

**PURCHASE OF SERVICE AGREEMENT**

THIS PURCHASE OF SERVICE AGREEMENT, made and entered into on the 25<sup>th</sup> day of May, 2017, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky created pursuant to KRS Chapter 67A ("Government"), 200 East Main Street, Lexington, Kentucky 40507, on behalf of the Mayor's Office of Economic Development, ("MOED") and the **BLUEGRASS AREA DEVELOPMENT DISTRICT** ("Organization"), with offices located at 699 Perimeter Drive, Lexington, Kentucky 40517.

**WITNESSETH**

That for and in consideration of the mutual promises and covenants herein expressed, the Government and the Organization agree as follows:

1. Government hereby retains Organization for the period beginning on July 1, 2015, and continuing for a period of twelve (12) months from that date unless within that period Government gives the Organization thirty (30) days written notice of termination of this Agreement in which case this Agreement shall terminate thirty (30) days from the date notice is given to the Organization.

2. Government shall pay the Organization the sum of **Forty-Eight Thousand, Six Hundred and Ten Dollars (\$48,610.00)** for the services required by this Agreement, as a portion of a regional match to state HOMECARE funds and being further described in Exhibit "A" which is attached hereto and incorporated herein by reference as if fully stated herein, July to June, inclusive. The different payment types may be paid separately at the discretion of the Government.

3. In the event of termination of this Agreement by Government as provided for in Paragraph 1 above, Organization shall be entitled to that portion of total compensation due under this Agreement, as the service rendered bears to the total service required hereunder.

4. Organization shall provide all duties and services under this Agreement faithfully and satisfactorily at the time, place and duration prescribed herein. Compensation paid pursuant to this Agreement shall be used exclusively for the purposes set forth herein and for no other purpose. Any alteration or modification in the nature of such services or duties constitutes an amendment to this Agreement and must be in writing signed by both parties. Organization shall keep itself fully informed of all national and state laws and all municipal ordinances and regulations in any manner affecting the work or performance of this Agreement, and shall at all times observe and comply with such laws, ordinances and regulations, whether or not such laws, ordinances or regulations are mentioned herein and shall indemnify Government, its officers, agents and employees against any claim or liability arising from and based on Organization's violation of any such laws, ordinances or regulations.

5. Organization represents that it has filed any federal, state or local income tax returns required by law in the legally prescribed time and manner. This Agreement shall not become effective unless and until copies of all of the executed originals of the aforementioned tax returns filed for the Organization's most recent or current tax year are registered by the Organization in the MOED, and the Organization shall not be compensated unless and until such registration has taken place.

6. Books of accounts shall be kept by the Organization and entries shall be made therein of all money, goods, effects, debts, sales, purchases, receipts, payments and any other transactions of the Organization. The books of accounts, together with all bonds, notes, bills, letters and other writings belonging to the Organization, shall be maintained at the principal place of business of the Organization as set forth in this Agreement. Government shall have free and complete access to the books, papers and affairs of the Organization relating to the LFUCG funds provided hereunder at all reasonable times, and if it desires, it may have said books and papers of the Organization audited and examined by auditors, accountants or attorneys. Any examination shall be at the expense of the Government.

7. Government may designate such persons as may be necessary to monitor and evaluate the services rendered hereunder by the Organization. The Government, its agents and employees, shall, at all times, have unrestricted access to all places where or in which the services required hereunder are being carried on and conducted. Inspection and monitoring of the work by these authorities shall in no manner be presumed to relieve in any degree the responsibility or obligations of Organization, or to constitute Organization an agent of the Government.

8. Organization shall provide equal opportunity in employment for all qualified persons, shall prohibit discrimination in employment because of race, color, creed, national origin, sex, age, sexual orientation or gender identity, or handicap, shall promote equal employment through a positive, continuing program of equal employment, and shall cause

each of its subcontracting agencies to do so. This program of equal employment opportunity shall apply to every aspect of its employment policies and practices.

9. Organization shall adopt 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 submitted to the MOED for review within thirty (30) days of the execution of this Agreement.

10. The Organization agrees that all revenue and expenditures 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 shall be submitted to the MOED within 10 days of completion.

