

PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT, made and entered into on the 9th day of May 2025, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the COMMONWEALTH OF KENTUCKY created pursuant to KRS Chapter 67A ("LFUCG"), 200 East Main Street, Lexington, Kentucky 40507, and **ARBOR YOUTH SERVICES, INC.**, a Kentucky non-profit corporation, ("Organization") with offices located at 536 W. Third Street, Lexington, KY, 40508.

WITNESSETH

WHEREAS, LFUCG desires to develop a flexible source of financial assistance that can support rapid resolution of housing crises;

WHEREAS, LFUCG sought organizations to serve as Access Point Agencies to administer financial assistance funds in accordance with the Lex End Homelessness Housing Flex Fund policies and procedures;

WHEREAS, LFUCG solicited Requests for Proposals (RFP) from qualified organizations to provide these services through RFP #5-2025, Flexible Housing Focused Financial Assistance;

WHEREAS, the Organization submitted a proposal which was deemed by LFUCG to be one of the best and most responsive proposals to implement the services;

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the receipt and sufficiency of which are acknowledged, the parties hereby agree as follows:

1. EFFECTIVE DATE; TERM. The initial term of this Agreement shall commence on May 1, 2025 and shall last until April 30, 2026, unless terminated by LFUCG at an earlier time. This Agreement is subject to automatic renewal for up to two (2) additional terms of one (1) year each, unless LFUCG provides advance written notice that it does not wish to exercise the option to renew. The renewal amount for each additional term shall not exceed the amount provided in the initial term and shall be subject to and contingent upon future approval by the Urban County Council.

2. RELATED DOCUMENTS. This Agreement shall consist of the terms herein as well as the following additional documents, which are attached hereto as exhibits and incorporated herein by reference as if fully stated:

- a. Exhibit "A" – RFP #5-2025, Flexible Housing Focused Financial Assistance
- b. Exhibit "B" – Organization's Response to RFP #5-2025
- c. Exhibit "C" - Organization's Revised Budget

To the extent that there is any conflict between or among any of these documents, the terms and provisions of this Agreement shall prevail, followed by terms and provisions of Exhibit "A", "C", and "B" in that order.

3. SCOPE OF SERVICES. Organization shall perform the services outlined in the attached Exhibits for LFUCG in a timely, workmanlike and professional manner (the "Services").

4. PAYMENT. LFUCG shall pay Organization a total amount not to exceed **One Hundred Thousand Dollars** (\$100,000.00) ("Funds") for the performance of the Services. Payments shall be made quarterly for expenditures the Organization actually incurred, only after receipt of quarterly invoices and reports. Use of the Funds are limited to the services identified herein and the Exhibits attached hereto, and shall be expensed in accordance with the Organization's Revised Budget, attached hereto as Exhibit "C." Funds may not be spent by the Organization for any other purpose without the prior written consent of LFUCG. Absent any additional written agreement stating otherwise any travel or other expenses are included in the above payment.

a. LFUCG shall make payment under this Agreement upon timely submission of an invoice(s) and any required reports from Organization specifying that the Services have been performed, accompanied by data satisfactory to LFUCG to document entitlement to payment for the Services performed to date. The quarterly invoices and reports shall be due by the 15th of the month following the end of the quarter (e.g.: Friday, August 15, 2025; Saturday, November 15, 2025; Sunday, February 15, 2026; and Friday, May 15, 2026). The quarterly reports must be received, and any issues must be addressed, prior to the issuance of payment. LFUCG shall have thirty (30) days from the date of receipt of the invoice to pay the invoice amount. LFUCG reserves the right to refuse payment if it is determined by LFUCG that the Services performed or materials provided for the Services are inadequate or defective.

b. LFUCG also reserves the right to reject any invoice submitted for services more than sixty (60) days after the services were rendered.

