

RESOLUTION NO. 2515

A RESOLUTION OF THE CITY OF SALISBURY AUTHORIZING THE MAYOR TO SIGN THE GRANT AGREEMENT AND ACCEPT A GRANT OF \$38,500.00 FROM THE MARYLAND ENERGY ADMINISTRATION FOR IMPLEMENTATION OF A PILOT PROJECT TO REDUCE RELIANCE ON PETROLEUM AS A FUEL FOR TRANSPORTATION.

WHEREAS, the Maryland Energy Administration has a Maryland Smart Energy Communities Grant Program with funding through the Strategic Energy Investment Fund; and

WHEREAS, the purpose of the grant program is to encourage local Maryland governments to adopt formal policies and implement projects to encourage energy efficiency, renewable energy development, and reduce reliance on petroleum as a fuel for transportation; and

WHEREAS, The City of Salisbury submitted a grant application for funding to implement a pilot project to convert six City vehicles to utilize propane fuel to reduce reliance on petroleum fuel for transportation; and

WHEREAS, the Maryland Energy Administration has issued a grant agreement with the City of Salisbury with a grant of \$38,500 for funding the pilot project; and


WHEREAS, the City of Salisbury has adopted a policy to reduce the use of petroleum as a transportation fuel by 20% within 5 years of a baseline year of 2011; and

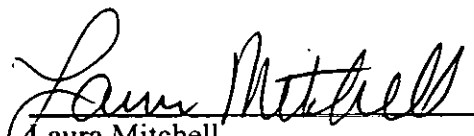
WHEREAS, by adoption of Smart Energy policies and implementation of projects, the City of Salisbury will become designated as a Maryland Smart Energy Community and will be eligible to receive additional grant funding to implement these policies.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Salisbury, Maryland does hereby authorize the Mayor to sign the attached Grant Agreement # 2015-07-520S1 dated June 10, 2015 accepting the program terms and schedule, for the betterment of the City and its residents, and accepts the grant of \$38,500 from the Maryland Smart Energy Communities Grant Program for reduction of reliance on petroleum as a fuel for transportation.

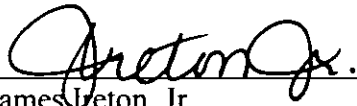
THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting of the Council of the City of Salisbury held on this 22nd day of June, 2015 and is to become effective immediately upon adoption.

ATTEST:


Diane C. Nelson
ASSISTANT CITY CLERK


Laura Mitchell
VICE PRESIDENT, City Council

APPROVED by me this 25 day of JUNE, 2015


James Breton, Jr.

MAYOR, City of Salisbury

**MARYLAND SMART ENERGY COMMUNITIES
GRANT AGREEMENT**
(Existing Maryland Smart Energy Communities)

**STATE OF MARYLAND
MARYLAND ENERGY ADMINISTRATION**
60 West Street, Suite 300
Annapolis, Maryland 21401

hereinafter "MEA"

and

Fiscal Year 2015 Existing Maryland Smart Energy Community:
City of Salisbury
125 N. Division Street, Room 202
Salisbury, MD 21801

hereinafter "Grantee"

PREMISES

The Maryland Energy Administration (MEA) developed and administers the Maryland Smart Energy Communities (MSEC) Grant Program pursuant to the authority provided in Sections 9-2003 and 9-20B-01 *et seq.* of the Maryland Code, State Government Article. The MSEC Grant Program is funded through the Strategic Energy Investment Fund (SEIF). *See* Md. Code, Section 9-20B-05 *et seq.* of the State Government Article. By statute, the use of SEIF is divided into different sub-categories, including investments in cost effective energy efficiency and conservation programs, cost effective low and moderate income energy efficiency and conservation programs, and renewable and clean energy resources.

The purpose of the MSEC Grant Program is to encourage local Maryland governments, including counties and municipalities, to voluntarily adopt formal policies to encourage energy efficiency, renewable energy development, and/or reduce reliance on petroleum as a fuel for transportation, and to implement projects to achieve the objectives of such policies. To implement this purpose, the Program has two separate but related components, policy development and project development. Grantee has complied with the requirements for a New MSEC, which includes the development and formal adoption of policies promoting energy-efficiency and transportation petroleum reduction; and developing both a baseline for energy measures and an energy plan. Grantee has also received funding under an FY14 Program grant and begun its first MSEC project to retrofit City-owned streetlights in furtherance of its commitment to reduce municipal electricity consumption.

MEA issued a notice of opportunity for funding through the MSEC Grant Program for FY 2015 and, upon evaluating Grantee's application for a project to convert six city-owned police and/or public works vehicles (currently powered by gasoline or diesel) with propane to decrease use of conventional petroleum vehicles, MEA has determined that Grantee is eligible for an award in FY 15 for a Program grant as an Existing MSEC. The amount and authorized uses of the Grant Award, as well as terms, conditions, and restrictions, are set forth in this Grant Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

I. Purpose of Grant

(A) Purpose. The purpose of this Maryland Smart Energy Communities Grant (the "Grant") to an Existing MSEC is to provide technical assistance and funding as part of the Program to assist Grantee in the development a project to convert six city-owned police and/or public works vehicles (currently powered by gasoline or diesel) with propane to decrease use of conventional petroleum vehicles ("the Project").

II. Project Description and Costs Eligible for Reimbursement

A. Project Description

(1) MEA is making available this grant award for the proposed project, whose scope shall be determined through the following process:

(a) The Grantee shall complete Attachment A "MSEC Project Development Form" and submit to MEA by November 15, 2015, as specified herein in section (C)(2), unless a request for a deadline extension is submitted to MEA by November 2, 2015 and approved in writing by the MEA Program Manager. The project described in Attachment A shall be consistent with subsection (1) above.

(b) MEA will not approve a project submitted by Grantee in Attachment A that is inconsistent with the project described in Grantee's application. If Grantee anticipates any deviation from the project described in Grantee's application, Grantee must consult with the MEA Project Manager prior to October 1, 2015 and is subject to MEA approval.

(c) After review of Attachment A, MEA will provide Grantee with a completed "Project Approval Form" on the form included in Attachment B, which will describe the project approved by MEA ("the Approved Project").

(2) The completed Project Approval Form indicating the Approved Project shall be incorporated into this Agreement as Attachment B. Attachment B (Approved Project) shall not contain any terms or conditions other than a Project Description and Project Completion timeline. If Attachment B (Approved

Project) contains any terms and conditions other than a Project Description and Project Completion timeline, such terms and conditions are not incorporated into this agreement, and are not agreed to by MEA. In the event of any conflicts between Attachment B (Approved Project) and this Agreement, the terms of this Agreement shall control.

(3) The Approved Project shall meet the following requirements to be funded as an MSEC Energy Efficiency and Conservation project:

- (a) Be at least 10% more efficient than local codes or federal standards require;
- (b) Be cost effective, which is defined as having a simple payback time that is less than the useful life of the Project;
- (c) Provide substantial electricity savings that allows Grantee to make significant progress in meeting its electricity consumption reduction goal; and
- (d) Make every reasonable effort to pursue relevant utility rebates or utility incentives.

MEA shall have the complete and sole discretion to determine when these requirements are met.

(B) Reimbursable Costs

Only those costs or expenditures specified below are eligible for reimbursement under this Grant.

(1) Direct Project Costs – At least 70% of the Grant Award shall be for reimbursement of approved expenditures associated with the Approved Project such as labor, equipment and material.

(2) Project Preparation Costs –

(a) Only up to 30% of the Grant Award may be used to reimburse the local jurisdiction for approved expenditures associated with: the development and adoption of Policies, Plans or Baselines; Project design and development; feasibility studies; energy audits; reasonable administrative costs; staff time or consultant fees.

(b) When applicable, prior to beginning any feasibility study, the Grantee shall first gain approval by MEA. The Grantee shall show how each measure can be installed within 5 years of the Baseline year and the need for the feasibility study before embarking on a project.

