contract attached as Exhibit B, (the "Contract") and incorporated as if fully set forth. Notice of any early termination of the Service Contract shall be given by Licensee to County as detailed in Paragraph 3, below.

3. EARLY TERMINATION: It is agreed between the Parties that this License may be terminated at any time during the License term or any extension of the License Term by the County upon thirty (30) days written of the termination, unless the Licensee is removed as a Service Provider under the Service Contract for cause. County is under no obligation to provide alternative space for Licensee and is not responsible for any moving costs or any expenses incurred by Licensee to relocate or move whether such move or relocation is the result of termination or any other reason.

4. CONSIDERATION: In consideration of services required by the Contract and for the rights and obligations provided for in this License Licensee shall pay THREE THOUSAND, FIVE HUNDRED, SEVENTY-SIX and NO/100 DOLLARS

3576.00 / 12 = 298

00/100 DOLLARS (^{annually}290.00^{monthly}) on or before the first of each month. Further, it shall be the Licensee's obligation to keep the Licensed Premises in neat and habitable condition, and to maintain them in a good state of repair.

5. USE OF PREMISES: Licensee covenants and agrees that the Licensed Premises shall be used only for provision of the services described in the Service Contract (the "Permitted Uses"). Licensee agrees to ensure compliance with all licensing requirements regulating the use of the Licensed Premises herein described. Licensee shall be responsible for obtaining Use and Occupancy Permit in the Licensee's name from the proper County authorities, and all other licenses and certifications required by State, Federal, and County law. Failure to obtain and maintain any certifications and licenses required under State, Federal, or Local law to operate the program defined in the Service Contract will constitute a breach of this License. Licensee will use and occupy the Licensed Premises continuously during the hereof for no purpose other than the use specified in the Service Contract.

6. PARKING: Licensee agrees to use the parking facilities in common with other occupants.

7. ASSIGNMENT: This License must not be Assigned by Licensee.

8. CONDITION OF PREMISES: Licensee accepts the Licensed Premises in "as is" condition. Licensee agrees to maintain the Licensed Premises in good condition and state of repair and free of clutter throughout the term of this Agreement. Licensee is responsible for any damage to the structure, grounds or contents of the building belonging to County due to the willful or negligent acts of Licensee, Licensee's employees, patrons or agents. In the event of such damage, Licensee shall make the necessary repairs or replacement to the satisfaction of the County. Licensee acknowledges and agrees that at the end of the License, the Licensed Premises shall be returned to the County in the same condition as they were when Licensee accepted premises, with reasonable wear and tear excepted.

9. ALTERATIONS AND IMPROVEMENTS:

A. Licensee shall not undertake any alterations, changes or improvements to the Licensed Premises without the prior written consent of the County.

Once County's consent has been obtained, Licensee shall be responsible for the acquisition of any and all necessary permits and for the observance of all building and zoning ordinances and regulations then in effect. Failure to adhere to any previously approved plans, applicable ordinances or regulations shall be deemed to be a breach of this License.

B. County's Approval and Inspection: In order to secure County's approval of any structural alterations or improvements, Licensee shall submit to County plans and specifications clearly setting forth the work to be performed. County shall respond in writing within 45 days from receipt of plans and specifications. County shall inspect the premises upon completion of the work to determine adherence to submitted specifications and compliance with applicable codes and regulations. In the event that the completed work is not satisfactory to County, Licensee shall undertake any necessary corrections, at Licensee's risk and expense.

10. LIENS: Licensee shall not do or suffer anything to be done whereby the Licensed Premises shall be encumbered by any lien, including mechanic's liens. Licensee expressly covenants and agrees that it will, during the term hereof, within 60 days after the filing thereof, promptly remove or release, by the posting of a bond or otherwise, as required or permitted by law, any lien attached to or upon the Licensed Premises or any portion thereof by reason of or any act or omission on the part of Licensee, and hereby expressly agrees to save and hold harmless the County from and against any such lien or claim of lien. In the event any such lien does attach, or any claim of lien is made against said Licensed Premises, and shall not be thus released within said sixty (60) day period, County, in its sole discretion (but nothing herein contained shall be construed as requiring it so to do), may pay and discharge the said lien and relieve the said Licensed Premises from any such lien, and Licensee agrees to pay and reimburse County upon demand for or on account of any expense which may be incurred by County in discharging such lien or claim.

11. SERVICES AND OPERATING EXPENSES:

A. By County: Subject to annual appropriation and except for work necessitated by reason of Licensee's negligent or wrongful act, County agrees to provide within the Licensed Premises, at County's sole cost and expense the following:

i. General maintenance, including but not limited to: changing filters in HVAC equipment; exterior window cleaning; lawn maintenance including grass mowing; general grounds keeping including mulching, trimming of shrubbery and trees; snow and ice removal from sidewalks adjacent to the Licensed Premises, from parking areas and driveway; gutter cleaning and light bulb replacement.

Licensee shall not proceed with any painting or use any unusual or hazardous materials in the performance of these requirements without prior consent of the County.

ii. Repair or replacement of HVAC and electrical systems.

iii. Major structural repairs.

iv. Maintenance and repair to the exterior of the Licensed Premises including painting, roofing and gutters, except gutter cleaning.

v. Utilities, including electric, gas, fuel oil and water.

vi. Refuse removal, recycling and pest control.

vii. Fire Extinguisher service and replacement, as necessary.

B. By Licensee: Licensee, at Licensee's sole cost and expense, shall provide the following:

i. Telephone service.

ii. All custodial services.

iii. Notwithstanding the obligations of the County regarding certain maintenance, Licensee will be responsible for damage to the structure, grounds or contents of the Licensed Premises due to the willful or negligent acts of Licensee, Licensee's employees, patrons, residents, or agents. In the event of such damage, the Licensee shall immediately make the necessary repairs or replacement to the satisfaction

of the County, at Licensee's sole cost and expense or County shall make such repairs or replacements for which Licensee shall promptly reimburse County.

12. FIXTURES AND EQUIPMENT: All items which are attached to the building, or are a part of the building's systems at the time the building is delivered to Licensee, shall remain with the building and shall be delivered to Licensee along with the building. Plumbing, electrical and heating fixtures and all other fixtures, except trade fixtures, installed by the Licensee shall remain in the Licensed Premises at end of term. All items installed within the Licensed Premises at Licensee's expense shall remain the property of Licensee and shall be removed by Licensee at the expiration or other termination of this License. Licensee shall, however, repair any damage caused by reason of said removal. Any personal property remaining within the Licensed Premises after termination of the License shall become property of the County. The County shall dispose of any such property in the manner it deems appropriate.

13. LIABILITY, PROPERTY DAMAGE AND FIRE INSURANCE:

A. Licensee agrees to obtain and maintain, during the full term of this License, a policy of liability insurance with minimum combined bodily injury and property damage in the amount of ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) for each occurrence, and ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) in the aggregate, issued by an insurance company licensed in the State of Maryland and acceptable to County.

