

	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement	GRANT NUMBER (FAIN): 50000325 MODIFICATION NUMBER: 0 PROGRAM CODE: 4X	DATE OF AWARD 09/02/2025
		TYPE OF ACTION: New	MAILING DATE 09/05/2025
		PAYMENT METHOD: ASAP	ACH# 10114
		RECIPIENT TYPE: State	
RECIPIENT: DEPARTMENT OF ENVIRONMENTAL CONSERVATION VERMONT One National Life Drive Davis 1 Montpelier, VT 05620-0001 EIN: 03-6000274		Send Payment Request to: Contact EPA RTPFC at: rtpfc-grants@epa.gov PAYEE: DEPARTMENT OF ENVIRONMENTAL CONSERVATION VERMONT One National Life Drive Davis 1 Montpelier, VT 05620-0001	
PROJECT MANAGER Padraic Monks 1 National Life Drive Davis 3 Montpelier, VT 05620-3520 Email: padraic.monks@vermont.gov Phone: 802-490-6169	EPA PROJECT OFFICER Clare Oconnor 5 Post Office Square, Suite 100 Boston, MA 02109-3912 Email: Oconnor.Clare@epa.gov Phone: 617-918-1548	EPA GRANT SPECIALIST Flower Armijo Grants Management Branch 5 Post Office Square, Suite 100 Boston, MA 02109-3912 Email: Armijo.Flower@epa.gov Phone: 617-918-1923	
PROJECT TITLE AND DESCRIPTION Fiscal Year 2025 Emerging Contaminant BIL Clean Water State Revolving Fund Grant This agreement funds a capitalization grant for the recipient's Clean Water State Revolving Fund program with a primary purpose to address emerging contaminants. Emerging contaminants refer to substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment. These substances, microorganisms or materials can include many different types of natural or manufactured chemicals and substances – such as those in some compounds of personal care products, pharmaceuticals, industrial chemicals, pesticides, and microplastics. The recipients of these funds will provide low interest financing to numerous subrecipients for costs eligible under section 603(c) of the Clean Water Act, with the primary purpose of addressing emerging contaminants. Anticipated deliverables include financing planning, design, and construction of eligible water quality improvement and protection projects. The expected outcomes are to improve and protect water quality with an emphasis on emerging contaminants. The intended beneficiaries include citizens throughout the State. N/A – all SRF assistance will be provided as loans.			
BUDGET PERIOD 10/01/2025 - 09/30/2032	PROJECT PERIOD 10/01/2025 - 09/30/2032	TOTAL BUDGET PERIOD COST \$ 1,100,000.00	TOTAL PROJECT PERIOD COST \$ 1,100,000.00
NOTICE OF AWARD Based on your Application dated 07/18/2025 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards \$ 1,100,000.00. EPA agrees to cost-share <u>100.00%</u> of all approved budget period costs incurred, up to and not exceeding total federal funding of \$ 1,100,000.00. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA regulatory and statutory provisions, all terms and conditions of this agreement and any attachments.			
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)		AWARD APPROVAL OFFICE	
ORGANIZATION / ADDRESS U.S. EPA, Region 1, EPA New England 5 Post Office Square, Suite 100 Boston, MA 02109-3912		ORGANIZATION / ADDRESS U.S. EPA, Region 1, EPA New England R1 - Region 1 5 Post Office Square, Suite 100 Boston, MA 02109-3912	
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY			
Digital signature applied by EPA Award Official Arthur Johnson - Director, Mission Support Division			DATE 09/02/2025

Budget Summary Page

Table A - Object Class Category (Non-Construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$ 18,472
2. Fringe Benefits	\$ 11,958
3. Travel	\$ 0
4. Equipment	\$ 0
5. Supplies	\$ 151
6. Contractual	\$ 0
7. Construction	\$ 0
8. Other	\$ 1,064,678
9. Total Direct Charges	\$ 1,095,259
10. Indirect Costs: 0.00 % Base -	\$ 4,741
11. Total (Share: Recipient <u>0.00</u> % Federal <u>100.00</u> %)	\$ 1,100,000
12. Total Approved Assistance Amount	\$ 1,100,000
13. Program Income	\$ 0
14. Total EPA Amount Awarded This Action	\$ 1,100,000
15. Total EPA Amount Awarded To Date	\$ 1,100,000

Administrative Conditions

National Administrative Terms and Conditions

General Terms and Conditions

The recipient agrees to comply with the current Environmental Protection Agency (EPA) general terms and conditions available at: https://www.epa.gov/system/files/documents/2024-10/fy_2025_epa_general_terms_and_conditions_effective_october_1_2024_or_later.pdf

These terms and conditions are in addition to the assurances and certifications made as a part of the award and the terms, conditions, or restrictions cited throughout the award.