(c) Administrative Costs. – Only up to 10% of the total amount of the grant may be used for reasonable administrative costs; staff time or

consultant's fees. If Grantee uses less than 10% of the total amount of the grant for Administrative Costs, Grantee may use the remaining portion for Policy and Project Preparation Costs, consistent with subsection (a) herein above.

(C) Program Timing and Deadlines Grantee shall comply with the following deadlines unless an extension is given in writing by the Program Manager, consistent with this section:

- (1) By November 15, 2015 - Grantee shall submit to MEA a completed Attachment A "MSEC Project Development Form";
- (2) May 16, 2016 - Grantee shall complete the Project(s) approved by MEA and specified on the completed Project Approval Form.
- (3) By June 15, 2016 - Grantee shall submit to MEA all Reports and final invoices requesting Program cost reimbursements consistent with Section IV (B).

Extensions may be requested in writing in advance of a deadline, but are not guaranteed. Extensions shall only be permitted for good cause shown, such as circumstances outside of Grantee's control, as determined solely by MEA in writing.

(D) Program Requirements and Restrictions

- (1) No Project supported with the Grant Award may begin until after each of the following occurs:
 - (a) Grantee Submits to MEA a completed MSEC Project Proposal Form, attached hereto as Attachment A;
 - (b) Grantee receives the MSEC Project Approval Form, attached hereto as Attachment B, signed by MEA;
 - (c) MEA's historic preservation specialist determines that the Project will have no adverse effect on historic properties; and
 - (d) Grantee has obtained all required local, State and federal licenses, permits, and other authorizations.
- (2) A project proposed for facilities or property owned by the Grantee shall be given priority. A project proposed for facilities or property not owned by the Grantee may be considered for approval by MEA, but funding for such projects are not guaranteed.
- (3) Failure to formally adopt the Policies or complete the Project by the deadlines set forth herein may result in Grantee having to reimburse Grant funds to MEA, unless such delay is caused by factors outside of Grantee's control, as determined by MEA.

(4) MEA will not fund projects that involve fuel switching, nor projects that reduce non-electricity energy usage. The decision to fund a project shall be at the sole discretion of MEA.

(5) If at any time MEA determines that Grantee has not demonstrated sufficient progress toward meeting the Policy and Project deadlines set forth above, MEA may terminate this Agreement and may require that Grantee reimburse Grant funds to MEA, unless such delay is caused by factors outside of Grantee's control.

(6) Expenditures on Policy or Project development, Plans or Baselines that have not been pre-approved in writing by MEA may not be reimbursed with Grant funds.

(7) Reports and Invoices with appropriate documentation received by MEA after any applicable deadline may not be eligible for reimbursement with Grant funds, as determined by MEA.

(8) All Projects must be constructed, installed and operated in compliance with all applicable local, State and federal laws, regulations, ordinances, licenses, permits, standards, and other requirements.

(9) Grantee must comply with any procurement requirements that may apply to it with regard to Grant Program activities for which reimbursement is sought.

(10) Grantee shall cooperate with MEA and MEA's technical contractor to identify and describe the most appropriate Project for this Program.

(a) The primary purpose of a proposed project must be to reduce electricity consumption; as determined by MEA.

(b) Grantee shall work diligently to develop credible project-specific data estimates on project costs and energy savings through a project bid and/or energy audit, or other appropriate means approved in writing by MEA.

(c) Grant funds may not be used for a project the primary purpose of which is "maintenance", as determined solely by MEA.

(d) A project involving fuel switching is generally not eligible for Grant funding, although MEA may approve such Projects as it deems appropriate.

(11) Grantee agrees to diligently seek and apply for all rebates and other incentives that may be available through Grantee's electric utility. Such rebates and incentives shall be estimated and applied to Grant Program costs before use of Grant funds.

(12) All new construction must be performed in a Priority Funding Area, unless a waiver is approved in writing by MEA. A map of Priority Funding Areas, including a search by address feature, can be found on the Maryland Department of Planning website: <http://www.mdp.state.md.us/OurProducts/pfamap.shtml>.

Priority Funding Areas are existing communities and places where local governments want State investment to support future growth. The following areas qualify as Priority Funding Areas:

- a. Every municipality, as they existed in 1997;
- b. Areas inside the Washington Beltway and the Baltimore Beltway
- c. Areas already designated as enterprise zones, neighborhood revitalization areas, heritage areas and existing industrial land.

III. Amount and Duration of the Grant

(A) Amount of Grant Award

(1) The Grant Award shall not be greater than **Thirty-Eight Thousand, Five-Hundred Dollars (\$38,500)**. As of the Effective Date of the Agreement as defined below, Grantee may use up to 30% of the Grant Award for Policy and Project Preparation Costs that are pre-approved by MEA in writing and consistent with Article II(B).

(2) The total amount of the Grant shall be used for the Approved Project.

(B) This Agreement must be signed by the Grantee and received by MEA no later than June 15, 2015. If this properly signed Grant Agreement is not received by MEA on or before June 15, 2015, the grant award shall automatically be revoked, and this Agreement is void unless an extension is given in writing by the MEA Program Manager.

(C) The Effective Date of this Agreement is the date that the properly executed Agreement is received by MEA, as determined by the official MEA date stamp on the first page of the Agreement.

(D) Unless an extension is permitted as described below, all activities must be completed by no later than **May 15, 2016** with all required documentation under Section IV (B) completed and submitted to MEA by no later than **June 15, 2016**. Extensions may be requested in writing in advance of a deadline, but are not guaranteed. Extensions shall only be permitted for good cause shown, such as circumstances outside of Grantee's control, as determined solely by MEA in writing.

IV. Reporting and Reimbursement Requirements

(A) The Grantee shall retain bills of sale or other satisfactory evidence of the acquisition of any real or personal property, as well as reports, activity logs, timelines, estimated and actual energy savings and/or generated, supporting documentation for any other expenses that are covered in whole or in part by any Grant Funds, and any other

information related to Grant activities for at least three years from the date that the Grantee receives final reimbursement from MEA. MEA, MEA's agents, the Department of Budget and Management, the State Comptroller, the Legislative Auditor, or any of them, may examine and audit this evidence on request, at any reasonable time within the retention period. In addition, the Grantee shall also make the worksite available to MEA, or its agents, upon request at any reasonable time for at least three years from the date that the Grantee receives final reimbursement from MEA.

(B) Program Reporting and Invoicing.

(1) Separate Expenditure Categories. When a Grant Award is divided into separate expenditure categories (energy efficiency, low and moderate income energy efficiency, renewable development, or petroleum reduction), Grantee shall maintain records separately for each distinct category. In addition, Grantee shall account for and invoice MEA separately for each distinct category.

(2) Reporting. Grantee shall submit MSEC reports ("Reports") to MEA on a monthly basis. Reports and Invoices are due to MEA by the 20th day of the month following the previous month's reporting period. The first monthly Report shall be submitted for the first full month following the Effective Date, as defined above, and for each month thereafter, even if not accompanied by an Invoice. Reporting shall continue until the Grant funds have been completely expended or the Grantee has notified MEA in writing that no additional funding will be requested under the Grant.

(3) Invoicing and Reporting.

(a) To be reimbursed, Grantee shall provide invoices and other documentation to MEA with the monthly Report.

(b) MEA may only provide Grant funds for reimbursement after receipt of appropriate invoices and reports with sufficient documentation of expenditures, as determined by MEA and consistent with Article II(B).

(c) MEA will reimburse Grantee for approved costs only after any and all available incentives offered by Grantee's electric utility provider have been fully utilized. Grant Award is to be used for net costs, after application of electric utility rebates and incentives.

