

Mayor and Council Special Session (47th Voting Session) and Work Session September 15, 2026 Agenda

"The City of Hagerstown will inspire an inclusive, business-friendly, and sustainable community with clean, safe, and vibrant neighborhoods."

"The City of Hagerstown shall be a community focused municipality"

The agenda and meeting packet is available at www.hagerstownmd.org/government/agenda

"You learn by living." – Eleanor Roosevelt

3:30 PM SPECIAL SESSION

- 3:30 PM** 1. Charter Review Committee – Terms Expire August 31, 2027
Kourtney Hadden
Kathryn Clark
Desiree Kinslow
Jason McGill
Heather Tapley
2. Ethics Commission – Term Expires September 1, 2031
Kevin Willis
3. Approval of New Full-Time Position: Public Information Act Officer/Production Assistant

3:30 PM WORK SESSION

- 3:35 PM** 1. Proclamation: Underground Railroad – *Ananda Leeke and Dr. John F. Leeke*
- 3:40 PM** 2. Preliminary Agenda Review
- 3:50 PM** 3. Open Container Exemption for Stay WICKED Event – *Brittany Arizmendi, Director of Community Engagement*
- 4:00 PM** 4. Habitat for Humanity FY27 CDBG Funding Amendment - *Margi Joe, Community Development Manager and Letizia Turner, Planning & Outreach Coordinator*
- 4:15 PM** 5. Maryland Department of the Environment Funding Application Overview – *Nancy Hausrath, Director of Utilities*
- 4:30 PM** 6. Mayor and City Council Discussion: Burkholder Lane Pre-Development Exploration and Potential Uses

CITY ADMINISTRATOR'S COMMENTS

MAYOR AND COUNCIL COMMENTS

ADJOURN

**REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND**

Topic:

Charter Review Committee – Terms Expire August 31, 2027

Kourtney Hadden

Kathryn Clark

Desiree Kinslow

Jason McGill

Heather Tapley

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name

Motion_-_Appointment_Charter_Review_Committee.pdf

Description

Motion: Charter Review
Committee

REQUIRED MOTION

MAYOR AND CITY COUNCIL HAGERSTOWN, MARYLAND

Date: September 15, 2026

TOPIC: Appointment to the Charter Review Committee

Charter Amendment	_____
Code Amendment	_____
Ordinance	_____
Resolution	_____
Other	<u> X </u>

MOTION:

I hereby move to appoint the following citizens to the Charter Review Committee, with terms to expire August 31, 2027:

Kathryn Clark
Kourtney Hadden
Desiree Kinslow
Jason McGill
Heather Tapley

DATE OF PASSAGE: 09/15/2026

**REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND**

Topic:

Ethics Commission – Term Expires September 1, 2031

Kevin Willis

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name

Motion_-_Appointment_City_Ethics_Commission.pdf

Description

Motion: Ethics Commission
Appointment

REQUIRED MOTION

MAYOR AND CITY COUNCIL HAGERSTOWN, MARYLAND

Date: September 15, 2026

TOPIC: **Appointment to the City Ethics Commission**

Charter Amendment	_____
Code Amendment	_____
Ordinance	_____
Resolution	_____
Other	<u> X </u>

MOTION:

I hereby move to appoint Kevin H. Willis to the City Ethics Commission with a term to expire on September 1, 2031.

DATE OF PASSAGE: 09/15/2026

**REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND**

Topic:

Approval of New Full-Time Position: Public Information Act Officer/Production Assistant

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name

Motion - Full Time Position -
_Communications__September_2026.pdf

Description

Motion: New FT Position -
Communications

REQUIRED MOTION

MAYOR AND CITY COUNCIL HAGERSTOWN, MARYLAND

Date: September 15, 2026

TOPIC: **Approval of New Full Time Position: Public Information Act
Officer/Production Assistant**

Charter Amendment	_____
Code Amendment	_____
Ordinance	_____
Resolution	_____
Other	<u> X </u>

MOTION: I hereby move for Mayor and Council approval of the hiring of one (1) full-time PIA Officer/Production Assistant position for the Communications Department. The position is necessary primarily due to the increasing volume of Public Information Act requests received and the commensurate increase in the workload necessary to fulfill them.

DATE OF PASSAGE: September 15, 2026

**REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND**

Topic:

Proclamation: Underground Railroad – *Ananda Leeke and Dr. John F. Leeke*

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

**REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND**

Topic:

Preliminary Agenda Review

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name

September_22__2026_Preliminary_Agenda.pdf

Description

Preliminary Agenda



**MAYOR AND CITY COUNCIL
REGULAR SESSION
(48TH VOTING SESSION)
SEPTEMBER 22, 2026
AGENDA**

Vision Statement:

The City of Hagerstown will inspire an inclusive, business-friendly, and sustainable community with clean, safe and vibrant neighborhoods.”

Mission Statement:

“We are dedicated to creating a thriving community where diversity is celebrated, economic development flourishes, and the quality of life is enhanced through collaborative and consistent representation.”

Preliminary Agenda

The agenda and meeting packet is available at www.hagerstownmd.org/government/agenda

7:00 p.m. REGULAR SESSION – Council Chamber, 2nd floor, City Hall

- I. CALL TO ORDER** - Mayor William B. McIntire
- II. INVOCATION**
- III. PLEDGE TO THE FLAG**
- IV. ANNOUNCEMENTS**
 - A. Rules of Procedure – *Effective November 18, 2025*
 - B. Use of cell phones during meetings is restricted.
 - C. All correspondence for distribution to Elected Officials should be provided to the City Clerk and should include a copy for the City Clerk for inclusion in the official record.
 - D. Meeting Schedule:
 - 1. Tuesday, October 6, 2026 – Work Session at 4:00 p.m.
 - 2. Tuesday, October 13, 2026 – Work Session at 4:00 p.m.
 - 3. Tuesday, October 20, 2026 – Work Session at 4:00 p.m.
 - 4. Tuesday, October 27, 2026 – Regular Session at 7:00 p.m.
- V. APPOINTMENTS**
 - Hagerstown Youth Council
- VI. PROCLAMATIONS**
 - Economic Development Week

Continued on Page 2

VII. CITIZEN COMMENTS

Thirty minutes (30) are allotted for Citizen Comments for items germane to City of Hagerstown business.

Anyone wishing to speak during a Regular Session must pre-register using the form found on the City's website: www.hagerstownmd.org no later than twenty-four (24) hours prior to the scheduled start of the meeting. Failing to pre-register accurately may result in a speaker not being permitted to speak. Speakers will be called in the order they pre-registered. Each speaker will be permitted to speak for three (3) minutes.