B. Licensee agrees to obtain and maintain, during the term of this License, a policy of Workers' Compensation and Employers' Liability coverage. The Workers' Compensation policy must be in amounts as required by statute and the Employers' Liability Policy must be in amounts of ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000) for each accident for bodily injury by accident, FIVE HUNDRED THOUSAND (\$500,000) DOLLARS for policy limits for bodily injury by disease and ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000) each employee for bodily injury by disease.

C. Licensee must maintain adequate fire, theft and vandalism insurance for the contents on the Licensed Premises.

D. County must maintain County's normal fire and liability insurance on the Licensed Premises. County reserves the right to self-insure.

E. Licensee shall, within the earlier of thirty (30) days from execution of this License or Licensee's entry onto the Licensed Premises, deliver to the County the required policies or certificates of insurance, evidencing the coverage hereinabove stated and naming the County as an additional insured and/or loss payee. The policies shall provide 45 days notice of cancellation to County. Licensee has the obligation, without notice, to assure that the County always has a valid unexpired Certificate of Insurance.

F. The certificate holder shall be Montgomery County Maryland, Department of Public Works and Transportation, Office of Real Estate, 101 Monroe Street, 10th Floor, Rockville, Maryland 20850.

14. HOLD HARMLESS: Licensee agrees to hold harmless and defend the County from and against any and all claims of liability, actions, damages and expenses arising out of or related to Licensee's breach of this agreement or use or possession of the Licensed Premises occasioned wholly or in part by any act or omission of Licensee, its agents, contractors, guests or employees, except such claims as may be occasioned by the negligent acts or omissions of the County, the County's employees, agents and contractors. Licensee further specifically agrees to hold County harmless and defend County from and against any claim of public liability made in connection with any construction or installation of equipment performed by Licensee, its agents, employees or contractors, within the Licensed Premises, notwithstanding that any such construction or equipment may or may not be deemed to be a part of the Licensed Premises hereinabove described, or such construction or installation of equipment shall have been approved by County.

15. RESPONSIBILITIES OF LICENSEE: Licensee covenants and agrees as follows:

A. Licensee shall not keep gasoline or other flammable material or any explosive within the Licensed Premises which will increase the rate of fire insurance on the Licensed Premises beyond the ordinary risk established for the type of operations described in Paragraph 5, above. Any such increase in the insurance rate due to the above, or due to Licensee's operations within the Licensed Premises, shall be borne by Licensee. Licensee shall not willfully do any act or thing in or about the Licensed Premises which may make void or voidable any insurance on the Licensed Premises, and Licensee agrees to conform to all rules and regulations established from time to time by the County, the Maryland Insurance Rating Bureau, or any other authority having jurisdiction over such matters.

B. Licensee shall not use or allow the Licensed Premises or any part thereof to be used for any illegal, unlawful or improper purpose or for any act or thing that may be a nuisance, annoyance, inconvenience, or cause damage to the Licensed Premises, adjacent properties or the adjacent neighborhood.

C. Licensee shall not place upon the Licensed Premises any placard, sign, lettering or awning except such, and in such place and manner as shall have been first approved in writing by County.

D. Licensee acknowledges that all responsibilities of Licensee relating to the use or misuse of the Licensed Premises and anything therein shall be construed to include use or misuse thereof by Licensee's agents, employees, patrons and residents.

E. Licensee shall not have pets in or about the Licensed Premises. This provision does not limit Licensee or Licensee's clients' rights to have bona fide service animals on the Licensed Premises. Licensee is solely responsible for the proper care of service animals in the licensed Premises and in keeping the Licensed Premises clean and free of debris and waste associated with the care and feeding of service animals.

F. Licensee shall comply with all reasonable rules and regulations with regard to the use of the Licensed Premises that may be from time to time promulgated by County, and any violation of said rules and regulations shall be deemed to constitute a violation of this License. It is understood that such rules and regulations shall not unreasonably interfere with or prevent the intended uses of the demised premises as set forth in this License.

G. Licensee acknowledges that all glass is in good condition at time of occupancy and Licensee will be responsible for the breakage of all glass in the Licensed Premises, and agrees to replace the same without delay regardless of how the

same was broken. Licensee further acknowledges that all appliances and equipment are in working order.

H. Licensee must maintain in good condition, and promptly and diligently repair any damage to (or replace if reasonably necessary in the circumstances), any trade fixtures.

I. Licensee must require and assure that all entrance doors and windows in the Licensed Premises shall be closed and locked when the Licensed Premises are not in use. Further, Licensee before closing and leaving the Licensed Premises at any time must close all windows and doors and secure the Licensed Premises. No additional locks or bolts of any kind shall be placed upon any of the entrance or interior doors or windows by Licensee nor shall any changes be made in existing locks or the mechanisms thereof without prior written approval of County and in the event of an approved change, shall provide County with keys to the facility. Licensee shall, upon the termination of its tenancy, restore to the County all keys of the building, offices, and bathrooms, either furnished to, or otherwise procured by, the Licensee, and in the event of the loss of any keys so furnished the Licensee shall pay to the County the cost thereof.

J. Licensee must establish and post in the Licensed Facility an appropriate fire evacuation plan and hold fire drills as required. All occupants of the Licensed Premises shall be trained regarding the safe and proper operation of all appliances and equipment in the Licensed Premises.

16. DESTRUCTION OF PREMISES:

A. In the event of damage to or destruction of the Licensed Premises or any part thereof by fire, storm, flood or other casualty which does not require Licensee to suspend entirely its business, the County shall, as soon as practicable after said damage or destruction, repair and restore the Licensed Premises to the condition they were in immediately prior to said damage or destruction. Should such damage or destruction of said premises or any substantial part thereof render the Licensed Premises wholly unavailable for use by the County for the Permitted Uses, the County shall promptly begin and diligently pursue the repairing, restoration and rebuilding of the Licensed Premises as nearly as possible to the condition they were in immediately prior to such damage or destruction or with such changes or alterations as the County may determine appropriate. In the alternative, County may terminate this License within

thirty (30) days following the date of the destruction of the Licensed Premises as described above by sending of the termination notice to the Licensee.

B. In the event of damage to or destruction of fifty percent (50%) or more of the building of which the Licensed Premises are a part, County may elect not to restore the said building and this License shall automatically terminate and the Parties shall be discharged from all responsibilities thereafter arising under this License.

17. DEFAULT: Licensee shall be considered in default of this License and County may terminate this License upon the occurrence of any of the following:

- A. Failure to perform under any term, covenant or condition of this License.
- B. The commencement of any action or proceeding for the dissolution or liquidation of Licensee, or for the appointment of a receiver or trustee of Licensee's property.
- C. The making of any assignment for the benefit of Licensee's creditors.
- D. The abandonment of the Licensed Premises by Licensee.
- E. Any default or breach of the terms and conditions this License or the Service Contract.
- F. Use of the Licensed Premises by the Licensee or with the consent of Licensee, for uses other than the Permitted Uses.
- G. Use of the Licensed Premises by Licensee or by LICENSEE'S agents, employee, contractors, or guests, for any unlawful purpose.

