

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (“Agreement”) is entered into this _____ day of _____, 2024 by and between the City of Glendale, an Arizona municipal corporation (“City”) and Terros, Inc., dba Terros Health an Arizona non-profit corporation (“Terros”), collectively referred to as the “Parties” and individually as the “Party”.

RECITALS

- A. Terros, Inc. is a non-profit health care organization that specializes in the treatment of substance abuse.
- B. Maverick House is a Terros owned and operated residential substance abuse facility located at 5801 N. 51st Avenue, Suite 109, Glendale, AZ 85301.
- C. City of Glendale is in receipt of funds from the State of Arizona obtained by the State as part of the settlement of nationwide opioid litigation.
- D. Terros desires to improve the Maverick House facility by remodeling to create an intake section completely separate and apart from the residential section of the facility (“Project”). The project will create a dedicated drop off location for Glendale first responders for patients in crisis.
- E. The Project qualifies as an eligible project for opioid settlement funding reimbursement.
- F. The City desires to contribute to the Project by reimbursing Terros for a portion of its expense to expand substance abuse rehabilitation services in the City.
- G. The City will benefit by the increase in opioid abuse treatment capacity in the area of the City most in need of the services.

AGREEMENT

Now, therefore, in consideration of the foregoing recitals and representations and the mutual promises contained in this Agreement, the Parties agree as follows:

1. PROJECT

Terros proposes the Project consisting of a remodeling of its Maverick House facility in Glendale to include an onsite intake section on the treatment premises, all done in

compliance with state of Arizona regulations, and in substantial conformance with the description and general conception set out in Exhibit A.

2. REIMBURSEMENT OF PRE-DEVELOPMENT AND DEVELOPMENT COSTS

The City will reimburse Terros in an amount not to exceed Two Hundred Thousand Dollars and No Cents (\$200,000.00) for all Eligible Expenses paid by Terros that are reasonably necessary to further the Project, consisting of legal and administrative, architectural and engineering, inspection, site work, demolition and removal, minor alterations and renovations, equipment and contingencies (Eligible Expenses). Reimbursement for Eligible Expenses will be paid on a calendar quarter basis with the final reimbursement occurring after the issuance by the City of a certificate of occupancy.

3. REQUEST FOR REIMBURSEMENT

On a calendar quarter basis, Terros shall submit an itemized invoice to the City for reimbursement. Invoices must include a clear and complete description of the Eligible Expense, documentation showing the expense was paid, and must clearly demonstrate that the expense was an Eligible Expense. The final reimbursement request must be submitted no later than 60 calendar days after the issuance of a certificate of occupancy for the completed Project. Terros shall register on the City's Vendor Self Service portal to receive reimbursements through electronic funds transfer. The City shall reimburse Terros for Eligible Expenses within 30 days of submission of the invoice.

4. CONFIDENTIALITY

4.1 Definition. "Confidential Information" shall mean confidential or other proprietary information that is disclosed by one party (the "Disclosing Party") to the other party (the "Receiving Party") under this Agreement, including, without limitation, business plans, patient health information, employee compensation and benefits, internal processes, and other business information. Confidential Information shall not include information which: (i) is or becomes publicly-available without any action by, or involvement of, Receiving Party; (ii) is independently developed by the Receiving Party without use of or reference to Disclosing Party's confidential information; (iii) is already known to the Receiving Party at the time of disclosure under this Agreement; (iv) is disclosed to the Receiving Party by a third party without any obligation of confidentiality; or (v) is disclosed pursuant to any judicial or governmental order, provided that, to the extent permitted, the Receiving Party gives the Disclosing Party sufficient prior notice to consent to such order.

4.2 Protection of Confidential Information. Neither party shall transfer or otherwise disclose to any third party the Confidential Information of the other party. Each party shall (i) give access to Confidential Information of the other party solely to those of its employees with a need to have access thereto for purposes of this Agreement, and (ii) take

the same security precautions to protect against disclosure or unauthorized use of such other party's Confidential Information that the party takes with its own confidential information, but in no event shall a party apply less than a reasonable standard of care to prevent such disclosure or unauthorized use.