VIII. MINUTES

August 4, 2026, August 6, 2026, August 11, 2026, August 18, 2026 and August 25, 2026

IX. CONSENT AGENDA

A. Engineering:

1. FY 27 Urban Tree Planting - Botanica Enterprises (Boonsboro, MD) NTE \$ 100,000.00

B. Finance:

1. MUNIS Utility Billing Support Services – FY27 - September 1, 2026 through June 30, 2027 Nelia M. Tidler (Houston, TX) \$ 15,000.00

C. Fire:

1. Concrete Slab - HFD Training Center - Concrete Central, LLC (Hagerstown, MD) \$ 18,000.00
2. Pierce 2017 Ladder Truck Repair - Atlantic Emergency Solutions (Williamsport, MD) \$ 17,528.04
3. HFD Admin Office - Expand Overhead Door - GRC General Contractor, Inc. (Zullinger, PA) \$ 26,275.00

D. Information Technology:

1. Arctic Wolf Annual Software Renewal – Winslow Technology Group (Waltham, MA) \$ 165,268.18
2. Cybersecurity Internal Penetration Tests – Winslow Technology Group (Waltham, MA) \$ 9,850.00
3. Annual Veeam Backup and Recovery Renewal – Software House International (Somerset, NJ) \$ 18,490.08
4. HFD Firewall Replacements – Berry Solutions Group (Altoona, PA) \$ 10,685.14
5. AVCC Annual Subscription Fee – August 1, 2026 through July 31, 2027 – Lexis Nexis Risk Data Management, LLC (Alpharetta, GA) \$ 23,048.32

E. Police:

1. 2027 Chevrolet Tahoe – Hertrich Fleet Services (Milford, DE) \$ 57,270.00
2. FY27 NTF Reimbursement – July 2026 through June 2027 – Washington County Treasurer (Hagerstown, MD) \$ 270,000.00
3. Nicolet APEX KBR with Purge Kit (2dn Part) - Thermo Electron North America (Madison, WI) \$ 17,244.04
4. Two 2026 Ford F-150 Police Responders 4x4 - Keystone Ford (Chambersburg, PA) \$ 99,600.00
5. Two 2026 Ford Explorer 4DR, 4x4, ST-Line - Keystone Ford (Chambersburg, PA) \$ 96,500.00
6. FY27 Reimbursement for Community Based Prosecutor - July, 2026 - June, 2027 – Washington County Treasurer (Hagerstown, MD) \$ 90,205.00
7. Uniforms for Students at Washington County Police Academy - Gall's (Baltimore, MD) \$ 14,923.20

Continued on Page 3

F. Public Works:

1. Arts & Entertainment Parking Deck Joint Repair - Witmer, LLC (Belcamp, MD) \$ 57,650.00
2. Furnish and Install Unleaded Gasoline Dispenser Unit – Spigler Petroleum Equipment, LLC (Westminster, MD) \$ 17,795.10
3. Gator HPX615E (Model Year 2027) – Deere & Company (Cary, NC) \$ 13,768.30
4. 2700 E-Cut Hybrid Triplex Mower – Deere & Company (Cary, NC) \$ 54,453.75
5. Bulk Road Salt – Primary Contract – Morton Salt, Inc. (Chicago, IL) \$ 91.20 Per Ton Price Delivered
6. Bulk Road Salt – Secondary Contract – Eastern Salt Company, Inc. (Lowell, MA) \$ 96.90 Per Ton Price Delivered

G. Utilities:

1. Water – Vehicle Replacement-Unit 230 - Hertrich Fleet Services (Milford, DE) \$29,779.00
2. Water & Wastewater: Underground Infrastructure Marking ~ USIC Locating Services (Indianapolis, IN) \$208,000.00
3. Wastewater: Wastewater Treatment Plant Demolition Project - A-Zone Environmental Services, LLC (Kearneysville, WV) \$433,550.00
4. Wastewater: WWTP Wet Well Flygt Mixer Repair - Hills Industrial (Linwood, MD) \$12,807.76
5. Wastewater: Liquid Oxygen Supply Contract Renewal - AirGas USA, LLC (Horsham, PA) \$29,040.00
6. Wastewater: Cyber Security Upgrades - AutomaTech, Inc (Plymouth, MA) \$25,080.00

X. UNFINISHED BUSINESS

- A. There is no Unfinished Business

XI. NEW BUSINESS

- A. Introduction of an Ordinance: Land Management Code (LMC) Annual Amendments
- B. Approval of a Resolution: Habitat for Humanity FY27 Community Development Block Grant (CDBG) Funding Amendment
- C. Approval of Janitorial Services
- D. Approval of Historic District Commission (HDC) Design Guidelines

XII. CITY ADMINISTRATOR COMMENTS'

XIII. MAYOR & COUNCIL COMMENTS

XIV. ADJOURN

Some items that have been discussed previously, or are of a routine nature, may not have additional information attached to this agenda.

**REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND**

Topic:

Open Container Exemption for Stay WICKED Event – *Brittany Arizmendi, Director of Community Engagement*

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name

Description

2026_Open_Container_Exemption_for_Stay_WICKED_Event.pdf

Memo: Open Container
Request for Stay WICKED



CITY OF HAGERSTOWN, MARYLAND

Office of Community Engagement
1 E Franklin Street, Suite 210A, Hagerstown, MD 21740

TO: Scott Nicewarner

FROM: Brittany Arizmendi, Director of Community Engagement

DATE: September 9, 2026

SUBJECT: Open Container Exemption for 2026 Stay WICKED

Staff is requesting Mayor and Council approval for exemption to the Open Container Act for a new downtown event where alcohol is being requested.

Action Requested

Staff seeks approval of the following exemptions at the September 22, 2026, Regular Session:

Outside Organizations

Stay WICKED – hosted by Create a Candle + Meinelschmidt Distillery (South Potomac Street)

- Saturday, October 17, 2026

Application/permits will be submitted for Mayor's signature at least one month in advance of the event.

Per the City of Hagerstown's Open Container Law, the Mayor and City Council may permit the possession of alcoholic beverages in open containers on the streets, lanes, alleys, sidewalks, parking lots or public ways of the City during special events upon application or upon its own initiative.

If approved by the Mayor and City Council, the applicants will go to the Liquor Board for review and final approval. They will be requesting One Day Event Licenses, which allow a non-profit, society, corporation, organization, or association to serve and sell alcoholic beverages at a non-licensed establishment, with fencing surrounding the area, if outside.

The City's Logistics Committee (representatives from Community Engagement, Public Works, Engineering/Parks & Recreation, Police, Fire, Utilities, and HR/Liability) review all facets of these events to ensure compliance, safety, and to create conditions for optimal event outcome. All applicants will provide the City with a Certificate of Insurance naming the City of Hagerstown as additional insured on a \$2 million policy.