(C) Grantee may submit Reports, Invoices and other documents electronically after obtaining authorization in writing from MEA. If authorization has not been obtained, Grantee shall mail Reports, Invoices and other documents to MEA at the following address:

Maryland Energy Administration
Attn: Maryland Smart Energy Communities Program
60 West Street, Suite 300
Annapolis, MD 21401

After review of the Reports, Invoices and any supporting documents or information requested by MEA, MEA shall make a final determination of whether the Grantee has met all Program requirements, terms and conditions, and process the grant award for payment as promptly as possible, if warranted. Grant funds shall not be provided for work that has yet to be performed, costs that have yet to be incurred or are not sufficiently documented, or are inconsistent with the purpose, terms and conditions of the Grant.

(D) For monitoring and evaluation purposes, the Grantee shall make available to MEA, or its agents, all reports, activities logs, work sites, timelines, estimated and actual energy savings and/or generated, or other information related to the Grant activities during regular business hours. Reporting metrics (electricity consumption data) shall be made available by the grantee to MEA for a period of five years after the project for which grant funding is received.

(E) No grant monies will be funded for costs or obligations incurred, or work performed, prior to the Effective Date of this Agreement.

(F) Prior to execution of this Agreement, Grant funds are subject to change in amount and existence based on funding availability.

(G) Multiple renewable projects on contiguous parcels of property will be considered one Project for purposes of MEA funding.

(H) An Approved Project may not receive more than one Maryland Smart Energy Communities grant from MEA.

(I) Projects must be located within the state of Maryland.

V. General Conditions

(A) Any expenditure of Grant funds that is not consistent with the purposes of the grant award, or that violates any requirement, term or condition of the Grant Program or this Agreement, may, in the sole judgment of MEA, be disallowed. Should any expenditure be disallowed, the State may require repayment to MEA for reimbursement of the Strategic Energy Investment Fund, an offset from any State grant to the Grantee in the current or succeeding fiscal year, or other appropriate action. The Grantee shall immediately repay to the State any part of the Grant that is not used for the purposes of the Program.

(B) Grantee may not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or any other characteristic forbidden as a basis for discrimination by applicable laws, and certifies that its Constitution or by-laws contains a non-discrimination clause consistent with the Governor's Code of Fair Practices.

(C) Grantee shall ensure that all work performed pursuant to the Grant and this Agreement is completed by contractors and/or staff holding all necessary certifications

and licenses. Additionally, all work performed pursuant to the Grant shall comply with all applicable local, State, and federal building codes and other applicable laws and regulations.

(D) The person executing this Agreement on behalf of the Grantee certifies, to the best of that person's knowledge and belief, that:

(1) He or she is authorized to sign this Agreement on behalf of the Grantee and to commit the Grantee to the obligations set forth herein.

(2) Neither the Grantee, nor any of its officers or directors, nor any employee of the Grantee involved in obtaining contracts with or grants from the State or any subdivision of the State, has engaged in collusion with respect to the Grantee's application for the Grant or this Agreement or has been convicted of bribery, attempted bribery, or conspiracy to bribe under the laws of any state or the United States;

(3) Neither the Grantee, nor any of its officers or directors, nor any employee of the Grantee has engaged in any practice with regard to this Grant that is inconsistent with General Provisions Article, § 5-502, Maryland Code Ann. (2014).

(4) Grantee has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee or agent working for the Grantee, to solicit or secure the Grant or this Agreement, and the Grantee has not paid or agreed to pay any such entity any fee or other consideration contingent on the making of the Grant or this Agreement;

(5) Grantee, if a business or non-profit organization, is incorporated or is registered to do business in the State, and is in good standing with the Maryland State Department of Assessments and Taxation;

(6) Grantee, if a health or social welfare organization as defined by Section 7-403 of the State Finance and Procurement Article of the Annotated Code of Maryland, shall keep financial records in accordance with uniform accounting standards, as more fully described in Section 7-403;

(7) Neither the Grantee, nor any of its officers or directors, nor any person substantially involved in the contracting or fund-raising activities of the Grantee, is currently suspended or debarred from contracting with the State or any other public entity or subject to debarment under Regulation 21.08.04.04 of the Code of Maryland Regulations; and

(8) The Grantee is not in default on any financial obligation to the State or MEA.

VI. False Statement or Report

A person may not knowingly make or cause to be made any false statement or report in any document required to be furnished by MEA in relation to the Grant Program. For a SELF-funded Grant, any violation of this provision is a misdemeanor and on conviction is subject to a fine not exceeding \$50,000.00 or imprisonment not exceeding 1 year or both. Md. Code, Section 9-20B-11 of the State Government Article.

VII. Historic Preservation Review

For each project being funded in whole or in part through this Agreement, a historical preservation review must first be completed by the Maryland Historical Trust (MHT) or MEA's historical preservation expert. This review ensures that no historical property is "adversely affected" through this Program. Prior to starting construction, Grantee shall assure that MEA has received documentation from MHT or MEA's historical preservation expert indicating that the Project will have no adverse effect on a historical property.

VIII. Maryland Saved Harmless

To the extent allowed by Maryland law, the Grantee agrees to defend, indemnify and hold MEA harmless from and against any and all damages, claims, lawsuits, actions, and reasonable out-of-pocket costs and expenses, in whatever form, arising from or related to the Grant. MEA expressly reserves the right of any immunity MEA or its employees may possess under State or federal law. If the Grantee is a Maryland State agency or local government, then each party shall be responsible for its own liability associated with the Grant, and neither party waives any applicable immunities.

IX. Environmental Standards and Liability

The Grantee shall ascertain and abide by all applicable environmental standards set by federal, state or local laws, rules or regulations related to the performance of the obligations pursuant to the Agreement (hereinafter referred to as "Environmental Standards"). The Grantee shall monitor its compliance with Environmental Standards and immediately halt and correct any incident of non-compliance.

In the event of any incident of non-compliance with Environmental Standards, the Grantee shall:

1. Give MEA immediate notice of the incident to the Agreement Representative, or designee, providing as much detail as possible;
2. If requested by MEA, submit a written report to MEA, identifying the source or cause of the non-compliance and the method or action required to correct the problem; and
3. Cooperate with MEA or its designated agents or contractors with respect to the investigation of such problem.

To the limits allowed by Maryland law (and without waiving any local or State government immunities that may apply if Grantee is a Maryland State or local government), the Grantee shall be liable for (a) all environmental losses, including but not limited to, costs, expenses, losses, damages, actions, claims, penalties, fines and remedial or cleanup obligations arising from its failure to comply with Environmental Standards; and (b) any hazardous material located or placed in the Project and any requirements imposed by any governmental authority with respect to hazardous materials, arising in connection with the Grant or the Project.

X. Liability Insurance

(A) For all work performed by the Grantee that is to be funded in whole or in part with grant funds provided by MEA, Grantee shall purchase and maintain comprehensive third-party legal liability insurance or its equivalent. Grantee shall also maintain other such insurance as is appropriate for the work to be performed. **For a Maryland State or local government entity that is self-insured, a document detailing the statutory basis for self-insurance may be accepted by MEA as an equivalent form of insurance under this paragraph.**

(B) All insurance must name MEA as an additional insured. The insurance provided shall include, but not be limited to, insurance protecting MEA from bodily injury and property damage, including, but not limited to all workers' compensation insurance, and errors and omissions. Grantee shall maintain insurance documentation in a Grantee-owned facility and shall provide to MEA, upon demand, a certificate or other documentation deemed appropriate by MEA, evidencing MEA's status as an additional insured.

(C) Insurance requirements may be waived or modified by MEA in writing, for good cause shown. Any such written waiver or modification shall be signed by the parties, and attached hereto and incorporated herein as part of this Agreement.

(D) Grantee shall include in all of its contracts for work that is to be funded in whole or in part with grant funds provided by MEA a provision or provisions requiring all contractors to purchase and maintain comprehensive third-party legal liability insurance and other such insurance as is appropriate for the work to be performed. All insurance provided by the contractor must name MEA as an additional insured. The insurance provided shall include, but not be limited to, insurance protecting MEA from bodily injury and property damage, including, but not limited to all workers' compensation insurance, and errors and omissions.