11. Organization agrees that it shall apply all funds received by it from the Urban County Government in accordance with the following investment policy guidelines:

- A. Objectives--Capital preservation with surety of income. Reasonable competitive income consistent with high investment quality and purpose of funds. All investments shall conform with state and local law and regulations and these Policies.
- B. Investment Funds Management--The governing board may elect to either:
  - (1) manage its investments through its executive director where the size or complexity of funds to be managed is deemed by the board to be within the training, expertise and/or available time capacity of the executive director and the operating staff;

-or-

- (2) utilize the professional investment management facilities of a local bank trust department acting in a fiduciary capacity within the same approved investment policies and federal, state, local and trust laws and regulations. The trust department may utilize its regular short-term 100% U.S. Treasury Fund for daily funds investment. The election of option 1 or 2 should be made consistent with the relative cost incurred and in the case of option 2 the cost shall be competitive among local trust departments.

C. Investment Policies--Safety and Prudence.

- (1) Short-term liquidity funds shall be invested in "riskless" investments, i.e., deposits in Kentucky commercial banks or savings and loan associations that are fully federally insured or deposits collateralized by U.S. Treasury securities with a current market value of at least 100%, or in direct obligations of U.S. Treasury securities.

Investments shall be diversified according to maturity in order to meet projected cash flow needs.

Collateral pledged to secure uninsured deposits shall be held at a federal reserve bank with the receipt providing absolute control by the agency.

- (2) Retirement funds, endowment funds, long-term capital reserve funds and any other special funds may be held and invested by a local bank trust department under investment objectives and diversification in accordance with the individual nature of the funds and pursuant to the "prudent man" investment rule as well as general trust law.
- (3) All investments shall be reviewed monthly by a finance or investment committee of the agency.
- (4) Local brokerage firms may hold and invest funds provided that investments are located within Kentucky and are fully insured.

D. Audit--All investments shall be audited at least annually by independent certified public accountants who shall express an opinion as to whether or not investments during the year audited

have conformed with state and local law and regulation and with the approved investment policies.

12. This instrument contains the entire agreement between the parties, and no statement, promises or inducements made by either party or agent of either party that is not contained in this written Agreement shall be valid and binding; and this Agreement may not be enlarged, modified or altered except in writing signed by the parties and endorsed hereon.

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

For Organization: Bluegrass Area Development District  
699 Perimeter Drive  
Lexington, Kentucky 40517  
Attention: Executive Director

For Government: Lexington-Fayette Urban County Government  
Chris Ford, Commissioner of Social Services  
200 East Main Street  
Lexington, Kentucky 40507

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: \_\_\_\_\_

JIM GRAY, MAYOR

ATTEST:

Martha Allen

Clerk of the Urban County Council

BLUEGRASS AREA DEVELOPMENT  
DISTRICT

BY: \_\_\_\_\_

DAVID DUTTLINGER  
EXECUTIVE DIRECTOR

ATTEST:

WITNESS/DATE: \_\_\_\_\_

5-4-17

EXHIBIT "A"

Lexington/Fayette Urban County Government

Addendum for Services

Bluegrass Area Development District

**Scope of Work**

**Senior Services**

During fiscal year 2016 the BGADD will use \$48,610 as a portion of a regional match to state HOMECARE funds. The HOMECARE funds are contracted to Bluegrass Community Action Partnership for home delivered meals in Fayette County and to Lifeline who provided in-home services to keep elderly in their homes.





**TO:** Mayor Jim Gray  
Honorable Members, Urban County Council

**FROM:**   
Chris Ford, Commissioner of Social Services

**DATE:** April 28, 2017

**SUBJECT:** Bluegrass Area Development District PSA for State Homecare Grant Match for FY2017

---

**Request:**

Request Council Authorization for the Mayor to execute a Purchase of Service Agreement and Exhibit A with the Bluegrass Area Development District for State Homecare Match funds for Fiscal Year 2017.

**Why are you requesting?**

LFUCG's contribution towards required State Homecare Grant fund match supports Bluegrass ADD's operation of the Homecare Program for home-bound seniors. The Homecare program provides in-home assistance for Fayette County senior residents who are low income. This allows our Fayette County Seniors to stay in their homes as long as possible versus skilled or long term care facilities.

**What is the cost in this budget year and future budget years?**

The cost for this Fiscal Year is \$48,610. The cost for future fiscal years will be based on the amount of available State Homecare funds. This agreement is only for Fiscal Year 2017.

**Are the funds budgeted?**

The funds are budgeted in account 1101-900302-0001-71101.

**File Number:** 0454-17

**Director/Commissioner:** Kristy Stambaugh / Chris Ford

