



THE CITY OF FROSTBURG

Mayor and Council Work Session Agenda

Tuesday, February 11, 2025 at 4:00 PM

Frostburg Municipal Center Meeting Room 100
37 S. Broadway, Frostburg, MD 21532

Mayor Todd J. Logsdon

Donald L. Carter, Jr., Commissioner of Finance

Nina Forsythe, Commissioner of Water, Parks and Recreation

Kevin G. Grove, Commissioner of Public Safety

Adam Ritchey, Commissioner of Public Works

1. Call to Order

2. Roll Call

3. Special Presentation

- A. 06/30/2024 Audit Presentation. Keith Brode, Huber Michaels & Company.

4. Council Meeting Topics

- A. Budget amendment request for water treatment plant chemicals
B. Bond Counsel Engagement
C. Authorize a sole source purchase for the Frostburg Food Pantry project
D. ServLine Agreement

5. Other Discussion Items

- A. FY26 Budget Priorities
B. Volunteer Firefighter Tax Credit

6. Adjourn to Closed Session

- A. Under the Annotated Code of Maryland General Provisions Article § 3-305(b)(4), which permits a closed session to consider a matter that concerns "the proposal for a business or industrial organization to locate, expand, or remain in the State". A closed session is needed to discuss a proposal for the potential development of the Center Street Redevelopment Project site. Additionally, under § 3-305(b)(7), which allows a closed session "to consult with counsel to obtain legal advice," a closed session is needed to receive legal advice from the City Attorney regarding a potential conflict of interest.

WATER/WASTEWATER GROUP

MES FIELD AUTHORIZATION/BUDGET AMENDMENT REQUEST

Section 4, Item A.

FA-2400

Project Name City of Frostburg

Prepared by Mark Kaiser

Project/Cost Center 2469-0000

City of Frostburg
(client/project)

Service Procurement Other

Description of work Additional cost of chemicals due to higher than normal usage and cost increase not predicted in the 5 year budget. Additional usage of chemicals due to higher demand from Lonaconing.
Additional cost of granular activated carbon exchange, last iodine test results show that the filters are at the end of life and need replaced. This is needed for Tthm HAA5 disinfection byproduct removal.

Description	Ledger Account	Spend Category	cost
3 - Stern PAC 3000 Gallon		6465	49,765.56
1 - Sodium Hypochlorite 4000 Gallon		6465	9,623.04
10 - Zinc Orthophosphate 55 Gallon Drums		6465	6,666.00
50 - Hydrodarco PAC 50 lb bags		6465	4,980.00
2 - Superfloc N-1986		6465	3,460.26
1 - Calgon Carbon GAC exchange		6211	43,890.00

Total estimated cost = \$118,384.86

Client authorization

(Signature)

(Printed Name)

Title

Representing

Date

date entered at HQ _____

Revised 9-15-23

1. **EXCLUSIVE TERMS.** The offer is expressly conditioned upon Buyer's acceptance of all the terms and conditions contained herein. The Agreement formed by Buyer's acceptance of the offer and these terms and conditions is the exclusive contract between Buyer and Seller and may not be altered or amended, nor its terms waived, except in writing, signed by an authorized representative of the party to be bound thereby. Acceptance or acknowledgment of purchase order forms or other similar forms containing provisions different from, or deletions or additions to, the terms of this Agreement are hereby rejected and shall not be binding on Seller. Buyer shall not assign its rights or delegate its duties under this Agreement, in whole or in part, without prior written consent of Seller. Specific terms in Seller's offer shall prevail to the extent they conflict with terms below. The offer is subject to change without notice until actual receipt of its acceptance.
2. **PRICE.** Quoted prices are based upon present taxes (other than sales taxes), freight rates, United States Tariff classifications and import duties. Buyer shall pay any increased costs resulting from such changes or from Buyer's selection of means of transportation. Buyer shall reimburse Seller for all taxes or other charges by any national, state or municipal government upon the sale, use, production, or transportation of Product which Seller is required to pay.
3. **PRICE ADJUSTMENTS.** Seller may adjust Product prices at any time. Buyer may suspend orders immediately upon notice of a price increase. In the event price protection is stated in a written agreement between the parties, Seller may temporarily suspend such Product's price protection in extraordinary market conditions as determined by Seller in its discretion. Seller shall reinstate the Product's price protection upon Seller's determination that the market condition for the Product is no longer extraordinary.
4. **PAYMENT.** Payment terms are net 30 days from date of invoice. Past due balances are subject to a late payment charge of 1 1/2% per month, or the maximum amount permitted by applicable law, whichever is less. Buyer shall pay all charges, costs and legal fees incurred in collecting amounts owed.
5. **CONTAINERS.** Seller retains ownership of all returnable containers. Buyer may use the containers only for the storage of original contents. Buyer shall return the containers to Seller empty and in good condition within 90 days from the date of delivery. Buyer shall pay a deposit on all returnable containers. Seller shall credit the deposit, less handling fee, to Buyer's account if Buyer returns the containers F.O.B. Seller's return point in good condition within 90 days. If not returned within 90 days, Seller may reject the containers and retain the full amount of the deposit.
6. **TITLE AND RISK OF LOSS.** Title and risk of loss for Products transfers to Buyer at Seller's shipping point, unless Products are shipped in Seller's vehicles in which case title and risk of loss transfers to Buyer when the vehicle first enters Buyer's property. Buyer shall unload railroad tank cars within 48 hours (Sundays and holidays excepted).
7. **MEET OR RELEASE.** If during the period covered by this Agreement, Buyer receives a bona fide offer to purchase Product qualifying as US origin goods under NAFTA of equal quality and quantity on the same terms and conditions as those herein, and Buyer has provided Seller with written evidence satisfactory to Seller of such offer, Seller will either: (i) meet such other offer during the time in which it continues, or (ii) permit Buyer to purchase the Product from such seller during such time and deduct the quantities purchased pursuant to such other offer from the quantity specified on the face hereof.
8. **WARRANTY.** Seller warrants that Seller branded Products conform to Seller's published specifications at the time of delivery. Seller warrants that services provided by Seller will be consistent with Seller's standard specifications or, if none, with Seller's standard practices. Buyer acknowledges that Seller acts as a distributor for Products not branded by Seller (Resale Products) and that matters relating to the quality of the Products are not within Seller's control. Accordingly, SELLER MAKES NO WARRANTIES WHATSOEVER CONCERNING RESALE PRODUCTS. THE FOREGOING WARRANTIES ARE IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES EXPRESS OR IMPLIED. SELLER EXPRESSLY EXCLUDES WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY.
9. **REMEDIES.** Seller's liability for nonconforming Products is exclusively limited, at Seller's option, to replacement of the defective Products or refund of the purchase price of such Products. Seller's liability for any defective or negligent service is limited to Seller re-performing the service or a refund of an amount not to exceed the amount paid for the service, or, if the services were provided free of charge, to pay an amount not to exceed the amount paid for the Products to which the services related in the 12 months prior to the event of the liability.
10. **LIMITATION ON LIABILITY.** IN NO EVENT WILL SELLER BE LIABLE FOR INCIDENTAL, SPECIAL OR CONSEQUENTIAL, INDIRECT, EXEMPLARY OR PUNITIVE DAMAGES FROM ANY CAUSE OR FOR ANY REASON WHATSOEVER, IRRESPECTIVE OF WHETHER THE CLAIM ARISES FROM ACTUAL OR ALLEGED BREACH OF WARRANTY, INDEMNIFICATION, BREACH OF CONTRACT, PRODUCT LIABILITY, CONTRIBUTION OR ANY LEGAL THEORY AND IN NO EVENT WILL SELLER BE LIABLE FOR LOST PROFITS, COSTS OR LOSSES NOT ASSOCIATED WITH DIRECT PHYSICAL DAMAGE TO PROPERTY FOR ANY CLAIMS MADE UNDER OR RELATED TO THIS AGREEMENT. IN NO EVENT SHALL SELLER'S LIABILITY EXCEED THE PURCHASE PRICE OF THE PRODUCTS THAT ARE THE SUBJECT OF THIS AGREEMENT FOR ANY CLAIMS MADE UNDER OR RELATED TO THIS AGREEMENT.
11. **INDEMNITY.** Buyer agrees to defend, indemnify and hold Seller, its officers, directors, agents, and employees harmless from all claims, demands, actions and causes of action relating to personal injury or property damage to third parties, including attorney's fees and actual costs ("Claims") incurred as a result thereof, to the extent of its negligence or arising after delivery of the Products to Buyer. Seller agrees to defend, indemnify and hold Buyer, its officers, directors, agents, and employees harmless from Claims to the extent of its negligence.
12. **CLAIMS.** Any claim for shortage or non conforming Products must be made in writing to Seller within 30 days after Buyer's receipt of the Product. Any claim for non-delivery of Product must be made within 30 days after the date upon which the Product was to be delivered. As to any claim not reasonably discoverable within such 30 day period (including claims discoverable only in processing, further manufacture, other use or resale), such claim must be in writing and received by Seller within 180 days after Buyer's receipt of the Products. Failure of Seller to receive written notice of any such claim within the applicable time period shall be deemed an absolute and unconditional waiver by Buyer of such claim. Products may not be returned without Seller's permission and transportation for return will not be paid by Seller unless authorized in advance. Amounts owing to or payable by either party under this Agreement shall be deemed finally reconciled on the first anniversary of the final delivery under this agreement and any outstanding rights of either party to receive overpayments or under payments including rights to unclaimed credits or refunds shall expire on such date.
13. **FORCE MAJEURE.** Seller is not liable for nonperformance or delay in performance caused by circumstances beyond Seller's control ("Force Majeure Event"). A Force Majeure Event includes, without limitation, (a) acts of God, war, riots, fire, explosions, floods, strikes, lockouts, injunctions, accidents, Product short supply, unforeseen shutdown of major sources of supply, breakage of machinery or apparatus, or national emergency, (b) Seller's inability to obtain at prices Seller deems in its discretion to be commercially reasonable, the Product, fuel, power, raw materials, labor, containers or transportation facilities, (c) the occurrence of any unforeseeable contingency making performance impracticable, or (d) compliance in good faith with any applicable governmental statute, regulation, or order. Any delivery so suspended shall be cancelled without liability, but this Agreement shall otherwise remain unaffected. This section does not apply to payment obligations.
14. **QUANTITY.** Seller is not obligated to deliver in any month more than a proportionate part of the maximum quantity specified, determined by dividing such maximum quantity by the total number of months included in the period of this Agreement. When in the opinion of Seller there is a period of shortage of supply of said products for any reason, Seller may allocate its available supply among any or all of its various customers upon such basis as it shall deem fair and practicable, with no liability on its part for failure to deliver the quantity or any portion therein specified.
15. **PRODUCT STEWARDSHIP.** Buyer agrees that Products will be used, handled, stored, transported and disposed of in such a manner as is necessary for the safety and protection of persons, property and the environment, and in accordance with the manufacturer's recommendations and applicable laws and regulations. Buyer agrees to instruct its employees with respect to, and to make certain that they know and understand, procedures necessary to enable them to comply with the requirements set forth herein and make certain that they are adequately trained in the use, handling, storage, transportation and disposition of the Products. Buyer further agrees to deliver the most recent edition of Product literature, including SDSs, to its employees and customers and to maintain a written record of such deliveries. Buyer shall only sell to those who can handle, use, store, transport and dispose of Products safely.
16. **TERM AND TERMINATION.** The Term is for the period stated in the Agreement or, if none, continues until terminated by either party on 30 days written notice. This Agreement and any order or delivery may be terminated or suspended (a) by either party if any proceeding under bankruptcy is brought by or against the party, (b) by a party if the other party defaults in its material obligations and such default is not cured within a reasonable time if such default is curable, or (c) by Seller if it has reason to doubt the ability or willingness of Buyer to pay for the Products.
17. **ARBITRATION.** The parties will submit any dispute related to this Agreement to arbitration in Seattle, Washington before one arbitrator under the American Arbitration Association's Commercial Arbitration Rules. A party may seek interim relief from any court having jurisdiction without waiving any remedy under this Agreement. The arbitrator may not award punitive damages or other damages not measured by actual damages, or limit, expand or otherwise modify the terms of this Agreement. A party may enter a judgment on an award in any court having jurisdiction. The prevailing party is entitled to an award of reasonable attorney fees. This Agreement is governed by the laws of the state of Washington.