18. EMINENT DOMAIN: Licensee is not entitled to any condemnation award to County as owner of the Licensed Premises. In the event that the Licensed Premises shall be taken by any governmental or quasi-governmental authority pursuant to its power of eminent domain or sold under threat thereof, Licensee shall not be entitled to

recover from Montgomery County any capital expenditures for improvements and betterments made by Licensee to the Licensed Premises at the Licensee's expense.

19. ACCESS: Licensee shall allow County and County's employees or agents to have access to the Licensed Premises at all reasonable times for the purpose of inspection, or in the event of fire or other property damage, or for the purpose of performing any work required to be performed by County, or which County considers necessary or desirable, or for any other purpose pursuant to the reasonable protection of the Licensed Premises.

20. SURRENDER OF POSSESSION: Licensee covenants and agrees that, at the expiration or other termination of this License, to remove all goods and effects from the Licensed Premises not the property of County, and to yield up to County the Licensed Premises and all keys, locks and other fixtures connected therewith (except trade fixtures belonging to Licensee), in good repair, order and condition in all respects, reasonable wear and use thereof and damage by fire or other casualty and damage from any risk with respect to which Licensee is not herein expressly made liable excepted. Licensee shall pay for all damages to the Licensed Premises, its fixtures, and appurtenances, as well as all damages sustained by Licensee or occupants of the Licensed Premises due to any waste, misuse, or neglect of said Premises, its fixtures, and appurtenances, by said Licensee, its employees, or any other person or persons upon the premises by Licensee's permission.

21. NOTICE OF ACCIDENTS, DEFECTS OR DAMAGES: Licensee shall give to County prompt verbal notice of accidents in or damages to the Licensed Premises, and, within twenty-four (24) hours, Licensee shall follow-up with a detailed written report of such accidents or damages.

22. COMPLIANCE WITH LAWS: It is understood, agreed and covenanted by and between the Parties that Licensee, at Licensee's expense, shall promptly comply with, observe and perform all of the requirements of all of the statutes, ordinances, rules, orders and regulations now in effect or hereinafter promulgated whether required by the Federal Government, State of Maryland, Montgomery County Government, or any municipality in which the Licensed Premises are located, Montgomery County Department of Environmental Protection or Montgomery County Fire Marshal's Office.

23. WAIVER: No waiver of any breach of any covenant, condition or agreement herein contained shall operate as a waiver of the covenant, condition or agreement itself or of any subsequent breach thereof.

24. NON-DISCRIMINATION: Licensee agrees to comply with the non-discrimination in employment policies in County contracts as required by Section 11B-33 and Section 27-19 of the Montgomery County Code (1994), as amended, as well as all other applicable state and federal laws and regulations regarding employment discrimination and discrimination in public accommodations. The Licensee assures the County that in accordance with applicable law; it does not, and agrees that it will not discriminate in any manner on the basis of age, color, creed, national origin, race, religious belief, sexual preference, disability or genetic status.

25. PUBLIC EMPLOYMENT: Licensee understands that unless authorized under Sections 11B-52 and Chapter 19A of the Montgomery County Code (1994), as amended, it is unlawful for any person transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.

26. MAILING NOTICES: All notices required or desired to be given hereunder by either party to the other shall be given by certified or registered mail and shall be deemed to be effective when received or refused by the addressee. Notices to the respective Parties shall be addressed as follows:

Licensee:
Threshold Services, Inc.
1398 Lambert Drive
Silver Spring, Maryland 20902

County:
MONTGOMERY COUNTY,
MARYLAND
Department of Public Works
and Transportation
Office of Real Estate
101 Monroe Street
10th Floor
Rockville, Maryland 20850

With a copy that does not
constitute notice to:
Montgomery County Government
Office of the County Attorney

27. RESIDENT AGENT: The Resident Agent for the Licensee is Alexis Iszard and its address for receipt of notices and service of process is 9404 Seddon Road, Bethesda, Maryland 20827. Licensee must immediately notify County of any change in resident agent or address as provided herein.

28. PROHIBITION OF HAZARDOUS SUBSTANCES: The Licensee agrees not to store or bring hazardous substances onto the Licensed Premises. The Licensee indemnifies County against any and all claims of any personal injuries or personal and real property damage as a result of any hazardous substance being brought on the premises by the Licensee, its agents, contractors, employees or guests.

29. NON-APPROPRIATION: This License shall terminate automatically on July 1 of any year for which the County, for whatever reason does not appropriate funds to pay for the services specified in the Service Contract. The Licensee shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items.

30. AMERICAN DISABILITIES ACT REQUIREMENTS: County and Licensee agree that any future modifications made to the Licensed Premises shall be made in conformance with the requirements of the Americans with Disabilities Act, the Federal Fair Housing Act, and all safety and accessibility requirements in Federal, State, and County Laws and regulations. Licensee must obtain all required permits prior to making any modifications to the Licensed Premises and must comply with all applicable Building and Safety Codes.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties have caused this agreement to be properly executed.

WITNESS:

COUNTY:
MONTGOMERY COUNTY,
MARYLAND

By: Hebbie Richard

By: Scott W. Reilly
~~William M. Mooney~~, Assistant
Chief Administrative Officer
Date: 1/14/2004

WITNESS:

LICENSEE:

By: _____

By: Craig Skroll
Title: EXECUTIVE DIRECTOR/CEO
Date: 1/7/04

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

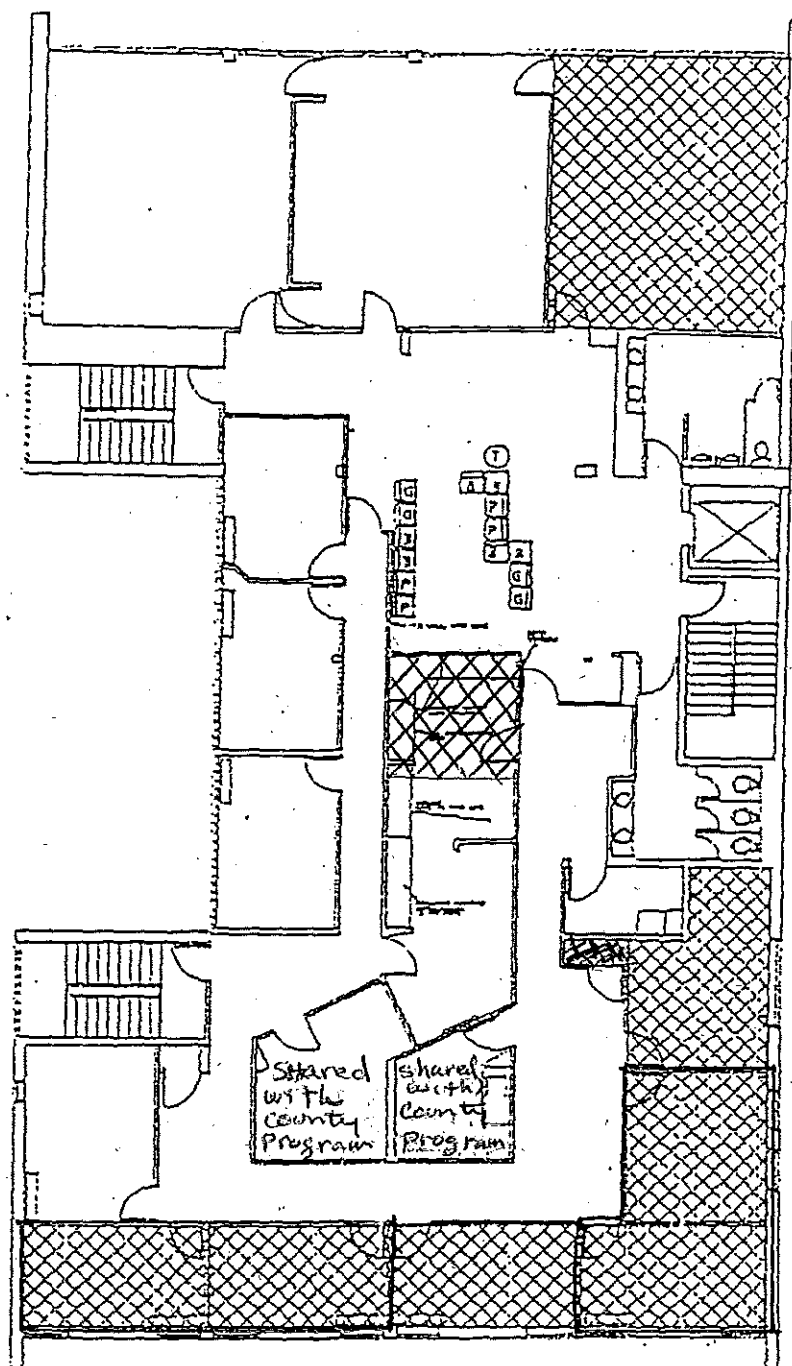
RECOMMENDED

By: Sileen J. Brisson
Associate County Attorney

By: Cynthia L. Brenneman
Cynthia L. Brenneman, Director
Office of Real Estate

Date: 11/7/2003

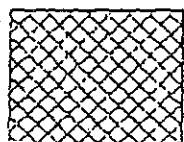
Date: 1/12/04



2nd FLOOR

SILVER SPRING GOVERNMENT CENTER

KEY



Space
provided for
Contracted Svcs.

Exhibit A

Attachment M

Threshold Services, Inc.
1398 Lambertson Drive, Suite 3
Silver Spring, Maryland 20902

Contract # 2648005063-07
Amendment # 1

This Amendment is between Montgomery County, Maryland (the "County") and Threshold Services, Inc. (the "Contractor").

BACKGROUND

1. The parties entered into Contract # 2648005063-07 on May 31, 2002.
2. The term of the present contract ends on May 30, 2003.
3. The purpose of this Contract is to strengthen and expand capacity for Outpatient Mental Health Clinics serving Montgomery County residents by providing administrative and managerial support.
4. The purpose of this amendment is to modify the Scope of Services and extend the renewal term to June 30, 2004, to coincide with the County's fiscal year.

CHANGES

1. Article II., SCOPE OF SERVICES, C. Records, Reports, and Outcome Measures, Paragraph 4., the date November 1st is replaced with the date March 1st.
2. The contract is renewed and the new expiration date is June 30, 2004.

EFFECT

1. Existing contract provisions remain in effect unless specifically changed by this Amendment.
2. This Amendment is entered into prior to the expiration date.
3. This Amendment is entered into on the date of signature by the Director, Office of Procurement.
4. No goods or services are to be provided pursuant to this Amendment until it is signed by the Director, Office of Procurement.

(SIGNATURE PAGE TO FOLLOW)

Exhibit B

SIGNATURES

THRESHOLD SERVICES, INC.

MONTGOMERY COUNTY, MARYLAND

Craig S. Knoll
Signature (Seal)

Beatrice P. Tignor
Beatrice P. Tignor, Ph.D., Director
Office of Procurement

Typed Craig S. Knoll

Date 05/23/03

Title Executive Director/CEO

RECOMMENDED

Date 5/13/03

Carolyn W. Colvin
Carolyn W. Colvin, Director
Department of Health and Human Services

I hereby affirm that the above named person
is empowered to sign contractual agreements
for the organization.

Date: 4/8/03

Signed _____

APPROVED AS TO FORM AND
LEGALITY BY THE OFFICE OF THE
COUNTY ATTORNEY

Typed _____

Brian P. Raby
Assistant County Attorney

Title _____

Date 4/14/03

Date _____

Threshold Services Mental Health Clinics
in Rockville and Silver Spring

Area of Specialty

Threshold Services' mental health clinics in Rockville and Silver Spring, Maryland specialize in treatment of adults with severe and persistent mental illnesses, such as schizophrenia, mood disorders, anxiety disorders and personality disorders. The full range of treatment is provided, such as psychopharmacologic management, individual psychotherapy, group psychotherapy, family therapy, therapeutic injection, assessment, and interdisciplinary treatment planning. The specific services provided to a particular individual, of course, depends upon his/her particular needs and wishes. Treatment is coordinated with other care providers, and referrals are made to other care providers as they are needed.

Approaches to treatment are eclectic and individualized. For people with mood disorders, clinicians often combine individual and group therapy, with an emphasis on cognitive behavioral therapy. For people with chronic thought disorders, clinicians often combine psychoeducational/ didactic therapy, family therapy and peer support in a group format. For people with personality disorders, clinicians often use psychodynamic, insight-oriented therapy. For people with co-occurring substance and psychiatric disorders, clinicians use the Minkoff model.

A description of each of the current groups follows.

The clinics provide special clinic-based services to victims of child abuse trauma and/or sexual abuse.

Threshold Services accepts the County's fee structures under Article III, Compensation; is part of the MD public mental health system and will maintain its credentials with the ASO; and meets the licensing standards under COMAR 10.21.20.

THRESHOLD SERVICES OUTPATIENT MENTAL HEALTH CLINIC
THERAPY GROUPS

ROCKVILLE MENTAL HEALTH CLINIC

Group: Low Functioning Schizophrenia

Clinician: Indrani Mookerjee, LCSW-C, DCSW

Purpose: Provide structure to address cognitive impairment, via psychoeducation, socialization, and identification and monitoring of symptoms.

Goal: Stabilization, identification and management of exacerbations, acquiring coping skills, acquiring community management and life skills, peer interaction, and mechanism for provision of feedback to treating M.D. as to group members current level of functioning.

Criteria: Clients who have a diagnosis of a Cognitive Disorder. Symptoms reasonably well managed with medications. Client's expressed to desire to interact with peers.

Group: Men's Dual Diagnosis Group

Clinician: Moses Powe, B.S. (Graduate Student)

Purpose: Provide support system for male clients who have demonstrated a difficult time establishing and maintaining meaningful relationships as a result of symptoms related to co-occurring substance abuse and mental illness disorders.

Goal: To acquire necessary skills to maintain long-term sobriety from mood-altering substances in order to live a life free of chemicals.

Criteria: Male clients considered by clinicians to be functioning at a low intellectual level and whom have a co-occurring substance abuse and mental illness disorder. Determination of low intellectual level based upon clinical assessments and Global Assessment of Functioning scale.