APPLICATION/PERMIT

The undersigned does hereby make application to the City of Hagerstown, Maryland, to utilize the property/facilities of the City more particularly described as follows:

Unit Block of South Potomac Street

On the following date(s):

Saturday, October 17, 2026

The term applicant is defined as any person, firm, corporation or legal entity of whatsoever nature or kind on whose behalf this application is being made and permit granted.

The applicant acknowledges that the premises shall be used solely for the purpose of:

Meinelschmidt Distillery will be holding the liquor license during the Stay WICKED event that is taking place in the unit block of South Potomac Street on Saturday, October 17, 2026 from 4:00-9:00 PM. Event organizers will provide cups that indicate who is drinking on the street. Approved downtown bars/restaurants in the unit block that may serve alcohol with proper paperwork (The Brick Tavern, Veva's on Potomac, Meinelschmidt Distillery, The Dugout Sport Bar, and Schmankerl Stube.)

The signatory to this application certifies that he/she has the authority to make this application and execute this agreement on behalf of:

Applicant Name: Meinelschmidt Distillery

Applicant Address: 54 S Potomac Street, Hagerstown, MD 21740

And to bind said person, firm or legal entity to the terms hereof. The signatory hereto represents and agrees that in the event that he/she does not have such authority, then and in said event, the signatory hereto is solely responsible and bound by all of the terms and conditions of this application, permit and agreement.

The undersigned signatory, on behalf of the applicant, agrees that he/she shall:

1. Abide by all rules applicable to the facility utilized and/or any promulgated by the City and contained in this application (See Attachment B)
2. Abide by all Statutes, Act, Ordinances, and Regulations applicable to the use of the area.
3. The applicant does hereby agree that if necessary he/she/it shall be responsible for and obtain all necessary permits, licenses, or any other matters required in connection with the function and/or the use of the premises and does hereby agree to hold the City, its servants, agents and employees harmless from any suits, demands, claims, expenses or fines that may arise directly or indirectly from such use of the premises.

4. The applicant does hereby agree that it shall be responsible for the costs of all City services incurred in connection with the event.
5. The applicant agrees that he/she/it shall furnish upon the execution of this application and agreement certificates of insurance with coverage adequate within the absolute discretion of the City. The applicant further agrees that the City shall be placed upon any liability policy or any other policies of whatsoever nature or kind applicable to the function as an additional insured. The applicant agrees to hold harmless and indemnify the City, its agents, servants, representatives, officials and employees from any and all claims, expenses, suits, demands, losses or costs of whatsoever nature or kind arising directly or indirectly from the use of the premises described. The Applicant shall abide by all rules applicable to the facility utilized and/or promulgated by the City and contained in this application. (See Attachment B)
6. The applicant further agrees that the premises shall be vacated by the applicant in the same condition as when occupied and if any damage has been done by the applicant or attendees of any function, the applicant shall be responsible for and reimburse the City for repairs, cleaning, and any other expenses incurred as a result thereof.
7. It is understood by the applicant that this permit is subject to all of the terms, obligations, conditions and reservations set forth in this agreement and any attachments which are incorporated by reference. In the event there are any conflicts between this document and any attachments the terms set forth herein shall govern and prevail.

Date: 9/22/2026

Name of Applicant: Meinelschmidt Distillery

By:

Address: 54 S Potomac Street
Hagerstown, MD 21740

Phone: 240-503-1656

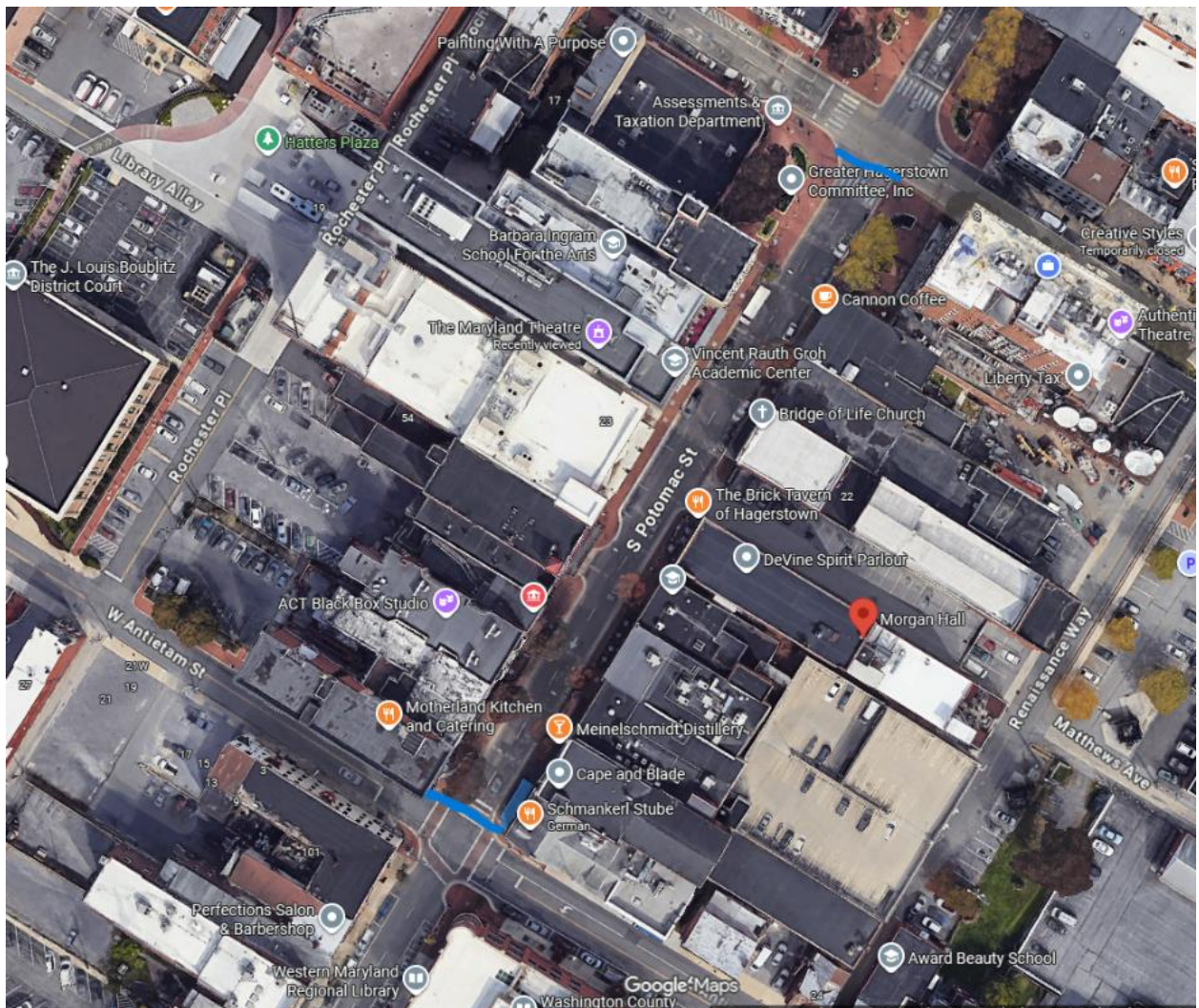
ACCEPTANCE

The foregoing application for permit is hereby accepted and granted by the City of Hagerstown, Maryland, by its duly authorized and designated representative. The permit is being granted upon all of the terms and conditions set forth above which are incorporated herein by reference. A violation of any of the conditions set forth above may result in an immediate revocation of said permit.