5. TERMINATION. LFUCG, through the Mayor or the Mayor's designee, may terminate this Agreement for any reason whatsoever by providing Organization with at least thirty (30) days advance written notice. Organization shall be entitled for payment of all work performed up to that period of time, calculated on a reasonable basis.

a. In the event of a termination based upon a material condition of non-performance or default by Organization, LFUCG shall provide Organization advance written notice and a reasonable period of time to cure the breach.

b. Organization may only terminate this Agreement based upon LFUCG's failure to timely pay for properly invoiced and accepted work. Organization shall provide LFUCG with at least thirty (30) days advance written notice and an opportunity to cure prior to termination.

c. Organization acknowledges that LFUCG is a governmental entity, and that the validity of this Agreement is based upon the availability of appropriated funding. In the event that such funding is not appropriated in a future fiscal year, LFUCG's obligations under this Agreement shall automatically expire without penalty to the LFUCG thirty (30) days after written notice to Organization. LFUCG shall exercise any application of this provision in good faith.

6. REPORTING. Organization shall provide LFUCG with quarterly reports generated from the Kentucky Homeless Management Information System via the CoC APR. Organization shall also timely provide LFUCG with other reports and updates related to the provisions of the Services in the form and manner reasonably specified by LFUCG. All required quarterly reports shall be due by the 15th of the month following the end of each quarter (e.g.: Friday, August 15, 2025; Saturday, November 15, 2025; Sunday, February 15, 2026; and Friday, May 15, 2026).

7. REGISTRATION; COMPLIANCE; AUTHORITY TO SIGN. Organization shall be lawfully registered or authorized to do business in the Commonwealth of Kentucky and Lexington-Fayette County and shall at all times comply with any and all applicable federal, state, and local laws, ordinances, and regulations. LFUCG may request proof that Organization has timely filed federal, state, or local tax forms which shall be provided by Organization on a timely basis. The person signing this Agreement on behalf of Organization is fully authorized to do so.

8. INSURANCE; INDEMNITY. The risk management provisions of RFP #5-2025 are incorporated herein by reference as if fully stated. Copies of the required Certificates of Insurance shall be provided to LFUCG as required therein.

9. RECORDS. Organization shall keep and make available to LFUCG any records related to this Agreement as are necessary to support its performance of the services for a period of at least five (5) years following the expiration or termination of this Agreement, or as otherwise required depending upon the source of funds. Books of accounts shall be kept by Organization and entries shall be made therein of all money, goods, effects, debts, sales, purchases, receipts, payments and any other transactions of Organization related to this Agreement and shall be made available to LFUCG upon request.

a. LFUCG shall be the owner of all final documents, data, studies, plans, reports, and information prepared by Organization under this Agreement.

b. Organization understands and agrees that this Agreement and any related documents may be subject to disclosure under the Kentucky Open Records Act and will comply with any reasonable request by LFUCG to provide assistance with such a request.

10. KYHMIS. Organization agrees that it shall ensure that data on all persons served and/or all activities assisted with using any amount of Funds provided under this Agreement shall be entered into the applicable Kentucky Homeless Management Information System (KYHMIS) in accordance with standards of the U.S. Department of Housing and Urban Development and the Continuum of Care. The Organization further agrees that this provision shall survive termination of this Agreement.

11. POLICIES AND PROCEDURES. Organization shall operate financial assistance in compliance with the Lex End Homelessness Housing Flex Fund Policies and Procedures.

12. ACCESS. Organization shall allow LFUCG any necessary reasonable access to monitor its performance under this Agreement.

13. CONTRACTUAL RELATIONSHIP ONLY. In no event shall the parties be construed, held or become in any way for any purpose the employee of the other party, or partners, associates or joint ventures in the conduct of their respective endeavors or otherwise.