Group: High Functioning Group

Clinician: Jan Moran, LCSW-C

Purpose: Provide medication compliance skills and to establish social interaction and social support system building skills. Provide education about medication and the importance of medication compliance.

Goals: Group members will support and encourage each other to stay on medication regimen and report symptoms and changes to treating psychiatrist and therapist. Group members will provide feedback and support to each other regarding discussion of personal problems, social supports, and medication compliance.

Criteria: High functioning Individuals with Major Depression, Bi-polar Disorder, and Schizo-affective Disorder.

ROCKVILLE MENTAL HEALTH CLINIC

Group: Schizophrenia Group

Clinician: Jan Moran, LCSW-C

Purpose: Monitor clients stability on medications and decrease clients tendency toward social isolation.

Goals: To engage client's in discussion about past week's happenings and interactions with others, and in topical discussions regarding reports on outside opportunities for socialization. To encourage group participants to interact with each other in caring for themselves emotionally, personally, and socially, and to care about physical as well as mental health by clarifying misconceptions and providing support and redirection.

Criteria: Mid to low functioning men and women between the ages of 18-40 who are diagnosed with schizophrenia.

Group: Women's Group

Clinician: Jan Moran, LCSW-C

Purpose: Provide mutually supportive environment as clients share their family histories of generational dysfunctional lifestyles, and to monitor clients for medication stability.

Goals: To encourage clients to become more open to others through: sharing personally; breaking through the "secrecy" pattern by sharing personal traumas; comparing and contrasting learned behaviors that are life-giving vs. psychological "death-dealing" and "dead-end" patterns; becoming more able to reach out to others thereby diminishing isolation; receiving encouragement from each other as well as providing encouragement to each other; and to learn to parent effectively.

Criteria: High functioning women with diagnosis of Major Depression, Bi-Polar Disorder, and a family history of alcoholism.

Group: Women's Group

Clinician: Jan Moran, LCSW-C

Purpose: Provide a mutually supportive setting for women living in shelters, group homes, and women who live on the street.

Goals: To monitor medication compliance and to provide a safe setting for personal sharing, interactive listening, and mutual support of each other. To provide updates to group participants regarding housing resources and opportunities available in the community.

Criteria: Lower functioning women with a diagnosis of Schizophrenia or Schizo-affective Disorder.

SILVER SPRING MENTAL HEALTH CLINIC

Group: Orientation Group

Clinician: Katherine Whorton, LCSW-C

Purpose: Originally designed for new clients for purposes of getting to know them by better assessing symptoms, then referring them to another group or individual treatment. This is a dual diagnosis group with members in varying stages of recovery from different addictions.

Goal: To focus on psycho-education regarding mental illness, medication compliance, symptom identification, triggers, and coping mechanisms.

Criteria: Clients with a range of diagnosis and range of functioning levels.

Group: Psychotherapy Group

Clinician: Katherine Whorton, LCSW-C

Purpose: Psycho-education regarding mental illness, recovery, and medication.

Clinician: Katherine Whorton, LCSW-C

Goal: To develop coping mechanisms and to identify warning signs of psychiatric decompensation. To build social skills, interpersonal relationship skills, and ongoing support systems.

Criteria: Clients with severe mood disturbance and thought disorders. Many of these clients are in supportive housing and receiving outreach/case management/work program assistance. Alcohol and drug addiction are also addressed in this group.

Group: Psychotherapy Group

Clinician: Katherine Whorton, LCSW-C

Purpose: To focus on interpersonal and communication skills, maintaining daily structure, illness education, identification and utilization of supports.

Goal: For clients to become medication compliant, learn the ability to identify symptoms prior to decompensation, and increase the ability to relate to others.

Criteria: Clients with thought disorders, current clients working in a limited capacity.

Group: Psychotherapy Group

Clinician: Katherine Whorton, LCSW-C

Purpose: To focus on relationships and patterns of relating as they are experienced and re-visited through group dynamics and interactions. Long-term, insight oriented, psychodynamic group therapy.

Goal: To identify destructive patterns and find new ways of relating. To decrease symptoms, increase ability to maintain employment and other significant meaningful relationships.

Criteria: Higher functioning clients with mood disturbance and often Axis II diagnoses. Note: Half of the group attendees have a history of addiction which is actively addressed in group.

I: Clinic Reports/Threshold Services OMHC Therapy Groups

Group: Women's Support Group

Clinician: Kim Lambelet, LCSW-C

Purpose: For clients with mental illness and life threatening medical problems (brain tumor, ovarian, cancer, chronic back injury) to learn holistic strategies including exercise, relaxation, breathing, and social support. Clients also have obsessive-compulsive disorder.

Goals: To learn to manage worry and reduce anxiety; learn problem solving strategies; and to learn how others reduce compulsive behaviors (time/frequency). To understand dynamics that underline schemas.

Criteria: Women with diagnosis of depression and obsessive-compulsive disorder who are experiencing a life threatening illness.

Group: Dual Diagnosis Group

Clinician: Kim Lambelet, LCSW-C

Purpose: Treatment of co-occurring mood disorders and substance abuse/dependence disorders.

Goal: To develop skills toward abstinence and continued abstinence; to learn relapse prevention and encourage 12 step process; and to receive psycho-education about co-occurring disorders and their management.

Criteria: High functioning men and women with co-occurring mood disorders and substance abuse/dependence.

Group: Clozaril Group

Clinician: Pauline Rabin, M.D.

Purpose: Monitor symptoms and side effects of clients who are on Clozaril.

Goal: Provide psycho-education regarding efficacy of Clozaril; provide an opportunity for mutual support and encouragement amongst group participants; and to monitor side effects and symptoms.

Criteria: Low to mid functioning male and female clients diagnosed with Schizophrenia.

Outpatient Mental Health Services

I. BACKGROUND/INTENT

1. The Montgomery County Department of Health and Human Services (DHHS) requires qualified and licensed entities to provide clinic-based outpatient mental health services for adults, seniors, children, and adolescents who reside in Montgomery County. The County wishes to strengthen and expand the capacity of existing mental health services, as well as provide transitional services for outpatient mental health consumers who are transitioning to new providers when existing clinics close. Contractors will assist DHHS in developing and implementing a stable, high-quality system of outpatient mental health services in Montgomery County.
2. The Contractor was selected under Open Solicitation # 2648005063, Outpatient Mental Health Services (the Open Solicitation) to provide services in accordance with the Open Solicitation and this Contract.