(E) Grantee shall maintain insurance documentation in a Grantee-owned facility and shall provide to MEA, upon demand, a certificate or other documentation deemed appropriate by MEA, evidencing MEA's status as an additional insured. Insurance requirements may be waived by MEA in writing, for good cause shown. Any such written waiver or modification shall be signed by the parties, and attached hereto and incorporated herein as part of this Agreement.

XI. MEA Access to Project Site and Ability to Use Project Information

(A) Grantee shall allow MEA employees or representatives access to the relevant building and structures so that MEA may perform monitoring visits to provide technical assistance and to ensure that project requirements are fully satisfied. Grantee shall also allow MEA employees or representatives access to the relevant project site in order to take photographs or video of the project for MEA use.

(B) The Grantee understands and agrees that MEA may use information about the project for reporting and marketing purposes, including but not limited to the project description, building type, energy measures, project costs, leveraged funds, energy and financial savings, and pictures and videos of the premises. MEA shall provide the Grantee an opportunity to review and consult with MEA to assure that a written case study, photo or video taken of its facility will not disclose confidential personal and/or business information.

(C) If the Project's location is owned or controlled by a third party at any time during the Grant period, the Grantee shall be responsible for obtaining written permission from the third party to allow MEA access to the property for all of the purposes described in this Agreement. MEA shall not provide any further reimbursement of funds under the Agreement until Grantee provides the relevant written permission.

XII. Maryland Law Prevails

The internal laws of Maryland shall govern the interpretation and enforcement of this Agreement, except for any choice of law provisions utilized by Maryland.

XIII. Agreement Binding on Successors and Assigns

This Agreement shall bind the respective successors and assigns of the parties.

XIV. Assignment or Transfer

The Grantee may not sell, transfer, or assign any of its obligations under this Agreement, or its rights, title, or interest in this Agreement, without further prior written consent of MEA.

XV. Amendments to the Grant

No amendment to this Agreement is binding unless it is in writing and signed by both parties.

XVI. Party Representatives

The following individuals shall have the authority to act under this Agreement for their respective parties, subject to all necessary approvals:

Devan Willemsen, Program Manager
Maryland Energy Administration
(410) 260-7539

(Or any such person as may be designated in writing by the Director of MEA.)

Michael Moulds, Director of Public Works
City of Salisbury
410-548-3170 Ext. 1201

(Or any other person as may be designated in writing by the Grantee's Executive Director.)

XVII. Merger

This Agreement and any terms and conditions expressly incorporated by reference herein embodies the whole agreement of the parties. There are no promises, terms, conditions, or obligations referring to the subject matter, other than those contained herein or incorporated herein by reference.

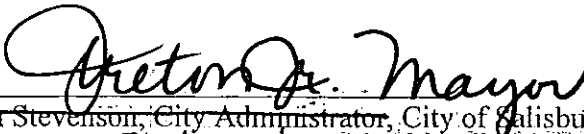
XVIII. Non-waiver of Rights; Remedies

No failure on the part of the State or MEA to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude the State or MEA from further exercising that or any other right. The remedies provided under this Agreement are cumulative and not exclusive of any remedies provided by law.

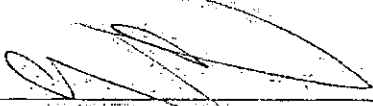
THIS GRANT AGREEMENT HAS BEEN APPROVED BY THE ATTORNEY GENERAL'S OFFICE AT MEA. NO CHANGES, MODIFICATIONS, ADDITIONS OR DELETIONS TO THIS AGREEMENT ARE AUTHORIZED ABSENT SPECIFIC WRITTEN AGREEMENT BY THE PARTIES AND APPROVAL BY THE ATTORNEY GENERAL'S OFFICE AT MEA. ANY UNAUTHORIZED CHANGES, MODIFICATIONS, OR DELETIONS TO THIS FORM AGREEMENT WILL RENDER MEA'S OBLIGATIONS UNDER THIS AGREEMENT VOIDABLE AT MEA'S ELECTION.

IN TESTIMONY WHEREOF, WITNESS the hands and seals of the parties.

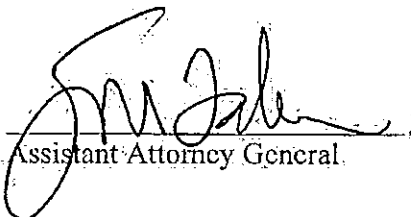
CITY OF SALISBURY

By: 
Tom Stevenson, City Administrator, City of Salisbury, Maryland
James Ireton, Jr., Mayor

MARYLAND-ENERGY ADMINISTRATION

By: 
A. Leigh Williams, Esq.
Director

Approved for Form and Legal Sufficiency
this 10th day of June, 2015,


Assistant Attorney General

JUN 15 2015

SALISBURY PUBLIC WORKS

Grant# 2015-07-52051

**MARYLAND SMART ENERGY COMMUNITIES
GRANT AGREEMENT**
(Existing Maryland Smart Energy Communities)

**STATE OF MARYLAND
MARYLAND ENERGY ADMINISTRATION**
60 West Street, Suite 300
Annapolis, Maryland 21401

hereinafter "MEA"

and

Fiscal Year 2015 Existing Maryland Smart Energy Community:
City of Salisbury
125 N. Division Street, Room 202
Salisbury, MD 21801

hereinafter "Grantee"

PREMISES

The Maryland Energy Administration (MEA) developed and administers the Maryland Smart Energy Communities (MSEC) Grant Program pursuant to the authority provided in Sections 9-2003 and 9-20B-01 *et seq.* of the Maryland Code, State Government Article. The MSEC Grant Program is funded through the Strategic Energy Investment Fund (SEIF). *See* Md. Code, Section 9-20B-05 *et seq.* of the State Government Article. By statute, the use of SEIF is divided into different sub-categories, including investments in cost effective energy efficiency and conservation programs, cost effective low and moderate income energy efficiency and conservation programs, and renewable and clean energy resources.

The purpose of the MSEC Grant Program is to encourage local Maryland governments, including counties and municipalities, to voluntarily adopt formal policies to encourage energy efficiency, renewable energy development, and/or reduce reliance on petroleum as a fuel for transportation, and to implement projects to achieve the objectives of such policies. To implement this purpose, the Program has two separate but related components, policy development and project development. Grantee has complied with the requirements for a New MSEC, which includes the development and formal adoption of policies promoting energy-efficiency and transportation petroleum reduction; and developing both a baseline for energy measures and an energy plan. Grantee has also received funding under an FY14 Program grant and begun its first MSEC project to retrofit City-owned streetlights in furtherance of its commitment to reduce municipal electricity consumption.

MEA issued a notice of opportunity for funding through the MSEC Grant Program for FY 2015 and, upon evaluating Grantee's application for a project to convert six city-owned police and/or public works vehicles (currently powered by gasoline or diesel) with propane to decrease use of conventional petroleum vehicles, MEA has determined that Grantee is eligible for an award in FY 15 for a Program grant as an Existing MSEC. The amount and authorized uses of the Grant Award, as well as terms, conditions; and restrictions, are set forth in this Grant Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

I. Purpose of Grant

(A) Purpose. The purpose of this Maryland Smart Energy Communities Grant (the "Grant") to an Existing MSEC is to provide technical assistance and funding as part of the Program to assist Grantee in the development a project to convert six city-owned police and/or public works vehicles (currently powered by gasoline or diesel) with propane to decrease use of conventional petroleum vehicles ("the Project").

II. Project Description and Costs Eligible for Reimbursement

A. Project Description.

(1) MEA is making available this grant award for the proposed project, whose scope shall be determined through the following process.

(a) The Grantee shall complete Attachment A "MSEC Project Development Form" and submit to MEA by November 15, 2015, as specified herein in section (C)(2), unless a request for a deadline extension is submitted to MEA by November 2, 2015 and approved in writing by the MEA Program Manager. The project described in Attachment A shall be consistent with subsection (1) above.

