

RESOLUTION NO. 1792

A RESOLUTION OF THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND TO ACCEPT AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 GRANT FUNDS FOR FITZWATER STREET STORM DRAIN REPLACEMENT AND BEAGLIN PARK DAM UPGRADE PROJECTS.

WHEREAS, Salisbury Public Works desires to provide the Fitzwater Street Storm Drain Replacement and Beaglin Park Dam Upgrade to reduce storm water flooding; and

WHEREAS, Salisbury Public Works applied for American Recovery and Reinvestment Act of 2009 (ARRA/Stimulus) Grant funds to construct the Fitzwater Street Storm Drain Replacement and Beaglin Park Dam Upgrade; and

WHEREAS, Salisbury Public Works was identified for ARRA/Stimulus grant funding in the Federal Fiscal Year 2008 Amended Water Quality State Revolving Fund Intended Use Plan \$35,000 for Fitzwater Street Storm Drain Replacement and \$50,000 for Beaglin Park Dam Upgrade; and

WHEREAS, Salisbury Public Works upon receipt of an executed ARRA Grant Agreement and Conditions of Financial Assistance Award (attached Exhibit 1) agrees to comply with the schedule, programmatic requirements, obligations, and conditions of financial assistance as contained therein; and

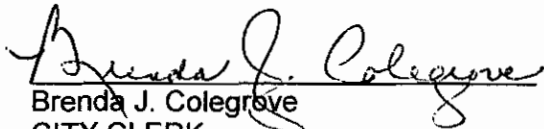
WHEREAS, City policy requires that grant funds can only be accepted with the approval of City Council; and

WHEREAS, the Salisbury City Council recognizes the need to construct the Fitzwater Street Storm Drain Replacement and Beaglin Park Dam Upgrade using ARRA/Stimulus grant funds administered through Maryland Department of the Environment;

NOW, THEREFORE, BE IT RESOLVED that the Salisbury City Council accepts ARRA/Stimulus grant funds of \$35,000.00 for the Fitzwater Street Storm Drain Replacement and \$50,000.00 for Beaglin Park Dam Upgrades under the terms outlined in the American Recovery and Reinvestment Act of 2009.

THE ABOVE RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on the 8th day of June, 2009 and is to become effective immediately upon adoption.

ATTEST:


Brenda J. Colegrove
CITY CLERK


Louise Smith
PRESIDENT, City Council



James Ireton, Jr.
MAYOR, City of Salisbury

INTER

OFFICE

MEMO

Office of the Mayor

To: City Council
From: John R. Pick 
Subject: Acceptance of Federal Grants for Fitzwater St. Storm Drain Replacement and Beaglin Park Dam (Schumaker Pond Dam) Upgrade
Date: June 3, 2009

In relation to the attached item, I authorized Chip Messick to sign the attached grant acceptance documents so that we could submit them before the deadline of May 30 despite the fact that the Council had not accepted these grant funds. The documents for acceptance of these grants were in Jim Caldwell's office and were not processed because of his illness. They came to Mr. Messick's attention too late to be added to the agenda for the May 26 Council meeting. Rather than call for a special Council meeting on this item, I authorized Mr. Messick to sign the documents based on the fact that, if the Council decided that you did not want us to accept these grant funds, we could simply stop further processing of the grant application. Therefore, Mr. Messick's signature on these documents would not commit the City to accept the grant funds nor would it commit the expenditure of any City funds.

If you have any questions, please let me know.

cc: Mayor Ireton
Brenda Colegrove
Chip Messick



Salisbury Public Works

Newell W. Messick, P.E.
Acting Director

Government Office Building
125 N Division Street Rm 202
Salisbury Maryland 21801-4940
410-548-3170
410-548-3107 - Fax

Memo: Federal Grant Money Resolution

Date: May 29, 2009

To: John Pick, City Administrator

The Public Works Department would like to add the attached Resolution to the next available City Council meeting agenda. This Resolution will allow the City Council to accept American Recovery and Reinvestment Act of 2009 (ARRA) grant money for the Fitzwater Street Storm Drain Replacement and Beaglin Park Dam Upgrade in the amount of \$35,000 and \$50,000 respectfully.

The Fitzwater Street Storm Drain Replacement project will replace a French drain style catch basin at the corner of Fitzwater Street and Delaware Avenue with a larger catch basin and outfall pipe into Mitchells Pond. This project will also include installation of a catch basin hood to prevent floatable debris from entering the pond.

The Beaglin Park Dam Upgrade project will involve the installation of vinyl sheet piling that will give the dam the ability to safely pass the 50% Probable Maximum Flood (greater than a 1000 year storm frequency, a storm which has a probability of occurring once every 1000 years) and meet the requirement of the Consent Order issued by the Dam Safety Division of the Maryland Department Environment for this existing dam. This upgrade will prevent erosion of the existing dam's embankment during catastrophic storm conditions.

For any additional questions you may have, I can be reached at (410) 548-3170 or by e-mail at cmessick@ci.salisbury.md.us.