14. EQUAL OPPORTUNITY; FAIRNESS ORDINANCE. Organization shall provide equal opportunity in employment for all qualified persons, and shall (a) prohibit discrimination in employment because of race, color, creed, national origin, sex, age, sexual orientation, gender identity, or handicap, (b) promote equal employment through a positive, continuing program of equal employment, and (c) cause any subcontractor or agency receiving Funds provided pursuant to this Agreement to do so. This program of equal employment opportunity shall apply to every aspect of its employment policies and practices. Organization agrees to comply with LFUCG's Fairness Ordinance (Ordinance No. 201-99) and all sources of applicable law, including those specified in any Exhibit attached to this Agreement and incorporated herein by reference.

15. SEXUAL HARASSMENT. Organization must adopt or have adopted a written sexual harassment policy, which shall, at a minimum, contain a statement of current law; a list of prohibited behaviors; a complaint process; and a procedure which provides for a confidential investigation of all complaints. The policy shall be given to all employees and clients and shall be posted at all locations where Organization conducts business. The policy shall be made available to LFUCG upon request.

16. ANNUAL AUDIT. Organization agrees that all revenue and expenditures related to this Agreement shall be audited at least annually by independent certified public accountants who shall express an opinion as to whether or not revenue and expenditures

during the year audited have conformed to state and local law and regulation. A copy of this audit, or clean audit opinion letter from an independent certified public accountant, shall be submitted to LFUCG each year of the Agreement.

17. INVESTMENT. Any investment of the Funds received pursuant to this Agreement must fully comply with any restrictions imposed by law.

18. NO ASSIGNMENT. Organization may not assign any of its rights and duties under this Agreement without the prior written consent of LFUCG.

19. NO THIRD PARTY RIGHTS. This Agreement does not create a contractual relationship with or right of action in favor of a third party against either Organization or LFUCG.

20. KENTUCKY LAW AND VENUE. This Agreement shall be governed in all respects by the laws of the Commonwealth of Kentucky and venue for all actions shall lie in the Circuit Court of Fayette County, Kentucky.

21. AMENDMENTS. By mutual agreement, the parties to this Agreement may, from time to time, make written changes to any provision hereof. Organization acknowledges that LFUCG may make such changes only upon approval of its legislative authority, the Lexington-Fayette Urban County Council, and the signature of its Mayor.

22. NOTICE. Any written notice required by the Agreement shall be delivered by certified mail, return receipt requested, to the following:

For Organization:

Arbor Youth Services, Inc.
536 W. Third Street,
Lexington, KY 40508
Attn: Josh McKinley, Executive Director

For Government:

Lexington-Fayette Urban County Government
200 East Main Street
Lexington, Kentucky 40507
Attn: Jeff Herron

23. WAIVER. The waiver by either party of any breach of any provision of this Agreement shall not constitute a continuing waiver or waiver of any subsequent breach by either party of either the same or another provision.

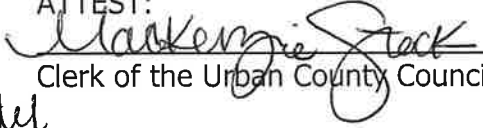
24. ENTIRE AGREEMENT. This Agreement shall constitute the entire agreement between the parties and no representations, inducements, promises or agreements, oral or otherwise, which are not embodied herein shall be effective for any purpose. This Agreement shall replace any previous agreement between the parties on the same subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement at Lexington, Kentucky, the day and year first above written.

LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT

BY: 
LINDA GORTON, MAYOR

ATTEST:


Clerk of the Urban County Council

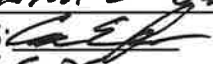
Deputy

ARBOR YOUTH SERVICES, INC.

BY: 
JOSH MCKINLEY, EXECUTIVE DIRECTOR

ATTEST:



WITNESS: 

DATE: 5-5-25

EXHIBIT "A"

Lexington/Fayette Urban County Government
RFP #5-2025, Flexible Housing Focused Financial Assistance

EXHIBIT "B"

Organization's Response to RFP #5-2025

EXHIBIT "C"

Organization's Revised Budget

4922-0017-6944, v. 1