(b) MEA will not approve a project submitted by Grantee in Attachment A that is inconsistent with the project described in Grantee's application. If Grantee anticipates any deviation from the project described in Grantee's application, Grantee must consult with the MEA Project Manager prior to October 1, 2015 and is subject to MEA approval.

(c) After review of Attachment A, MEA will provide Grantee with a completed "Project Approval Form" on the form included in Attachment B, which will describe the project approved by MEA ("the Approved Project").

(2) The completed Project Approval Form indicating the Approved Project shall be incorporated into this Agreement as Attachment B. Attachment B (Approved Project) shall not contain any terms or conditions other than a Project Description and Project Completion timeline. If Attachment B (Approved

Project) contains any terms and conditions other than a Project Description and Project Completion timeline, such terms and conditions are not incorporated into this agreement, and are not agreed to by MEA. In the event of any conflicts between Attachment B (Approved Project) and this Agreement, the terms of this Agreement shall control.

(3) The Approved Project shall meet the following requirements to be funded as an MSEC Energy Efficiency and Conservation project:

- (a) Be at least 10% more efficient than local codes or federal standards require;
- (b) Be cost effective, which is defined as having a simple payback time that is less than the useful life of the Project;
- (c) Provide substantial electricity savings that allows Grantee to make significant progress in meeting its electricity consumption reduction goal; and
- (d) Make every reasonable effort to pursue relevant utility rebates or utility incentives.

MEA shall have the complete and sole discretion to determine when these requirements are met.

(B) Reimbursable Costs

Only those costs or expenditures specified below are eligible for reimbursement under this Grant.

(1) Direct Project Costs – At least 70% of the Grant Award shall be for reimbursement of approved expenditures associated with the Approved Project such as labor, equipment and material.

(2) Project Preparation Costs –

(a) Only up to 30% of the Grant Award may be used to reimburse the local jurisdiction for approved expenditures associated with: the development and adoption of Policies, Plans or Baselines; Project design and development; feasibility studies; energy audits; reasonable administrative costs; staff time or consultant fees.

(b) When applicable, prior to beginning any feasibility study, the Grantee shall first gain approval by MEA. The Grantee shall show how each measure can be installed within 5 years of the Baseline year and the need for the feasibility study before embarking on a project.

(c) Administrative Costs – Only up to 10% of the total amount of the grant may be used for reasonable administrative costs; staff time or

consultant's fees. If Grantee uses less than 10% of the total amount of the grant for Administrative Costs, Grantee may use the remaining portion for Policy and Project Preparation Costs, consistent with subsection (a) herein above.

(C) Program Timing and Deadlines Grantee shall comply with the following deadlines unless an extension is given in writing by the Program Manager, consistent with this section:

- (1) By November 15, 2015 - Grantee shall submit to MEA a completed Attachment A "MSEC Project Development Form".
- (2) May 16, 2016 - Grantee shall complete the Project(s) approved by MEA and specified on the completed Project Approval Form.
- (3) By June 15, 2016 – Grantee shall submit to MEA all Reports and final invoices requesting Program cost reimbursements consistent with Section IV (B).

Extensions may be requested in writing in advance of a deadline, but are not guaranteed. Extensions shall only be permitted for good cause shown, such as circumstances outside of Grantee's control, as determined solely by MEA in writing.

(D) Program Requirements and Restrictions

- (1) No Project supported with the Grant Award may begin until after each of the following occurs:
 - (a) Grantee Submits to MEA a completed MSEC Project Proposal Form, attached hereto as Attachment A;
 - (b) Grantee receives the MSEC Project Approval Form, attached hereto as Attachment B, signed by MEA;
 - (c) MEA's historic preservation specialist determines that the Project will have no adverse effect on historic properties; and
 - (d) Grantee has obtained all required local, State and federal licenses, permits, and other authorizations.
- (2) A project proposed for facilities or property owned by the Grantee shall be given priority. A project proposed for facilities or property not owned by the Grantee may be considered for approval by MEA, but funding for such projects are not guaranteed.
- (3) Failure to formally adopt the Policies or complete the Project by the deadlines set forth herein may result in Grantee having to reimburse Grant funds to MEA, unless such delay is caused by factors outside of Grantee's control, as determined by MEA.

(4) MEA will not fund projects that involve fuel switching, nor projects that reduce non-electricity energy usage. The decision to fund a project shall be at the sole discretion of MEA.

(5) If at any time MEA determines that Grantee has not demonstrated sufficient progress toward meeting the Policy and Project deadlines set forth above, MEA may terminate this Agreement and may require that Grantee reimburse Grant funds to MEA, unless such delay is caused by factors outside of Grantee's control.

(6) Expenditures on Policy or Project development, Plans or Baselines that have not been pre-approved in writing by MEA may not be reimbursed with Grant funds.

(7) Reports and Invoices with appropriate documentation received by MEA after any applicable deadline may not be eligible for reimbursement with Grant funds, as determined by MEA.

(8) All Projects must be constructed, installed and operated in compliance with all applicable local, State and federal laws, regulations, ordinances, licenses, permits, standards, and other requirements.

(9) Grantee must comply with any procurement requirements that may apply to it with regard to Grant Program activities for which reimbursement is sought.

(10) Grantee shall cooperate with MEA and MEA's technical contractor to identify and describe the most appropriate Project for this Program.

(a) The primary purpose of a proposed project must be to reduce electricity consumption, as determined by MEA.

(b) Grantee shall work diligently to develop credible project-specific data estimates on project costs and energy savings through a project bid and/or energy audit, or other appropriate means approved in writing by MEA.

(c) Grant funds may not be used for a project the primary purpose of which is "maintenance", as determined solely by MEA.

(d) A project involving fuel switching is generally not eligible for Grant funding, although MEA may approve such Projects as it deems appropriate.

(11) Grantee agrees to diligently seek and apply for all rebates and other incentives that may be available through Grantee's electric utility. Such rebates and incentives shall be estimated and applied to Grant Program costs before use of Grant funds.

(12) All new construction must be performed in a Priority Funding Area, unless a waiver is approved in writing by MEA. A map of Priority Funding Areas, including a search by address feature, can be found on the Maryland Department of Planning website: <http://www.mdp.state.md.us/OurProducts/pfamap.shtml>.

Priority Funding Areas are existing communities and places where local governments want State investment to support future growth. The following areas qualify as Priority Funding Areas:

- a. Every municipality, as they existed in 1997;
- b. Areas inside the Washington Beltway and the Baltimore Beltway
- c. Areas already designated as enterprise zones, neighborhood revitalization areas, heritage areas and existing industrial land.

III. Amount and Duration of the Grant

(A) Amount of Grant Award

(1) The Grant Award shall not be greater than **Thirty-Eight Thousand, Five-Hundred Dollars (\$38,500)**. As of the Effective Date of the Agreement as defined below, Grantee may use up to 30 % of the Grant Award for Policy and Project Preparation Costs that are pre-approved by MEA in writing and consistent with Article II(B).

(2) The total amount of the Grant shall be used for the Approved Project.

(B) This Agreement must be signed by the Grantee and received by MEA no later than June 15, 2015. If this properly signed Grant Agreement is not received by MEA on or before June 15, 2015, the grant award shall automatically be revoked, and this Agreement is void unless an extension is given in writing by the MEA Program Manager.

(C) The Effective Date of this Agreement is the date that the properly executed Agreement is received by MEA, as determined by the official MEA date stamp on the first page of the Agreement.

(D) Unless an extension is permitted as described below, all activities must be completed by no later than **May 15, 2016** with all required documentation under Section IV (B) completed and submitted to MEA by no later than **June 15, 2016**. Extensions may be requested in writing in advance of a deadline, but are not guaranteed. Extensions shall only be permitted for good cause shown, such as circumstances outside of Grantee's control, as determined solely by MEA in writing.