Sincerely,

Newell W. Messick, P.E.
Acting Director of Public Works

5/29/09

Cc: Lee Beauchamp
Weston Young



**A Team of Teams
Making a Difference!**

May 26, 2009

Marycarole "Missy" Martin, Division Chief
State Revolving Fund Loan Division
Water Quality Financing Administration
Maryland Department of the Environment
1800 Washington Boulevard
Baltimore, MD 21230

RE: American Recovery and Reinvestment Act (ARRA) of 2009 (STIMULUS)
2008 Water Quality State Revolving Fund (WQSRF)
Amended Intended Use Plan (IUP) WQSRF Estimated ARRA Grant Amounts:

- Beaglin Park Dam Upgrade \$50,000
- Fitzwater Street Storm Drain Replacement \$35,000

Dear Ms. Martin:

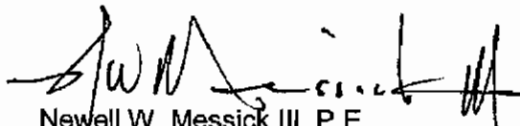
With reference to your May 5, 2009 letter regarding ARRA Grants for the referenced projects, attached are the following materials and signed agreements for execution, as requested:

- MDE 5-05-09 Cover letter.
- ARRA/Stimulus Grants SRF Programmatic Requirements
- Signed Beaglin Park Dam Upgrade Agreement
- Signed Beaglin Park Dam Upgrade Conditions of Financial Assistance Award
- Signed Fitzwater St. Storm Drain Replacement Agreement
- Signed Fitzwater St. Storm Drain Replacement Conditions of Financial Assistance Award

I signed these documents for James Caldwell who recently retired for health reasons.

Thank you for your courteous and cooperative assistance on these worthwhile projects. For any questions you may have, I can be reached at (410) 548-3170 or by e-mail at cmessick@ci.salisbury.md.us.

Sincerely,


Newell W. Messick III, P.E.
Acting Director of Public Works

5/26/09

NEWELL W. MESSICK III, P.E.
ACTING DIRECTOR

Government Office Building
125 North Division Street
Salisbury, MD 21801-4940

Phone: (410) 548-3170

Fax: (410) 548-3107

ww.ci.salisbury.md.us/publicworks/

Xc w/ encls: John Pick
Pamela Oland
Weston Young
Lee Beauchamp
Dale Pusey
Greg Stevens



MARYLAND DEPARTMENT OF THE ENVIRONMENT

1800 Washington Boulevard • Baltimore MD 21230

410-537-3000 • 1-800-633-6101

Martin O'Malley
Governor

Shari T. Wilson
Secretary

Anthony G. Brown
Lt. Governor

May 5, 2009

Robert M. Summers, Ph.D.
Deputy Secretary

Mr. James S. Caldwell, P.E.
Director of Public Works
City of Salisbury
125 N. Division Street
Salisbury MD 21801

RE: American Recovery and Reinvestment Act (ARRA) of 2009 (STIMULUS)
2008 Water Quality State Revolving Fund (WQSRF)
Amended Intended Use Plan (IUP) WQSRF Estimated ARRA Grant Amounts:

- Beaglin Park Dam Upgrade \$50,000
- Fitzwater Street Storm Drain Replacement \$35,000

Dear Mr. Caldwell:

The above project(s) has been identified for ARRA/Stimulus grant funding in the Federal Fiscal Year 2008 Amended WQSRF IUP. Attached is the preliminary information regarding the programmatic requirements that must be addressed prior to execution of the ARRA Grant Agreement. Also enclosed is the ARRA Grant Agreement and Conditions of Financial Assistance Award for your review and signature. The agreement must be signed and returned to me by **May 30, 2009**. ~~Please note that the Grant Agreement must be signed by a duly Authorized Representative acting on behalf of the Grant Recipient. If the Authorized Representative indicated on the enclosed Grant Agreement has changed, please contact us immediately for modifications.~~ If you are not interested in pursuing the ARRA grant funding, written notification should be sent either by email or letter by **May 15, 2009**.

Please note the ARRA/STIMULUS legislation requires funding for "shovel ready" projects, and as such, projects identified for funding that do not submit their approvable final plans and specifications to MDE by July 30, 2009, and do not open bids by September 30, 2009, and do not start construction by December 31, 2009 will not receive any Stimulus funding. The applicants may have an opportunity to reapply for future non-Stimulus LOAN funding.

Please do not hesitate to contact me at 410-537-3980/mmartin@mde.state.md.us or Teresa Ernest of my staff at 410-537-3243/ternest@mde.state.md.us regarding this letter or the attachments. We look forward to working with you throughout the grant execution process.

Sincerely,

Marycarole "Missy" Martin, Division Chief
State Revolving Fund Loan Division
Water Quality Financing Administration

Enclosure(s): Programmatic Requirements
ARRA Grant Agreement w/Conditions of Financial Assistance Award

cc: Mr. Jag Khuman/ Mr. Walid Saffouri/ Mr. Andrew Sawyers/ Ms. Teresa Ernest
Mr. Weston S. Young/Mr. Lee Beauchamp



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ARRA/STIMULUS GRANTS
STATE REVOLVING FUND (SRF)
PROGRAMMATIC REQUIREMENTS

FINAL PLANS AND SPECS – Plans and specifications must be reviewed and approved by MDE **prior to bidding.**

BIDDING:

-MDE Insert: “Requirements and Contract Provisions...”, referred to as the “MDE Insert” **must be included with bid packages.** The MDE Insert outlines certain contractor responsibilities (e.g., Federal wage rates, Buy American, Minority & Women Business participation, ARRA logo on project sign, etc.) Contact MDE’s Project Manager for the proper MDE Insert.