INVOICE

Section 4, Item A.

Remittance Instructions Below.	Invoice Number 52730627	Invoice Date 22 Jan 2025	Due Date 08 March 2025
	P.O.Number 0072565	Payment Terms Net 45 Days	Payer Number 834058
	Shipped From MIDDLETOWN EMAUS ST PLANT BLK	Sales Order Num / Univar PO Num 15123779 / 4527398254	Bill-To Number 834058
	Release Number	Bill of Lading Number KCC02SDH0022018	Incoterms : DDP Dest, Frl Prepaid

Billing address
MARYLAND ENVIRO SERVICE
259 NAJOLES ROAD
MILLERSVILLE MD 21108

Shipping address
FROSTBURG WATER PLANT
19400 NATIONAL HWY NE
FROSTBURG MD 21532

Qty.	UoM	Material Number	Material Description	Batch Number	Billing Qty	UoM	Unit Price	Amount USD
4,009.600	GAL	16181059	SOD HYPO 12.5% KUEHNE BULK NSF LIQ		4,009.600	GAL	2.4000	9,623.04

Should you have any questions regarding this invoice, please contact GIOVANNA ESTRADA at	Customer Solutions 1-800-531-7106 Option 1	Invoice Total : USD	9,623.04
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Pay Online Sign in or register on www.univarsolutions.com/invoices Remit to 62190 Collections Center Drive Chicago IL 60693-0621	ACH Electronic Funds Transfer Univar Solutions USA Bank of America, National Association Account Number:4427142686 BOFA Routing Number:111000025	WIRE Transfer International Univar Solutions USA Bank of America, National Association Account Number:4427142686 Routing Number DOM. WIRES: 026009593 SWIFT Code INTL. WIRES: BOFAUS3N
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Please refer to the invoice number on the remittance.
Please return remittance advice with payment or email to: cashapps@univarsolutions.com
 Please report disputed invoices within 10 days of receipt; Payment terms on undisputed invoices remain as listed

Comments:

Federal ID number 91-1347935
 The terms and conditions of this sale are set forth at <http://www.univarsolutions.com/sales-terms>



INVOICE

Section 4, Item A.

Remittance Instructions Below.	Invoice Number 52735260	Invoice Date 27 Jan 2025	Due Date 13 March 2025
	P.O.Number 0074126	Payment Terms Net 45 Days	Payer Number 834058
	Shipped From ALTOONA SUGAR RUN RD PLANT PKG	Sales Order Num 15086934	Bill-To Number 834058
Release Number	Bill of Lading Number 6600979909	Incoterms : DDP Dest, Fri Prepaid	Ship-To Number 804447

Billing address
 MARYLAND ENVIRO SERVICE
 259 NAJOLES ROAD
 MILLERSVILLE MD 21108

Shipping address
 FROSTBURG WATER PLANT
 19400 NATIONAL HWY NE
 FROSTBURG MD 21532

Qty.	UoM	Material Number	Material Description	Batch Number	Billing Qty	UoM	Unit Price	Amount USD
5	DR	16147401	CARUS 3190 DR400 NSF LIQ	7787922501	1,650	LB	2.0200	3,333.00

Should you have any questions regarding this invoice, please contact GIOVANNA ESTRADA at	Customer Solutions 1-800-531-7106 Option 1	Invoice Total : USD	3,333.00
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Pay Online Sign in or register on www.univarsolutions.com/invoices Remit to 62190 Collections Center Drive Chicago IL 60693-0621	ACH Electronic Funds Transfer Univar Solutions USA Bank of America, National Association Account Number:4427142686 BOFA Routing Number:111000025	WIRE Transfer International Univar Solutions USA Bank of America, National Association Account Number:4427142686 Routing Number DOM. WIRES: 026009593 SWIFT Code INTL. WIRES: BOFAUS3N
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Please refer to the invoice number on the remittance.
Please return remittance advice with payment or email to: cashapps@univarsolutions.com
 Please report disputed invoices within 10 days of receipt; Payment terms on undisputed invoices remain as listed

Comments:

Federal ID number 91-1347935
 The terms and conditions of this sale are set forth at <http://www.univarsolutions.com/sales-terms>

Print date 28 J 6



INVOICE

Section 4, Item A.

Remittance Instructions Below.	Invoice Number 51845815	Invoice Date 12 Feb 2024	Due Date 28 March 2024
	P.O.Number REQ 0061944	Payment Terms Net 45 Days	Payer Number 834058
	Shipped From ALTOONA SUGAR RUN RD PLANT PKG	Sales Order Num 14193053	Bill-To Number 834058
Release Number	Bill of Lading Number 6600776993	Incoterms : DDP Dest, Fri Prepaid	Ship-To Number 804447

Billing address
MARYLAND ENVIRO SERVICE
259 NAJOLES ROAD
MILLERSVILLE MD 21108

Shipping address
FROSTBURG WATER PLANT
19400 NATIONAL HWY NE
FROSTBURG MD 21532

Qty.	UoM	Material Number	Material Description	Batch Number	Billing Qty	UoM	Unit Price	Amount USD
50	BAG	16140057	HYDRODARCO B BAG111 Product of: US	5385560	2,000	LB	2.4900	4,980.00

Should you have any questions regarding this invoice, please contact DIANE CHISLOCK at 215-337-6204	Customer Solutions 1-800-531-7106 Option 1	Invoice Total : USD	4,980.00
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Pay Online Sign in or register on www.univarsolutions.com/invoices Remit to 62190 Collections Center Drive Chicago IL 60693-0621	ACH Electronic Funds Transfer Univar Solutions USA Bank of America, National Association Account Number:4427142686 BOFA Routing Number:111000025	WIRE Transfer International Univar Solutions USA Bank of America, National Association Account Number:4427142686 Routing Number DOM. WIRES: 026009593 SWIFT Code INTL. WIRES: BOFAUS3N
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Please refer to the invoice number on the remittance.
Please return remittance advice with payment or email to: cashapps@univarsolutions.com
Please report disputed invoices within 10 days of receipt; Payment terms on undisputed invoices remain as listed

Comments:

Federal ID number 91-1347935
The terms and conditions of this sale are set forth at <http://www.univarsolutions.com/sales-terms>

Print date

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INVOICE

Section 4, Item A.