The EPA repository for the general terms and conditions by year can be found at: <https://www.epa.gov/grants/grant-terms-and-conditions#general>.

A. Correspondence Condition

The terms and conditions of this agreement require the submittal of reports, specific requests for approval, or notifications to EPA. Unless otherwise noted, all such correspondence should be sent to the following email addresses:

- Federal Financial Reports (SF-425): rtpfc-grants@epa.gov and Project Officer on Page 1 of Award Document
- All other forms/certifications/assurances, Indirect Cost Rate Agreements, Requests for Extensions of the Budget and Project Period, Amendment Requests, Requests for other Prior Approvals, updates to recipient information (including email addresses, changes in contact information or changes in authorized representatives) and other notifications: Grants Specialist and Project Officer on Page 1 of Award Document
- Payment requests (if applicable): Grants Specialist and Project Officer on Page 1 of Award Document
- Quality Assurance documents, workplan revisions, equipment lists, programmatic reports and deliverables: Project Officer on Page 1 of Award Document AND R1QAPPs@epa.gov.

Programmatic Conditions

FFY 2025 IIJA CWSRF Emerging Contaminant Programmatic Terms and Conditions

A. Payment Schedule

The recipient agrees to accept grant funds that will be released by EPA utilizing the ASAP payment method. Access to these funds will be in accordance with the following schedule:

<u>Payment Quarter</u>	<u>Payment Date</u>	<u>Payment Amount</u>
FFY2026/Quarter 1	10/1/2025-12/31/2025	\$1,100,000
FFY2026/Quarter 2	1/1/2026-3/31/2026	\$0
FFY2026/Quarter 3	4/1/2026-6/30/2026	\$0
FFY2026/Quarter 4	7/1/2026-9/30/2026	\$0

B. Intended Use Plan and Operating Agreement

The entire contents of the Infrastructure Investment and Jobs Act (IIJA) Emerging Contaminant SFY 2025 Intended Use Plan (IUP) and (if applicable) the Operating Agreement (OA) are incorporated hereto by reference and made a part of this Assistance Agreement. For a project or activity to be eligible for funding under this appropriation, it must be otherwise eligible under Section 603(c) of the Clean Water Act (CWA), and the primary purpose must be to address emerging contaminants. The State is required to have a final intended use plan (IUP) approved by EPA Region 1 prior to drawing any federal funds from this capitalization grant. Once the draft IUP has been public noticed and comments have been reviewed and incorporated, the final IUP will be submitted to the EPA Region 1 Project Officer for review.

C. Amended Cash Draw Proportionality

As of November 18, 2022, recipients are no longer required to comply with the cash draw rules in the Clean Water State Revolving Fund (CWSRF) regulations at 40 CFR 35.3155(d)(5)(i) and (ii) and 40 CFR 35.3160(b)(2)-(4) and Drinking Water State Revolving Fund (DWSRF) regulations at 40 CFR 35.3560(f) and (g) and 40 CFR 35.3565(b). For further details on this change, see the linked [notification memo](#) from Division Directors Raffael Stein and Anita Maria Thompkins dated November 30, 2022.

D. Travel

EPA approves the use of Federal funds for travel budgeted in capitalization grants for implementing the Clean Water State Revolving Fund (CWSRF) program. The recipient agrees to use CWSRF funds to participate in training and professional development activities integral to the effective implementation and management of the CWSRF program.