II. SCOPE OF SERVICES

A. General Requirements

1. The Contractor must provide a program of outpatient mental health services in Montgomery County and in accordance with the Code of Maryland Regulations (COMAR) §10.21.20. The Contractor must have and maintain, for the term of this contract, and any subsequent renewal terms, a license to provide an outpatient mental health program as required by the State of Maryland.
2. The Contractor must have and maintain for the term of this contract, and any subsequent renewal terms, its status as a participant of the Maryland Public Mental Health Fee-for-Service System, and must have and maintain current credentials with the Maryland Administrative Services Organization (ASO) as an authorized provider of outpatient mental health services.
3. The Contractor must demonstrate evidence of its financial status and organizational solvency by submitting to the County its most recent audited financial statement. The Contractor must submit additional data as requested by the County to resolve any questions concerning its financial status.
4. The Contractor must attend and successfully complete training session(s) provided by the Montgomery Organizational Development Group (MODG) and other trainings sponsored by the County or the State of Maryland Mental Hygiene Administration on outcomes development, and

must develop outcome measures and performance indicators with baselines to measure progress of consumers receiving outpatient mental health services under this Contract. The outcome measures and performance indicators must be approved in advance by the County. Other training topics may include, but are not limited to, the following: outcomes development; operating in a managed care environment; best and evidence-based clinical practices; data collection and analysis; grant writing and fund raising; and managing the Medicare benefit. These trainings must be attended by a minimum of two (2) of the Contractor's senior level staff.

5. The Contractor must assume clinical responsibility for consumers who choose to enroll with the Contractor for the provision of clinic-based outpatient mental health services. These consumers must become part of the Contractor's caseload, under this Contract, no later than a date specified by the County. The Contractor must provide services to a consumer within 30 days of a consumer choosing the Contractor for outpatient mental health services.
6. The Contractor must call to register each consumer with the County's Access Team prior to providing any services to the consumer, and must provide information regarding the age, race, and ethnicity of each consumer, as well as insurance status, chief complaint and treatment modality for the provision of outpatient mental health services to the consumer. The County's Access Team will provide the Contractor with a referral number for this purpose.
7. The Contractor must provide a 24-hour coverage mechanism, approved by the County, to ensure that each consumer's primary therapist, or another therapist assigned by the Contractor, is available to respond to consumers and their families when a consumer is in crisis, as determined by the consumer or the consumer's family. The Contractor must ensure that the therapist has access to case records at all times. A telephone answering machine with no assurance of an immediate response is not acceptable. For consumers who are in crisis, as determined by the consumers or the consumer's family, the Contractor must offer same-day or next-day appointments and must provide telephone consultation to families or other service providers, as needed.
8. The Contractor must provide outpatient mental health services on a continuous basis. As part of a regular program of outpatient mental health services, the Contractor must provide assessment and evaluation services, individual therapy, group therapy, family therapy, psychiatric evaluation, medication management, specialized treatments, off-site visits to the consumer's place of residence, and crisis intervention services. The

County reserves the right to negotiate the operating schedule for the Contractor's clinic.

9. The Contractor must have and maintain state and local licensing compliance with fire, health, and safety codes.

B. Staffing

1. The Contractor must provide a sufficient number and type of staff as required by COMAR §10.21.20, et seq. for clinic-based outpatient mental health services as required under this Contract.
2. The Contractor must provide staff who have, at a minimum, the licensing and training required by all applicable regulations under COMAR and Maryland Law for the clinic-based outpatient mental health services provided under this Contract.

C. Records, Reports and Outcome Measures

1. The Contractor must develop, implement, and maintain a system of written records, approved by the County, which conform to the standards for outpatient mental health services as specified by COMAR §10.21.20, et seq. The Contractor must make available to the County all consumer records, including specific medical information contained therein, upon request by the County. The Contractor may only release a consumer's record to other agencies or individuals in accordance with existing laws, regulations and ethical requirements.
2. Upon request by the County, the Contractor must provide to the County demographic, statistical, and fiscal information in a format approved by the County.
3. The Contractor must submit to the County, by July 30th of each year this Contract is in effect, an end of year fiscal report, in a format approved by the County. The Contractor must certify the validity of the financial information provided in the fiscal report.
4. The Contractor must provide an annual certified financial audit report, prepared by a CPA Firm, to the County by November 1st of each year this Contract is in effect, for the prior contract year.
5. The Contractor must report, in a format approved by the County, the death of any consumer in accordance with Maryland Health General Article §10-714 "Reporting of Death".

6. The Contractor must conduct a consumer satisfaction survey, as developed by the County, for each year this Contract is in effect, and must submit the results of this survey to the County by September 1st of each year this Contract is in effect.
7. At the County's request, the Contractor must submit any other written statements, records, and reports which may include a breakdown of administration costs.
8. The Contractor must support the County's performance and outcome measurement efforts and must complete the Measuring Program Outcomes training developed by the Montgomery Organizational Development Group (MODG) within six (6) months of contract execution. The Contractor must report on the universal set of outcome measures developed in the MODG training, and must report quarterly on the performance indicators established ("Quarterly Outcomes Report").
9. The Contractor must develop and submit to the County, a policy and procedure for the transfer of the Contractor's caseload upon termination of this Contract.

III. COMPENSATION

- A. The Contractor will be paid "management fees" for administrative, management, reporting, and general case management costs for consumers receiving a billable service (as defined by Maryland Health Partners, Medicare, or Medicaid) within the last 30 days. Management fees will be paid for the following:
 1. The Contractor will be paid a monthly management fee for new consumers whose primary insurance is Medicare or who meet the income criteria set by Medical Assistance.
 2. The Contractor will be paid a monthly management fee for existing Medicare consumers who have received billable services within the past 30 days.
 3. The Contractor will be paid a monthly management fee for consumers referred by the County's Access Team who have received billable outpatient mental health services within the last 30 days.
- B. The management services which will receive "management fees" listed in Paragraph A., above, will range from \$25.00 to \$75.00 a month per client, commensurate to the level of services for/on behalf of each client and documented on each invoice submitted to the County. The amount of the fee will also be

based on available appropriated funds and shall be determined by the County upon receipt and acceptance of Contractor's invoice.

- C. In addition to the monthly management fee, the Contractor will be paid an additional monthly fee for serving new clients meeting the criteria for Public Mental Health services in the population groups listed below. This fee will range from \$25.00 to \$75.00 per month, commensurate to the level of services for/on behalf of each client and documented on each invoice submitted to the County. The amount of the fee will also be based on available appropriated funds and will be determined by the County upon receipt and acceptance of Contractor's invoice.

Population	Definition of Group
Dually diagnosed	Individuals with DSM IV diagnosis and co- occurring substance abuse diagnosis or diagnosis on Axis One.
Incarcerated	Individuals being released from the Montgomery County detention center or Pre-release center whose address upon release is in the County.
Juvenile Justice	Youth adjudicated in the Department of Juvenile Justice in Montgomery County whose home address is in the County.
Child Welfare	Montgomery County Children with an active case in Child Welfare Service
Homeless	Individual enrolled in Montgomery County homeless program

- D. The Contractor will be paid a monthly fee ranging from \$250 to \$750 per client for mental health consumers who have been referred by the County's Access Team. The monthly fee is for costs associated with treatment and support services, case management, care coordination, data collection, administration, reporting, and pharmacological management. The amount of the fee is commensurate to the level of services approved by the County for or on behalf of each client and documented on each invoice submitted to the County. The amount of the fee will also be based on available appropriated funds and will be determined by the County upon receipt and acceptance of Contractor's invoice.
- E. The Contractor will receive a payment of \$750, contingent upon available funds, upon successful completion of each approved training as set forth in Article II., Scope of Services, Paragraph A.4. The Contractor must submit an invoice in a format approved by the County listing the dates of the training and the names and titles of the persons attending the training.
- F. The Contractor will receive a payment of \$500, contingent upon available funds, upon submission and acceptance by the County of their Quarterly Outcomes Report.