Remittance Instructions Below.	Invoice Number 52259934	Invoice Date 18 Jul 2024	Due Date 01 Sep 2024
	P.O.Number 0068708	Payment Terms Net 45 Days	Payer Number 834058
	Shipped From ALTOONA SUGAR RUN RD PLANT PKG	Sales Order Num 14678030	Bill-To Number 834058
Release Number	Bill of Lading Number 6600870859	Incoterms : DDP Dest, Frt Prepaid	Ship-To Number 804447

Billing address
 MARYLAND ENVIRO SERVICE
 259 NAJOLES ROAD
 MILLERSVILLE MD 21108

Shipping address
 FROSTBURG WATER PLANT
 19400 NATIONAL HWY NE
 FROSTBURG MD 21532

Qty.	UoM	Material Number	Material Description	Batch Number	Billing Qty	UoM	Unit Price	Amount USD
1	DR	16147109	SUPERFLOC N-1986 DR400 NSF LIQ Product of: US	1N00204584	465	LB	3.7207	1,730.13


Should you have any questions regarding this invoice, please contact DIANE CHISLOCK at 215-337-6204	Customer Solutions 1-800-531-7106 Option 1	Invoice Total : USD 1,730.13
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Pay Online Sign in or register on www.univarsolutions.com/invoices Remit to 62190 Collections Center Drive Chicago IL 60693-0621	ACH Electronic Funds Transfer Univar Solutions USA Bank of America, National Association Account Number:4427142686 BOFA Routing Number:111000025	WIRE Transfer International Univar Solutions USA Bank of America, National Association Account Number:4427142686 Routing Number DOM. WIRES: 026009593 SWIFT Code INTL. WIRES: BOFAUS3N
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Please refer to the invoice number on the remittance.
Please return remittance advice with payment or email to: cashapps@univarsolutions.com
 Please report disputed invoices within 10 days of receipt; Payment terms on undisputed invoices remain as listed

Comments:

Federal ID number 91-1347935
 The terms and conditions of this sale are set forth at <http://www.univarsolutions.com/sales-terms>



Activated Carbon Scope for Frostburg, MD

Calgon Carbon Corporation
3000 GSK Drive,
Moon Township, PA 15108

Date: 1/20/2025
Job Title: F300 Exchange
Job Location: Frostburg, MD

Product	Quantity	Unit Price	Total Price
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F300	19,000lbs	\$2.31/lb	\$43,890.00
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Items Included

- Product: F300 Bulk
- Quantity: 19,000lbs
- Scope: Pricing for the 2025 full exchange of 19,000lbs of F300 for Frostburg, MD.

Items NOT Included

- Any applicable taxes not included.

Schedule

- Delivery: To be determined upon receipt of a purchase order.

Special Terms & Conditions

1. Unless otherwise noted, or until other Terms and Conditions are provided, this offer is made only under Calgon Carbon Corporation's Terms and Conditions for the Sale of Carbon and Media.
2. Pricing provided is exclusive of any sales tax.
3. Scope of Supply/Pricing does not include any payment or performance bonds. Costs for any such bond (if necessary or requested by the buyer) will be added to the quoted pricing.
4. Upon acknowledgement of any purchase order, the buyer will be requested to complete a Credit Application and provide Tax Exemption Documentation.
5. The quoted price is valid until 3/31/2025.

For more information or to place an order, contact:

Zac Cronin

Calgon Carbon Corporation - A Kuraray Company

Inside Sales Rep - Drinking Water Solutions

Zachary.cronin@Kuraray.com

412-932-7709



Terms and Conditions for the Sale of Carbon and Media

1) DEFINITIONS:

- (a) Seller: Calgon Carbon Corporation or its applicable subsidiary or affiliate
- (b) Buyer: The buyer named in the Documentation
- (c) Documentation: The proposal, confirmation, acknowledgement or other contract, as applicable, for the sale of the Products to which these Terms and Conditions are attached
- (d) Goods: Any carbon cloth, carbon, resin, diatomaceous earth, and/or perlites sold pursuant to the terms of the Documentation
- (e) Products: The Goods and services, collectively, described in the Documentation
- (f) Agreement: The Documentation, these Terms and Conditions and any attachments referenced in the Documentation

2) GENERAL: Seller hereby offers for sale to Buyer the Products on the express condition that Buyer agrees to accept and be bound by the terms and conditions set forth herein. To the extent of a conflict between these Terms and Conditions and the express terms set forth in the Documentation, the terms set forth in the Documentation shall control. Any provisions contained in any document issued by Buyer are expressly rejected and if the terms and conditions set forth herein differ from the terms in any document issued by Buyer, this document shall be construed as a counter offer and shall not be effective as an acceptance of Buyer's document. In ordering and delivery of the Products, the parties may employ their standard forms; provided, however, that nothing in those forms shall be construed to modify or amend the terms of this Agreement. In the event of a conflict between this Agreement and either party's standard forms, this Agreement shall govern.

3) PRICE AND PAYMENT: The price shall be as stated in the Documentation. Unless otherwise stated in the Documentation: (a) The price is exclusive of any taxes, tariff, and duties of any kind which either party may be required to pay with respect to the sale of goods described in the Documentation, and Buyer shall be responsible for the payment of all taxes, tariffs and duties related hereto, except for income taxes imposed on Seller; (b) Sales tax will be added to the price based upon the Product destination unless tax exemption or direct pay documentation is provided; (c) Products will be billed for at the time of delivery; and (d) Payment terms shall be net thirty (30) days, or net forty-five (45) days if paid by Electronic Funds Transfer (EFT). A late payment fee of 1.25% per month, or the highest lawful rate, whichever is less, will apply to all amounts past due, and will be prorated per day. Retainage may only be applied on the final invoice. Buyer agrees that Seller, at its discretion, may accelerate and make due and payable all remaining payments if Buyer shall fail to perform any of its obligations hereunder or under the Documentation, including without limitation Buyer's failure to pay any amount when due, subject to any applicable cure periods provided for herein.

4) PRICING CONDITIONS:

(a) Unless otherwise indicated within the Documentation, all pricing quoted in connection with the Documentation is valid for purchase for a sixty (60) day period beginning with the date of the Documentation.

(b) If this Agreement shall continue into the next calendar year, the fees payable pursuant hereto will be adjusted on January 1st of such calendar year as outlined in the Documentation; provided that if the Documentation is silent, the mechanism set forth in Section 4(c) below will apply.

(c) If the Documentation is silent regarding the mechanism for adjustment of fees, the fees will be adjusted on January 1st of such calendar year by the annual percentage change in the combined average of two Producer Price Indices, as published by the United States Department of Labor: (i) Producer Price Index of other Petroleum and Coal Products Manufacturing, and (ii) Producer Price Index of Basic Organic Chemicals. The percent adjustment shall be calculated by taking the percent difference for each index during the twelve month period from January 1st through December 31st of the last completed calendar year as compared to the twelve month period from January 1st through December 31st of the calendar year immediately preceding the last completed calendar year. These two percentages will then be averaged for calculating the final percent increase to which all Goods will be subject. If the calculation would result in a negative adjustment, no changes shall be made for such year.

5) SALE AND DELIVERY: Sale terms and pricing, unless otherwise specified in the Documentation, are F.O.B. Seller's point of shipment (Incoterms® 2020). If freight is to be prepaid by Seller and added to the amount due, Seller shall add up to a thirty-five percent (35%) surcharge to the freight charges. Seller will have the right, at its election, to make partial shipments of the Products and to invoice each shipment separately. Seller reserves the right to stop delivery of

any Product in transit and to withhold shipments in whole or in part if Buyer fails to make any payment to Seller when due or otherwise fails to perform its obligations hereunder or under any other outstanding payment obligations of Buyer to Seller, whether related to the Documentation or otherwise.

6) TITLE AND RISK OF LOSS: Notwithstanding the trade terms indicated above and subject to Seller's right to stop delivery of any Goods in transit pursuant to Section 5 above, title to and risk of loss of the Goods will pass to Buyer upon delivery of the Goods by Seller to the carrier at Seller's point of shipment. Notwithstanding the foregoing or the provisions of the Uniform Commercial Code or Incoterms® 2020, if Buyer is located outside of the United States of America, title to the Goods, and all accessions to or products of the Goods, shall remain with Seller until the later of (a) payment in full of the purchase price and of other amounts owing by Buyer and (b) delivery to Buyer.

7) AVAILABILITY: Shipment dates (and delivery and installation dates, if included in the scope of work) are not guaranteed, and Seller will not be liable for any loss or damage resulting from any delay in delivery or failure to deliver which is due to any cause beyond Seller's reasonable control. In the event of a delay due to any cause beyond Seller's reasonable control, Seller reserves the right to reschedule the shipment within a reasonable period of time, and Buyer will not be entitled to refuse delivery or otherwise be relieved of any obligations as the result of such delay. If any delivery is delayed for more than thirty (30) days beyond the originally scheduled delivery date and such delay is caused by Buyer, Buyer will be subject to storage charges from the scheduled shipment date of two percent (2%) of the sale price per month; and such storage charge shall be due monthly on the first day of each month. Storage by Seller shall be at Buyer's risk and expense.

8) SERVICES:

(a) All orders which include services (including installation, supervision, startup, training, testing, etc.) as stated in the Documentation will require the completion of the Pre-Visit Checklist and Service Request Form prior to scheduling the visit. If there are delays, cancellations, or failures by Buyer to meet service personnel at designated times, then fees will be assessed to the customer at Seller's then-applicable per hour rate for each hour of delay for each person. For domestic or international travel, additional fees will apply.

(b) Buyer shall make the premises, where services are to be performed (the "Premises"), available to Seller at all reasonable times as Seller may request, such that Seller shall be able to perform the services in a timely manner. Buyer shall bear all risk and liability associated with its inability to make the Premises available to Seller to perform the services. Prior to the commencement of services, Buyer shall ensure that the Premises are in good repair and in safe condition, and shall notify Seller of any dangerous, unsafe or hazardous conditions associated with the Premises, such that Seller can take the appropriate safeguards. Prior to the commencement of any work, Buyer shall notify Seller of any special workplace requirements, safety standards, operating procedures or other conditions imposed on persons performing work at the Premises.