-Disadvantaged Business Enterprise (DBE) -EPA regulations require that SRF recipients and sub-recipients (i.e. loan recipients, prime contractors, consultants) make a Good Faith Effort to award a fair share of work to qualified small, minority and women’s businesses. This requirement includes procurements in the categories of **construction, A/E and other services, equipment, and supplies.** Affirmative steps must be demonstrated and documented. Questions regarding the SRF DBE program should be directed to Ms. LaTasha Lee-Peterkin at 410-537-3146 and can also be found on MDE’s website at www.mde.state.md.us/wqip.

WATER/SEWER PLANS – Water and Sewer projects being funded through the SRF must be consistent with the County Water and Sewer Plan. Projects must conform to Maryland Priority Places Executive Order and be located in a Priority Funding Area.

ENVIRONMENTAL REVIEW – Projects must undergo a State environmental review (applicable water and sewer projects) and State clearinghouse review. The process typically requires a 3-month review period and as such should be initiated as soon as possible with MDE’s Project Manager.

BID PACKAGES – Once the lowest responsive, responsible bidder has been determined, the bid package should be forwarded to the Department for coordination of review for consistency with the rules and regulations for funding projects utilizing the SRF Program.

CONTRACTS/AGREEMENTS – Any contract/agreements associated with the work being performed and funded by the loan must be submitted and approved by the Department.

BOARD OF PUBLIC WORKS – The Department will seek Board of Public Works once bids have been opened and submitted to MDE.

**GRANT AGREEMENT FOR FUNDING UNDER THE AMERICAN RECOVERY AND
REINVESTMENT ACT OF 2009 FROM THE WATER QUALITY REVOLVING LOAN FUND
BETWEEN
MARYLAND DEPARTMENT OF THE ENVIRONMENT
AND
CITY OF SALISBURY**

In accordance with the American Recovery and Reinvestment Act of 2009 (ARRA) the US EPA awarded a grant to the State from the Clean Water State Revolving Fund under Title 6 of the Federal Water Pollution Control Act.

As contemplated by ARRA, the General Assembly of the State has amended the Maryland Water Quality Financing Administration Act (the "Act"), codified at Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended, to authorize the Maryland Water Quality Financing Administration (the "Administration"), a unit of the Maryland Department of the Environment (the "Department"), to provide financial assistance in the form of grants, among other things, to eligible grantees for projects, as permitted or required by ARRA.

As a result, the Administration is providing financial assistance in the form of a grant to City of Salisbury (the "Grantee") in an amount of up to \$50,000 (Fifty Thousand Dollars) using ARRA funds under CFDA NUMBER 66.458 for the Beaglin Park Dam Upgrade project (the "Project"), more particularly described as installing vinyl piling to upgrade the existing Beaglin Park Dam. The upgrade will prevent erosion of the dam's embankment by redirecting floodwaters further downstream.

Therefore, in consideration of the foregoing and the mutual promises and covenants contained herein, the Department acting by and through the Administration, and the Grantee hereby agree as follows:

OBLIGATIONS OF GRANTEE FOR THE PROJECT

- I.1 The Grantee shall submit final biddable plans and specifications to the Department for approval, prior to July 30, 2009.
- I.2 The Grantee shall open contract bids or proposals prior to September 30, 2009.
- I.3 The Grantee shall submit the construction contract procurement documents listed in Appendix A: Grant condition #13 to the Department for approval, within 30 days of bid opening and no later than October 30, 2009.
- I.4 The Grantee shall start construction, on or before December 31, 2009.
- I.5 If the Grantee fails to meet any of the due dates identified in Sections I.1 through I.4 above, this grant agreement shall automatically terminate and the Department and Administration shall be released from any and all obligations to finance the Project.
- I.6 The Grantee agrees to comply with all the requirements of the Conditions of Financial Assistance Award, which is attached as Appendix A to this agreement and incorporated by reference herein.
- I.7 The Grantee agrees to use these funds for eligible project costs only.
- I.8 The Grantee agrees to successfully complete the project by the completion date in the Pre-Application for Financial Assistance, unless an extension is granted by the Department.

- I.9 The Grantee agrees to comply with the requirements set forth in the American Recovery and Reinvestment Act of 2009, as may be amended from time to time, all applicable federal regulations, all applicable guidance issued by EPA, the Act, and any guidance or regulations promulgated thereunder.

OBLIGATIONS OF THE DEPARTMENT

- II.1 The Department and the Administration shall use its best efforts to secure ARRA funds, State budget appropriation, and approvals from the Maryland Board of Public Works for the Project.

GENERAL CONDITIONS

- III.1 The financial assistance provided for under this Agreement is subject to availability of ARRA funds and is contingent upon approval by the Maryland Board of Public Works.
- III.2 The financial assistance provided for under this Agreement is limited to eligible project costs, as determined by the Department in its sole discretion, not to exceed the amount identified in this Agreement.
- III.3 The Department or the Administration reserves the right to unilaterally terminate this Agreement without penalty for failure to comply with any of the terms of this Agreement or failure to comply with any of the terms of the Conditions of Financial Assistance Award.

ATTEST:

MARYLAND DEPARTMENT OF THE ENVIRONMENT

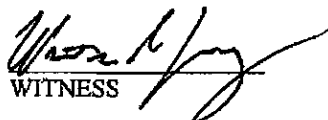
WITNESS

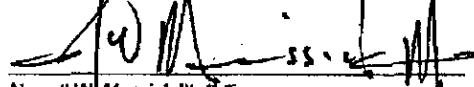
Jag Khuman, Director
Maryland Water Quality Financing Administration

EFFECTIVE DATE

ATTEST:

CITY OF SALISBURY


WITNESS



Newell W. Messick III, P.E.
Acting Director, Public Works

5-26-09
DATE

The effective date of this Agreement is the date of execution by the Maryland Department of the Environment shown above. This Agreement expires on September 30, 2012.

MARYLAND DEPARTMENT OF THE ENVIRONMENT
CONDITIONS OF FINANCIAL ASSISTANCE AWARD
FOR PROJECTS USING FEDERAL GRANT FUNDS FROM THE
AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009

Project Name: Beaglin Park Dam Upgrade

Project Number: WQSG0851123L

Upon the receipt of grant funding from the Maryland Department of the Environment (the "Department"), the following conditions are understood and accepted as binding upon the recipient organization.

1. The recipient agrees to utilize the ARRA funds for the eligible project costs as described in the Pre-Application for Financial Assistance, the Grant Agreement, and as approved by the State Board of Public Works.
2. The recipient agrees to secure sufficient funds to cover all project costs not financed by ARRA funds in order to complete the project.
3. The recipient agrees to immediately notify the Department of its inability to proceed with the project due to a lack of funds to cover project costs not financed by ARRA funds or for any other reason.
4. The recipient agrees to adhere to the schedule in the ARRA Grant Agreement with the Department, and agrees that project construction must begin by December 31, 2009.
5. The recipient agrees to make good-faith efforts to utilize Minority and Women Business Enterprises (M/WBE) in all procurements, and require the prime contractors and A/E firms to do the same, consistent with the Department's Disadvantaged Business Enterprise Program procedures. Additional information on the Department's M/WBE goals and required affirmative steps is available on the website at: www.mdc.state.md.us/wqfa
6. If ARRA funds are to be used for payment of Architectural/Engineering (A/E) consultants, the recipient agrees to procure such A/E consultants for planning, design, construction management/inspection and/or grant management in accordance with Federal regulations under 40CFR Part 30 (Non-profit recipient) or 40CFR Part 31 (Governmental recipients). The maximum salary rate for A/E services cannot exceed \$73.40 per hour. For-profit businesses will follow procurement procedures under 40CFR Part 31, and should contact the Department for additional information.
7. If ARRA funds are to be used for payment of A/E services, the recipient agrees to submit to the Department for review and approval A/E services contract prior to execution. For design phase A/E services, it is presumed that the recipient has already, at its own expense, initiated work to meet the "shovel ready" project deadlines. For recipients seeking ARRA funds for eligible design phase A/E costs, these expenses shall only be reimbursed if construction of the project begins on or before 12/31/09 and the A/E services were procured in accordance with Federal regulations under grant condition number 6.
8. The recipient agrees that it will only award a contract to an A/E consulting firm upon proof of professional liability insurance in an amount reasonable and customary for the services being performed.
9. The recipient agrees to procure fixed price construction contracts and comply with Federal regulations under 40 CFR Part 30 (Non-profit recipient) or 40 CFR Part 31 (Governmental recipients). For construction contracts greater than \$100,000, the recipient agrees to procure contractors using non-restrictive specifications (specified equipment or equal) and formal open, competitive, bidding procedures by advertising the request for bids in publications having widespread circulation. For contracts less than \$100,000, the recipient has the option to use the small purchase procurement procedures (obtain price quotes from at least 3 vendors). For-profit businesses will follow procurement procedures under 40CFR Part 31, and should contact the Department for additional information.
10. The recipient agrees to comply with the Buy American Requirement of ARRA, which states that all of the iron, steel, and other manufactured goods used as materials in the project are produced or manufactured in the United States, unless a waiver is granted.
11. The recipient agrees, for construction contracts, to require the contractors to post a Bid Bond (generally 5% of bid amount), Performance Bond and Payment Bond for 100% of the contract price (generally applicable to contracts over \$100,000 or as determined by the Department).
12. The recipient agrees not to advertise for bids for construction contracts prior to obtaining written approval of the plans and specifications from the Department. The recipient agrees to be bound by the provisions of the "MDE insert" and shall include the "MDE Insert" in bidding documents that outlines certain contractor responsibilities (e.g., Federal wage rates, Buy American, Minority & Women Business participation, ARRA logo on project sign, etc.)

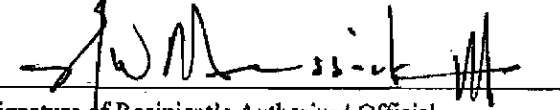
13. The recipient agrees to submit to the Department for review and approval the following construction procurement documents, prior to contract award:
 - a. Project budget;
 - b. Recipient's certification that all necessary permits, rights-of-way and easements have been secured;
 - c. Evidence of advertising for construction bids;
 - d. Bid tabulation, summarizing all bids received, and the recipient's recommendation of award to the low, responsive, responsible bidder;
 - e. Bid detail for the low, responsive, responsible bidder (selected bidder);
 - f. M/WBE participation information. The list of documents to be completed by the contractor are in the "MDE Insert" that is included with the contract bidding documents;
 - g. Signed assurances from the selected contractor (e.g., Debarment, Anti-kickback etc.) from the selected bidder provided in the "MDE Insert" that is included with the contract bidding documents;
 - h. Recipient's certification that adequate A/E inspection and supervision will be provided at the construction site to ensure project construction conforms with the approved plans and specifications.
14. Prior to construction start, the recipient agrees to secure all necessary permits, rights-of-way and easements, and undertake any reasonable action resulting from the environmental, design, permitting or state clearinghouse reviews.
15. The recipient agrees to follow best construction management and inspection practices to construct the project in accordance with plans and specifications approved by the Department.
16. The recipient agrees to post a project sign displaying the ARRA logo in the manner and format prescribed by the Department prior to initiating construction.
17. The recipient agrees to obtain prior written approval from the Department for all change orders that significantly alter the project. Change orders that do not significantly alter the project do not require prior approval; however, they must be submitted to the Department within 30 calendar days of execution, for eligibility review, if ARRA funds are to cover the change order costs.
18. The recipient agrees to permit and assist the Department's employees or its contractors to monitor the project construction during normal working hours.
19. The recipient agrees to allocate sufficient funds and operate and maintain the facilities, in accordance with applicable sections of Title 9 of the Environment Article, for the purposes for which it was constructed.
20. The recipient agrees to comply with all requests for data related to the use of the funds and provide any reasonable information including reports concerning the project in a manner and form prescribed by the Department.
21. The recipient agrees to allow a representative of the Office of the Inspector General to a) examine any of its records, records of its contractors, subcontractors and b) interview any of its officers or employees, subcontractors regarding this transaction. The recipient is aware that providing false, fictitious or misleading information with respect to the receipt and disbursement of these funds may result in criminal, civil or administrative fines and/or penalties.
22. The recipient agrees to seek all payments on a reimbursement basis, unless otherwise authorized by the Department.
23. The recipient agrees to maintain project and accounting records for a period of three years following the Department's administrative closeout of the project and make them available to the Department for inspection and audit when requested.
24. The recipient agrees to require, in their contract documents, the prime contractor and A/E firms to maintain all project and accounting records relating to the grant for three years after final payment on the project, and indicate that the Recipient, the State or Federal government may audit any records in conjunction with a project, in person or by requesting a copy of the records.
25. The recipient agrees to comply with Title VI of the Civil Rights Act of 1964 - no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under program or activity for which the applicant received ARRA grant assistance
26. The recipient agrees that no ARRA funds are to be used in lobbying the federal government or in litigation against the U.S. unless authorized under existing law. The recipient shall abide by OMB Circulars A-21, A-87 or A-122 which prohibit the use of grant funds for litigation against the U.S. or for lobbying or other political activities.
27. The recipient agrees:
 - a. to comply with 40 CFR Part 34: *New Restrictions on Lobbying*. The recipient is required to submit certifications and disclosure forms to the Department, which forms shall be provided to the recipient.
 - b. to comply with the Byrd Anti-Lobbying Amendment, and understands that any prohibited expenditure under Title 40 CFR Part 34 or failure to file certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.
28. The recipient certifies that it is not organized as a Section 501(c)(4) non-profit organization as described in the Internal Revenue Code of 1986; or if it is a Section 501(c)(4) organization, it does not and will not engage in lobbying activities.
29. The recipient certifies that it is not Debarred or Suspended from receiving financial assistance and agrees to comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532 regarding Debarment and Suspension.
30. The recipient agrees to comply with 42 U.S.C. 6962 which requires that preference be given in procurement programs to purchase of specific products containing recycled materials in any

acquisition of items exceeding \$10,000 or where the quantity of items in the preceding year was \$10,000 or more.

31. The recipient agrees to comply with Section 106 of the Trafficking Victims Protection Act of 2000, as amended and shall not engage or have its employees, subrecipients and subrecipients' employees engage in severe forms of trafficking in persons during the period of time that the award is in effect; procure a commercial sex act during the period of time that the award is in effect; or use forced labor in the performance of the award.
32. The recipient agrees to comply with Section 1533 of the ARRA regarding protection of whistleblowers.
33. The recipient shall ensure that awards comply with the standards in Section 210 (a)-(d) of OMB Circular A-133 and are not used to acquire commercial goods or services for the recipient.
34. The recipient must promptly refer to EPA's Inspector General any credible evidence that an employee, contractor, subcontractor or other person has committed a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity or similar misconduct involving ARRA funds.
35. The recipient shall not use ARRA funds for a casino or other gambling establishment, aquarium, zoo, golf course or swimming pool.
36. The recipient agrees to comply with OMB Circular A-133 Single Audit Act, which requires the recipient to obtain a single audit from an independent auditor if total federal expenditures exceed \$500,000 in any fiscal year. The Department will notify the recipient on the amount of federal funds disbursed in any fiscal year.
37. At the completion of the construction of the project, the recipient agrees to submit, if appropriate to the project, a set of "as built" drawings certified by a professional engineer or a soil conservation district engineer.
38. The recipient agrees to submit a final claim for reimbursement of costs within sixty days of the Department's final inspection of the project.
39. The recipient agrees that the State Board of Public Works may terminate financial assistance upon the recommendation of the Department, if the Department determines in its discretion that there is:
 - a. failure to perform without good cause; or
 - b. gross abuse or corrupt practices in the administration of the project; or
 - c. poor, non-standard, or unsafe construction procedures; or
 - d. failure to comply with any of the conditions of financial assistance award or applicable Federal/State laws, regulations or Departmental policies; or
 - e. failure to adhere with the approved project schedule.
40. The recipient agrees to repay the State, immediately upon demand:
 - a. any funds received that were misapplied (i.e., not expended in accordance with the terms of these conditions of financial assistance award or applicable State laws, regulations and Departmental policies);
 - b. any excess funds received (i.e., total funding received from several funding sources exceeds 100% of project costs);
 - c. the depreciated value (on a straight line basis) of the ARRA grant, if the ARRA project assets are sold by a public entity or a non-profit entity, to a for-profit entity anytime within 20-years of project completion.

In the event that the recipient fails to repay the funds upon demand, the State shall have the right to offset or withhold any funds in the possession of any State agency (that may be due to the recipient) in an amount equal to the questioned funds, plus interest at a rate of 10% per annum.
41. The recipient agrees to disclose in writing to the Department all pending litigation, and any conflict of interest related to the financing of the project.
42. The recipient agrees that the Department may deny any request for funds if the recipient fails to comply with any of the above conditions of financial assistance award.

On behalf of the grant recipient, I agree to comply with the above Conditions of Financial Assistance Award and certify I am an authorized official to execute this document.


Signature of Recipient's Authorized Official

Newell W. Messick III, P.E., Acting Director

Name and Title

5-26-09
Date

030321699
Recipient's DUNS Number

**GRANT AGREEMENT FOR FUNDING UNDER THE AMERICAN RECOVERY AND
REINVESTMENT ACT OF 2009 FROM THE WATER QUALITY REVOLVING LOAN FUND
BETWEEN
MARYLAND DEPARTMENT OF THE ENVIRONMENT
AND
CITY OF SALISBURY**

In accordance with the American Recovery and Reinvestment Act of 2009 (ARRA) the US EPA awarded a grant to the State from the Clean Water State Revolving Fund under Title 6 of the Federal Water Pollution Control Act.

As contemplated by ARRA, the General Assembly of the State has amended the Maryland Water Quality Financing Administration Act (the "Act"), codified at Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended, to authorize the Maryland Water Quality Financing Administration (the "Administration"), a unit of the Maryland Department of the Environment (the "Department"), to provide financial assistance in the form of grants, among other things, to eligible grantees for projects, as permitted or required by ARRA.

As a result, the Administration is providing financial assistance in the form of a grant to City of Salisbury (the "Grantee") in an amount of up to \$35,000 (Thirty Five Thousand Dollars) using ARRA funds under CFDA NUMBER 66.458 for the Fitzwater Street Storm Drain Replacement project (the "Project"), more particularly described as reducing flood issues by connecting stormdrain into the existing stormdrain system through a 12" pipe. Water will be filtered before it is released into the Wicomico River.

Therefore, in consideration of the foregoing and the mutual promises and covenants contained herein, the Department acting by and through the Administration, and the Grantee hereby agree as follows:

OBLIGATIONS OF GRANTEE FOR THE PROJECT

- I.1 The Grantee shall submit final biddable plans and specifications to the Department for approval, prior to July 30, 2009.
- I.2 The Grantee shall open contract bids or proposals prior to September 30, 2009.
- I.3 The Grantee shall submit the construction contract procurement documents listed in Appendix A: Grant condition #13 to the Department for approval, within 30 days of bid opening and no later than October 30, 2009.
- I.4 The Grantee shall start construction, on or before December 31, 2009.
- I.5 If the Grantee fails to meet any of the due dates identified in Sections I.1 through I.4 above, this grant agreement shall automatically terminate and the Department and Administration shall be released from any and all obligations to finance the Project.
- I.6 The Grantee agrees to comply with all the requirements of the Conditions of Financial Assistance Award, which is attached as Appendix A to this agreement and incorporated by reference herein.
- I.7 The Grantee agrees to use these funds for eligible project costs only.
- I.8 The Grantee agrees to successfully complete the project by the completion date in the Pre-Application for Financial Assistance, unless an extension is granted by the Department.

FINAL April 15, 2009

MARYLAND DEPARTMENT OF THE ENVIRONMENT
CONDITIONS OF FINANCIAL ASSISTANCE AWARD
FOR PROJECTS USING FEDERAL GRANT FUNDS FROM THE
AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009

Project Name: Fitzwater Street Storm Drain Replacement

Project Number: WOSG0851323L

Upon the receipt of grant funding from the Maryland Department of the Environment (the "Department"), the following conditions are understood and accepted as binding upon the recipient organization.

1. The recipient agrees to utilize the ARRA funds for the eligible project costs as described in the Pre-Application for Financial Assistance, the Grant Agreement, and as approved by the State Board of Public Works.
2. The recipient agrees to secure sufficient funds to cover all project costs not financed by ARRA funds in order to complete the project.
3. The recipient agrees to immediately notify the Department of its inability to proceed with the project due to a lack of funds to cover project costs not financed by ARRA funds or for any other reason.
4. The recipient agrees to adhere to the schedule in the ARRA Grant Agreement with the Department, and agrees that project construction must begin by December 31, 2009.
5. The recipient agrees to make good-faith efforts to utilize Minority and Women Business Enterprises (M/WBE) in all procurements, and require the prime contractors and A/E firms to do the same, consistent with the Department's Disadvantaged Business Enterprise Program procedures. Additional information on the Department's M/WBE goals and required affirmative steps is available on the website at: www.mde.state.md.us/wqfa
6. If ARRA funds are to be used for payment of Architectural/Engineering (A/E) consultants, the recipient agrees to procure such A/E consultants for planning, design, construction management/inspection and/or grant management in accordance with Federal regulations under 40CFR Part 30 (Non-profit recipient) or 40CFR Part 31 (Governmental recipients). The maximum salary rate for A/E services cannot exceed \$73.40 per hour. For-profit businesses will follow procurement procedures under 40CFR Part 31, and should contact the Department for additional information.
7. If ARRA funds are to be used for payment of A/E services, the recipient agrees to submit to the Department for review and approval A/E services contract prior to execution. For design phase A/E services, it is presumed that the recipient has already, at its own expense, initiated work to meet the "shovel ready" project deadlines. For recipients seeking ARRA funds for eligible design phase A/E costs, these expenses shall only be reimbursed if construction of the project begins on or before 12/31/09 and the A/E services were procured in accordance with Federal regulations under grant condition number 6.
8. The recipient agrees that it will only award a contract to an A/E consulting firm upon proof of professional liability insurance in an amount reasonable and customary for the services being performed.
9. The recipient agrees to procure fixed price construction contracts and comply with Federal regulations under 40 CFR Part 30 (Non-profit recipient) or 40 CFR Part 31 (Governmental recipients). For construction contracts greater than \$100,000, the recipient agrees to procure contractors using non-restrictive specifications (specified equipment or equal) and formal open, competitive, bidding procedures by advertising the request for bids in publications having widespread circulation. For contracts less than \$100,000, the recipient has the option to use the small purchase procurement procedures (obtain price quotes from at least 3 vendors). For-profit businesses will follow procurement procedures under 40CFR Part 31, and should contact the Department for additional information.
10. The recipient agrees to comply with the Buy American Requirement of ARRA, which states that all of the iron, steel, and other manufactured goods used as materials in the project are produced or manufactured in the United States, unless a waiver is granted.
11. The recipient agrees, for construction contracts, to require the contractors to post a Bid Bond (generally 5% of bid amount), Performance Bond and Payment Bond for 100% of the contract price (generally applicable to contracts over \$100,000 or as determined by the Department).
12. The recipient agrees not to advertise for bids for construction contracts prior to obtaining written approval of the plans and specifications from the Department. The recipient agrees to be bound by the provisions of the "MDE insert" and shall include the "MDE Insert" in bidding documents that outlines certain contractor responsibilities (e.g., Federal wage rates, Buy American, Minority & Women Business participation, ARRA logo on project sign, etc.).

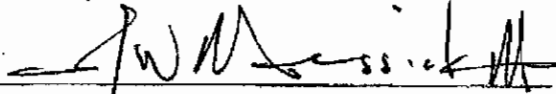
13. The recipient agrees to submit to the Department for review and approval the following construction procurement documents, prior to contract award:
 - a. Project budget;
 - b. Recipient's certification that all necessary permits, rights-of-way and easements have been secured;
 - c. Evidence of advertising for construction bids;
 - d. Bid tabulation, summarizing all bids received, and the recipient's recommendation of award to the low, responsive, responsible bidder;
 - e. Bid detail for the low, responsive, responsible bidder (selected bidder);
 - f. M/WBE participation information. The list of documents to be completed by the contractor are in the "MDE Insert" that is included with the contract bidding documents;
 - g. Signed assurances from the selected contractor (e.g., Debarment, Anti-kickback etc.) from the selected bidder provided in the "MDE Insert" that is included with the contract bidding documents;
 - h. Recipient's certification that adequate A/E inspection and supervision will be provided at the construction site to ensure project construction conforms with the approved plans and specifications.
14. Prior to construction start, the recipient agrees to secure all necessary permits, rights-of-way and easements, and undertake any reasonable action resulting from the environmental, design, permitting or state clearinghouse reviews.
15. The recipient agrees to follow best construction management and inspection practices to construct the project in accordance with plans and specifications approved by the Department.
16. The recipient agrees to post a project sign displaying the ARRA logo in the manner and format prescribed by the Department prior to initiating construction.
17. The recipient agrees to obtain prior written approval from the Department for all change orders that significantly alter the project. Change orders that do not significantly alter the project do not require prior approval; however, they must be submitted to the Department within 30 calendar days of execution, for eligibility review, if ARRA funds are to cover the change order costs.
18. The recipient agrees to permit and assist the Department's employees or its contractors to monitor the project construction during normal working hours.
19. The recipient agrees to allocate sufficient funds and operate and maintain the facilities, in accordance with applicable sections of Title 9 of the Environment Article, for the purposes for which it was constructed.
20. The recipient agrees to comply with all requests for data related to the use of the funds and provide any reasonable information including reports concerning the project in a manner and form prescribed by the Department.
21. The recipient agrees to allow a representative of the Office of the Inspector General to a) examine any of its records, records of its contractors, subcontractors and b) interview any of its officers or employees, subcontractors regarding this transaction. The recipient is aware that providing false, fictitious or misleading information with respect to the receipt and disbursement of these funds may result in criminal, civil or administrative fines and/or penalties.
22. The recipient agrees to seek all payments on a reimbursement basis, unless otherwise authorized by the Department.
23. The recipient agrees to maintain project and accounting records for a period of three years following the Department's administrative closeout of the project and make them available to the Department for inspection and audit when requested.
24. The recipient agrees to require, in their contract documents, the prime contractor and A/E firms to maintain all project and accounting records relating to the grant for three years after final payment on the project, and indicate that the Recipient, the State or Federal government may audit any records in conjunction with a project, in person or by requesting a copy of the records.
25. The recipient agrees to comply with Title VI of the Civil Rights Act of 1964 - no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under program or activity for which the applicant received ARRA grant assistance
26. The recipient agrees that no ARRA funds are to be used in lobbying the federal government or in litigation against the U.S. unless authorized under existing law. The recipient shall abide by OMB Circulars A-21, A-87 or A-122 which prohibit the use of grant funds for litigation against the U.S. or for lobbying or other political activities.
27. The recipient agrees:
 - a. to comply with 40 CFR Part 34: *New Restrictions on Lobbying*. The recipient is required to submit certifications and disclosure forms to the Department, which forms shall be provided to the recipient.
 - b. to comply with the Byrd Anti-Lobbying Amendment, and understands that any prohibited expenditure under Title 40 CFR Part 34 or failure to file certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.
28. The recipient certifies that it is not organized as a Section 501(c)(4) non-profit organization as described in the Internal Revenue Code of 1986; or if it is a Section 501(c)(4) organization, it does not and will not engage in lobbying activities.
29. The recipient certifies that it is not Debarred or Suspended from receiving financial assistance and agrees to comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532 regarding Debarment and Suspension.
30. The recipient agrees to comply with 42 U.S.C. 6962 which requires that preference be given in procurement programs to purchase of specific products containing recycled materials in any

acquisition of items exceeding \$10,000 or where the quantity of items in the preceding year was \$10,000 or more.

31. The recipient agrees to comply with Section 106 of the Trafficking Victims Protection Act of 2000, as amended and shall not engage or have its employees, subrecipients and subrecipients' employees engage in severe forms of trafficking in persons during the period of time that the award is in effect; procure a commercial sex act during the period of time that the award is in effect; or use forced labor in the performance of the award.
32. The recipient agrees to comply with Section 1533 of the ARRA regarding protection of whistleblowers.
33. The recipient shall ensure that awards comply with the standards in Section 210 (a)-(d) of OMB Circular A-133 and are not used to acquire commercial goods or services for the recipient.
34. The recipient must promptly refer to EPA's Inspector General any credible evidence that an employee, contractor, subcontractor or other person has committed a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity or similar misconduct involving ARRA funds.
35. The recipient shall not use ARRA funds for a casino or other gambling establishment, aquarium, zoo, golf course or swimming pool.
36. The recipient agrees to comply with OMB Circular A-133 Single Audit Act, which requires the recipient to obtain a single audit from an independent auditor if total federal expenditures exceed \$500,000 in any fiscal year. The Department will notify the recipient on the amount of federal funds disbursed in any fiscal year.
37. At the completion of the construction of the project, the recipient agrees to submit, if appropriate to the project, a set of "as built" drawings certified by a professional engineer or a soil conservation district engineer.
38. The recipient agrees to submit a final claim for reimbursement of costs within sixty days of the Department's final inspection of the project.
39. The recipient agrees that the State Board of Public Works may terminate financial assistance upon the recommendation of the Department, if the Department determines in its discretion that there is:
 - a. failure to perform without good cause; or
 - b. gross abuse or corrupt practices in the administration of the project; or
 - c. poor, non-standard, or unsafe construction procedures; or
 - d. failure to comply with any of the conditions of financial assistance award or applicable Federal/State laws, regulations or Departmental policies; or
 - e. failure to adhere with the approved project schedule.
40. The recipient agrees to repay the State, immediately upon demand:
 - a. any funds received that were misapplied (i.e., not expended in accordance with the terms of these conditions of financial assistance award or applicable State laws, regulations and Departmental policies);
 - b. any excess funds received (i.e., total funding received from several funding sources exceeds 100% of project costs);
 - c. the depreciated value (on a straight line basis) of the ARRA grant, if the ARRA project assets are sold by a public entity or a non-profit entity, to a for-profit entity anytime within 20-years of project completion.

In the event that the recipient fails to repay the funds upon demand, the State shall have the right to offset or withhold any funds in the possession of any State agency (that may be due to the recipient) in an amount equal to the questioned funds, plus interest at a rate of 10% per annum.
41. The recipient agrees to disclose in writing to the Department all pending litigation, and any conflict of interest related to the financing of the project.
42. The recipient agrees that the Department may deny any request for funds if the recipient fails to comply with any of the above conditions of financial assistance award.

On behalf of the grant recipient, I agree to comply with the above Conditions of Financial Assistance Award and certify I am an authorized official to execute this document.


Signature of Recipient's Authorized Official

Newell W. Messick III, P.E., Acting Director
Name and Title

5-26-09
Date

030321699
Recipient's DUNS Number