CITY OF HAGERSTOWN, MARYLAND

By:

ATTACHMENT A



ATTACHMENT B

It is understood by the applicant that this permit is subject to the terms and conditions below.

1. Unit block of South Potomac Street is leased for no cost to Meinelschmidt Distillery and Create a Candle on Saturday, October 17, 2026 from 2:00 - 10:00 p.m. for set-up, event, and clean-up.
2. Approved downtown restaurants/bars in the unit block of South Potomac Street will be allowed to serve alcoholic beverages and will limit this activity to individuals who are legally able to drink alcohol, have the event beverage cup, and are in the designated area.
3. Create a Candle and/or Meinelschmidt Distillery will sign this permit and Hold Harmless Agreement, as well as endorse the City of Hagerstown as an additional insured on a two million dollar (\$2,000,000) insurance policy.

CITY OF HAGERSTOWN

HOLD HARMLESS AGREEMENT

Lessee/User: Create a Candle and/or Meinelschmidt Distillery

Event/Use: Stay WICKED

Location: Unit Block of South Potomac Street

Date(s) of Use: Saturday, October 17, 2026 from 4-9:00 p.m.

The Lessee/User agrees that it shall indemnify the City of Hagerstown and hold harmless the City of Hagerstown against any and all fines, suits, claims, demands, expenses, actions, losses, alleged losses, or liabilities of whatsoever nature or kind incurred either directly or indirectly either in law or equity, paid, suffered or incurred as a result of the acts, activities, or omissions of the Lessee/User, its agents, servants, or employees, due to the operation and use of the premises. It is further agreed that the Lessee/User shall in addition to holding the City of Hagerstown harmless from any and all liabilities or damage or injury to both persons and property, occurring as a result of the use of said premises, shall defend the City of Hagerstown at Lessee's/User's expense against any and all claims, suits, demands, of whatsoever nature or kind.

Witness:

Lessee/User

Witness:

By (Signature and Title)

Date: 54 S Potomac Street
Hagerstown, MD 21740
240-347-4934

Return to:

Brittany Arizmendi

City of Hagerstown, Director of Community Engagement

Barizmendi@hagerstownmd.org; 240-500-4582

**REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND**

Topic:

Habitat for Humanity FY27 CDBG Funding Amendment - *Margi Joe, Community Development Manager and Letizia Turner, Planning & Outreach Coordinator*

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name

091526_WS_Packet_Habitat_Change_Request.pdf

Description

Habitat Request to Change
FY27 Project Scope



CITY OF HAGERSTOWN, MARYLAND

Department of Housing & Community Development

One East Franklin Street • Hagerstown, MD 21740

E-mail: codecompliance@hagerstownmd.org

Telephone: 301-739-8577, ext. 103 • Website: www.hagerstownmd.org

To: Scott Nicewarner, City Administrator

From: Margi Joe, Community Development Manager
Letizia Turner, Planning and Outreach Coordinator

Date: September 11, 2026

RE: **Requested Change to Scope of Service for Habitat for Humanity FY2027 CDBG Subrecipient Agreement**

Staff will attend the September 15, 2026 Work Session to review a recommended amendment to the FY2027 Subrecipient Agreement for Habitat for Humanity of Washington County.

Background

Habitat for Humanity has submitted a formal request to amend its approved Scope of Service for FY27 CDBG grant funding, changing the funded activity from "Rehabilitation of a Reclaimed Home" to "Home Preservation Program" and to adjust budget line items accordingly. The Home Preservation Program, which Habitat has successfully administered in previous program years, provides critical and non-critical repairs to income-qualified owner-occupied homes.

Following a review of its current projects and organizational priorities, Habitat determined that this modification would allow it to utilize its awarded CDBG funds more effectively while continuing to serve eligible low-to-moderate income homeowners. Habitat has already identified one home anticipated to require the full \$20,000 grant award.

Staff has reviewed the request, finds the proposed activity to be an eligible use of CDBG funds consistent with the program's objectives, and recommends approval of the amendment at the Regular Session on September 22, 2026.

Staff will be available to answer any questions regarding the proposed amendment.

Attached: Draft Motion

Habitat Request to Change Project Scope
Proposed Addendum to Subrecipient Agreement
Original Subrecipient Agreement

c. Amanda Gregg, Director, Housing & Community Development
Michelle Hepburn, Chief Financial Officer

REQUIRED MOTION

MAYOR AND CITY COUNCIL HAGERSTOWN, MARYLAND

Date: September 22, 2026

TOPIC: Amendment to Habitat for Humanity of Washington County FY2027
Subrecipient Agreement

Charter Amendment	_____
Code Amendment	_____
Ordinance	_____
Resolution	_____
Other	<u> X </u>

MOTION: I hereby move for the Mayor and City Council to approve the amendment to the FY27 Habitat for Humanity Subrecipient Agreement for the following actions:

- Modification to Recitals Paragraphs 2 and 4 to revise project descriptions to reflect the Home Preservation Program.
- Modification to Section 1, Scope of Service by revising the introductory paragraph and Paragraphs (a) and (g) to change the proposed project from “Rehabilitation of a Reclaimed Home” to “Home Preservation Program”. The amended project will provide low-to-moderate income homeowners with needed repairs to their homes.
- Modification to Section 4, Budget to allocate the full \$20,000 award to “Professional Services”.

Details of the amendment are attached.

DATE OF INTRODUCTION: 09/22/2026
DATE OF PASSAGE: 09/22/2026
EFFECTIVE DATE: 09/22/2026

I am writing on behalf of Habitat for Humanity of Washington County to request approval to amend our current CDBG funding request.

We would like to request that the funds originally designated for the “Rehabilitation of a Reclaimed Home” project be redirected to our Home Preservation project on Radcliffe Avenue.

The Radcliffe Avenue property has significant repair needs, and utilizing the CDBG funding for this project would allow Habitat to address critical improvements needed to preserve the home and provide safe, stable housing. The project aligns closely with our mission of preserving affordable housing and improving housing conditions for residents in Washington County.