- G. The Contractor will be paid a one-time administrative support transition service fee, for non-billable public mental health services, of \$250.00 per consumer for all consumers who are transitioned from a closing clinic. After one month, these consumers may move into the monthly reimbursement fee schedule (as set forth in Paragraph B, above), if they qualify.
- H. The Contractor must hold the County harmless for the Contractor's failure to collect any third party payments for services rendered as part of the Maryland Public Mental Health System and must not seek to supplant available funds from other funding sources with funds provided under this Contract.
- I. No services must be performed or compensated under this Contract without the Contractor's receipt of a County purchase order for a specific period during which services will be performed and a monetary limit on invoices will be set.
- J. Compensation must not exceed funds encumbered to this Contract.

IV. INVOICES

The County will pay the Contractor within 30 days upon receipt and acceptance of an invoice by the County, in a format approved by the County. Invoices must be submitted to the County within 15 days after the close of each month and must be accompanied by a report of the Contractor's activities regarding consumers during the invoice period. Invoices must be accompanied by Access Team referrals and Explanation of Payment Forms from MHP/MA or other funding sources. All invoices must be sent to the Montgomery County Department of Health and Human Services, Mental Health Core Service Agency, 751 Twinbrook Parkway, Rockville, Maryland 20851.

V. TERM

This Contract will become effective upon signature by the County's Director, Office of Procurement, and will be for an initial one-year term. Before the contract term ends, the Director may (but is not required to) renew this contract, if the Director determines that renewal is in the best interests of the County. Contractor's satisfactory performance does not guarantee renewal of this Contract. The Director may exercise this option to renew two (2) times.

VI. GENERAL CONDITIONS AND INSURANCE

The attached General Conditions of Contract between County and Contractor are incorporated by reference and made part of this Contract. The following insurance requirements supersede those outlined in the General Conditions:

Prior to the execution of the Contract by the County, the Contractor must obtain at its own cost and expense and keep in effect until termination of the contractual relationship with the County the following insurance with 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. Contractor's insurance must be primary.

Commercial General Liability

Minimum limit of liability of one million dollars (\$1,000,000), combined single limit for bodily injury and property damage coverage per occurrence including the following coverage:

- Contractual Liability
- Premises and Operations
- Independent Contractors
- Products and Completed Operations

Professional Liability

Professional liability insurance covering errors and omissions and negligent acts committed during the period of Contractual relationship with the County with a limit of at least one million dollars (\$1,000,000) per claim and aggregate and a maximum deductible of \$25,000. Contractor agrees to provide a one-year discovery period under this policy

Automobile Liability Coverage

A minimum of liability of five hundred thousand dollars (\$500,000) combined single limit for bodily injury and property damage coverage per occurrence including the following:

- owned automobiles
- hired automobiles
- non-owned automobiles

Worker's Compensation/Employers Liability

Meeting all requirements of Maryland Law and with the following minimum limits:

- Bodily Injury by Accident - \$100,000 each accident
- Bodily Injury by Disease - \$500,000 policy limits
- Bodily Injury by Disease - \$100,000 each employee

Additional Insured

Montgomery County, Maryland must be named as an additional insured on all liability policies.

Policy Cancellation

Forty-five (45) days written notice of cancellation or material change to any of the policies is required.

Threshold Services, Inc.
Contract # 2648005063-07
Page 8

Certificate Holder

Montgomery County, Maryland
Contract Management Team
Department of Health and Human Services
401 Hungerford Drive, 6th Floor
Rockville, Maryland 20850

ATTACHMENT A

SECTION B GENERAL CONDITIONS OF CONTRACT BETWEEN COUNTY & CONTRACTOR

1. ACCOUNTING SYSTEM AND AUDIT, ACCURATE INFORMATION

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

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

2. AMERICANS WITH DISABILITIES ACT

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

3. APPLICABLE LAWS

This contract must be construed in accordance with the laws and regulations of Maryland and Montgomery County. The Montgomery County Procurement Regulations are incorporated by reference and made a part of this contract. In the case of any inconsistency between this contract and the Procurement Regulations, the Procurement Regulations govern. The contractor must, without additional cost to the County, pay any necessary fees and charges, obtain any necessary licenses and permits, and comply with applicable federal, state and local laws, codes and regulations. For purposes of litigation involving this contract, except for contract Disputes discussed in paragraph 8 below, exclusive venue and jurisdiction must be in the Circuit Court for Montgomery County, Maryland or in the District Court of Maryland for Montgomery County.

4. ASSIGNMENTS AND SUBCONTRACTS

The contractor may not assign or transfer this contract, any interest herein or any claim hereunder, except as expressly authorized in writing by THE DIRECTOR, OFFICE OF PROCUREMENT. Unless performance is separately and expressly waived in writing by THE DIRECTOR, OFFICE OF PROCUREMENT, an assignment does not release the contractor from responsibility for performance of this contract. Unless otherwise provided in the contract, the contractor may not contract with any other party for furnishing any of the materials or services herein contracted for without the written approval of THE DIRECTOR, OFFICE OF PROCUREMENT.

5. CHANGES

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

6. CONTRACT ADMINISTRATION

A. The contract administrator, subject to paragraph B below, is the Department representative designated by THE DIRECTOR, OFFICE OF PROCUREMENT, in writing and is authorized to:

- (1) serve as liaison between the County and Contractor;

- (2) give direction to the Contractor to ensure satisfactory and complete performance;
- (3) monitor and inspect the Contractor's performance to ensure acceptable timeliness and quality;
- (4) serve as records custodian for this contract;
- (5) accept or reject the Contractor's performance;
- (6) furnish timely written notice of the contractor's performance failures to THE DIRECTOR, OFFICE OF PROCUREMENT and to the County Attorney, as appropriate;
- (7) prepare required reports;
- (8) approve or reject invoices for payment;
- (9) recommend contract modifications or terminations to THE DIRECTOR, OFFICE OF PROCUREMENT;
- (10) issue notices to proceed; and
- (11) monitor and verify compliance with any MFD Performance Plan.

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

7. COST & PRICING DATA

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

8. DISPUTES

Any dispute by Contractor arising under this contract which is not disposed of by agreement must be decided under The Montgomery County Code and The Montgomery County Procurement Regulations. Pending final resolution of a dispute, the Contractor must proceed diligently with contract performance. Subject to subsequent revocation or alteration by THE DIRECTOR, OFFICE OF PROCUREMENT, the head of the County department, office or agency ("Department Head") of the contract administrator is the designee of THE DIRECTOR, OFFICE OF PROCUREMENT, for the purpose of dispute resolution. A copy of the resolution must be forwarded to THE DIRECTOR, OFFICE OF PROCUREMENT, or his/her designee. The Department Head may, with the contractor's consent, delegate this responsibility to another person (other than the contract administrator). The contractor waives any dispute or claim not made in writing and received by the Department Head within 30 days of the occurrence giving rise to the dispute or claim. A dispute must be in writing, for specific relief, and any requested relief must be fully supported by affidavit of all relevant calculations, including cost and pricing information, records, and other information. The contractor may, at the County's option, be made a party to any related dispute involving another contractor.