(c) Any spent activated carbon covered by this Agreement will be subjected to reactivation acceptance testing by Seller as described in Seller's Guidelines for Return for Reactivation of Granular Activated Carbon, which Seller may update from time to time in its sole discretion. Buyer will provide any information required by Seller relative to evaluating carbon acceptance. Seller reserves the right to reject any and all activated carbon if, in its judgment, it is unsuitable for reactivation. Further, Seller will periodically retest the spent activated carbon to assure it remains acceptable for reactivation and that it does not contain constituents that were not in the carbon acceptance sample and/or Adsorbate Profile Document. Seller reserves the right to apply a surcharge for reactivation of spent carbon with quality that creates excessive corrosion, slagging,

exothermic reactions, or other operational problems including lower furnace operating rates. If the spent activated carbon becomes unacceptable for reactivation, disposal of the carbon will be the responsibility of Buyer. Seller reserves the right to reactivate the spent carbon at any of its reactivation facilities where carbon acceptance exists.

9) PERMITS, LICENSES AND FEES: Buyer shall be responsible, at its sole expense, for all environmental permits, applications, regulatory approvals, and other permits or licenses that may be required for installation and/or operation of the Products.

10) TERMINATION: Seller may cancel this Agreement if any of the following occurs: (a) Buyer becomes insolvent; (b) Buyer ceases to conduct its operations in the normal course of business; (c) Buyer is unable to meet its obligations as they mature, or admit in writing such inability or fails to provide adequate assurances of its ability to perform its obligations hereunder; (d) Buyer files a voluntary petition in bankruptcy; (e) Buyer suffers the filing of an involuntary petition in bankruptcy and the same is not dismissed within thirty (30) days after filing; (f) a receiver, custodian or trustee is appointed for Buyer or for a substantial part of its property; (g) Buyer fails to make payment on the terms and within the time specified in this Agreement, or breaches any other obligations under this Agreement; or (h) Buyer executes an assignment for the benefit of its creditors. In the event of such cancellation, Seller shall have all rights and remedies set forth in the Uniform Commercial Code of any applicable jurisdiction and all other remedies available at law or in equity. Sections 2, 10, 11, 12, 14, 15, 16, 18, 19 and 20 shall survive termination or expiration of this Agreement.

11) LIMITED WARRANTIES:

(a) Unless otherwise specifically provided for in the Documentation, Seller warrants that all Products provided under this Agreement shall, at the time of delivery, conform to Seller's then-applicable specifications for such Products. Seller shall correct (by replacement of Goods or reperformance of services) any failure to conform to the foregoing warranty of which it is notified in writing within ninety (90) days from delivery. Any Goods removed in connection with such replacement may be reactivated or disposed of at Seller's sole discretion.

(b) THE OBLIGATIONS CREATED BY THIS WARRANTY TO REPAIR OR REPLACE DEFECTIVE GOODS OR TO PROVIDE CORRECTIVE SERVICES SHALL BE THE SOLE REMEDY OF BUYER IN THE EVENT OF DEFECTIVE GOODS OR SERVICES. THERE ARE NO WARRANTIES MADE WITH REGARD TO THE PRODUCTS OTHER THAN THOSE CONTAINED IN THIS SECTION. ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, ARE HEREBY DISCLAIMED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

(c) The sale of any Products pursuant to this Agreement does not include any license, express or implied, to practice any intellectual property owned or licensed by any third party. Buyer agrees not to use the Products for any patented use not set forth expressly in this Agreement, absent a separate license from the holder of such patent. Additionally, Buyer agrees not to resell or sublicense the use of Products for any use not expressly granted hereunder. Any warranty obligations do not apply to any specific use of the Products, application of the Products, modification of the Products, or combination of the Products with any product manufactured by any third party. Seller, except as noted herein, does not and will not warrant, indemnify, or in any other way share responsibility for Buyer's use, application, modification, or combination of the Products.

12) LIMITATION OF LIABILITY: Notwithstanding any provision to the contrary herein, except with respect to a breach of the confidentiality obligations set forth in Section 15 hereof, the parties hereto agree that in no event shall either party be liable to the other party for any indirect, special, consequential, incidental or punitive damages, or lost profits, as a result of a breach of any provision of this Agreement or for any other claim of any kind arising out of or relating to this Agreement, whether in contract, in tort or otherwise. Notwithstanding any provision to the contrary herein, for all losses, damages, liabilities or expenses (including attorney's fees and costs), whether for indemnity or negligence, including errors, omissions or other acts, or willful misconduct, or based in contract, warranty (including any costs and fees for repairing, replacing or re-

performing services or curing a breach hereof), or for any other cause of action (individually, a "Claim"; collectively, "Claims"), Seller's liability, including the liability of its insurers, employees, agents, directors, and officers and all other persons for whom Seller is legally responsible, shall not, to the maximum extent permitted by law, exceed in the cumulative aggregate with respect to all Claims arising out of or related to this Agreement, the lesser of (a) the total amount of compensation paid to Seller hereunder, and (b) One Million Dollars (\$1,000,000). All Claims of whatsoever nature shall be deemed waived unless made in writing within ninety (90) days of the occurrence giving rise to the Claim. Moreover, any failure of Buyer to notify Seller of unsatisfactory operation or any improper or unauthorized installation, maintenance, use, repair, or adjustment shall relieve Seller of any further responsibilities hereunder.

13) FORCE MAJEURE: Notwithstanding any provision to the contrary herein, Seller shall have no liability to Buyer or its affiliates, and shall have the right to suspend performance (including, without limitation, shipments) hereunder, in the event of war, riot, terrorism, accident, explosion, sabotage, flood, acts of God, fire, court order, strike, labor disturbance, work stoppage, national defense requirements, act of governmental authority, pandemic, epidemic, extraordinary failure of equipment or apparatus, inability to obtain electricity or other type of energy, raw material, labor, equipment or transportation, or other causes beyond Seller's reasonable control. It is understood and agreed that settlement of strikes, lockouts and other labor disputes shall be entirely within the discretion of Seller and that nothing in this Agreement shall require the settlement of strikes, lockouts and labor disputes when such course is inadvisable in the sole discretion of Seller.

14) EXPORT CONTROLS: Buyer acknowledges that the Products and related technology are subject to U.S. export control and economic sanctions laws and regulations, which may include the International Traffic in Arms Regulations (ITAR), the Export Administration Regulations (EAR) and regulations promulgated by the U.S. Department of the Treasury Office of Foreign Assets Control (OFAC). Buyer further acknowledges that the re-export of the Products and/or related technology to a third country or retransfer to an unapproved end user may require a license or other authorization from the Government of the United States. Such licenses or other authorizations may impose further restrictions on the re-export or retransfer of the Products and/or related technology. U.S. law also restricts the re-export or retransfer of U.S.-origin goods, technology, or services to countries or persons subject to U.S. sanctions or embargoes. Buyer represents and warrants that it is in compliance with and agrees to comply with all such applicable export control and economic sanctions laws and regulations. It is the sole responsibility of Buyer to apply for and obtain any necessary licenses or other authorizations prior to any re-export or retransfer of the Products and/or related technology. Seller makes no warranty that any such licenses or other authorizations will be granted, and shall have no liability for Buyer's inability to obtain such licenses or other authorization or for any violation by Buyer of any applicable export control and/or economic sanctions laws and regulations. Buyer will indemnify Seller and hold it harmless from any liability resulting from Buyer's violation of this provision or applicable export laws or regulations. Notwithstanding any other provision in this Agreement, Seller shall have the right to terminate this Agreement immediately upon the determination by Seller, in Seller's sole discretion, that Buyer has breached, intends to breach, or insists upon breaching any of the provisions in the above clauses.

15) CONFIDENTIALITY: Other than in the performance of the terms of this Agreement, neither Buyer nor its agents, employees, or subcontractors shall use or disclose to any person or entity any confidential information of Seller (whether written, oral, electronic or other form) that is obtained or otherwise prepared or discovered in connection with this Agreement. Buyer agrees that all pricing, discounts, design drawings and technical information that Seller provides to Buyer are the confidential and proprietary information of Seller, whether or not otherwise identified as such. The obligations under this section continue perpetually and survive the termination or expiration of any underlying agreement between the parties. The provisions of this section relating to use and disclosure shall not apply to any information that: (a) is or becomes generally available to the public other than as a result of a disclosure by Buyer under this Agreement; (b) becomes available to Buyer from a source other than Seller without breach of any obligation of confidentiality; (c) was independently developed by Buyer without violation of Seller's rights and without reference to the confidential information, as evidenced by written records, maintained in the ordinary course of business by Buyer; (d) is used or disclosed with the prior written approval of Seller; (e) is information previously known to Buyer as

evidenced by written records maintained by Buyer in the ordinary course of business, and not otherwise subject to any confidentiality restrictions; or (f) Buyer becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoenas, investigative demands or similar process) to disclose. The burden of proof that the information resides within one of the exceptions set forth above shall be on Buyer. If Buyer becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoenas, investigative demands or similar process) to disclose any of the confidential information, Buyer shall provide Seller with prompt written notice so that Seller may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement. If such protective order or other remedy is not obtained, or if Seller waives compliance with the provisions of this Agreement, Buyer shall furnish only that portion of the confidential information which Buyer is legally required to disclose and shall exercise its reasonable efforts to obtain reliable assurance that confidential treatment shall be accorded the confidential information. Buyer shall not undertake any qualitative or quantitative analysis, reverse engineering or replication of any of Seller's products, samples or prototypes without Seller's specific written authorization.