In addition to the change in project, we are requesting an amendment to the original budget. The initial budget included funding for salaries, materials, and service contracts. We are requesting that the full CDBG award be reallocated to Professional Services for contractor expenses associated with the Radcliffe Avenue Home Preservation project.

We believe these changes will allow us to put the CDBG funding to immediate and meaningful use while continuing to meet the housing objectives of the CDBG program.

Please let me know if any additional documentation or formal amendment is needed to process these changes. We appreciate your consideration and continued support of Habitat for Humanity’s work in Washington County.

Thank you,

Melanie Watts
Program Director
Habitat for Humanity of Washington County

Addendum to Subrecipient Agreement
by and between
The City of Hagerstown, Department of Housing & Community Development
and
Habitat for Humanity of Washington County
Program Year July 1, 2026 through June 30, 2027

This addendum modifies the “Recitals” paragraphs 2 and 4 (page 1), “Scope of Service” Section 1 (page 2), and “Budget” Section 4 (page 4) for the FY 2027 Community Development Block Grant Subrecipient Agreement between the City of Hagerstown and Habitat for Humanity of Washington County. The Scope of Service for the Habitat for Humanity FY 2027 “Rehabilitation of a Reclaimed Home” will be changed to “Home Preservation Program” and will provide a low-to-moderate income City homeowner with needed repairs to their home.

The Recitals section shall be amended to update Paragraphs 2 and 4 and shall read:

WHEREAS, the CITY has applied for and received such a block grant, desires to conduct a program to encourage stable neighborhoods within the City by providing funds **to assist low-to-moderate income homeowners by providing non-critical and critical home repairs to their dwelling;** and

WHEREAS, the SUBRECIPIENT has been selected by the CITY to receive CDBG funds and administer the **Home Preservation Program** (hereinafter referred to as the “Program”) **to provide funding and assistance to low-to-moderate income homeowners to make needed repairs to their home, enabling them to remain in their home, while also contributing to the revitalization of local neighborhoods by completing rehabilitation projects;**

The Amended Scope of Service replaces Section 1, Paragraphs (a) and (g) of the Subrecipient Agreement and shall read:

The Subrecipient will be responsible for administering a CDBG-funded **Home Preservation Program** in a manner satisfactory to the City and consistent with any standards required as a condition of providing CDBG funds. Such program shall include the following activities eligible under the CDBG Program:

- a. Provide non-critical and critical home repairs in the form of a grant to eligible low- and moderate-income homeowners. A household may receive home repair assistance through this program if:
 - The home is owner-occupied;
 - The property is located in the City of Hagerstown;
 - The entire household’s income meets CDBG income guidelines.

- g. Provide up to \$20,000 in CDBG grant funds to rehabilitate owner-occupied properties within the City of Hagerstown. Funds will be used to assist with rehabilitation costs. Subrecipient will

contact the City for a determination of project eligibility before undertaking rehabilitation activity on a property.

In addition, Section 4, "Budget" shall be amended to allocate the full \$20,000 award to "Professional Services".

At the time of the signing of this addendum, Habitat for Humanity will have \$20,000 available to expend for this project through the Time of Performance date of June 30, 2027. Any remaining unspent FY27 balance after this date will be returned to the City's CDBG program and reprogrammed for another eligible activity. All other terms and conditions of the Subrecipient Agreement will remain in effect.

APPROVED:

By: _____
William B. McIntire Date
Mayor
City of Hagerstown

By: _____
Timothy Fisher Date
Executive Facilitator
Habitat for Humanity of Washington County

**SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF HAGERSTOWN
AND THE
HABITAT FOR HUMANITY OF WASHINGTON COUNTY**

This Agreement is entered into as of ___, September 2026, by and between the CITY OF HAGERSTOWN, a body corporate and political subdivision of the State of Maryland, acting by and through the DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT (herein called the "CITY"), and the **Habitat for Humanity of Washington County** ("herein called the "SUBRECIPIENT").

WHEREAS, Congress in passing the Housing and Community Development Act of 1974, as amended, has placed an emphasis on the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-income and has developed a system of block grants to aid in such purposes; and

WHEREAS, the CITY has applied for and received such a block grant, desires to conduct a program to encourage stable neighborhoods within the City by providing funds **to rehabilitate a reclaimed vacant home, eliminating blight, and increasing the supply of quality affordable housing**; and

WHEREAS, the SUBRECIPIENT is a private non-profit corporation incorporated in the State of Maryland whose mission is **bring people together to build homes, communities, and hope by providing safe, decent, and affordable housing opportunities for low- and moderate-income families**; and

WHEREAS, the SUBRECIPIENT has been selected by the CITY to receive CDBG funds and administer the **Rehabilitation of a Reclaimed Home Program** (hereinafter referred to as the "Program") **to fully rehabilitate a single-family home and return it to productive use as safe, affordable homeownership for a low- to moderate-income family**; and

WHEREAS, the services provided by the SUBRECIPIENT are consistent with the Community Development Block Grant Program (hereinafter referred to as "CDBG") Eligible Activity of "Rehabilitation"; and

WHEREAS, the SUBRECIPIENT further agrees to develop and retain sufficient documentation, as described herein below, to clearly support the CDBG eligible **Rehabilitation** activity for each instance of assistance provided by the SUBRECIPIENT; and

WHEREAS, the parties hereto have duly executed this SUBRECIPIENT Agreement for the expenditure of CDBG funds.

NOW, THEREFORE, it is agreed between the parties hereto that:

1. SCOPE OF SERVICE

The Subrecipient will be responsible for administering a CDBG-funded **Rehabilitation of a Reclaimed Home** in a manner satisfactory to the City and consistent with any standards required as a condition of receiving CDBG funds. Such program shall include the following activities eligible under the CDBG Program:

- a. Provide comprehensive rehabilitation to address health, safety, code compliance, and energy efficiency of the property. The home must be resold to a household earning no more than eighty percent (80%) of Area Median Income, with priority given to families who are cost-burdened, living in substandard housing, or at risk of displacement.
- b. Eligible activities include:
 - a. Non-critical repairs such as:
 - i. Painting
 - ii. Weather stripping
 - b. Critical repairs such as:
 - i. Roofing
 - ii. HVAC repair/installation
 - c. Labor & Materials
 - d. Replacement of principle fixtures and components of existing structure
 - e. Water & Sewer Connections
 - f. Installation of security devices including smoke detectors
 - g. Water & Energy Conservation
- c. Ineligible activities include: landscaping; private sidewalks; garages and driveways; unless accompanied by other work at the structure.
- d. Public Sidewalks are ineligible without exception.
- e. Identify potential qualified clients. Collect and maintain data on household income in order to determine a client's eligibility for assistance under the Program.
- f. For purposes of the CDBG Program national objective of low- and moderate-income households, 24 CFR Part 5 definition of annual income shall be used to ensure the eligibility of each client. The documents to support eligibility shall include but is not limited to pay stubs for three consecutive months; two most recent bank statements; and award letter for any other source of income (i.e., Social Security, child support, etc.).
- g. Provide up to \$20,000 in CDBG grant funds to rehabilitate the property within the City of Hagerstown to be resold to an income-qualified household. Funds will be used to assist with rehabilitation costs. Subrecipient will contact the City for a determination of project eligibility before undertaking rehabilitation activity on a property.