IV. Reporting and Reimbursement Requirements

(A) The Grantee shall retain bills of sale or other satisfactory evidence of the acquisition of any real or personal property, as well as reports, activity logs, timelines, estimated and actual energy savings and/or generated, supporting documentation for any other expenses that are covered in whole or in part by any Grant Funds, and any other

information related to Grant activities for at least three years from the date that the Grantee receives final reimbursement from MEA. MEA, MEA's agents, the Department of Budget and Management, the State Comptroller, the Legislative Auditor, or any of them, may examine and audit this evidence on request, at any reasonable time within the retention period. In addition, the Grantee shall also make the worksite available to MEA, or its agents, upon request at any reasonable time for at least three years from the date that the Grantee receives final reimbursement from MEA.

(B) Program Reporting and Invoicing.

(1) Separate Expenditure Categories. When a Grant Award is divided into separate expenditure categories (energy efficiency, low and moderate income energy efficiency, renewable development, or petroleum reduction), Grantee shall maintain records separately for each distinct category. In addition, Grantee shall account for and invoice MEA separately for each distinct category.

(2) Reporting. Grantee shall submit MSEC reports ("Reports") to MEA on a monthly basis. Reports and Invoices are due to MEA by the 20th day of the month following the previous month's reporting period. The first monthly Report shall be submitted for the first full month following the Effective Date, as defined above, and for each month thereafter, even if not accompanied by an Invoice. Reporting shall continue until the Grant funds have been completely expended or the Grantee has notified MEA in writing that no additional funding will be requested under the Grant.

(3) Invoicing and Reporting.

(a) To be reimbursed, Grantee shall provide invoices and other documentation to MEA with the monthly Report.

(b) MEA may only provide Grant funds for reimbursement after receipt of appropriate invoices and reports with sufficient documentation of expenditures, as determined by MEA and consistent with Article II(B).

(c) MEA will reimburse Grantee for approved costs only after any and all available incentives offered by Grantee's electric utility provider have been fully utilized. Grant Award is to be used for net costs, after application of electric utility rebates and incentives.

(C) Grantee may submit Reports, Invoices and other documents electronically after obtaining authorization in writing from MEA. If authorization has not been obtained, Grantee shall mail Reports, Invoices and other documents to MEA at the following address:

Maryland Energy Administration
Attn: Maryland Smart Energy Communities Program
60 West Street, Suite 300
Annapolis, MD 21401

After review of the Reports, Invoices and any supporting documents or information requested by MEA, MEA shall make a final determination of whether the Grantee has met all Program requirements, terms and conditions, and process the grant award for payment as promptly as possible, if warranted. Grant funds shall not be provided for work that has yet to be performed, costs that have yet to be incurred or are not sufficiently documented, or are inconsistent with the purpose, terms and conditions of the Grant.

(D) For monitoring and evaluation purposes, the Grantee shall make available to MEA, or its agents, all reports, activities logs, work sites, timelines, estimated and actual energy savings and/or generated, or other information related to the Grant activities during regular business hours. Reporting metrics (electricity consumption data) shall be made available by the grantee to MEA for a period of five years after the project for which grant funding is received.

(E) No grant monies will be funded for costs or obligations incurred, or work performed, prior to the Effective Date of this Agreement.

(F) Prior to execution of this Agreement, Grant funds are subject to change in amount and existence based on funding availability.

(G) Multiple renewable projects on contiguous parcels of property will be considered one Project for purposes of MEA funding.

(H) An Approved Project may not receive more than one Maryland Smart Energy Communities grant from MEA.

(I) Projects must be located within the state of Maryland.

V. General Conditions

(A) Any expenditure of Grant funds that is not consistent with the purposes of the grant award, or that violates any requirement, term or condition of the Grant Program or this Agreement, may, in the sole judgment of MEA, be disallowed. Should any expenditure be disallowed, the State may require repayment to MEA for reimbursement of the Strategic Energy Investment Fund, an offset from any State grant to the Grantee in the current or succeeding fiscal year, or other appropriate action. The Grantee shall immediately repay to the State any part of the Grant that is not used for the purposes of the Program.

(B) Grantee may not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or any other characteristic forbidden as a basis for discrimination by applicable laws, and certifies that its Constitution or by-laws contains a non-discrimination clause consistent with the Governor's Code of Fair Practices.

(C) Grantee shall ensure that all work performed pursuant to the Grant and this Agreement is completed by contractors and/or staff holding all necessary certifications

and licenses. Additionally, all work performed pursuant to the Grant shall comply with all applicable local, State, and federal building codes and other applicable laws and regulations.

(D) The person executing this Agreement on behalf of the Grantee certifies, to the best of that person's knowledge and belief, that:

- (1) He or she is authorized to sign this Agreement on behalf of the Grantee and to commit the Grantee to the obligations set forth herein.
- (2) Neither the Grantee, nor any of its officers or directors, nor any employee of the Grantee involved in obtaining contracts with or grants from the State or any subdivision of the State, has engaged in collusion with respect to the Grantee's application for the Grant or this Agreement or has been convicted of bribery, attempted bribery, or conspiracy to bribe under the laws of any state or the United States;
- (3) Neither the Grantee, nor any of its officers or directors, nor any employee of the Grantee has engaged in any practice with regard to this Grant that is inconsistent with General Provisions Article, § 5-502, Maryland Code Ann. (2014).
- (4) Grantee has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee or agent working for the Grantee, to solicit or secure the Grant or this Agreement, and the Grantee has not paid or agreed to pay any such entity any fee or other consideration contingent on the making of the Grant or this Agreement;
- (5) Grantee, if a business or non-profit organization, is incorporated or is registered to do business in the State, and is in good standing with the Maryland State Department of Assessments and Taxation;
- (6) Grantee, if a health or social welfare organization as defined by Section 7-403 of the State Finance and Procurement Article of the Annotated Code of Maryland, shall keep financial records in accordance with uniform accounting standards, as more fully described in Section 7-403;
- (7) Neither the Grantee, nor any of its officers or directors, nor any person substantially involved in the contracting or fund-raising activities of the Grantee, is currently suspended or debarred from contracting with the State or any other public entity or subject to debarment under Regulation 21.08.04.04 of the Code of Maryland Regulations; and
- (8) The Grantee is not in default on any financial obligation to the State or MEA.

VI. False Statement or Report

A person may not knowingly make or cause to be made any false statement or report in any document required to be furnished by MEA in relation to the Grant Program. For a SEIF-funded Grant, any violation of this provision is a misdemeanor and on conviction is subject to a fine not exceeding \$50,000.00 or imprisonment not exceeding 1 year or both. Md. Code, Section 9-20B-11 of the State Government Article.

VII. Historic Preservation Review

For each project being funded in whole or in part through this Agreement, a historical preservation review must first be completed by the Maryland Historical Trust (MHT) or MEA's historical preservation expert. This review ensures that no historical property is "adversely affected" through this Program. Prior to starting construction, Grantee shall assure that MEA has received documentation from MHT or MEA's historical preservation expert indicating that the Project will have no adverse effect on a historical property.

VIII. Maryland Saved Harmless

To the extent allowed by Maryland law, the Grantee agrees to defend, indemnify and hold MEA harmless from and against any and all damages, claims, lawsuits, actions, and reasonable out-of-pocket costs and expenses, in whatever form, arising from or related to the Grant. MEA expressly reserves the right of any immunity MEA or its employees may possess under State or federal law. If the Grantee is a Maryland State agency or local government, then each party shall be responsible for its own liability associated with the Grant, and neither party waives any applicable immunities.

IX. Environmental Standards and Liability

The Grantee shall ascertain and abide by all applicable environmental standards set by federal, state or local laws, rules or regulations related to the performance of the obligations pursuant to the Agreement (hereinafter referred to as "Environmental Standards"). The Grantee shall monitor its compliance with Environmental Standards and immediately halt and correct any incident of non-compliance.

In the event of any incident of non-compliance with Environmental Standards, the Grantee shall:

1. Give MEA immediate notice of the incident to the Agreement Representative, or designee, providing as much detail as possible;
2. If requested by MEA, submit a written report to MEA, identifying the source or cause of the non-compliance and the method or action required to correct the problem; and
3. Cooperate with MEA or its designated agents or contractors with respect to the investigation of such problem.