16) SECURITY INTEREST: Buyer hereby grants Seller a security interest in the Goods to secure the payment of the purchase price, and shall not sell, lease, transfer or encumber the Goods and will keep the Goods free from any and all liens and security interests until Seller has been paid in full. Buyer shall execute any and all documents reasonably requested by Seller to protect such security interests.

17) MANAGEMENT OF CHANGE: Seller is constantly striving to improve its products and capabilities and to provide the best product to its customers. Seller may from time to time develop product improvements or alterations with respect to the Products hereunder (the "Product Improvements"), and Seller may implement such Product Improvements without notice to Buyer so long as the performance of the Products will not be materially diminished, as determined in Seller's sole discretion, and so long as Seller has not separately agreed in writing to provide such notification to Buyer. In the event that Seller has agreed in writing to provide notice of Product Improvements to Buyer (the "Notice"), then Seller shall provide such Notice in accordance with the terms set forth in the separate writing.

18) APPLICABLE LAW AND JURISDICTION: This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to its conflict of law principles. The UN Convention on Contracts for the International Sale of Goods shall not apply to the transaction(s) represented hereby. The parties consent and submit to the exclusive jurisdiction and service of process of any state or federal court located in Allegheny County, Pennsylvania.

19) MISCELLANEOUS:

(a) Neither party may assign this Agreement, including without limitation any of its rights or obligations hereunder, without the express written consent of the other party hereto; provided that Seller may, without Buyer's consent, assign this Agreement, including without limitation any of its rights or obligations hereunder, to any of its parents, subsidiaries or affiliates or to any third party which merges with Seller or acquires all or substantially all of its business and assets or a substantial part of its assets or business relating to the Products. Seller may use subcontractors to fulfill its obligations pursuant to this Agreement.

(b) In the event of any legal proceeding between Seller and Buyer relating to this Agreement, neither party may claim the right to a trial by jury, and both parties waive any right they may have under applicable law or otherwise to a trial by jury.

(c) In the event that any one or more provisions (or portions thereof) contained herein shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions (or portions thereof) contained herein shall remain in full force and effect, unless the revision materially changes the bargain.

(d) Seller's failure to enforce, or Seller's waiver of a breach of, any provision contained in this Agreement shall not constitute a waiver of any other breach or of such provision.

(e) Seller reserves the right to correct clerical, arithmetical, or stenographic errors or omissions in this Agreement, invoices or other documents.

(f) Any notice or communication required or permitted hereunder shall be in writing and shall be deemed received when personally delivered or three (3) business days after being sent by certified mail, postage prepaid, to a party at the address specified in this Agreement, or at such other address as either party may from time to time designate in writing to the other.

(g) Buyer agrees that it will not use Seller's name(s), logo(s) or mark(s) in any public communication or press release, or for any other marketing or promotional purpose, without Seller's prior written consent.

(h) Terms used in this Agreement which are not defined herein and which are defined by the Uniform Commercial Code of the Commonwealth of Pennsylvania shall have the meanings contained therein.

20) ENTIRE AGREEMENT: With respect to the subject matter hereof, this Agreement constitutes the complete and exclusive statement of the contract between Seller and Buyer. No waiver, consent, modification, amendment or change of the terms contained in this Agreement shall be binding unless made in writing and signed by Seller and Buyer. Seller's failure to object to terms contained in any subsequent communication from Buyer (whether in a purchase order or other communication) will not be a waiver or modification of the terms set forth herein.

February 10, 2025

VIA E-MAIL

Todd Logsdon, Mayor
City of Frostburg
37 S. Broadway
Frostburg, Maryland 21532

Hayden Lindsey, Acting City Administrator
City of Frostburg
37 S. Broadway
Frostburg, Maryland 21532

Re: 2025 MDE Financing (the “Matter”)

Dear Mr. Logsdon and Mr. Lindsey:

We appreciate The City of Frostburg (“Client”) selecting McGuireWoods LLP (“McGuireWoods”) as your legal counsel in connection with the Matter. This letter, along with the attached McGuireWoods Standard Engagement Terms (dated 1 January 2023), state the terms of our engagement (“Engagement Agreement”), unless we mutually agree on different terms and confirm them in writing. Please review this letter and the attached terms, and contact me if you have any questions about the Engagement Agreement.

1. **Nature and Scope of Services.** In the Matter, McGuireWoods will represent Client in connection with serving as bond counsel to City of Frostburg in connection with a taxable water quality loan from Maryland Department of the Environment.

Unless the previous paragraph limits the scope of our engagement, McGuireWoods will perform all services reasonably associated with our work on the Matter. If Client asks us to expand the scope of our work, and McGuireWoods agrees in writing to the expanded scope of work, the terms set out in the Engagement Agreement will apply to our work.

Unless such services are specifically mentioned above, our work on the Matter will not include (a) tax advice or (b) advice on any disclosure obligations, including those imposed by federal securities law.

2. **Conflicts of Interest.** We did not identify any conflicts of interest that would prevent McGuireWoods from representing Client in the Matter.

Three sections of the Standard Engagement Terms – Consent to Representing Adverse Parties in Unrelated Matters; Consent to Representing Other Clients Adverse to Client; and Competing Client

Interests – confirm your prospective consent to certain future conflicts of interest. These provisions require no additional notice to you in the event we choose to rely on such prospective consents.

3. **Fees for Our Services.** Our fees are based on current hourly billing rates, which we usually adjust annually, of the lawyers and other timekeepers who work on the Matter. These rates vary depending on our lawyers’ experience and expertise. We will notify you when we adjust our billing rates, which currently range from \$665 for new associates to \$1,680 for senior partners. We will provide a 15% discount on the hourly rates of our attorneys and professionals who work on your matter. The current rates for the people who will likely work on the Matter are:

	<u>Standard Rate</u>	<u>Discounted Rate</u>
Anna C. Horevay, Partner	\$1,150.00	\$977.50
Clint Randolph, Counsel	\$1,070.00	\$909.50
Barbara Funk, Paralegal	\$425.00	\$361.25

4. **Additional Terms.** The attached Standard Engagement Terms set out additional terms that govern McGuireWoods’ representation of Client in the Matter. Those terms are part of the Engagement Agreement. Please review them carefully and contact me if you have any questions or concerns.

5. **Acceptance of Terms.** Please sign and return a copy of this letter to confirm your acceptance of the Engagement Agreement for the Matter.

McGuireWoods is pleased Client has selected us to serve as counsel. We look forward to serving and working with Client. Please contact me promptly if the Engagement Agreement does not set forth your understanding of the scope and terms of our engagement, and feel free to call me in the future if you have any questions or concerns.

Sincerely,

McGuireWoods LLP

By: Anna C. Horevay
Anna C. Horevay, Partner

By executing this letter, I represent and warrant that I am duly authorized on Client’s behalf in my representative capacity to do so, and I confirm that the Engagement Agreement accurately states the terms upon which Client has retained McGuireWoods in the Matter, and Client understands and agrees to be bound by those terms.

The City of Frostburg

Date: _____

By: _____
Todd Logsdon, Mayor

Date: _____

By: _____
Hayden Lindsey, Acting City Administrator

Who McGuireWoods Represents

Our attorney-client relationship is limited to the person or entity identified in the attached engagement letter. McGuireWoods does not represent any other person or entity in the Matter unless we agree in writing to such representation.

That means, absent a written agreement to the contrary, if Client is a corporate entity or any other type of organization, we do not represent any of your parent entities, subsidiaries, affiliates, employees, members, officers, directors, shareholders, or partners in the Matter. Similarly, if Client is an individual, we do not represent any of your family members.

Because McGuireWoods does not represent any entity other than Client, we may represent other clients in matters unrelated to the Matter, including litigation, where our clients are adverse to persons or entities that are affiliated with you, without obtaining Client consent.

New Affiliations

If Client becomes affiliated with another company via acquisition, merger, or other transaction, you will promptly notify us of the change so that we can assess whether the new affiliation creates any conflicts of interest for McGuireWoods or a situation where we may choose to no longer represent you. Our representation of Client cannot be assigned to a new entity without McGuireWoods' written consent.

Cooperation

Client must disclose all facts of which you are aware and keep us advised of all developments relating to the Matter for McGuireWoods to represent Client effectively. We will contact Client at the most recent mailing and electronic addresses you provide. You agree to advise us of any changes to your contact information. If

Client is an organization, you also agree to advise us of any changes in your organizational structure, and when necessary, provide contact information for your successor.

We will keep you informed about the status of the Matter and answer any questions you may have.

Confidentiality

McGuireWoods will not provide Client with any confidential information about our other clients, even if that information could be beneficial to you in the Matter. We will not provide Client's confidential information to any of our other clients.

Usage of Cloud Services

McGuireWoods may use cloud services to transfer and store electronic data, including emails and documents containing confidential information. McGuireWoods evaluates third-party service providers that have access to confidential client information and requires their adherence to (i) industry standard frameworks for information security to protect the confidentiality, integrity, and availability of data, and (ii) applicable data protection laws. Cloud service providers the firm uses operate under service agreements that impose safeguards consistent with our legal and ethical obligations.

Although use of cloud technology creates a risk that unauthorized parties may access confidential information, Client agrees that the benefits of using cloud technology outweigh the risks of a breach of a cloud service provider's data environment resulting in the unauthorized disclosure of confidential information. Client consents to McGuireWoods using cloud services and agrees to hold McGuireWoods harmless from any breach of a cloud service provider's data environment resulting from actions or circumstances that are not within

McGuireWoods' direct control.