9. DOCUMENTS, MATERIALS AND DATA

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

10. DURATION OF OBLIGATION

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

11. ENTIRE AGREEMENT

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

12. ETHICS REQUIREMENTS/ POLITICAL CONTRIBUTIONS

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

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

Furthermore, the contractor specifically agrees not to violate Sections 11B-51, 11B-52, 11B-53, 19A-12, and/or 19A-13 of the Montgomery County Code.

In addition, the contractor must comply with the political contribution reporting requirements currently codified under Title 14 of Article 33 of the Annotated Code of Maryland.

13. GUARANTEE

A. Contractor guarantees for one year from acceptance, or for a longer period that is otherwise expressly stated in the County's written solicitation, all goods, services, and construction offered, including those used in the course of providing the goods, services, and/or construction. This includes a guarantee that all products offered (or used in the installation of those products) carry a guarantee against any and all defects for a minimum period of one year from acceptance or any longer period stated in the County's written solicitation. The contractor must correct any and all defects in material and/or workmanship which may appear during the guarantee period, or any defects that occur within one (1) year of acceptance even if discovered more than one (1) year after acceptance, by repairing (or replacing with new items or new materials, if necessary) any such defect at no cost to the County and to the County's satisfaction.

B. Should a manufacturer's or service provider's warranty or guarantee exceed the requirements stated above, that guarantee or warranty will be the primary one used in the case of defect. Copies of manufacturer's or service provider's warranties must be provided upon request.

C. All warranties and guarantees must be in effect from the date of acceptance by the County of the goods or services.

D. The contractor guarantees that all work shall be accomplished in a workmanlike manner, and the contractor must observe and comply with all federal, State, County and local laws, ordinances and regulations in providing the goods and performing the services listed.

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

14. HAZARDOUS AND TOXIC SUBSTANCES

Manufacturers and distributors are required by federal "Hazard Communication" provisions (29 CFR 1910.1200), and the Maryland "Access to Information About Hazardous and Toxic Substances" Law, to label each hazardous material or chemical container, and to provide Material Safety Data Sheets to the purchaser. The contractor must

comply with these laws and must provide the County with copies of all relevant documents, including Material Safety Data Sheets, prior to performance of services or contemporaneous with delivery of goods.

15. IMMIGRATION REFORM AND CONTROL ACT

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

16. INCONSISTENT PROVISIONS

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

17. INDEMNIFICATION

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

18. INDEPENDENT CONTRACTOR

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

19. INSPECTIONS

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

20. INSURANCE

Prior to execution of the contract, the contractor must obtain at its own cost and expense, and keep in force and effect during the term of this contract, including all extensions, the insurance specified in the applicable table or attachment, with an insurance company licensed or qualified to do business in the State of Maryland. (See Tables A and B). Unless expressly provided otherwise, Table A is applicable to this contract. The contractor must submit to THE DIRECTOR, OFFICE OF PROCUREMENT, a certificate of insurance prior to award of this contract and prior to any contract modification extending the term of the contract, as evidence of compliance with this provision. The County must be named as an additional insured on all liability policies. Forty-five days written notice to the County of cancellation or material change in any of the policies is required. In no event may the insurance coverage be less than that shown on the applicable table, attachment, or contract provision for required insurance. THE DIRECTOR, OFFICE OF PROCUREMENT, may waive the requirements of this section in whole or in part.

21. NON-CONVICTION OF BRIBERY

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

22. NONDISCRIMINATION IN EMPLOYMENT

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

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

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

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23. PAYMENTS

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

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

24. PERSONAL PROPERTY

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

25. TERMINATION FOR CAUSE

THE DIRECTOR, OFFICE OF PROCUREMENT, may terminate the contract in whole or in part, and from time to time, whenever THE DIRECTOR, OFFICE OF PROCUREMENT, determines that the contractor is:

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

Prior to a termination for cause, the County will send the contractor written notice specifying the cause. The notice will give the contractor 10 days from the date the notice is issued to cure the default or make progress satisfactory to the County in curing the default, unless a different time is given in the notice. If the County determines that default contributes to the curtailment of an essential service or poses an immediate threat to life, health, or property, the County may terminate the contract immediately upon issuing oral or written notice to the contractor without any prior notice or opportunity to cure. In addition to any other remedies provided by law or the contract, the contractor must compensate the County for additional costs that would be incurred by the County, whether the costs are actually incurred or not, to obtain substitute performance. Any termination for cause must be considered a termination for convenience as of the date the contractor was advised of the termination for cause, if there was no cause.

26. TERMINATION FOR CONVENIENCE

This contract may be terminated by the County, in whole or in part, upon written notice to the contractor, when the County determines this to be in its best interest. The termination is effective 10 days after the notice is issued, unless a different time is given in the notice. The County is liable only for payment for acceptable performance prior to the effective date of the termination.

27. TIME

Time is of the essence.

28. WORK UNDER THE CONTRACT

Work may not commence under this contract until all conditions for commencement are met, including execution of the contract by both parties, compliance with insurance requirements and issuance of any required notice to proceed. THIS FORM MAY NOT BE MODIFIED WITHOUT THE PRIOR APPROVAL OF THE OFFICE OF THE COUNTY ATTORNEY. (PMMD-45 REVISED 5/99)

Signature Page - Open Solicitation # 2648005063-07

Outpatient Mental Health Services

This Contract, which incorporates the Application Form, the Open Solicitation with its Form Contract, Signature Page, and General Conditions of Contract between County and Contractor including Minority Owned Business Addendum by reference, copies of which have been provided to the Contractor, is entered into this 31 day of MAY, 2002 by and between Threshold Services, Inc. hereinafter referred to as the "Contractor" and Montgomery County, Maryland, hereinafter referred to as the "County". This Contract will become effective on the date of signature by the Director, Office of Procurement. This Contract and any renewals or extensions of this Contract are subject to the appropriation of funds.

Part A: Contractor's Offer to Provide Services:
(Prospective Contractor Must Complete)

Contracting Corporation, Partnership Limited Liability Company OR Proprietorship

Threshold Services, Inc.
Agency Name

Craig S. Knoll
Signature

CRAIG S. KNOLL
Typed

Executive Director / CEO
Title

5/22/02
Date

For Corporations Only
Space for Corporate Seal

or

CORPORATE ATTESTATION

I hereby affirm that the above named person is a corporate officer/partner empowered to sign contractual agreements for the corporation/partnership/limited liability company.

Signed: [Signature]

Typed: Andrew Bernero

Title: Chief Financial Officer

5/22/02

Part B: County Acceptance:

MONTGOMERY COUNTY, MARYLAND

[Signature]
Dr. Beatrice P. Tignor, Director
Office of Procurement

05/31/02
Date

RECOMMENDATION

[Signature]
Charles L. Short, Director
Department of Health and Human Services

5/9/02
Date

This form has been approved as to form and legality by the Office of the County Attorney.