To the limits allowed by Maryland law (and without waiving any local or State government immunities that may apply if Grantee is a Maryland State or local government), the Grantee shall be liable for (a) all environmental losses, including but not limited to, costs, expenses, losses, damages, actions, claims, penalties, fines and remedial or cleanup obligations arising from its failure to comply with Environmental Standards; and (b) any hazardous material located or placed in the Project and any requirements imposed by any governmental authority with respect to hazardous materials, arising in connection with the Grant or the Project.

X. Liability Insurance

(A) For all work performed by the Grantee that is to be funded in whole or in part with grant funds provided by MEA, Grantee shall purchase and maintain comprehensive third-party legal liability insurance or its equivalent. Grantee shall also maintain other such insurance as is appropriate for the work to be performed. **For a Maryland State or local government entity that is self-insured, a document detailing the statutory basis for self-insurance may be accepted by MEA as an equivalent form of insurance under this paragraph.**

(B) All insurance must name MEA as an additional insured. The insurance provided shall include, but not be limited to, insurance protecting MEA from bodily injury and property damage, including, but not limited to all workers' compensation insurance, and errors and omissions. Grantee shall maintain insurance documentation in a Grantee-owned facility and shall provide to MEA, upon demand, a certificate or other documentation deemed appropriate by MEA, evidencing MEA's status as an additional insured.

(C) Insurance requirements may be waived or modified by MEA in writing, for good cause shown. Any such written waiver or modification shall be signed by the parties, and attached hereto and incorporated herein as part of this Agreement.

(D) Grantee shall include in all of its contracts for work that is to be funded in whole or in part with grant funds provided by MEA a provision or provisions requiring all contractors to purchase and maintain comprehensive third-party legal liability insurance and other such insurance as is appropriate for the work to be performed. All insurance provided by the contractor must name MEA as an additional insured. The insurance provided shall include, but not be limited to, insurance protecting MEA from bodily injury and property damage, including, but not limited to all workers' compensation insurance, and errors and omissions.

(E) Grantee shall maintain insurance documentation in a Grantee-owned facility and shall provide to MEA, upon demand, a certificate or other documentation deemed appropriate by MEA, evidencing MEA's status as an additional insured. Insurance requirements may be waived by MEA in writing, for good cause shown. Any such written waiver or modification shall be signed by the parties, and attached hereto and incorporated herein as part of this Agreement.

XI. MEA Access to Project Site and Ability to Use Project Information

(A) Grantee shall allow MEA employees or representatives access to the relevant building and structures so that MEA may perform monitoring visits to provide technical assistance and to ensure that project requirements are fully satisfied. Grantee shall also allow MEA employees or representatives access to the relevant project site in order to take photographs or video of the project for MEA use.

(B) The Grantee understands and agrees that MEA may use information about the project for reporting and marketing purposes, including but not limited to the project description, building type, energy measures, project costs, leveraged funds, energy and financial savings, and pictures and videos of the premises. MEA shall provide the Grantee an opportunity to review and consult with MEA to assure that a written case study, photo or video taken of its facility will not disclose confidential personal and/or business information.

(C) If the Project's location is owned or controlled by a third party at any time during the Grant period, the Grantee shall be responsible for obtaining written permission from the third party to allow MEA access to the property for all of the purposes described in this Agreement. MEA shall not provide any further reimbursement of funds under the Agreement until Grantee provides the relevant written permission.

XII. Maryland Law Prevails

The internal laws of Maryland shall govern the interpretation and enforcement of this Agreement, except for any choice of law provisions utilized by Maryland.

XIII. Agreement Binding on Successors and Assigns

This Agreement shall bind the respective successors and assigns of the parties.

XIV. Assignment or Transfer

The Grantee may not sell, transfer, or assign any of its obligations under this Agreement, or its rights, title, or interest in this Agreement, without further prior written consent of MEA.

XV. Amendments to the Grant

No amendment to this Agreement is binding unless it is in writing and signed by both parties.

XVI. Party Representatives

The following individuals shall have the authority to act under this Agreement for their respective parties, subject to all necessary approvals:

Devan Willemsen, Program Manager
Maryland Energy Administration
(410) 260-7539

(Or any such person as may be designated in writing by the Director of MEA.)

Michael Moulds, Director of Public Works
City of Salisbury
410-548-3170 Ext. 1201

(Or any other person as may be designated in writing by the Grantee's Executive Director.)

XVII. Merger

This Agreement and any terms and conditions expressly incorporated by reference herein embodies the whole agreement of the parties. There are no promises, terms, conditions, or obligations referring to the subject matter, other than those contained herein or incorporated herein by reference.

XVIII. Non-waiver of Rights; Remedies

No failure on the part of the State or MEA to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude the State or MEA from further exercising that or any other right. The remedies provided under this Agreement are cumulative and not exclusive of any remedies provided by law.

THIS GRANT AGREEMENT HAS BEEN APPROVED BY THE ATTORNEY GENERAL'S OFFICE AT MEA. NO CHANGES, MODIFICATIONS, ADDITIONS OR DELETIONS TO THIS AGREEMENT ARE AUTHORIZED ABSENT SPECIFIC WRITTEN AGREEMENT BY THE PARTIES AND APPROVAL BY THE ATTORNEY GENERAL'S OFFICE AT MEA. ANY UNAUTHORIZED CHANGES, MODIFICATIONS, OR DELETIONS TO THIS FORM AGREEMENT WILL RENDER MEA'S OBLIGATIONS UNDER THIS AGREEMENT VOIDABLE AT MEA'S ELECTION.

IN TESTIMONY WHEREOF, WITNESS the hands and seals of the parties.

CITY OF SALISBURY

By: 

Tom Stevenson, City Administrator, City of Salisbury, Maryland

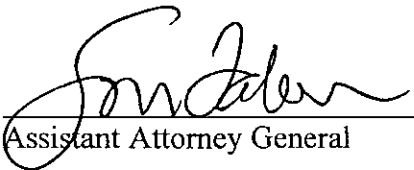
MARYLAND ENERGY ADMINISTRATION

By: 

A. Leigh Williams, Esq.

Director

Approved for Form and Legal Sufficiency
this 10th day of June, 2015,


Assistant Attorney General

Attachment A**MSEC Project Development Form***(This form denotes the information necessary to approve an MSEC funded project.)*

1. Name of Grantee	
2. Policies Passed:	
<input type="checkbox"/> Energy Efficiency <input type="checkbox"/> Renewable Energy <input type="checkbox"/> Transportation Petroleum Reduction	
3. Grant Amount	
Total Grant Amount:	
a. Direct Project Costs: Minimum 70% of total grant amount	
b. Policy and Project Preparation Costs: Maximum 30% of total grant amount	
4. Project Address	
5. Project Type	
<input type="checkbox"/> A project focusing solely on energy efficiency (i.e., a lighting upgrade, adding insulation, etc.) <input type="checkbox"/> A project focusing solely on renewable energy/clean transportation (i.e., adding solar panels to your roof) <input type="checkbox"/> A project which combines energy efficiency and renewable energy/clean transportation	
6. Percentage of Grant Per Funding Track (e.g. energy efficiency, renewable energy, or transportation/petroleum reduction)	

7. Project Narrative:
8. Total Project Cost; Other Sources of Funding (e.g. Jurisdiction Match; Rebates; Other Grants etc.)
9. Annual Energy Benefits Estimate (e.g. kWh reduced; kw installed; gallons reduced)
10. Expected Life of the Installed Equipment
11. Simple Payback of the Measures (e.g. project cost/annual savings)

12. Electricity/Fuel Cost Information	
Electric utility provider and cost of electricity, \$/kWh	
Building fuel oil cost (\$/gallon)	
Natural gas utility provider and cost of natural gas (\$/MMcf)	
Propane cost (\$/gallon)	
Gasoline cost (\$/gallon)	
Diesel cost (\$/gallon)	
Other fuels not listed above (please specify):	
13. Utility Rebates to be Pursued:	
14. Documentation of MHT Review (For MEA Use Only)	