- h. Create a written proposal (including photo) defining the anticipated scope of services prior to beginning the project and submit the scope of services to the City to review.
- i. No choice limiting action will be taken until an Environmental Review as listed in 24 CFR Part 58 has been submitted to the City for review and the City has provided written proceed to work documentation.
- j. Ensure competitive pricing on all work by obtaining three (3) written quotes for the scope of service from properly licensed contractors. In the event that a reasonable effort has been made to obtain three (3) quotes and two (2) written quotes have been obtained, a refusal to provide a quote may be submitted as the third quote. Contract must be awarded to the lowest price estimate. The subrecipient will ensure all work is done only by licensed professionals and that all contractor(s), subcontractors, or firms are properly licensed by the State of Maryland and the City of Hagerstown.
- k. All work will be done on a lump sum basis and will be approved by the Department of Housing & Community Development prior to beginning the project, including all income eligibility verification for each client by providing documentation listed in Section 1 Part f.
- l. Overseeing the progress and workmanship during all phases of the repair or replacement work done by the contractor(s), subcontractors, or firms.
- m. Request payment by sending an invoice plus adequate documentation to the City after determining that the repairs have been completed in a workmanlike manner. For each project, the following is the minimum required documentation to be sent to the City in one complete package:
 - i. Cover letter or memo identifying the project and requesting payment of the CDBG funds.
 - ii. For lump sum repairs, a copy of the contractor's or firm's work proposal that was pre-approved by the Community Development Department and an invoice for all of the work done.
 - iii. Original before and after photographs documenting all repairs.

2. NATIONAL OBJECTIVE

All activities funded with CDBG funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income persons; or aid in the prevention or elimination of slums or blight; or meet community development needs having a particular urgency, as defined in 24 CFR 570.208

The CITY has determined that the Program carried out under this Agreement will meet the **Benefit Low-and-Moderate Income Persons** national objective.

3. TIME OF PERFORMANCE

The time of performance shall be 12-months beginning on the 1st day of July, 2026 and ending on 30th day of June, 2027. Said time of performance may be extended in writing by the City upon request from the Subrecipient by May 1, 2027. Said extension is to

cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

4. BUDGET

The City shall reimburse the Subrecipient its allowable costs for the services identified in this Agreement not to exceed **\$20,000.00** in CDBG funds for eligible incurred costs upon presentation of properly executed reimbursement forms as provided and approved by the City. Funding under this Agreement shall cover the Program costs.

<i>PROGRAM BUDGET LINE ITEM</i>	BUDGETED AMOUNT
Salaries	\$6,000
Fringe	\$0
Office Space	\$0
Utilities	\$0
Communications	\$0
Printing	\$0
Supplies and Materials	\$10,000
Mileage	\$0
Audit	\$0
Other (Equipment Rental)	\$0
Professional Services	\$0
Service Contracts	\$4,000
TOTAL CDBG	\$20,000.00

Such reimbursement shall constitute full and complete payment by the City under this Agreement. Allowable costs shall mean those necessary and proper costs identified in the Subrecipient's application and budget and approved by the City unless any or all such costs are disallowed by the City or HUD.

Any reimbursement made under this Agreement must comply with the applicable requirements of 2 CFR Part 200. The Subrecipient may not request disbursement of funds under this Agreement until the funds are needed for payment of allowable costs.

The City may require a more detailed budget breakdown, and the Subrecipient will provide such supplementary budget information in a timely fashion in the form and content prescribed by the City. Any amendments to this Agreement's Budget must first be determined by the City as consistent with its CDBG contract and then approved in writing by the City.

5. PAYMENT

It is expressly understood that the total amount to be paid by the CITY under this Agreement shall not exceed **\$20,000.00**. Drawdowns for the payment of eligible expenses shall be made against the line item budget specified in Section 4 herein and in accordance with performance. **Expenses for general administration shall not be paid under this Agreement.** Claims for reimbursement will not be submitted in excess of actual, immediate cash requirements necessary to carry out the purposes of this Agreement. Funds available under this Agreement will be utilized to supplement rather than supplant funds otherwise available.

Reimbursement request must be mailed to: Margi Joe, Community Development Manager, Community Development Department, 14 N Potomac Street – Suite 200a, Hagerstown, Maryland, 21740 or e-mailed to mjoe@hagerstownmd.org. Payments shall be made within **thirty (30)** business days.

6. PERFORMANCE MONITORING

The City will monitor the performance of the Subrecipient by tracking program progress, reviewing payment requests for applicable costs, overseeing compliance with CDBG requirements, and ensuring recordkeeping and audit requirements are met. Substandard performance as determined by the City will constitute noncompliance with this Agreement.

If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the City, contract suspension or termination procedures will be initiated.

7. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individual in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communications and details concerning this Agreement shall be directed to the following contract representatives:

CITY

Margi Joe
Community Development Manager
City of Hagerstown

14 N. Potomac Street
Address

Hagerstown, Maryland 21740
City, State and Zip

Telephone: 301-739-8577 ext. 134

Fax Number: 301-739-3117

SUBRECIPIENT

Melanie Watts
Program Director
**Habitat for Humanity
of Washington County**

100 Charles Street
Address

Hagerstown, Maryland 21740
City, State and Zip

Telephone: 301-791-7701

Fax Number: 301-791-7701

8. GENERAL CONDITIONS

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal regulations, Part 570 (the HUD regulations concerning CDBG) including subpart K of these regulations, except that the Subrecipient does not assume the City's environmental responsibilities described in 24 CFR 570.604 and the Subrecipient does not assume the City's responsibility for initiating the review process under the provisions of 24 CFR Part 58Part 5.

B. Independent Contractor

Nothing contained in this Agreement is intended to, or will be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient will at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The City will be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

C. Hold Harmless

The Subrecipient will hold harmless, defend and indemnify the City from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The Subrecipient will provide Workers' Compensation Insurance Coverage for all of its employees involved in the performance of this Agreement.

E. Insurance and Bonding

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum will purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the City.

F. Funding Source Recognition

The Subrecipient will insure recognition of the roles of the City in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement will be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

G. Amendments

The City or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the City's

governing body. Such amendments will not invalidate this Agreement, nor relieve or release the City or Subrecipient from its obligations under this Agreement.