McGuireWoods has a secure, encrypted file transfer system and a secure extranet that facilitate safely storing and sharing information between Client and the firm. If Client requires McGuireWoods to use a cloud service that the firm normally eschews (due to data security concerns) to store, share or exchange documents or other information generated or exchanged in the course of the Matter, McGuireWoods assumes no responsibility for the security of the data or the provider's security standards.

Client understands that encryption keys held by cloud service providers give them full access to data stored on their platforms, and that cloud services providers may be legally compelled to produce Client data to government agencies pursuant to "blind subpoenas," with no notice to Client or McGuireWoods.

Outside Contractors and Service Providers

McGuireWoods may use outside contractors and service providers to assist with certain areas of our practice and operations. For example, McGuireWoods may use consultants, advisors, experts, investigators, court reporters, translators, registered agents, local counsel, litigation support, courier services, and temporary or contract attorneys and paralegals. McGuireWoods may also employ service providers with special expertise in information technology, hardware and software systems, law firm practice management, accounting and financial matters, and electronic billing.

In the course of their work, some outside contractors and service providers may have access to confidential client and firm information. If that is the case for the Matter, the third-party service providers will operate under service agreements that are consistent with our legal and ethical obligations.

Consent to Representing Adverse Parties in Unrelated Matters

You consent in advance to McGuireWoods accepting matters for parties whose interests are adverse to yours where the matters are unrelated to the work we do for you and do not involve you as a party. More specifically, if we are representing you in a matter adverse to a party that wishes to retain us to represent it in an unrelated transaction or litigation to which you are not a party, you consent in advance to McGuireWoods accepting that engagement. Of course, we will continue to protect the confidentiality of your information.

Consent to Representing Other Clients Adverse to Client

In addition, McGuireWoods may be asked to represent other clients (meaning both existing clients and future clients) that may be Client's direct competitors or have business and legal interests that are contrary to your interests.

These clients may hire McGuireWoods for matters including, but not limited to, transactions, regulatory matters, lawsuits, and other dispute resolution proceedings. In these matters, our other client's interests may be or potentially may become directly adverse to your interests.

As a condition of our representation of Client in the Matter, you consent in advance to our representation of other clients in matters like the ones described in the previous paragraph, provided that the matter is unrelated to matters in which we represent you.

Obtaining a prospective consent from our clients helps McGuireWoods preserve our ability to represent a wide range of individuals and entities, including Client, and through these representations develop broad legal expertise. In connection with the

prospective consent, Client understands and agrees to the following:

1. You will not use any matter we handle for you to assert a conflict of interest or to otherwise seek to disqualify McGuireWoods from any matter adverse to you, provided that the matter is not related to work we have done for you.
2. You waive any conflict of interest that may exist and any other basis that may be used to disqualify McGuireWoods in such a matter.
3. McGuireWoods has given you the opportunity to consult with other counsel about this consent.
4. Your consent to our representation of other clients adverse to you on the terms set out above is voluntary and informed.
5. You intend for this consent to be enforceable and understand that McGuireWoods may rely upon it.

Competing Client Interests

Our clients sometimes compete for the same assets (e.g., in the auction of a company). If the Matter involves this type of situation, you consent to our representation of other clients (i.e., competing bidders or purchasers) in the same matter.

Similarly, we may represent another client in obtaining patents or other intellectual property rights that may affect your interests, even though you are not involved directly in the matter as an adverse party. You consent to our handling such matters without disclosure to you, and you agree that you will not use our representation of you as a basis to seek disqualification of McGuireWoods from such a matter.

In situations like the ones described in the preceding two paragraphs, McGuireWoods will create separate teams for Client and each other client and will establish an “ethics screen” to prevent the exchange of

confidential information among the teams. Our duty of confidentiality may prevent us from identifying our other clients for you or disclosing your identity to our other clients.

McGuireWoods Consulting, LLC

McGuireWoods Consulting, LLC (“MWC”) is a wholly owned subsidiary of the McGuireWoods law firm. MWC provides non-legal services, including government and public affairs, advocacy communications, infrastructure and economic development, and other strategic consulting services. MWC does not practice law. This engagement for legal services does not include MWC’s services or create a client relationship with MWC. If you choose to hire MWC, a separate engagement agreement with MWC will be established. You are not required to hire the McGuireWoods law firm to obtain MWC’s services, or vice versa. You acknowledge that you are not represented by MWC in the Matter, and you consent to MWC’s representation of other persons and entities on legislative, administrative, or other matters within MWC’s consulting purview that may adversely affect your interests, directly or indirectly, but are unrelated to the Matter.

Lobbying

If any legal work provided by the McGuireWoods law firm is considered lobbying under U.S. federal or state laws, we may have certain registration and reporting duties about our activities on your behalf. We will bill you for the time spent preparing and filing any required reports.

Insurance Coverage

You may have insurance coverage that is relevant to the Matter. Contact your insurance carrier to explore potential coverage for any claim or potential claim that may be involved in the Matter.

Unless we agree in writing to do so, McGuireWoods will not advise you on the availability of insurance coverage or indemnification from other parties for the fees, costs, and expenses related to the firm's work on the Matter.

If an insurance company pays your fees, costs, and expenses related to the Matter, you agree to pay any difference between what the insurer agrees to pay McGuireWoods, and the total amount due under the fee and payment terms described in the Engagement Agreement.

HIPAA

If you are a "covered entity" (as defined by the Health Insurance Portability and Accountability Act ("HIPAA")) and our services will require the use of any protected health information, you should notify us before sending or discussing such information. Our standard practice is to execute a business associate agreement to comply with your obligations under HIPAA as a covered entity and our obligations as a business associate.

Marketing

McGuireWoods shares transactional matter information with aggregators, legal directories, and rating services such as Bloomberg, Thomson Reuters, and Chambers and Partners. This is limited to high-level information regarding transactions, including identification of the parties involved. Those entities use such information in their league tables and rankings and for other similar purposes. We may also use such high-level information in firm marketing materials, such as "tombstones" and website experience descriptions. (We will provide samples of such materials and submissions upon your request.)

Unless you tell us otherwise, we may use information relating to transactions in which McGuireWoods has represented you for these limited purposes. In addition, you have our permission to identify McGuireWoods

and our lawyers in press releases and other announcements regarding transactions in which the firm represents you.

Costs and Expenses

In addition to fees for the legal services described in the attached letter, McGuireWoods will charge you for all costs and expenses associated with our provision of services in the Matter. These charges may include, but are not limited to, travel expenses, delivery and courier services, photocopying, express mail, air courier services, online legal research, staff overtime, document reproduction, and court fees, and outside contractor and service provider costs and expenses related specifically to the Matter.

Unless Client makes special arrangements with McGuireWoods, Client is responsible for paying bills from outside contractors and service providers related to the Matter. McGuireWoods may instruct them to bill you directly for their services. Unless otherwise agreed, outside contractors and service providers are deemed to be directly engaged by Client even if their bills or invoices are addressed to McGuireWoods. If outside contractors or service providers send bills or invoices to us, we will re-direct them to you for payment. McGuireWoods may elect to pay some outside bills or invoices not exceeding \$1,000.00 or delay payment until you have reimbursed us. Client agrees to pay invoices for costs and expenses promptly upon receipt, and further agrees that while McGuireWoods is acting as the Client's counsel, we have the authority to use our best judgment in authorizing such expenditures.

Ediscovery services, if requested by Client, will be billed to Client by the hour as legal services at an agreed-upon rate. McGuireWoods will also bill Client directly for litigation support and technology services that Client engages the firm to provide in connection with the

Matter. Litigation support services may include database creation, as well as data review, storage, and retrieval. Technology services may include using data analytics and other data science techniques to extract knowledge and insights from data, creating dashboard platforms or using collaboration service platforms. Costs incurred for litigation support and other technology services provided by McGuireWoods will be billed by the hour. McGuireWoods may also bill Client pass-through expenses associated with the firm's use of technology licensed by third parties.

Billing

We will keep accurate records of the time we devote to the Matter, including, but not limited to, conferences, negotiations, preparation of correspondence, factual and legal investigation, research and analysis, document preparation and revision, court appearances, travel on your behalf, and other Matter-related tasks. We record time in tenths of an hour, and our monthly billing statements will itemize the time devoted to the Matter as well as fees, costs, and expenses.

Payment Terms

Our statements are due within 30 days after receipt, unless we enter into a written agreement providing a different term. Except in those instances in which we agree to a written contingent fee arrangement, the payment of our fee is not dependent upon the successful outcome of a matter.

Occasionally, clients have difficulty making timely payments. To avoid unfairly burdening other clients who pay amounts due in a timely manner with higher fees reflecting the costs we incur as a result of delinquent accounts receivable, McGuireWoods may assess a monthly service charge of 1 percent on unpaid balances, where allowed by law.

Audit Response Letters

If Client hires an accountant to audit its financial statements, the accountant may want McGuireWoods to provide a written description of pending or threatened claims or lawsuits to which we have given substantive attention on Client's behalf. Audit requests are typically conveyed in a form letter the accountant asks you to send us. Even if such requests do not implicate our work for Client on the Matter, we will bill you for our services in responding to the requests on your behalf in accordance with the billing and payment provisions for the Matter.