E. SRF Data System and Environmental Benefits Reporting

The recipient agrees to input data, as required by EPA, into the SRF Data System. The recipient of funds for the State Revolving Funds (SRF) from the Infrastructure Investment and Jobs Act, 2021, P.L. 117-58, agrees to comply with all requests for data related to the use of the funds under Title VI of the CWA, and to report all uses of the funds no less than quarterly, as the Environmental Protection Agency specifies for the SRF Data System. This reporting shall include, but not be limited to, data with respect to compliance with the Green Project Reserve and

additional subsidization requirements as specified in P.L. 119-4 (Full Year Continuing Appropriations and Extensions Act, 2025), and P.L. 117-58, respectively. EPA agrees to provide technical assistance to the state in its use of the SRF Data System.

F. Annual Reporting

In accordance with 2 CFR 200.329 and 40 CFR 35.3165 the recipient agrees to provide in its Annual Report information regarding key project characteristics, milestones, and environmental/public health protection results in the following areas: 1) achievement of the outputs and outcomes established in the IUP; 2) the reasons for delays if established outputs or outcomes were not met; 3) any additional pertinent information on environmental results; 4) compliance with the Green Project Reserve requirement; and 5) use of additional subsidization.

G. Program Income from Administrative Fees

Program income earned during the grant period may be used for the specific purposes identified in 2 CFR 200.307 and 2 CFR 1500.8. The recipient agrees to comply with EPA's "Guidance on Fees Charged by States to Recipients of Clean Water State Revolving Fund Program Assistance" issued October 20, 2005, as amended by subsequent guidance. Specifically, the State has agreed: 1) to maintain records which account for fees separate from the CWSRF project fund, 2) to identify in the IUP all types of fees charged on loans, including the fee rate, and the amount of fees available, and 3) to include in the annual report the types of fees charged on loans, the amount of fees collected, and how those amounts were used.

H. Signage Required

The recipient agrees to comply with the SRF Signage Guidelines in order to enhance public awareness of EPA assistance agreements nationwide. (See [“Guidelines for Enhancing Public Awareness of SRF Assistance Agreements,”](#) June 3, 2015.) Note that Executive Order 14224 of March 1, 2025, “Designating English as the Official Language of the United States,” revokes Executive Order 13166 of August 11, 2000, “Improving Access to Services for Persons with Limited English Proficiency.” The recipient is no longer required to comply with Executive Order 13166 as referenced in the SRF Signage Guidelines.

I. Green Project Reserve

The recipient agrees to make a timely and concerted good faith solicitation for projects that address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. A good faith solicitation must be open to all GPR eligible projects in each of the four GPR categories. The State's annual open solicitation for projects will be deemed sufficient for these purposes as long as that solicitation was open to all GPR eligible projects in each of the four GPR categories. The recipient agrees to include in its IUP such qualified projects, or components of projects, that total an amount equal to at least 10 percent of its capitalization grant. The state must document the GPR solicitation process in its IUP and Annual Report and explain, if applicable, why GPR projects totaling at least 10 percent of the capitalization grant were not able to be funded. Any State not meeting the 10 percent requirement must outline in the Annual Report how they will expand their GPR solicitation for the following year.

J. Additional Subsidization

The recipient agrees to use 100 percent of the funds made available in the capitalization grant to provide additional subsidy to eligible recipients in the form of forgiveness of principal or grants (or any combination of these), which shall be used only where such funds are provided as initial financing for an eligible recipient or to buy, refinance, or

restructure the debt obligations of eligible recipients only where such debt was incurred after November 15, 2021.

K. Geospatial Data Standards

All geospatial data created must be consistent with Federal Geographic Data Committee (FGDC) endorsed standards. Information on these standards may be found at www.fgdc.gov.

L. American Iron and Steel (AIS)

(a) *Definitions.* As used in this award term and condition—

(1) “iron and steel products” mean the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

(2) “steel” means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) *Domestic preference.*

(1) This award term and condition implements Title VI of the CWA by requiring that all iron and steel products used for a project for the construction, alteration, maintenance or repair of a public water system or treatment work are produced in the United States except as provided in paragraph (b)(2) of this section and condition.

(2) This requirement shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency finds that—

(i) applying the requirement would be inconsistent with the public interest;

(ii) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

(iii) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.

(3) The Build America, Buy America (BABA) Act requirement does not supersede the AIS requirement, and both provisions still apply and work in conjunction.