The City may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amount, or for other reasons. If such amendments result in a change in the funding, scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both the City and Subrecipient.

Notwithstanding the prior two subparagraphs, the parties may agree to minor amendments to this Agreement, which are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's staff.

H. Suspension or Termination

In accordance with 2 CFR 200.339, the City may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Subrecipient to the City of reports that are incorrect or incomplete in any material respect.

In accordance with 2 CFR 200.340, this Agreement may also be terminated for convenience by either the City or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the City determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the City may terminate the award in its entirety.

9. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to comply with 2 CFR Part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient will administer its program in conformance with 2 CFR Part 200, Subpart E, “(Uniform Guidance)”. These principles will be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping

1. Records to Be Maintained

The Subrecipient will maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records will include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the civil rights components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 2 CFR 200.302–200.303;
- g. Labor standards records required to document compliance with the Davis Bacon Act, the provisions of the Contract Work Hours and Safety Standards Act, and all other applicable Federal, state and local laws and regulations applicable to CDBG-funded construction projects; and
- h. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Access to Records and Retention

All such records and all other records pertinent to this Agreement and work undertaken under this Agreement will be retained by the Subrecipient for a period of four years. The retention period begins on the date of the submission of the City’s annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues or the expiration of the four-year period, whichever occurs later.

3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address income level or other basis for determining eligibility and description of services provided. Such information shall be made available to City monitors or their designees, HUD or other authorized representatives for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the City's or Subrecipient's responsibilities with respect to services provided under this Agreement, is prohibited by **State or Federal Law** unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Closeouts

The Subrecipient's obligation to the City shall not end until all closeout requirements are completed. Activities during the closeout period shall include, but are not limited to, making final payments, disposing of program assets (including the return of all unused materials, equipment, program income balances and accounts receivable to the City), and determining the custodian ship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income,

3. Audits and Inspections

If Subrecipient expends \$1,000,000 or more in a year in Federal awards, the Subrecipient shall have a single or program-specific audit conducted for that year in accordance with the requirements of 2 CFR 200, Subpart F ("Audit Requirements"). Subrecipient must send a copy of the final report to the City within the earlier of 30 days of the report's issuance or nine months after the end of the audit period. The City also reserves the right to engage an independent auditor to examine the Subrecipient's compliance with the requirements of 2 CFR Part 200 and this Agreement. Furthermore, the City must approve any independent auditor engaged to assure that the auditor is qualified and meets Government Accounting Office Standards and evaluate the scope of the audit to ensure compliance with Code of Federal Regulation requirements. This grant is made pursuant to and is identified as follows:

1. Federal Grant Title: Community Development Block Grant
2. Catalog of Federal Domestic Assistance Number (CFDA): 14.218
3. Federal and/or State Identification Numbers: B-**26**-MC-24-0012

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the City, HUD, and duly authorized officials of the State and federal government, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient.

Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments.

C. Reporting

1. Program Income

The Subrecipient will report annually all program income [as defined at 24 CFR 570.500(a)] generated by activities carried out with CDBG funds made available under this Agreement. The use of program income by the Subrecipient will comply with the requirements set forth at 24 CFR 570.504. The Subrecipient may use such income during the contract period for activities permitted under this Agreement and shall reduce request for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the City at the end of the contract period. Any interest earned on cash advances from the U.S Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the City.

2. Progress Reports

At such times and in such forms as HUD or the City may require, there shall be furnished to HUD or the City such statements, records, reports, data and information as HUD or the City may request pertaining to matters covered by this Agreement. Specifically, the City shall require Subrecipient to submit quarterly reports which shall include a narrative of program activities, a description of the services provided, number of clients that have applied for, participated in or benefited from the services and relevant characteristics of the client population (age, gender, income, race, ethnicity and gender of single-headed households), performance standard outcomes, equal employment opportunity reports, applicable MBE/WBE requirements and applicable reporting forms attached hereto as **Appendix C, Part I** and incorporated herein by reference.

Said quarterly reports shall be submitted in a timely fashion (within 15 days of the end of each calendar quarter) and subject to the approval of the City prior to reimbursement of Subrecipient as set forth hereinabove. The City and Subrecipient reserve the mutual right to publish and/or make public, with the consent of both parties, the reports or other results of services under this Agreement.

D. Procurement

1. Compliance

The Subrecipient shall comply with current City policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the City upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this Agreement, the Subrecipient shall procure all materials, property or services in accordance with the requirements of 2 CFR 200.318–200.327.

3. Travel

The Subrecipient shall request written approval from the City for any travel outside the metropolitan area with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement will be in compliance with the requirements of 2 CFR Part 200 and 24 CFR 570.502, 570.503, 570.504, as applicable, which include but are not limited to the following:

1. The Subrecipient will transfer to the City any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 will be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until ten (10) years after the contract between Subrecipient and the CITY is closed. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for this 10-year period of time, the Subrecipient will pay the City an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property after the CDBG program's approval. Such payment will constitute program income to the City. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the ten-year period.
3. In cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds will be program income (prorated to reflect the extent to which funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement will be (a) transferred to the City for the CDBG program or (b) retained after compensating the City [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

10. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-Displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable City ordinance, resolutions and policies concerning the displacement of persons from their residences.

11. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with **local and state civil rights ordinances** and with Title VI of the Civil Rights Act of 1964 as amended, and Title VII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the American and Disabilities Act of 1990, the Age Discrimination act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Subrecipient agrees to comply with the nondiscrimination in employment and contracting opportunities laws, regulation and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable nondiscrimination provisions in Section 109 of the HCDA are still applicable.

B. Section 3 of the Housing and Community Development Act of 1968

Compliance in the Provision of Training, Employment, and Business Opportunities:

1. The work to be performed under this agreement is on a project assisted under a program providing direct federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower-income residents of the project area; and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part, by persons residing in the area of the project.
2. The parties to this contract will comply with the provisions of said Section 3 and the regulations set forth in 24 CFR 135, and all applicable rules and orders of HUD and the City issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability that would prevent them from complying with these provisions.
3. The Subrecipient will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this Section 3 clause and will post copies of the notice in conspicuous places available to employees and applicants for employment or training.

4. The Subrecipient will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant, or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of HUD, 24 CFR Part 135. The Subrecipient will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract, unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
5. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of HUD and the City issued hereunder prior to the execution of the contract, will be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements will subject the applicant, or recipient, its consultants and subcontractors, its successors and assigned to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

C. Conduct

1. Assignability

The Subrecipient will not assign or transfer any interest in this Agreement without the prior written consent of the City thereto; provided, however, that claims for money due or to become due to the Subrecipient from the City under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer will be furnished promptly to the City.

