



**Grant Agreement
Between
Northern Border Regional Commission (NBRC)
And
Town of Middlebury, VT**

August 9, 2021

**NBRC Grant Agreement Number: NBRC21GVT02
Project Title: Water main replacement – Middlebury, VT**

Grantee/Recipient:	Grantor:
Town of Middlebury, VT	Northern Border Regional Commission
Authorized Official: Kathleen Ramsay, Town Manager	Contact: Andrea K. Smith, Program Director
77 Main Street Middlebury, VT 05778	53 Pleasant Street, Suite 1501, Concord, NH 03301
+1-802-458-8000	603-369-3001
kramsay@townofmiddlebury.org	admin@nbrc.gov
http://www.townofmiddlebury.org/	www.nbrc.gov
Co- Recipient: N/A	
Contact:	
State Contact: Kristie Farnham, Director of Business Support, Vermont Agency of Commerce and Community Development	<u>802-398-5268</u> kristie.farnham@vermont.gov

Grantee's Employer Identification Number (EIN): **03-6000564**

Grantee's DUNS Number: **026135772**

Date of Award: **August 9, 2021**

Date of Amendments

Total Project Amount: **\$ 1,988,350.00**

Amount of Federal NBRC Funds Awarded: **\$ 600,000.00**

Total Other Funds/Match: **\$ 1,388,350.00**

Payment Rate: **50%**

CFDA Number and Name: **#90.601 /Economic and Infrastructure Development Grant Program**

Project Description: **Replacement of a water transmission main to provide potable water supply and fire suppression to the downtown business district**

Approved Indirect Cost Rate: **N/A**

Period of Performance: **October 1, 2021 – September 30, 2024**

Project Scope: **As provided in the 2021 Economic Infrastructure Development application submitted on or before May 14, 2021.**

Grant Provisions

- I. **STATEMENT OF PURPOSE**—This agreement incorporates by reference the recipient's proposal properly submitted in accordance with NBRC procedures on or before May 14, 2021. The agreement implements a grant/investment made under authorities of Northern Border Regional Commission to provide funding to the Grantee/Recipient and/or the Co-Recipient. Any other recipient of funding shall be funded through an award of a contract or subgrant. The scope of work

included within the recipient's proposal constitutes the Grant Agreement purpose. To the extent that this agreement conflicts with the incorporate proposal, the agreement shall govern.

- II. ORDER OF PRECEDENCE—This grant agreement is subject to multiple sources of federal policy. Any conflict between or among these sources shall be resolved using the following order of precedence:
- a. Federal statutes, including [40 USC Subtitle 5](#);
 - b. Federal regulations including but not limited to 2 CFR Parts [25](#), [170](#), [180](#), [182](#), [183](#), and [200](#) in effect at the time the Grant Agreement is signed;
 - c. [NBRC Bylaws](#)
 - d. This Agreement, and
 - e. The most recent [NBRC Compliance Manual](#).

For ease of adoption and clarity, this agreement contains references to specific regulatory provisions that the recipient is required to follow. By signing this agreement, the recipient acknowledges that it has received either paper copies or electronic links to the provisions cited.

- III. FEDERAL AGENCY RESPONSIBILITIES—NBRC has overall responsibility for agency awarded funds including providing oversight for programmatic, financial, and administrative performance. The Federal Co-Chair is responsible for all actions on behalf of NBRC including entering, modifying, suspending, or terminating this Grant Agreement. NBRC may enforce the terms and conditions of this Grant Agreement utilizing procedures identified in 2 CFR 200.208, [2 CFR 200.339](#), [2 CFR 200.520](#), and [2 CFR 180](#).

- IV. RECIPIENT RESPONSIBILITIES—The recipient has full responsibility for the ongoing management of the project or activity supported under the Grant Agreement and for adherence to the federal requirements and Grant Agreement terms documented in this Grant Agreement. Although the recipient is encouraged to seek the advice of NBRC staff concerning the Grant Agreement, that does not diminish the recipient's responsibility for making prudent and sound judgments under the circumstances prevailing at the time that a decision is made nor does seeking advice shift responsibility for operating decisions to NBRC.

- V. NOTICES—All official notices concerning this Grant Agreement are to be delivered to the designated contact personnel whose names appear on the cover sheet of the Grant Agreement at the address designated. Such notices may be delivered in person, by United States Postal Service, by private deliver service, or electronic mail.

- VI. LIABILITY—Nothing contained in this agreement permits the recipient to assert that it is a part of the United States Government or that the United States Government is liable for any of its actions. The recipient shall hold and save the

Government, its officers, agents, and employees harmless from any liability of any nature or kind, including costs and expenses, for or on account of any and all suits for damage sustained by any person or persons or property by virtue of performance of this Grant Agreement.

- VII. SEVERABILITY—If any portion of this agreement is determined to be invalid, the remainder of the agreement remains in effect.
- VIII. TERMINATION—Any dispute arising under this agreement shall initially be addressed through good faith negotiation between the parties. However, this agreement may be terminated under terms outlined in [2 CFR 200.340](#).
- IX. STATEMENT OF ASSURANCES ([SF 424B—Non-construction](#); [SF 424D—Construction](#))—As part of the grant application process, the recipient executed a Statement of Assurances which contains a listing of numerous federal laws, executive orders, and regulations which may apply by their terms to this Grant Agreement.
- X. SUSPENSION AND DEBARMENT (2 CFR 180)—The recipient certifies, in accordance with [2 CFR 180.335](#), that neither it nor any of its principals is suspended or debarred from doing business with the Federal Government because of conditions covered under 2 CFR 180.
- XI. DRUG-FREE WORKPLACE ([2 CFR 182](#))- Recipient must comply with the drug-free workplace regulations.
- XII. HATCH ACT ([5 CFR 900](#))—The Hatch Act restricts the political activity of executive branch employees of the Federal Government and state or local officers or employees whose principal employment is in connection with an activity that is financed in whole or in part by loans or grants made by the United States or a Federal agency.
- XIII. STEVENS AMENDMENT ([P.L. 101-166, Section 511](#)). When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds, including but not limited to State and local governments, shall clearly state (1) the percentage of the total costs of the program or project which will be financed with Federal money, (2) the dollar amount of Federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.
- XII. USE OF FEDERAL AGENCY AGREEMENT NUMBER - The assigned NBRC Grant Agreement Number as listed for this Grant Agreement. **This Grant Agreement Number must appear on all correspondence and financial claims and other official communication.**

- XIII. OBLIGATION OF FEDERAL FUNDS—The total amount of federal funds obligated under this Grant Agreement is listed on page 2 of this Agreement as: “Amount of Federal NBRC Funds Awarded”. No claims above this amount will be honored by NBRC.

The following items are required to be completed and filed with NBRC for the federal funds to be obligated for this project:

- i. A signed copy of this Grant Agreement
- ii. Completed SF3881 - Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form.
- iii. Executed Compliance Manual Acknowledgement of Receipt Form

These documents should be attached as separate files to an e-mail and sent to admin@nbrc.gov. The Grant Agreement number must be in the subject line of the email.

- XIV. NOTICE TO PROCEED—**No work may begin on this project until an official Notice-to-Proceed issued by NBRC. Further, no documented non-federal matching or invoices generated by the recipient will be considered valid charges until the Notice-to-Proceed is issued by NBRC.**

The following items must be completed and submitted to NBRC prior to issuance of a Notice-to-Proceed:

- a. Completed Standard Form 3881 (Automated Clearinghouse (ACH) Vendor/Miscellaneous Payment Enrollment Form)
- b. Fully Executed NBRC Grant Agreement
- c. Executed NBRC Grant Administration and Compliance Manual Acknowledgment of Receipt Form
- d. Documentation of non-NBRC matching funds form ([NBRC Form 1002](#)) listing the total amount of funding and each funding source, together with letters of commitment for each funding source
- e. Signed contract with LDD for grant administration services or documentation of approved LDD waiver from NBRC. (This requirement is not applicable to an agency of State Government)
- f. All NEPA required documentation
- g. Executed SF428 Tangible Personal Property report on equipment being purchased with NBRC funds (if applicable)
- h. Executed SF429-A Real Property Report form for property being acquired and/or improved with NBRC funds (if applicable)
- i. Notice of Federal Interest (NFI) on property being acquired and/or improved with NBRC funds. (if applicable)

These documents should be attached as separate files to an e-mail and sent to admin@nbrc.gov. If the required documents have previously been provided to NBRC, they do not need to be resubmitted. NBRC must have all these documents in our files before a Notice to Proceed will be issued. The Grant Agreement number must be in the subject line of the email.

XV. PAYMENT PROCEDURES— In order to receive payments, the recipient must electronically submit a [Standard Form 270](#) (Request for Advance or Reimbursement) to NBRC for the applicable period, to the email address: admin@nbrc.gov. NBRC does not process requests for advancement. Requests for reimbursement will be reviewed and process the request and will make payments based on the methods permitted under [2 CFR 200.305](#).

XVI. DISCLOSURES—In accordance with [2 CFR 200.113](#), the recipient will immediately disclose to NBRC any violations of federal criminal statutes (18 USC) involving fraud, bribery or gratuity violations.

XVII. REPORTING

a. QUARTERLY PERFORMANCE REPORTING—The recipient is required to provide quarterly progress reports. **Reports are due from October 1st of the award year through to the closeout of the project.** Reports must be submitted along the following schedule, using the Performance Progress Report ([SF-PPR](#)) form.

Reporting Period: (Quarter 1) October 1 - December 31	-Report Due January 31
Reporting Period: (Quarter 2) January 1 - March 31	- Report Due April 30
Reporting Period: (Quarter 3) April 1 - June 30	- Report Due July 30
Reporting Period: (Quarter 4) July 1 - September 30	- Report Due October 30

These are not an optional task for grantees. Progress reports are required even if no activity has taken place during the quarterly period. A final performance report covering the entire project must be submitted no later than 90 days after the end of the performance period. No payment requests will be processed until the progress reports are current.

Reports must be sent to admin@nbrc.gov with the Grant Agreement number in the subject line of the email.

b. FINANCIAL REPORTS—In accordance with [2 CFR 200.328](#), a completed Federal Financial Report (Standard Form 425) is required within 30 days after the end of the federal fiscal year (i.e., by October 30). In addition, a final [Standard Form 425](#) must be submitted within 90 days after the performance period ends. **No payment requests will be processed unless financial reports are up to date.**

Reports must be sent to admin@nbro.gov with the Grant Agreement number in the subject line of the email.

- c. CLOSEOUT REPORTING —Five percent (5%) of the NBRC award will be held until all Project Close Out documents are received by NBRC.
- d. PERFORMANCE MEASURES—The recipient agrees to report on program performance measures and outcomes as part of its final progress report, and three years after the final progress report using the [Government Performance and Results Act](#) (GPRA) information collection document. The measures and outcomes that apply to this Grant Agreement are:

As provided under the Economic Impact and Outcomes of the Project sections contained in the 2021 SEID application submitted on or before May 14, 2021.

- e. OTHER REPORTING—The recipient will submit the following additional reports at the end of the project:
 - i. 5-10 photos describing the project results must be submitted with the final progress report.
 - ii. An inventory of any equipment purchased as part of the project must be submitted with the final progress report. Equipment is defined as an item of tangible personal property having a useful life of more than one year and a unit cost of more than \$5,000. A depreciation schedule may be used for determination of fair market value.
 - iii. [Standard Form 429A](#) concerning any real property purchased as well as any recorded deed restrictions associated with the property must be submitted with the final progress report. Any leases of real estate developed as part of the project must also be submitted at that time.
- XVIII. APPROVED BUDGET—The total budget for this project is established as provided in the 2021 Economic and Infrastructure Development application and supporting documentation contained in the SF424cbw Budget Form and Budget Narrative submitted on or before May 14, 2021.
- XIX. PROGRAMMATIC AND BUDGETARY CHANGES—Under [2 CFR 200.308\(f\)](#), NBRC exercises its option to restrict cumulative transfers among direct cost categories or programs, functions, or activities to ten (10) percent of the total budget as last approved whenever it has designated the recipient as subject to special conditions pursuant to [2 CFR 200.208](#).
- XX. NON-NBRC SHARE—Prior to issuance of a Notice-to-Proceed and any disbursement of grant payment, the recipient must identify the total project costs including any required matching share. Failure to satisfy any requirement for non-NBRC match by the conclusion of the project may lead to disallowance of federal funds already drawn and spent.

- XXI. PROGRAM INCOME—If program income is earned as a result of expenditures under this Grant Agreement, it must be spent on allowable eligible costs of the project and must be disbursed prior to draw down of additional federal funds. Under this Grant Agreement, program income will be applied under the deductive alternative described in [2 CFR 200.307](#).
- XXII. SUBAWARDS—Subawards of federal financial assistance are awards to lower tier organizations that assist them in carrying out a public program. Pursuant to [2 CFR 200.308\(c\)](#), NBRC approval is required for the recipient to subaward a portion of the funds under this Grant Agreement. Prior to making the subaward, the recipient must, using the criteria identified in [2 CFR 200.331](#), make a case-by-case determination that the nature of activity being carried out constitutes a subaward (as opposed to a contract) and that the entity to which the subaward is to be made is an eligible entity under the NBRC authorizing legislation (i.e., a state or local government, Indian tribe, or public or private organization described in Section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under Section 501(a) of that code). The recipient must prepare a subaward agreement to govern the programmatic and administrative activities of the subrecipient. The subaward agreement must contain the data elements identified in [2 CFR 200.332\(a\)](#) and incorporate applicable provisions of this agreement including those identified in the applicable Statement of Assurances (SF 424B or SF 424D). The recipient shall carry out mandatory oversight and enforcement actions as outlined in [2 CFR 200.332\(d\)](#) and [\(f\)](#) and may carry out discretionary oversight actions as outlined in [2 CFR 200.332\(e\)](#). **If your project includes a subaward component, please contact NBRC staff prior to making such awards.**
- XXIII. PROCUREMENT—Procurement of goods and services will be carried out following the recipient’s own procurement procedures provided they meet the minimum standards established in [2 CFR 200.317-327](#) and Appendix II of 2 CFR 200. Methods of procurement must conform to procedures identified in the recipient’s own procurement procedures and those identified in [2 CFR 200.320](#). The recipient must take all affirmative steps identified in [2 CFR 200.321](#) to assure that small and minority businesses, women’s business enterprises, and labor surplus area firms are solicited and utilized when possible. The recipient must develop and maintain a code of conduct for officers, employees, and agents which prohibits financial and familial conflict of interest and curtails solicitation or acceptance of gratuities in accordance with [2 CFR 200.318\(c\)](#).
- a. This agreement requires that all services necessary for design and engineering phases of the project be discharged by qualified personnel. Contracts for architect and engineering services shall be arranged using the competitive procedures identified in [2 CFR 200.320\(b\)\(2\)\(iv\)](#) under which price may not be used as a selection factor. Also, the recipient may not enter into a cost-plus percentage of cost or a cost plus a percentage of construction cost contract.

- b. In accordance with [2 CFR 200.318\(b\)](#), the recipient will exercise oversight to assure that contractors perform in accordance with the delivery requirements of the contract and that they comply with all terms and conditions. The recipient shall enter into a sound and complete agreement with any contractor which is enforceable in the jurisdiction where the contract is to be performed and which contains the applicable clauses of [2 CFR 200, Appendix II](#).
- c. In accordance with the policy of the United States Government, consistent with applicable law, use, terms and conditions of Federal financial assistance awards and federal procurements, recipients must maximize the use of goods, products, and materials produced in, and services offered, in the United States. Whenever possible, the recipient shall procure goods, products, materials, and services from sources that will help American businesses compete in strategic industries and help America's workers thrive. See the [January 25, 2021 Executive Order on Ensuring the Future is Made in All of America by All of America's Workers](#) for more information.

XXIV. PROPERTY TITLE, USE AND DISPOSITION—Title to real property, equipment, and supplies acquired by the recipient using funds from this agreement vests with the recipient. These assets shall be used for their original purposes if they are needed. The following policies apply to the different classes of property identified:

- a. REAL PROPERTY—Real property shall be used for its original purpose as long as it is needed. If no longer needed for its original purpose, the recipient must obtain disposition instructions from NBRC. Options available under [2 CFR 200.311\(c\)](#) are retention, sale, or transfer to a third party. In each case, a settlement of residual financial interests will be made. If real property is retained by the recipient, it shall be treated as being encumbered for a period of 20 years. If the recipient is not a state or local government, such encumbrance will be recorded as a deed restriction and a copy of the restriction must be provided to NBRC no later than the end of the performance period. The recipient must also prepare a [Standard Form 429A](#) with respect to each piece of real property acquired and submit a copy of NBRC in accordance with the reporting requirements of this agreement.
- b. EQUIPMENT—Equipment as defined in [2 CFR 200.1](#) is an item of tangible property having a useful life of more than one year and a unit acquisition cost of \$5,000 or more. Equipment may be used for its original purpose as long as it is needed and may be used on other activities of the recipient provided activities under this Grant Agreement receive first priority. However, such equipment is not to be used in a manner that competes unfairly with private commercial firms. An inventory of equipment purchased under the Grant Agreement will be submitted to NBRC at close-out. Items of equipment with a unit fair market value of \$5,000 or less may be retained without compensation to the federal government. Other items of equipment will be subject to

disposition instructions as provided in [2 CFR 200.313\(e\)](#) and include retention, sale, or transfer to a third party. In each case, a financial settlement of residual financial interests will be made.

- c. SUPPLIES—Supplies acquired under this Grant Agreement shall be used only for purposes allowed under the Grant Agreement. If a residual inventory of unused supplies remains at the end of the Grant Agreement that has a fair market value of more than \$5,000 in the aggregate and the supplies are not needed for any other federally financed program, the recipient shall repay NBRC for its share of the fair market value.

- XXV. EMPLOYMENT—The recipient shall use its regular recruitment, hiring, and employment practices consistent with federal, state, and local law including but not limited to various non-discrimination policies which apply because of the status as a federal assistance recipient or as an employer. However, the recipient agrees that it will not employ, offer any office or employment to, or retain for professional services any person who (1) on the date that NBRC executed this Grant Agreement or within a one period ending on that date served as an officer, attorney, agent, or employee of NBRC and (2) occupied a position or engaged in activities which the Federal Co-chair determines involved discretion with respect to the Grant Agreement by NBRC.

- XXVI. NON-RELOCATION—By signing this agreement, the recipient attests that the NBRC funding is not intended to assist efforts by the recipient to induce the relocation or movement of existing jobs from one geographic region to another in competition for those jobs with the following exception: Financial assistance may be used as otherwise authorized by this subtitle to attract businesses to the region from outside the United States per [40 USC, Subtitle V §15501 \(f.\)](#) If NBRC determines that its assistance was used for such purposes, NBRC reserves the right to pursue appropriate enforcement action including suspension of payment and possible disallowance and recovery of funds from the recipient.

- XXVII. COST ALLOWABILITY—Cost charges to this Grant Agreement, whether direct or indirect, will be determined in accordance with Subpart E of [2 CFR 200](#). These principles apply uniformly to state, local and tribal governments, institutions of higher education, and nonprofit organizations. The principles contain certain general tests of allowability that apply to all types of costs charged to the Grant Agreement and a list of selected items of cost that represent types of cost that are typically encountered by recipients and subrecipients in the course of administering a federal award or types of cost that, by their nature, the federal government refuses to allow. The detailed text of the cost principles identifies which the costs are allowable, which are not allowable, and which are allowable under certain circumstances or allowable. The proposed budget of the award was reviewed by NBRC to determine that the costs that are included therein are allowable. However, if, during the performance of this award, a cost occurs that is not included in the

budget, it may still be allowable, based on the language in the cost principles. The recipient should take special care to review the listing contained in [2 CFR 200.407](#) which identifies costs that require prior approval, under certain circumstances.

- XXVIII. **RECORDS RETENTION AND ACCESS**—The recipient shall retain all financial and programmatic records that are pertinent to the Grant Agreement. The records shall be retained for at least three years following submission of the final financial and performance reports for the Grant Agreement. If any audit, claim, or litigation started before the expiration of the retention period, the recipient shall retain the records until such matters are fully resolved. If the recipient is subject to any other more rigorous retention period for the records, the records must be retained to meet that requirement. During the period of retention, the records are accessible to the Comptroller General of the United States, the federal awarding agency, an inspector general, independent auditor performing audits under the Single Audit Act and any of their duly authorized representatives for the purpose of audit, examination, and copying. The rights of access do not expire with the designated retention period but shall last as long as the records are retained. Records in the hands of the recipient are not subject to disclosure to the general public under the federal Freedom of Information Act. However, any records transmitted to NBRC are subject to that statute. Methods for collection, transmission, and storage of the records shall be consistent with instructions contained in [2 CFR 200.336](#).
- XXIX. **AUDIT REQUIREMENTS**—The funds made available under this agreement are considered to be a federal award within the meaning of [2 CFR 200.502](#). Accordingly, the expenditures that the recipient makes from this Grant Agreement count toward meeting the threshold amount of expenditures necessary to trigger an audit pursuant to the Single Audit Act and [2 CFR 200, Subpart F](#). Thus, if the recipient organization expends more than \$750,000 in covered federal awards during its fiscal year, it will arrange for an independent audit conducted by a qualified auditor or firm. The resulting audit report along with a completed SF-SAC and additional documents identified in [2 CFR 200.511](#) must be submitted to the Federal Audit Clearinghouse not later than nine (9) months after the end of the recipient’s fiscal year. Information about how to accomplish single audit submissions is available at <http://harvester.census/facweb/Default.aspx>.
- XXX. **CONTINUING ACCOUNTABILITY**—The recipient must assume continuing accountability for several matters that extend beyond the performance period. These include custody and maintenance of property that has been retained, records retention and access for records, and the discretionary right of the federal government to conduct audits and investigations on an as needed basis.



**Grant Agreement
Between
Northern Border Regional Commission (NBRC)
And
Town of Middlebury, VT**

August 9, 2021

**NBRC Grant Agreement Number: NBRC21GVT02
Project Title: Water main replacement – Middlebury, VT**

Recipient's Authorized Representative Name and Title (print)
Recipient's Authorized Representative (signature) <i>(By signing this document, you affirm that you have read this document and are prepared, and shall maintain the capacity, to carry out all the obligations that come with these Investment funds).</i>

Jonathan O'Rourke: _____ Date:
Program Specialist | Northern Border Regional Commission

Andrea K. Smith: _____ Date:
Program Director | Northern Border Regional Commission