Production of Client Information

Client agrees to compensate McGuireWoods at our normal hourly rates, plus costs and expenses, for work done by the firm or its outside counsel where (1) McGuireWoods is requested or authorized by you or your authorized successor, or required by government regulation, subpoena or other legal process, to produce information or our personnel as witnesses with respect to our work for you in the Matter; (2) McGuireWoods is not a party to the proceeding in which the information is sought; and (3) the request for information arises out of or in connection with our work for you in the Matter. This obligation applies even if our representation of you has ended.

Termination

Our attorney-client relationship with respect to the Matter will terminate without further notice when we complete the services for which you have retained us in the Matter.

You may terminate our representation of you at any time by notifying us in writing. Termination of our services will not affect your responsibility (1) to pay McGuireWoods' fees for services rendered and costs and expenses incurred before the engagement was terminated, and (2) when necessary, to

facilitate an orderly transition of your matter to new counsel.

Subject to applicable law and rules of professional conduct, McGuireWoods may terminate our representation of you during the Matter if you do not pay fees, costs, and expenses in a timely manner. We also reserve the right to withdraw from our representation of you as required or permitted by the applicable rules of professional conduct upon written notice to Client. If we terminate the representation, we will take reasonable steps to protect Client's interests in the Matter. Client agrees to take all action necessary to end the representation, including executing any documents necessary to perfect our withdrawal as your counsel. For example, if a court or other adjudicator requires permission for withdrawal, we will promptly request such permission, and Client agrees not to oppose our request.

Post-engagement Responsibility

After completion of our engagement, changes may occur in applicable laws and regulations that could affect your rights and liabilities. Unless Client specifically re-engages McGuireWoods after completion of our engagement in the Matter to provide additional advice on such issues, McGuireWoods has no continuing obligation to advise you on any future legal developments that may pertain to the Matter.

Subsequent Matters

If McGuireWoods agrees to handle additional matters for Client in the future, and McGuireWoods does not propose new engagement terms, the Engagement Agreement will apply to the new representations, except for terms relating to the nature and scope of services to be provided, and conflicts of interest, which will be separately addressed.

Record Retention

At the conclusion of the Matter, we will return to you any records that you or your authorized successor specifically request us, in writing, to return. McGuireWoods may keep copies of records we return in accordance with our then-current record retention policy and the applicable rules of professional conduct.

When we close a completed matter, the firm discards duplicate documents and other inconsequential materials. Although our record retention policy is subject to change, we currently store hard copy and electronic records for seven years after we close a matter in accordance with our internal procedures. After seven years, or the period established by the firm's then-current record retention policy, stored records may be destroyed, with no further notice to you, except for records of continuing significance, such as wills, bonds, and stock certificates. Upon receipt of a written request from you or your authorized successor, McGuireWoods will return or transfer your records at any time before they are destroyed.

Opinions

Any opinion we offer about the outcome of the Matter is an expression of our legal judgment, not a promise or guarantee. Our opinion is limited by our factual knowledge and is based on current law when the opinion is provided.

Indemnity

Client understands and agrees that McGuireWoods will not provide any contractual indemnity to Client or any Client affiliate; local or co-counsel; consultant or expert witness; outside vendor, contractor or service provider; or any other third party in connection with the Matter.

Severability

If any term of the Engagement Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent it is invalid, illegal, or unenforceable. All other terms will remain in full force and effect. To the extent permitted and possible, an invalid or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term.

Internal Legal Advice

During our representation of you, our lawyers may have questions about their legal and ethical obligations. These lawyers may seek advice from our internal counsel, including lawyers in our Office of General Counsel and other lawyers who assist the Office of General Counsel and do not work on the Matter.

You agree that:

1. For the purpose of seeking advice, we may disclose your confidential information to our internal counsel.
2. You waive any conflicts of interest that could arise when one or more of our internal counsel address issues concerning you and any other current clients of the firm.
3. Any advice given by such counsel will be protected by the firm's attorney-client privilege, both during and after our representation of you.

Notice for Texas Matters

The State Bar of Texas investigates and prosecutes professional misconduct committed by Texas attorneys. Although not every complaint against or dispute with a lawyer involves professional misconduct, the State Bar's Office of Chief Disciplinary Counsel will provide you with information about how to file a complaint. Call 1-800-932-1900 for more information. In addition,

McGuireWoods subscribes to the professionalism principles contained in the [Texas Lawyers' Creed](#).

Notice for California Non-Contingency Matters

Upon request by Client, McGuireWoods shall provide a bill to Client no later than 31 days following the date the most recent bill was provided. The Client may make similar requests at intervals of no less than 30 days following the initial request. In responding to Client requests for billing information, McGuireWoods may use billing data that is currently effective on the date of the request, or, if any fees or costs to that date cannot be accurately determined, they shall be described and estimated.

Advice of Other Counsel

You understand that the Engagement Agreement is legally binding. You have the right, and have had a reasonable opportunity, to ask another lawyer to review and advise you about the advisability of accepting the terms of the Engagement Agreement, including but not limited to the scope of the engagement; fee, cost and payment provisions; and the consents requested and provided.

Entire Agreement

The attached letter and these Standard Engagement Terms constitute the Engagement Agreement between McGuireWoods and Client regarding the Matter. You acknowledge that there are no other agreements (either oral or written) with McGuireWoods regarding the Matter. No additional terms, or modification or waiver of any previously agreed upon terms, are valid unless agreed to in writing by both McGuireWoods and Client.



PROPOSAL

SERVLINE UTILITIES PROTECTION

We pay for high water bills caused by customer leaks

HOMESERVE USA
7134 Lee Highway, Chattanooga, TN 37421
1 (866) 974-4801, info@servline.com, www.servline.com

Prepared For

CITY OF FROSTBURG

37 S. Broadway, PO BOX 440
Frostburg, MD 21532

Proposal Issued: February 10, 2025

Proposal Valid:
30 Days from Issue Date

This proposal shows the premiums for the general coverage described, but in no way changes or affects any terms, conditions or exclusions of policies as actually issued. Premiums shown are based on information furnished to the company. Insurance for the ServLine program is issued to utilities and placed through HomeServe Insurance Agency Corp., a licensed Insurance agency. ServLine is a registered trademark.

CITY OF FROSTBURG

We understand that you are tirelessly working to improve and supply the best overall product while also often thanklessly striving to offer excellent customer service.

DESPITE ALL YOUR EFFORT – CUSTOMER LEAKS STILL CAUSE

- Financial Strain
 - Administrative *and* Customer Burden
 - Issues to Undermine Public Perception
-

MEET SERVLIN BY HOMESERVE

ServLine is a full-service customer leak solution. We pay for high water bills caused by customer leaks by insuring the Utility. More specifically, by insuring the Leak Protection Program and then administering it on your behalf.

- Financial Assistance
- Administrative Support & Customer Relief
- Public Relations Credibility



COMPARISON TERMS

- LAP: Leak Adjustment Policy
- LPP: Leak Protection Program
- Frequency: Determined by the number of times an adjustment can be filed in a given time
- Qualifications: Determined by whether or not there is a limit that must be met prior to allowing for an adjustment
- Benefits are reflective of your current Leak Adjustment Policy & data
- Benefits are determined by how customer leaks are being adjusted. Unprovided benefits will not be covered

CITY OF FROSTBURG - CURRENT LAP

SERVLIN LEAK PROTECTION PROGRAM (LPP)

BENEFIT FREQUENCY

1 Occurrence/ 48-months
1 Billing cycle allowed per occurrence

BENEFIT FREQUENCY

1 Occurrence/ 12-months
2 Consecutive billing cycles allowed per occurrence
Ex. 1 billing cycle (month bill), 2 billing cycles (months)

BENEFIT QUALIFIER

Refer to Ordinance 2024-03, Sec. 6-7.

BENEFIT QUALIFIER

2X Average Bill

ADDITIONAL COVERED BENEFITS

Refer to Ordinance 2024-03, Sec. 6-7.

ADDITIONAL COVERED BENEFITS

Dripping/ Leaking Faucets
Running Toilets/ Commodes
Water Heaters
Unattended Homes
Faulty Customer Plumbing



CITY OF FROSTBURG

PROPOSED SAMPLE LEAK PROTECTION PROGRAM POLICY

City of Frostburg is changing our Leak Adjustment Policy effective DATE 1, 2025. The following are qualifications for leak adjustments for the City of Frostburg:

1. It is the customer's responsibility to keep their plumbing system in good working order.
2. No customer shall receive more than one (1) leak adjustment that could incorporate a maximum of two (2) consecutive billing cycles per occurrence during any twelve (12) month period.
3. To qualify for a leak adjustment, the eligible plumbing leak must generate a minimum additional charge of at least two (2) times the average of the past twelve (12) months' bills.
4. Adjustments on water bills will NOT be made on the following:
 - a. Residential Customers who do not have their own water meter.
 - b. Commercial or Industrial Customers.
 - c. Premises left or abandoned without reasonable care for the plumbing system.
 - d. Leaks on irrigation systems or irrigation lines, leaks in water features such as fountains, etc., leaks on any water lines coming off the primary water service line, plumbing leaks in any structure other than the primary residence.
 - e. Negligent acts such as leaving water running.
 - f. Excess water charges not directly resulting from a qualifying plumbing leak.
 - g. Filling of swimming pools or leaks in swimming pools.
 - h. Watering of lawns or gardens.
 - i. *Master-metered multi-habitational accounts. (OPTIONAL)*
5. In the event of a qualifying leak adjustment, the customer will be responsible for paying their average bill. The average bill will be calculated using the previous twelve (12) months' bills, excluding the high bills pertaining to the qualifying leak. The leak adjustment amount will be reimbursed up to City of Frostburg's chosen protection limit less the customer's average bill.
6. The City of Frostburg shall not be obligated to make adjustments of any bills not submitted for adjustment within ninety (90) days from the billing date.
7. Customers must have leak repaired before an adjustment will be made and may be requested to present proof of repair. (i.e. copy of invoice for materials or bill from plumber)
8. In any case where a customer might incur a leak before there is three (3) months of average usage, an adjustment will not be made until they have established three (3) months of average usage.
9. Any enrolled customer may decline to participate in our ServLine Leak Protection Program by calling Phone Number. Any customer declining to participate in the program will be responsible for the full amount of their water bill with no adjustments being made. Our new City of Frostburg ServLine Program is the only way qualifying leak adjustments will be made for leaks occurring after DATE 1, 2025.