5. AMENDMENTS

Neither this Agreement nor any provisions hereof may be waived, modified, amended, discharged, or terminated (except as provided herein), except by an instrument in writing signed by all of the parties to this Agreement.

6. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter herein, and supersedes and replaces any prior agreements or understanding, whether written or oral, between the parties with respect to such matters.

7. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same agreement.

8. RELATIONSHIP OF PARTIES

The relationship established between the parties is that of independent parties, and nothing contained herein shall or shall be construed to: (i) give either party the power to direct and/or control the day to day activities of the other, (ii) constitute the parties as partners, joint ventures, co-owners or otherwise as participants in a joint or common undertaking, or (iii) allow a party to create or assume any obligation on behalf of the other party for any purpose whatsoever, except as expressly contemplated in this Agreement.

9. ASSIGNMENT

Neither party shall assign this Agreement to any third party without the prior written consent of the other party. This Agreement shall be binding upon the parties hereto and successors and assigns.

10. SEVERABILITY

Each provision of this Agreement is intended to be severable. If any provision of the Agreement is deemed or held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforcement ability of the remaining provisions shall not in any way be affected or impaired.

11. COMPLIANCE WITH THE LAW

The Parties shall comply with all federal, state, county, municipal and other government statutes, ordinances, laws, and regulations now or hereafter enacted or amended related other subject matter of this Agreement.

This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona. Each party irrevocably consents to the exclusive jurisdiction and venue of any state court that is located in Phoenix or Glendale, Arizona.

12. TERM

This Agreement shall be effective as of the Effective Date and shall remain in full force and effect for a period of one year from the above date. The period of performance for Eligible Expenses shall be through the termination date.

13. CONFLICT OF INTEREST

The Parties acknowledge that this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on the City’s behalf is also an employee, agent, or consultant of any other party.

14. NOTICES

Any notice, invoice, request, demand, statement, or consent herein required or permitted to be given by either Party to the other in this Lease (each, a “Notice”), must be in writing signed by or on behalf of the party giving the notice and addressed to the other at the address as set forth below:

If to the City:

Rick St. John
Deputy City Manager
City of Glendale
9494 W Maryland Ave
Glendale, AZ 85305


If to Terros:

Karen Hoffman Tepper, Ph.D.
President and CEO
Terros Health
3003 N. Central Avenue, Suite 400
Phoenix, AZ 85012

(Signatures on following page.)

The signatures of the representatives of the parties below designates the acceptance of the terms of this Agreement and shall make the Agreement binding on the parties effective the date of the execution hereof.

TERROS, INC., dba TERROS HEALTH:

By:  [Karen Hoffman Tepper \(Feb 4, 2024 08:44 MST\)](#) Feb 4, 2024

Name: Karen Hoffman Tepper, PhD

Title: President and CEO

CITY:

CITY OF GLENDALE, ARIZONA,
an Arizona municipal corporation

By: _____

Name: Kevin R. Phelps_____

Title: City Manager_____

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

Exhibit A

Maverick Outpatient
Minor Renovation to Add Outpatient Services, Intake, and MAT
5801 N 51st Ave, Glendale, AZ 85301.

Description.

Minor renovations at 5801 N 51st Ave, Glendale property, AKA Terros' Maverick House. The renovations include adding doors, sidelights, and badge swipe access to existing hallways which effectively separate and secure a few offices and existing group/conference for use with outpatient services. Residential staff members and patients will not have access to the Outpatient Service space except for the program manager or assigned staff member/s who provides services in both spaces. Terros Health will modify the existing conference room to have an office for a primary-care provider, nurse workstation, and a patient treatment space. In addition, Terros Health will add a wall to divide and secure the existing maintenance/janitorial storage room designated for hazardous waste storage and disposal. Lastly, Terros Health would like to add a Terros Health logo above the separate entrance designated for Maverick Outpatient and label two parking spots for First Responders.