Attachment B
For MEA Use Only

Maryland Energy Administration
Maryland Smart Energy Communities Program

MEA MSEC Project Approval

The _____ has been approved to commence with the Maryland Smart Energy Communities project Proposed in Attachment A, as modified, if necessary, in the Scope of Work section, below. The project has been determined to comply with the following requirements of the Maryland Smart Energy Communities program (all requirements must be met before proceeding):

- ☒ Reviewed to confirm that the proposed project is eligible to receive MSEC funds
- ☐ Reviewed to verify that the project will reduce electricity consumption and/or generate clean energy and/or reduce petroleum consumption.
- ☐ Reviewed and determined that the proposed project will have "no adverse effect" on any historic property.
- ☐ Reviewed to confirm that the Grantee has in place baselines and plans for the two policies they chose to pursue, and has adopted formal, written policies through their legislative or governing body committing the local government to the policies specified in the Policy Guidance Documents

SCOPE OF WORK:

EXPECTED USEFUL LIFE (YEARS): _____

PAYBACK (YEARS, attach calculations as appropriate): _____

Approved by:

_____ Date: _____

Devan Willemsen
 Grant Manager, Maryland Energy Administration

Attachment C



PROJECT REVIEW FORM

Request for Comments from the Maryland Historical Trust/
MDSHPO on State and Federal Undertakings

MHT USE ONLY	
Date Received:	Log Number:

Section A: General Project Information Submit hard copy of form and all attachments to:
Beth Cole, MHT, 100 Community Place, Crownsville, MD 21032



Project Name County

☐ This is a new submittal OR ☐ This is additional information related Project Log Number:

Section B: Primary Contact Information

Contact Name Company/Agency

Mailing Address

City State Zip

Email Phone Number Ext.

Section C: Description of Undertaking

Location - Attach a map, preferably a section of a USGS quad, showing the location and boundaries of the project

Address City/Vicinity

List all federal and state agencies / programs (funding, permits, licenses) involved in this project (e.g. Bond Bill Loan of 2009, Chapter #; Transportation Enhancement Grant; HUD/CDBG; MDE/COE permit; etc.).	Agency Type	Agency/Program/Permit Name	Project/Permit/Tracking Number (if applicable)
	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>

Proposed Work - Attach project description, scope of work, site plans / drawings

This project includes (check all applicable): ☐ New Construction ☐ Demolition ☐ Remodeling/Rehabilitation

This project involves: ☐ State or Federal Rehabilitation Tax Credits

☐ Properties subject to an easement held by MHT, MET, or another entity

Section D: Identification of Historic Properties

This project involves: ☐ Properties designated as historic by a local government, listed in the National Register, or included in Maryland Inventory of Historic Properties

Property/District Name

The subject property ☐ has ☐ has not been the subject of previous archeological, architectural, or historical investigations.

Please describe

Attachments

☐ Map ☐ Project Description/Scope of Work ☐ Site Plans/Drawings

☐ Photographs - Attach prints or digital photographs showing the project site including images of all buildings and structures, preferably keyed to a site plan

☐ Conditions - Attach a brief description of past and present conditions of the project area (wooded, mined, developed, agricultural uses, etc) including construction dates of buildings, if known.

MHT Determination		MHT Reviewer	Date
<input type="checkbox"/> There are NO HISTORIC PROPERTIES in the area of potential effect	<input type="checkbox"/> The project will have NO ADVERSE EFFECT WITH CONDITIONS		
<input type="checkbox"/> The project will have NO EFFECT on historic properties	<input type="checkbox"/> MHT REQUESTS ADDITIONAL INFORMATION		
<input type="checkbox"/> The project will have NO ADVERSE EFFECT on historic properties	<input type="checkbox"/> The project will have ADVERSE EFFECTS on historic properties		

*Attachment D***Maryland Smart Energy Communities Grant Program Monthly Report**

Instructions: Please complete and forward the MSEC Monthly Report to MEA by the 20th day of the month following the prior month's reporting period.

(Example: Submit the monthly report to MEA by August 20, 2015 for the July 2015 2014 reporting period.)

1. Local Government Name and Address:	2. Name/ Title/Phone Number of Report Submitter:	
3. Congressional District:	4. Address of Project (if different than the address shown above)	
5. Reporting Period Month: _____ Year: _____ Is this the final MSEC monthly report? <input type="checkbox"/> Yes <input type="checkbox"/> No	6. MEA Grant Number:	
7. Local Government Invoice Number (if invoices are being submitted to MEA for payment):	8. Federal Tax Identification Number:	
9. MSEC Grant Expenditures Please indicate the amount of MSEC grant funds spent during a. the reporting period and b. over the course of the project to date. Please note that if you are receiving funding from the low-to-moderate income SEIF energy efficiency allocation as specified in Section III of the Grant Agreement, you must track invoice, and report this funding stream separately.		
a. MSEC Grant Dollars Spent during this Reporting Period (\$)	Direct Project Costs (minimum 70% of total Grant amount):	
	Policy and Project Preparation Costs (maximum 30% of total Grant amount):	
	Total grant funds requested,	

	this reporting period (this number should match the invoiced amount):	
b. MSEC Grant Dollars Spent to date (\$)	Direct Project Costs (minimum 70% of total Grant amount):	
	Non-Project Costs (maximum 30% of total Grant amount):	
	Total grant funds requested, spent to date (this number should match the invoiced amount):	
10. Non-MSEC Grant Expenditures		
a. Utility Rebates (\$)	b. Other Project Expenditures (\$) Please include description of incentive and the \$ amount of incentive. If more than one utility incentive is obtained, please list all incentives separately.	
11. Policy Status Update		
a. Provide a brief narrative of the status of the baselines, plans, and policies required under this program.	Energy Efficiency:	
	Renewable Energy:	
	Transportation Petroleum:	
12. Project Status Update		
a. Provide a brief narrative of project milestones and/or accomplishments achieved during the reporting period. Please indicate if any specific energy measure(s) were placed into service during the reporting period.		
b. Were any obstacles encountered during the reporting period? If so, please explain.		

13. Is this your final report? ☒ Yes ☐ No

If yes, please complete section 14, below. If no, please leave section 14 blank.

14. Reporting Metrics:

The reporting metrics required for your project are listed below. Please enter N/A for any reporting metric that does not apply to your specific project. Grantees will work with their MEA grant manager to customize this section for their specific project.

A. Jobs created (Hours worked)

Required

Please report the total number of hours worked (and paid for using Grant funds) by Grantee staff, contractors, and vendors.

B. Energy Cost Savings (\$ saved per year due to project)

Required

C. Building Energy Savings

Required for energy efficiency projects

i. Reduction in annual electricity consumption (MWh)

ii. Reduction in annual fuel oil consumption (gal)

iii. Reduction in annual natural gas consumption (MMcf)

iv. Reduction in annual propane consumption (gal)

v. [Insert other measure]

vi. [Insert other measure]

D. Renewable Energy Capacity and Generation

Required for renewable energy projects

i. Amount of electricity generated by photovoltaic systems (MWh) annually

ii.	Amount of electricity generated by wind systems (MWh) annually	
iii.	Amount of electricity generated by other renewable systems (MWh) annually	
iv.	Installed photovoltaic system capacity (MW)	
v.	Installed wind capacity (MW)	
vi.	Installed capacity of all other renewable systems (MW)	
vii.	[Insert other measure]	
E. Transportation-Related Energy Savings <i>Required for transportation petroleum reduction projects</i>		
i.	Reduction in annual gasoline consumption (gal)	
ii.	Reduction in annual diesel consumption (gal)	
iii.	[Insert other measure]	
iv.	[Insert other measure]	
F. Building Retrofits (number of buildings) – Required		