LEAK PROTECTION PROGRAM

Imagine what you could do if you were paid for every customer's high water bill – and no longer had to manage their frustration over having to pay for it.



WATER & SEWER LEAK PROTECTION COMBINED

Limit of Protection	Residential Monthly Rate
\$500 (Per Occurrence)	\$ 1.55
\$1,000 (Per Occurrence)	\$ 1.70
\$2,500 (Per Occurrence)	\$ 2.05

Deductible
Reporting Conditions
Reporting & Adjustment Period

Waived
Customer Schedule
Monthly

Special Terms and Conditions

- Coverage will be designed to reflect City of Frostburg's Leak Protection Guidelines and eligibility established with ServLine.
- Master Metered Habitational (Residential Only) \$5.00 per unit
 - Limit Applies to Property Only and does not apply to units directly.
- Charges will be applied to the customers' utility bill.
- Limit of protection to be selected by the Utility.

Note: Discount on rates if the above coverages are offered by electing to include in your base rate rather than on the utility bill.





SERVLINE
by HomeServe®

APPENDIX



LEAK PROTECTION PROGRAM DEFINITIONS

- **Water Leak Protection**
Water Leak Protection covers excess water bills caused by a qualifying leak on the customer’s side of the meter/point of responsibility. Developed in cooperation with ServLine and set according to the Utility’s newly established Leak Protection Guidelines.
- **Sewer Leak Protection**
Sewer Leak Protection covers excess sewer bills in the event of a qualifying leak at the customer’s point of responsibility. Developed in cooperation with ServLine and set according to the Utility’s newly established Leak Protection Guidelines.
- **Residential**
Residential is defined as 2” meters or less with a single residential unit occupied as a residency. A qualifying unit must have a single meter to which it can be accounted for independently.
- **Commercial**
Commercial is defined as 2” meters or less with business or agricultural occupancy excluding master-metered habitational. A qualifying unit must have a single meter to which it can be accounted for independently.
Single Occupancy - Building has one business occupying space.
Multiple Occupancy - Building has more than one business occupying space.
- **Master-Metered Habitational**
Multi-Unit residential property with a master-meter measuring usage for all units.
- **Farms**
Residential Farm: Any farm that is a hobby or that does not derive additional income. There is no Agriculture meter or separate metered structures on the property and meets residential definition of the insurance company.
Commercial Farm: Any Farm that has an Agriculture meter/meter that services barns, cattle troughs, or other structures. Any Farm who derives income from the activities of the farm.
- **Rates w/ Data**
The rates furnished in this Proposal are determined by the data you have provided. It is mutually understood that the data produced, along with your explanation of how to interpret what is included in your data is done so in good faith and is complete and true to the best of your knowledge. All other factors have been determined in partnership with ServLine.
- **Leak Protection Program**
The ServLine Leak Protection Program enhances your current Leak Adjustment Policy and acts as a superseding document which will overlay your existing policy with the given enhancements. All qualifying customer leaks would adhere first to your ServLine Leak Protection Program and then would be addressed by your existing Leak Adjustment Policy. As a recommendation - Your Leak Adjustment Policy would be updated to address unqualifying leaks rather than qualifying customers who choose to decline protection.



SUMMARY FOR LEAK PROTECTION PROGRAM

BILLING

Agency Monthly Reporting

PROJECT SCOPE & PROCESS

- Approval of ServLine
- Program Implementation
- Utility Staff Training
- Announcement Materials
- Setup and Integration
- ServLine Administers Leak Protection Program
- ServLine Handles Claims, Payments and Customer Service

TERMS AND CONDITIONS

Terms and conditions outlined in the quote may differ from the specifications submitted; please review the specific coverage part for details on coverage and exclusions.

Average claims payment is between 10 - 20 Days.
Claims volume is due to change with seasons or other unforeseen events.
Pricing does not include taxes.

Reports & Premium due by the 15th of the month following a reporting period.
Example: Participating customers for month of January would be due no later than February 15th.
Premium payments include all participating customers and are not dependent on customer payment to the utility nor pending claims payments.

*This quote is valid for thirty (30) days from the date of this letter.
All rates are per participating customer per month.*

THANK YOU

Thank you for your interest in becoming a valuable client of ServLine. We exist to make your Utility stronger and help you achieve your goals. One of our chief goals is to serve you and to earn the privilege of being one of your favorite service providers. The ServLine team is always looking to establish long-term meaningful relationships with the opportunity to serve your Utility and your customers with integrity and excellence.

DISCLAIMER

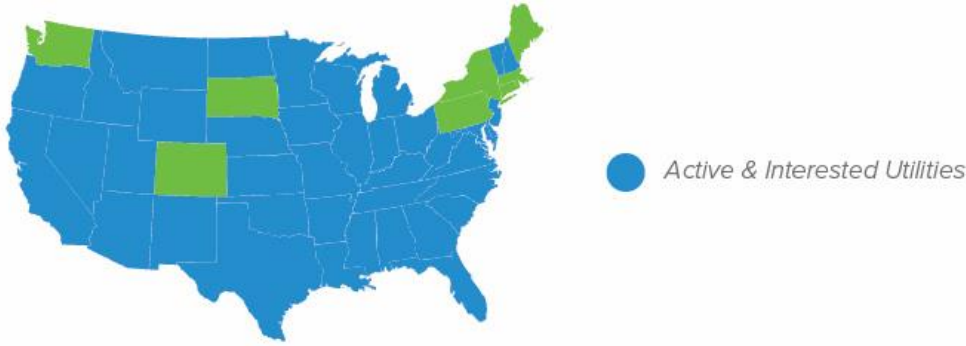
This proposal shows the premiums for the general coverage described, but in no way changes or affects any terms, conditions or exclusions of policies as actually issued. Premiums shown are based on information furnished to the company.



SERVICE LINE PROTECTION PLAN HIGHLIGHTS

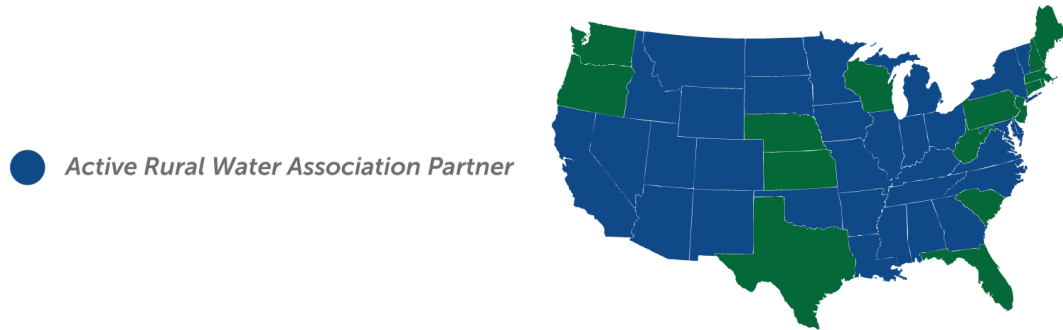
- Off-bill. Billing for these products is handled directly between HomeServe and the customer
- No cost to the utility
- Educates customers/homeowners on their responsibilities regarding their private service lines
- Allows customers/homeowners to opt-in to the specific products they want
- 24/7/365 customer support
- One-call solution to file a claim. No paperwork, or forms, to fill out to file claims
- A national network of vetted, licensed, local area contractors is utilized to make the repairs
- No service charges, deductibles, reimbursements, or out of pocket costs.
- Affordable rates and multiple payment methods
- Plans pay contractors directly for covered work performed
- Provides peace of mind for homeowners
- Service Line Protection Plans are endorsed by the National League of Cities as well as multiple state municipal leagues





ASSOCIATION PARTNERS INCLUDE

National Rural Water Association (NRWA), Tennessee Association of Utility Districts (TAUD), Georgia Rural Water Association (GRWA), North Carolina Rural Water Association (NCRWA), Alabama Rural Water Association (ARWA), Alliance of Indiana Rural Water Association (AIRWA), Illinois Rural Water Association (IRWA), Iowa Rural Water Association (IRWA), Rural Water Association of Arizona (RWAA), Arkansas Rural Water Association (ARWA), California Rural Water Association (CRWA), Michigan Rural Water Association (MRWA), Delaware Rural Water Association (DRWA), Kentucky Rural Water Association (KRWA), Maryland Rural Water Association (MRWA), New Mexico Rural Water Association (NMRWA), Mississippi Rural Water Association (MRWA), Ohio Rural Water Association (ORWA), Virginia Rural Water Association (VRWA), Rural Water Association of Utah (RWAU), Idaho Rural Water Association (IRWA), New York Rural Water Association (NYRWA), (Nevada Rural Water Association (NvRWA), Montana Rural Water Systems (MRWS), Louisiana Rural Water Association (LRWA).



INSURANCE PROVIDERS INCLUDE

Hanover Insurance Company, Virginia Surety Company, Inc.



THANK YOU