2. Conflict of Interest

No member of the City's governing body and no other public official of such locality, who exercises any functions or responsibilities in connection with the planning or carrying out of the Program, will have any personal financial interest, direct or indirect, in this agreement; and the Subrecipient will take appropriate steps to assure compliance.

The Subrecipient agrees to abide by the provisions of 2 CFR 200.318(c) and 570.611, which includes maintaining a written code or standards of conduct that will govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.

The Subrecipient covenants that its employees have no interest and will not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of services hereunder. The Subrecipient further covenants that in the performance of this Agreement, no person having such interest will be employed.

3. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

- a. The lower tier contractor certifies, by signing this contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- b. Where the lower tier contractor is unable to certify to any of the statements in this contract, such contractor will attach an explanation to this contract.
- c. The contractor further agrees by signing this contract that it will not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.

D. Copyright

If this Agreement results in any copyrightable material or inventions, the City reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

E. Religious Activities

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

12. LEAD-BASED PAINT

The Subrecipient agrees that any acquisition, construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608 and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applies to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

13. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement will not be affected thereby and all other parts of this Agreement will nevertheless be in full force and effect.

14. PERFORMANCE WAIVER

The City's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the City to exercise or enforce any right or provision will not constitute a waiver of such right or provision.

15. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the City and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior communications and proposals, whether electronic, oral, or written between the City and the Subrecipient with respect to this Agreement.

IN WITNESS WHEREOF, the CITY and the SUBRECIPIENT have executed this agreement as of the date and year last written below.

MAYOR AND CITY COUNCIL OF
HAGERSTOWN BY AND THROUGH
THE DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT

HABITAT FOR HUMANITY OF
WASHINGTON COUNTY

By: _____

By: _____

Title: Mayor _____

Title: _____

Date: _____

Date: _____

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

SALVATORE & MORTON, LLC
CITY ATTORNEY

By: _____
Jason Morton, Sole Member

Date: _____

**REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND**

Topic:

Maryland Department of the Environment Funding Application Overview – *Nancy Hausrath, Director of Utilities*

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name

MDE_FUNDING_MEMO_09152026.pdf

Description

MEMO MDE FUNDING
OVERVIEW



CITY OF HAGERSTOWN, MARYLAND

Utilities Department

1 Clean Water Circle • Hagerstown, MD 21740

Telephone: 301-739-8577, ext. 650

Website: www.hagerstownmd.org

September 10, 2026

To: Scott Nicewarner, City Administrator
From: Nancy Hausrath, Director of Utilities
Action: Discussion ~ MDE Funding Application Overview

Maryland Department of the Environment (MDE) ~ Drinking Water Revolving Loan Fund and the Water Quality Revolving Loan Fund accepts applications for funding in December through January of each year.

Within the Drinking Water Program, below is a list of categories for fundable projects:

- Water Treatment Plant Construction and Upgrade of Existing Water Treatment Facilities
- Development, Coordination, and Implementation of Source Water Protection Plans
- Raw Water Intake and Conveyance Infrastructure and Finished Water Storage Facilities
- Water Distribution System Rehabilitation including Lead Service Line Replacement
- Consolidation of Water Systems to enhance Operational, Managerial and Financial Capacity

Within the Water Quality Program (wastewater and stormwater), below is a list of categories for fundable point source projects.

- Wastewater Treatment Plant Improvements/Expansion including State Grant Match for Biological Nutrient Removal (BNR) Facilities
- Sewerage Collection/Conveyance Systems including New/Replacement Sewers
- Correction of Excess Sewerage Infiltration/Inflow (I/I) and/or Combined Sewer Overflow
- Sludge Handling Facilities at Wastewater Treatment Plants
- Back Wash Facilities at Drinking Water Treatment Plants

In January 2026 staff submitted the following projects for consideration for the Clean Water Act SFR Program:

1. Wastewater Pump Station 13 Reconstruction ~ funding request \$6,120,000 (local share \$945,000)
2. Wastewater Treatment Plant Phase 2A ~ Funding request \$31,625,000 (local share \$4,125,000)
3. Wastewater Treatment Plant Phase 2B ~ Funding request \$12,650,000 (local share \$1,650,000)
4. Edgemont Reservoir Rehabilitation ~ Funding request \$34,100,000 (local share \$4,100,000)

In January 2026 staff submitted the following projects for consideration for the Safe drinking Water Act SFR Program:

1. Edgemont Reservoir Rehabilitation ~ Funding request \$34,100,000 (local share \$4,100,000)
2. R.C. Willson Transmission Main Replacement ~ Funding request \$17,250,000 (local share \$2,250,000)

The Table on the following page identifies the funding that was included in the MDE Intended Use Plan (IUP). Please note that the Water Projects were not included in the MDE IUP.

Staff provide an overview of MDE funding at the September 15, 2026 Mayor and City Council Work Session.

MARYLAND DEPARTMENT OF THE ENVIRONMENT MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION

TABLE 1: WQSRF FFY 2026 IUP

APPLICANT	COUNTY	PROJECT NAME	TOTAL FUNDING	WQSRF BASE LOAN	WQSRF BASE PRIN FORGIVE	IIJA GENERAL LOAN	IIJA GENERAL PRIN FORGIVE	FFY26+23 IIJA EC PRIN FORGIVE	SCORING POINTS	DAC COMMUNITY	PROJECT TYPE	CONST. START
City of Hagerstown	Washington	Hagerstown Wastewater Treatment Plant Improvements Phase 2A	\$ 25,000,000	\$ 13,000,000		\$ 4,000,000	\$ 8,000,000		40	Y	L	2028-04-01
City of Hagerstown	Washington	Hagerstown Wastewater Treatment Plant Improvements Phase 2B	\$ 11,000,000	\$ 4,500,000		\$ 1,500,000	\$ 5,000,000		40	Y	L	2028-04-01
TOTAL PROGRAMMED FUNDING FOR FFY26			\$ 287,490,512	\$ 211,134,336	\$ 4,858,976	\$ 42,302,510	\$ 29,194,690	\$ -				

THE FOLLOWING PROJECTS

APPLICANT	COUNTY	PROJECT NAME	TOTAL SRF FUNDING	SCORING POINTS	DAC COMMUNITY	PROJECT TYPE	CONST. START	COMMENTS
City of Hagerstown	Washington	Edgemont Reservoir Repair and Rehab Project		20	Y	L	2027-06-01	available to meet need
City of Hagerstown	Washington	Hagerstown Pump Station 13 Reconstruction		10	Y	L	2027-03-01	available to meet need

**REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND**

Topic:

Mayor and City Council Discussion: Burkholder Lane Pre-Development Exploration and Potential Uses

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates: