

**MARYLAND SMART ENERGY COMMUNITIES/
CLEAN ENERGY FOR LOCAL GOVERNMENTS
GRANT AGREEMENT
(for AOI 1 Existing Communities)**

**STATE OF MARYLAND
MARYLAND ENERGY ADMINISTRATION
1800 Washington Blvd, Suite 755
Baltimore, MD 21230
(hereinafter “MEA”)**

and

Fiscal Year 2024 Existing Smart Energy Community:

*Mayor and Council of Rockville
111 Maryland Avenue
Rockville, MD 20850*

(hereinafter “Grantee”)

PREMISES

The Maryland Energy Administration administers the Strategic Energy Investment Program set forth in Md. Code Ann., State Gov’t Art. §§ 9-20B-01 et seq. (“SEIF Statute”) as a component of its overall mission to reduce energy demand and increase energy efficiency and the use of renewable energy resources. As it receives funding via the SEIF Statute, the purpose of the Clean Energy for Local Governments (CELG) Program¹ is to encourage local Maryland governments, including counties and municipalities, to voluntarily adopt formal policies promoting energy efficiency, renewable energy development, and/or reduction of petroleum as a transportation fuel, and to implement projects to achieve the objectives of such policies.

Similar to its predecessor, the CELG program has two separate but related funding components, policy development and project development. Under the policy development component, the Grantee is responsible for developing and formally adopting written policies (e.g., promulgation of a local law, regulation, ordinance, resolution, or an executive order) that promote at least two of the following: energy efficiency and conservation, the development of renewable energy resources, or the reduction of petroleum as a transportation fuel. Also, the Grantee (acting by and through its Department of General Services) must take certain steps demonstrating the Grantee’s formal commitment by designing and implementing at least one energy project approved by MEA that effectuates at least one of the policy goals adopted as part of the Program. The Grantee has previously complied with the requirements for a New Community, which includes the development and formal adoption of stated energy policies, and

¹ For FY24, the MSEC Program has been renamed the Clean Energy for Local Governments (CELG) grant program.

has received funding under MSEC FY14, FY16, FY17, FY21 and FY22 Program grants for multiple energy-efficiency and lighting retrofit projects.

MEA issued a notice of opportunity for funding for **Existing** Smart Energy Communities in December 2023. After evaluating Grantee's MSEC/CELG FY2024 application, MEA has determined that Grantee is eligible for an FY24 award as an Existing Smart Energy Community. MEA has selected the Grantee to receive a grant award, as defined herein, subject to Grantee complying with all requirements, terms and conditions of this Agreement and the Grant Program.

NOW, THEREFORE, the parties hereby agree as follows:

1. Purpose of Grant

- a. The purpose of this MSEC/CELG Grant (the "Grant") to Grantee, as an Existing Smart Energy Community, is to provide funding to support local governments as they engage in sustainable, long-term clean energy policies and projects that lead to reduced energy usage and greenhouse gas emissions, increased cost savings, and robust clean energy and economic development. MEA will review the final project scope for approval using the Project Approval Form (Attachment C).

2. Project Description

- a. Consistent with the requirements set forth in this section, Grantee shall develop and submit to MEA for approval a completed "CELG Project Development Form" (Attachment B), which provides detailed proposals for each proposed project for which it requests funds under this Agreement.

3. Amount and Duration

- a. The Total Grant Award shall be up to Sixty-Three Thousand Dollars (\$63,000) for the Project.
 - i. As of the Effective Date of the Agreement, as defined in Section 2(C) of the General Provisions (Attachment A), Grantee may also 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 Section 2 of this Grant Agreement. Policy and Project Preparation Costs that are not pre-approved by MEA in writing will not be reimbursed by MEA.
 - ii. Except for Policy and Project Preparation Costs discussed above, Grant funds shall be used solely for carrying out the measures specified in the Approved Project as set forth and incorporated into this Agreement in Attachment C. No other project or measure will be funded under this Grant.
 - iii. *With the exception of a Project for the purchase of electric vehicles, Grantee shall be responsible for a minimum of 15% of the total cost of the Project. MEA will only provide reimbursement for up to 85% of the Project's cost. For projects involving the purchase of electric vehicles*

(EVs) or EV charging equipment, MEA will provide reimbursement as specified in Section 3 (A)(i) of the Grant Agreement.

- iv. This Agreement must be signed by the Grantee and received by MEA no later than November 25, 2024. If this properly signed Grant Agreement is not received by MEA on or before December 2, 2024, the grant award shall automatically be revoked, and this Agreement is void unless an extension is given consistent with Section 2(B) of the General Provision (Attachment A).
- v. Unless an extension is permitted as set forth in Section 3 of the General Provisions, all activities must be completed by no later than November 17, 2025 with all required documentation under Section 4 (B) of this Grant Agreement completed and submitted to MEA by no later than December 15, 2025.

4. Costs Eligible for Reimbursement

- a. CELG Project Development Form (Attachment B) Submission.
 - i. Grantee shall submit a completed “CELG Project Development Form” (Attachment B) consistent with the following provisions.
 - ii. By November 15, 2024, Grantee shall submit to MEA a completed “CELG Project Development Form” (Attachment B) and any necessary supporting documentation requested by MEA, as specified herein, unless a request for an Attachment B deadline extension is approved consistent with Section 2 of the General Provisions.
 - 1. In its submission, Grantee shall provide detailed Project information, including but not limited to actual vendor pricing and detailed project savings estimates so that MEA may determine if the final Project scope meets all Program requirements.
 - 2. Unless a modification is approved in writing prior to submission, MEA will not approve a project if the information submitted in Attachment B is inconsistent with either the Project described in Grantee’s application or the allowable uses of Program funds. MEA Project approval is dependent on an MEA determination that the Project, as set forth by Grantee in Attachment B, meets all Program requirements. If Grantee anticipates any deviation from the original project described in Grantee’s application, Grantee must consult with the MEA Project Manager by December 1, 2024.
 - 1. MEA Approval:
 - a. After MEA reviews and determines that the proposed project described in Attachment B meets all Program requirements, MEA will provide Grantee with a completed “Project Approval Form” (Attachment C) describing the MEA approved project eligible for funding (“the Approved Project”).

- b. Project funding is available only after MEA has completed its review and provided Grantee with a Project Approval Form.
 - c. Once MEA has approved the measures and issued the Project Approval Form, additional measures not specifically identified in the Project Approval Form are ineligible for funding under this Grant Agreement.
 - d. The completed Project Approval Form shall be incorporated into this Agreement as the Approved Project. The Project Approval Form shall not contain any terms or conditions other than a Project Description and Project Completion timeline. If Attachment C contains any terms and conditions other than a Project Description and Project Completion timeline, such terms and conditions are not incorporated into this Grant Agreement and are not agreed to by MEA. In the event of any conflicts between Attachment C and this Grant Agreement, the terms of this Grant Agreement shall control.
 - e. Grantee may request MEA approval to fund a feasibility study. In its request, the Grantee must show that each measure can be installed within five years of the Baseline year and the need for the feasibility study. Prior to beginning any feasibility study, the Grantee shall first obtain approval by MEA.
2. Approved Project Requirements:
- a. An Energy Efficiency MSEC/CELG project:
 - i. Shall be cost effective, which is defined as having a simple payback time that is less than the useful life of the Project; and
 - ii. Shall provide substantial electricity reductions so that Grantee may make significant progress in meeting its electricity consumption reduction goal.
 - b. An MSEC/CELG Renewable Energy project:
 - i. Shall be cost effective, which is defined as having a simple payback time that is less than the useful life of the Project; and
 - ii. Shall provide substantial clean electricity productions so that Grantee may make significant progress in meeting its electricity consumption reduction goal.
 - c. An MSEC/CELG transportation/petroleum reduction project shall provide substantial

reductions of petroleum-based fuel. If the Project involves the purchase of an electric vehicle (EV), the Project shall also result in the retirement of a similar gasoline-powered vehicle (GPV).

3. Reimbursable Costs: Only those costs or expenditures specified below are eligible for reimbursement under this Grant.
 - a. Direct Project Costs - At least 70% of the Grant Award shall be for reimbursement of approved expenditures associated with the Approved Project such as for labor, equipment, and material.
 - b. Policy and Project Preparation Costs - 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.
 - c. Administrative Costs - Administrative costs included in the Policy and Project Preparation Costs are capped at no more than 10% of the total amount of the Grant. Reasonable administrative costs may include staff time or non-energy auditing consultant's fees needed to implement MSEC/CELG programmatic activities. If Grantee uses less than 10% of the total amount of the grant for Administrative Costs, Grantee may use the remaining portion for other Policy and Project Preparation Costs, consistent with this section and subject to approval by the Program Manager.

5. Reporting and Reimbursement Requirements

- a. Grantee shall comply with the following deadlines unless an extension is permitted as described in Section 3 of the General Provisions (Attachment A).
 - i. By November 15, 2024, Grantee shall submit to MEA a completed Attachment B "Project Development Form".
 - ii. By November 17, 2025, Grantee shall complete the Project(s) approved by MEA and specified on the completed Project Approval Form.
 - iii. By December 15, 2025, Grantee shall submit to MEA all Reports and final invoices requesting Program cost reimbursements consistent with Section 4(B).
- b. Grantee shall not commence or initiate a Project until after each of the following actions are completed:

- i. Grantee submits to MEA a completed Project Proposal Form, attached hereto as Attachment B; and
 - ii. Grantee receives the Project Approval Form, attached hereto as Attachment C, signed by MEA.
 - c. 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.
 - d. Expenditures for Policy or Project development, Plans or Baselines that have not been pre-approved in writing by MEA will not be reimbursed.
 - e. Grantee must comply with any and all procurement requirements that apply to Grant Program activities for which reimbursement is sought.
 - f. Grantee shall cooperate with MEA and MEA's technical contractor(s) to identify and develop the most appropriate Project scope of work for this Program.
 - i. The primary purpose of a proposed energy efficiency project must be to reduce electricity consumption, as determined solely by MEA.
 - ii. The primary purpose of a proposed renewable energy project must be to expand the use of renewable electricity, as determined solely by MEA.
 - iii. The primary purpose of a proposed transportation energy project must be to decrease the consumption of transportation petroleum, as determined solely by MEA.
 - g. 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.
 - h. Grant funds may not be used for a project where the primary purpose is "maintenance", as determined solely by MEA.
 - i. All new construction must occur in a Priority Funding Area. 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>
 - j. 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:
 - ii. Every municipality, as they existed in 1997;
 - iii. Areas inside the Washington Beltway and Baltimore Beltway; or
 - iv. Areas already designated as enterprise zones, neighborhood revitalization areas, heritage areas, and existing industrial land.
- B. Separate Expenditure Categories.
- When a Grant Award is divided into separate expenditure categories (energy efficiency, renewable development, or petroleum reduction):
- i. Funding amounts are allocated to a specific category and shall not be reallocated between categories, unless explicitly approved by MEA in writing;
 - ii. Grantee shall maintain records separately for each distinct category; and

- iii. Grantee shall account for and invoice MEA separately for each distinct category.

C. Reporting.

Grantee shall submit monthly reports (“Reports”) to MEA that provide a brief written summary of the Project’s progress for the preceding month.

- i. Grantee shall submit the first monthly Report for the first full month following the Effective Date, as defined in Section 2 (C) of the General Provisions.
- ii. Monthly reporting shall continue until: the Project, as defined in Section 2 of this Grant Agreement, is complete; Grant funds have been completely expended; or the Grantee has notified MEA in writing that no additional funding will be requested under the Grant.

D. Invoicing and Reimbursement.

- a. To be reimbursed, Grantee shall provide invoices, a completed Maryland Smart Energy Communities Grant Program Final Report Form (Attachment D) and relevant documentation.
- b. MEA will 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 the provisions set forth in Section 2 of the Grant Agreement.
- c. Information required to show sufficient documentation of expenditures may include, but is not limited to, contractor and/or vendor invoices, receipts, detailed timekeeping records (including at a minimum, hourly rate, time, and task), detailed mileage logs, and photographic evidence of the project as it is in progress and as completed (including photographs of retired GPVs as requested.)
- d. All Requests for Reimbursement shall be submitted on Grantee letterhead, and shall contain the MEA Grant number, Grantee contact and payee information, and a description of the equipment, material, and/or labor or other expenses being invoiced. No personally identifiable information (PII) shall be submitted to MEA as part of the invoicing documentation unless MEA provides a secure method to submit PII.
- e. MEA will reimburse Grantee for approved costs only after Grantee submits documentation showing any incentives available from Grantee’s utility will be or have been applied to the total cost of the Project. Grant Award is to be used for net costs, after application of utility rebates and incentives.
- f. Consistent with Section 5 of the General Provisions, Grantee shall submit reporting information required by the Grant Agreement to MSEC.MEA@maryland.gov. Any documents mailed to MEA regarding this Project shall be sent to MEA at the following address:

**Maryland Energy Administration
Attn: Maryland Smart Energy Communities Program
1800 Washington Blvd, Suite 755
Baltimore, MD 21230**

- 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.

6. Party Representatives

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

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

Jose Matos, Program Manager
Maryland Energy Administration
443-826-0530

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

Audra Lew, *Sustainability Program Manager*
Mayor and Council of Rockville
240-314-8881

(Or any other person as may be designated in writing by the Grantee)

7. General Provisions

The General Provisions of the Grant Agreement set forth in Attachment A are incorporated and made part of this Grant Agreement.

[Signature on Following Page]

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.

Mayor and Council of Rockville

By: Jeff Mihelich
Jeff Mihelich
City Manager

Date: 10/23/2024

MARYLAND ENERGY ADMINISTRATION

By: Jennifer Aiosa
Signed by:
Jennifer Aiosa
Chief of Staff

Date: 10/23/2024

Approved for Form and Legal Sufficiency

this 23d day of october, 2024

Michele Honick
DocuSigned by:
Michele Honick
Assistant Attorney General

ATTACHMENT A**General Provisions****1. Definitions**

- A. “Grant Agreement” means a written agreement between MEA and a grantee with respect to a grant.
- B. “Grantee” means a recipient of a grant under an MEA grant program.
- C. “Environmental Standards” means all applicable environmental laws, rules, or regulations set by federal, state, or local jurisdictions that are applicable to a Project and related directly to the performance of the Grantee’s obligations pursuant to a Grant Agreement.
- D. “MEA Program Manager” means the individual specified in writing as the MEA representative for a Program or other person designated in writing by MEA to act on behalf of MEA regarding the Grant Agreement.
- E. “Program” means an MEA grant program identified and detailed on the MEA website.
- F. “Project” means an activity or undertaking that is consistent with the requirements of an MEA Program and for which a Grant has been awarded. A project includes all activities specified in the Scope of Work and all reporting required in the Grant Agreement except for submitting invoices.
- G. “Project Site” means the location of a Project or a portion of a Project.

2. MEA Grant Timeframes

- A. Unless the MEA Program Manager approves an extension in writing, a Grant Agreement executed by the Grantee(s) shall be received by MEA no later than ten business days from the date MEA electronically transmits the Grant Agreement to the Grantee for execution. If the properly executed Grant Agreement is not received by MEA within the required time as indicated above, the Grant Award will automatically be revoked.
- B. The Effective Date of a Grant Agreement is the date that the fully executed Grant Agreement is received by MEA, as determined by the official MEA date stamp on the first page of the Grant Agreement.
- C. To be eligible for reimbursement, all reimbursement requests for Project costs pursuant to a Grant Agreement must be received no later than 60 days after the completion of the Project, unless the MEA Program Manager approves an extension in writing.

3. Extensions

An extension may be requested in writing by the Grantee in advance of a deadline but is not guaranteed. The MEA Program Manager may extend a deadline in writing up to 60 days, for good cause shown, such as circumstances outside of the Grantee’s control.

4. Retention of documents

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 energy savings and/or generation, 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 representatives, the Department of Budget and Management, the State Comptroller, and the Legislative Auditor 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 representatives, upon request at any reasonable time, for at least three years from the date that the Grantee receives final reimbursement from MEA.

5. Communications with MEA: Updating IRS W-9 form

A. The Grantee shall submit to MEA all reimbursement requests and other documentation required under the Grant Agreement at the MEA email address specified in the Grant Agreement, unless MEA has received as part of the application process notification that the Grantee has opted out of electronic communications. If the Grantee has opted out of electronic communications, the Grantee shall submit all reimbursement requests and other documentation required under the Grant Agreement by mail or hand-delivery to the applicable program at MEA.

B. The Grantee shall promptly provide MEA with an updated IRS W-9 form when information on a prior IRS W-9 form has changed.

6. Subject to Funding Availability

Prior to execution of the Grant Agreement, Grant funds are subject to change in amount and availability.

7. Location within Maryland

A Project must be located in Maryland or undertaken for the direct benefit of a Maryland resident, business, community, campus, or facility located entirely within the State of Maryland.

8. Compliance with Grant Agreement

After review of the reports, requests for reimbursement, and any supporting documents or information requested by MEA, MEA shall make a final determination whether the Grantee has met all Program requirements, terms, and conditions, and shall 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 costs that are inconsistent with the purpose, terms, and conditions of the Grant, as determined by MEA.

9. Disallowance of Grant Funds for Violation of Grant Agreement

Any expenditure of Grant funds that is not consistent with the purposes of the Program, or that violates any requirement, term, or condition of a Program or the Grant Agreement, may, in the sole judgment of MEA, be disallowed. If MEA determines any expenditure to be ineligible after MEA has disbursed funds to the Grantee, 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.

10. Nondiscrimination Provision

The 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, by-laws, or policies prohibit discrimination consistent with the Governor's Code of Fair Employment Practices.

11. Compliance with Relevant Certifications, Licenses, And Requirements

A. The Grantee shall be responsible for compliance with the following:

(1) All work performed on behalf of the Grantee pursuant to a Grant Agreement shall be carried out by the Grantee's staff and contractors holding all necessary Maryland certifications and licenses.

(2) Any business or non-profit organization operating in Maryland with which the Grantee contracts or partners to carry out the purposes of the Grant shall be registered and in good standing with the Maryland State Department of Assessments and Taxation, if applicable.

(3) All work performed pursuant to a Grant shall comply with all applicable local, State, and federal building codes and other applicable laws and regulations.

B. If MEA determines that any activity undertaken under the Grant Agreement is inconsistent with subsection A of this section, MEA may rescind the Grant or take any other appropriate action, as determined by MEA.

12. 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 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, as specified in State Government Article §9-20B-11 of the Annotated Code of Maryland.

13. Historic Preservation Review

For each project being funded in whole or in part through a Grant Agreement, a historic preservation review must first be completed by the Maryland Historical Trust (MHT) or MEA's historic preservation expert. This review ensures that no historic property is "adversely affected" through building improvements, equipment installations, and related property modifications proposed for Projects funded wholly or in-part by a Program. Prior to starting construction, the Grantee shall ensure that MEA has received documentation from MHT or MEA's historic preservation expert indicating that the Project will have no adverse effect on a historic property.

14. Maryland Saved Harmless

To the extent allowed by Maryland law, and subject to appropriations if applicable, 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.

15. Environmental Standards and Liability

A. As relevant to the Project, the Grantee shall ascertain and comply with all applicable Environmental Standards, monitor compliance, and immediately halt and correct any incident of non-compliance. The Grantee is solely responsible for all steps in obtaining any required permits including, but not limited to, those related to air quality requirements, as applicable.

B. 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 MEA Program Manager, 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 and its designated representatives or contractors with respect to investigation of the incident.

C. Subject to Section 14 and to the limits allowed by Maryland law, the Grantee shall be liable for: 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

- (1) 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.

16. 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, the Grantee shall purchase and maintain comprehensive third-party legal liability insurance or its equivalent, with minimum coverage of \$1,000,000 per occurrence. The Grantee shall also maintain other such insurance as is appropriate for the work to be performed. For a self-insured entity, such as a Maryland State or local government entity, a document detailing the basis for self-insurance, including when applicable, the statutory basis, may be accepted by MEA as an equivalent form of insurance under this paragraph.

B. The State shall be listed as an additional insured on the faces of the certificates associated with the coverages listed above, including umbrella policies, excluding Workers' Compensation Insurance and professional liability. The 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.

- (1) 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 incorporated as part of the Grant Agreement.

- (2) The 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, with minimum coverage of \$1,000,000 per occurrence. All insurance provided by the contractor must name MEA as an additional insured.

- (3) The 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 incorporated into the Grant Agreement.

17. Monitoring and Evaluation

For monitoring and evaluation purposes, the Grantee shall make available to MEA or its representatives, during regular business hours, all applicable reports, activities logs, timelines, estimated energy savings and generated energy, operating hours, projected system efficiencies and other technical and engineering specifications, and other information related to the Grant.

18. MEA Access to Project Site

A. If a Project Site is controlled by the Grantee:

- (1) Upon reasonable notice, the Grantee shall allow MEA employees or representatives access to the Project Site to monitor the Project and provide technical assistance to verify that Project requirements are fully satisfied.
- (2) Except as provided in paragraph (5) of this subsection, the Grantee shall allow MEA employees or representatives access to the Project Site to take photographs or video of the Project for MEA use, upon request by MEA.
- (3) Upon reasonable notice from MEA, the Grantee shall assist MEA in any efforts to remotely monitor and inspect the Project, including but not limited to supplying MEA with any relevant photograph or document.
- (4) Except as provided in paragraph (5) of this subsection, the Grantee shall participate in recorded remote monitoring of the Project to verify that Project requirements are fully satisfied, upon request by MEA.
- (5) MEA may in its sole discretion modify the requirements in paragraphs (2) and (4) of this subsection if the Grantee provides a written request due to concerns, including but not limited to security concerns.

B. If a Project Site is 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 Project Site for all purposes described in the Grant Agreement. Unless the Grantee provides good cause, to be determined solely by MEA, MEA shall not provide any further reimbursement of funds under the Grant Agreement until the Grantee provides the required written permission.

19. Participation in Marketing and Public Events; Signage

A. To the extent possible, and as requested by MEA, the Grantee shall participate in MEA- organized press events and host State government officials for visits and tours of the Project Site. MEA shall provide reasonable notice to the Grantee and coordinate with the Grantee prior to scheduling a press event or official visit.

B. The Grantee shall reference MEA grant funds provided under this Agreement in any of its media coverage regarding the Project including but not limited to press releases or announcements and shall provide MEA with prior notice regarding any such media coverage.

C. Within 90 days following the effective date of the Grant Agreement, the Grantee shall consult with MEA regarding the feasibility of displaying signage indicating MEA sponsorship of the Project. Based upon this consultation, MEA may require the Grantee to place signage indicating MEA's role in the Project in a prominent location and, if applicable, near the Project. If applicable, MEA may provide the official MEA logo for incorporation on existing Grantee- produced project signage and may elect to provide any required signage.

20. Use of Project Information

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 ensure that a written case study, photo, or video taken of its facility will not disclose confidential personal and/or business information.

21. Project Location Workforce Requirement

The Grant shall comply with State Government Article § 9-20B-05, Annotated of Maryland, which requires that at least 80 percent of workers participating in a project or program that receives money from the SEIF must reside within 50 miles of the project or program. As the Program is a statewide program, MEA will determine compliance based on whether at least 80 percent of worksite workers reside in Maryland, or within 50 miles of Maryland's borders.

22. American Manufactured Goods

If the Grantee is a unit of State or local government, the Grant must comply with State Finance and Procurement Article §§ 14-416 and 17-303, Annotated Code of Maryland.

23. Maryland Law Prevails

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

24. Grant Agreement Binding on Successors and Assigns

The Grant Agreement shall bind the respective successors and assigns of the parties.

25. Assignment or Transfer

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

26. Amendments to the Grant Agreement

Other than an extension of up to 60 days approved pursuant to Section 3 of these General Provisions, no amendment to the Grant Agreement is binding unless it is in writing and signed by both parties.

27. Merger

The Grant 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.

28. 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 the Grant 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 the Grant Agreement are cumulative and not exclusive of any remedies provided by law.

29. Attestations

A person executing an Agreement on behalf of the Grantee certifies, to the best of that person's knowledge and belief, that:

A. The person is authorized to sign the Agreement on behalf of the Grantee and to commit the Grantee to the obligations set forth in the Agreement;

B. 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;

C. Neither the Grantee, nor any of its officers or directors, nor any employee of the Grantee has engaged in any practice regarding this Grant that is inconsistent with General Provisions Article § 5-502, Annotated Code of Maryland;

D. The 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 the 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 the Agreement;

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

F. 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

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

ATTACHMENT B

Project Development Form

(The grantee fills out this form to provide the information required to approve an CELG-funded project.)

1. Name of Grantee and MEA/CELG grant number	
Mayor and Council of Rockville, 2024-11-420SI	
2. Check <u>All</u> Policies Adopted for CELGProgram	
<ul style="list-style-type: none"> ● Energy Efficiency ● Renewable Energy ● Transportation Petroleum Reduction 	
3. Grant Amount	
Total CELG FY24 Grant Amount: \$63,000	
<p><u>a. Direct Project Costs:</u> At a minimum, 70% of the total grant amount must go toward direct project costs.</p>	
<p><u>b. Policy and Project Preparation Costs:</u> At a maximum, 30% of total grant amount can go toward preparation costs.</p>	

4. Project Address (or addresses, for multiple locations)
5. Project Type
<ul style="list-style-type: none">● A project focusing solely on energy efficiency (e.g., a lighting upgrade, adding insulation, etc.)● A project focusing solely on renewable energy/clean transportation (e.g., adding solar panels to a roof or replacing a gas-powered vehicle with an electric vehicle)● A project that combines energy efficiency and renewable energy/clean transportation
6. Project Narrative
Brief description of the energy measure(s) and the location(s)
7. Total Project Cost Breakdown
Detailed breakdown of all project costs (e.g., equipment, material, labor, admin, etc.) based on actual pricing obtained through the procurement process.
All sources of funding must be listed, including utility rebates, jurisdiction matches, and other grants.

8. Project Schedule

Include dates for all relevant milestones. Must include a minimum of start date and end date.

9. Annual Energy Benefits Calculation/Estimate (e.g., kWh reduced, kw installed, gallons reduced) and Source(s) of Energy Estimates

Before approving any project, MEA must have a detailed estimate of projected energy savings that shows all assumptions, calculations, etc. If relying on an audit for projected energy savings, the audit should be submitted with this form. Calculations can be shown below or attached in a separate spreadsheet. **Any project with incomplete or unsubstantiated energy savings estimates will not be approved.** Energy efficiency projects are required to be cost effective, with a simple payback (section #11) being less than the anticipated equipment life (section #10).

10. Expected Life of the Installed Equipment

The project's system life must be substantiated. If manufacturer data is being used, cutsheets of the main components must be included.

11. Simple Payback of the Project (i.e., net project cost/annual anticipated cost savings)	
Total Project Cost: \$-----	
Less Utility Rebate (and/or other funding sources): \$-----	
Equals Net Project Cost: \$-----	
Divided by Annual Cost Savings: \$-----	
Equals Simple Payback: ___ years	
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 Rebate(s) (if applicable)	
14. Documentation of Maryland Historic Trust Review (if applicable)	

ATTACHMENT C

Project Approval Form for Grant #2024-11-420SI

(To be completed by MEA and provided to the Grantee once the project has been approved.)

The has been approved to commence with the CELG project proposed in Attachment B, as modified by MEA, 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 CELG funds based on the terms of the Agreement.
- Reviewed to verify that the project will cost effectively 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

DETAILED SCOPE OF WORK:

Mayor and Council of Rockville will utilize up to \$63,000 in funding support from MEA toward installation of lighting projects for the Thomas Farm Community Center in Rockville, MD 20850. It is expected that the overall project will result in reduction of energy consumption of roughly 77,630 kWh. Mayor and Council of Rockville shall provide monthly progress reports via email to the CELG Program Manager. The Mayor and Council of Rockville shall also maintain a record of hours worked, keep copies of all contractor invoices, certificates of insurance and Maryland business licenses, and take photographs of the project—all of which will be submitted with the final report.

USEFUL LIFE (YEARS): 15 PAYBACK PERIOD (YEARS): 6

APPROVED BY:

By: _____
Jose Matos
CELG Program Manager

Date: _____

ATTACHMENT D

Monthly/Final Report Form

(Grantee to use this form for CELG project monthly or final reports, as well as for submitting project invoicing along with corresponding invoices and reimbursement requests; note that the checklist is for final reports and grant close-outs.)

<p>1. Local Government Name and Address (<u>must match info on W9</u>):</p>	<p>2. Name/Title/Phone Number of Report Submitter:</p>
<p>3. Congressional District:</p>	<p>4. Address of Project (if different than the address shown above):</p>

<p>5. Reporting Period</p> <p>Month: _____</p> <p>Year: _____</p> <p>Is this the final MSEC invoicing report?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>6. MEA/CELG Grant Number:</p> <p>Grant #2024-11-420S1</p>	
<p>7. Grantee's Invoice Number (for payment):</p>	<p>7A: Federal Tax ID #:</p>	
<p>8. MSEC Grant Expenditures</p> <p>Please indicate the amount of CELGgrant funds spent during a. this reporting period (if not final) OR b. during the course of the entire project to date (if final). Please note that if you are receiving funding from multiple funding categories, as specified in Section 3 of the Grant Agreement, you must track, invoice, and report this funding stream separately.</p>		
<p>a. CELGGrant Dollars spent during <u>this reporting period</u></p>	<p>Direct Project Costs (minimum 70% of total Grant amount):</p>	
	<p>Policy and Project Preparation Costs (maximum 30% of total Grant amount):</p>	

	Total grant funds requested, this reporting period (this number should match the invoiced amount):	
b. CELG Grant Dollars for <u>the total project</u>	Direct Project Costs (minimum 70% of total Grant amount):	
	Non-Project Costs (maximum 30% of total Grant amount):	
	Total grant funds requested, total project (this number should match the invoiced amount):	
9. Non-CELG Grant Expenditures		
a. Utility Rebates, by energy measure (if applicable):	b. Other Project Expenditures Please include description and the \$ amount (e.g., community matching funds)	
10. Policy Status Update		
a. Provide a <u>brief summary</u> of the status of the baselines, plans,	Energy Efficiency:	
	Renewable Energy:	

<p>and policies required under this program.</p>	<p>Transportation Petro Redux:</p>
<p>11. Project Status Update</p>	
<p>a. Provide a <u>brief summary</u> of project milestones and/or accomplishments achieved during the reporting period.</p>	
<p>b. Were any obstacles encountered during the reporting period? If so, please explain.</p>	
<p>c. Provide Date/Time for site visit (if applicable)</p>	
<p>12. Is this your final project report? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>13. Reporting Metrics:</p> <p>The required project reporting metrics are listed below.</p>	

<p>A. Jobs created and/or hours worked (can be estimated) Required</p> <p>Please report the total number of new jobs created and/or hours worked (paid for using Grant funds) by Grantee staff, contractors, and vendors</p>	
<p>B. Energy Cost Savings (\$ saved per year due to project, note “actual” or “estimated”)</p>	
<p>C. Energy Savings (note “actual” or “estimated”)</p>	
<p>i. Reduction in annual electricity consumption (MWh)</p>	
<p>ii. Reduction in annual fuel oil consumption (gal)</p>	
<p>iii. Reduction in annual natural gas consumption (MMcf)</p>	
<p>iv. Reduction in annual propane consumption (gal)</p>	

<p>v. [Insert other measure]</p>	
<p>D. Renewable Energy Capacity and Generation (note “actual” or “estimated”)</p>	
<p>i. Amount of electricity generated by photovoltaic systems (MWh) annually</p>	
<p>ii. Amount of electricity generated by wind systems (MWh) annually</p>	
<p>iii. Installed photovoltaic system capacity (MW)</p>	
<p>iv. Installed wind capacity (MW)</p>	
<p>v. Amount of electricity generated by other renewable systems (MWh) annually</p>	

<p>vi. Installed capacity of all other renewable systems (MW)</p>	
<p>E. Transportation-Related Energy Savings (note “actual” or “estimated”)</p>	
<p>i. Reduction in annual gasoline or diesel consumption (gal)</p>	
<p>ii. [Insert other measure]</p>	
<p>14. Final Report Checklist</p>	<p>Along with this form, here is a checklist of the items the Grantee must also provide (preferably in electronic format):</p>
<p>A. Reimbursement request</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Submitted on official grantee government stationery <input type="checkbox"/> Includes grant number <input type="checkbox"/> Includes grant \$ amount requested for reimbursement <input type="checkbox"/> Includes payment instructions <input type="checkbox"/> Signed by authorized representative
<p>B. Contractor’s information</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Certificate of Insurance <input type="checkbox"/> Maryland business license

<p>C. Proof of project completion</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Photographs of project during installation and upon completion, with captioned explanations <input type="checkbox"/> Contractor invoices <input type="checkbox"/> Payment statements
<p>D. Future planning</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Plans for displaying the project to the public, including plans to explain MEA’s involvement in the project <input type="checkbox"/> Plans for signage that includes MEA logo and information, or for using MEA logo on vehicle(s)

Submission Instructions

Once complete, please submit this Report and Disbursement Request package to MEA at MSEC.MEA@Maryland.gov. MEA is encouraging use of electronic reporting to streamline processing and reduce environmental impacts. If you cannot submit this report electronically, please contact MEA to work on an alternative method for submission.