(c) *Request for a Waiver under (b)(2) of this section*

(1) Any recipient request to use foreign iron or steel products in accordance with paragraph (b)(2) of this section shall include adequate information for Federal Government evaluation of the request, including—

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;

(B) Unit of measure;

(C) Quantity;

(D) Cost;

(E) Time of delivery or availability;

(F) Location of the project;

(G) Name and address of the proposed supplier; and

(H) A detailed justification of the reason for use of foreign iron or steel products cited in accordance with paragraph (b)(2) of this section.

(2) If the Administrator receives a request for a waiver under this section, the waiver request shall be made available to the public for at least 15 days prior to making a finding based on the request.

(3) Unless the Administrator issues a waiver of this term, use of foreign iron and steel products is noncompliant with Title VI of the CWA.

(d) This term and condition shall be applied in a manner consistent with United States obligations under international agreements.

M. State Cybersecurity

(a) The recipient agrees that when collecting and managing environmental data under this assistance agreement, it will protect the data by following all applicable State law cybersecurity requirements.

(b) (1) EPA must ensure that any connections between the recipient's network or information system and EPA networks used by the recipient to transfer data under this agreement, are secure.

For purposes of this Section, a connection is defined as a dedicated persistent interface between an Agency IT system and an external IT system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition.

If the recipient's connections as defined above do not go through the Environmental Information Exchange Network or EPA's Central Data Exchange, the recipient agrees to contact the EPA Project Officer (PO) and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet EPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the recipient into systems operated and used by EPA's regulatory programs for the submission of reporting and/or compliance data.

(2) The recipient agrees that any sub-awards it makes under this agreement will require the subrecipient to comply with the requirements in (b)(1) if the sub-recipient's network or information system is connected to EPA networks to transfer data to the Agency using systems other than the Environmental Information Exchange Network or EPA's Central Data Exchange. The recipient will be in compliance with this condition: by including this requirement in sub-award agreements; and during subrecipient monitoring deemed necessary by the recipient under 2 CFR 200.331(d), by inquiring whether the subrecipient has contacted the EPA Project Officer. Nothing in this condition requires the recipient to contact the EPA Project Officer on behalf of a subrecipient or to be involved in the negotiation of an Interconnection Service Agreement between the subrecipient and EPA.

N. Internal Controls for Financial Transactions

The recipient agrees to use procedures consistent with “zero-trust” (never trust, always verify) for all financial transactions with SRF funds. These procedures must include verbal verification with a trusted recipient representative of all financial account information both initially and prior to any changes in financial account information.

O. Davis-Bacon Labor Standards

1. Program Applicability

- a. Program Name: Clean Water State Revolving Fund
- b. Statute requiring compliance with Davis-Bacon: Section 602(b)(6) of the Clean Water Act
- c. Activities subject to Davis-Bacon: Treatment works constructed in whole or in part with assistance made available by a state water pollution control revolving fund authorized under Title VI of the Clean Water Act.
- d. The recipient must work with the appropriate authorities to determine wage classifications for the specific project (s) or activities subject to Davis Bacon under this grant (or cooperative agreement).

2. Davis-Bacon and Related Acts

[Davis-Bacon and Related Acts \(DBRA\)](#) is a collection of labor standards provisions administered by the Department of Labor, that are applicable to grants involving construction. These labor standards include the:

- Davis-Bacon Act, which requires payment of prevailing wage rates for laborers and mechanics on construction contracts of \$2,000 or more
- Copeland “Anti-Kickback” Act, which prohibits a contractor or subcontractor from inducing an employee into giving up any part of the compensation to which he or she is entitled; and
- Contract Work Hours and Safety Standards Act, which requires overtime wages to be paid for over 40 hours of work per week, under contracts in excess of \$100,000

3. Recipient Responsibilities When Entering Into and Managing Contracts:

a. Solicitation and Contract Requirements:

i. Include the Correct Wage Determinations in Bid Solicitations and Contracts: Recipients are responsible for complying with the procedures provided in [29 CFR 1.6](#) when soliciting bids and awarding contracts.

ii. Include DBRA Requirements in All Contracts: Include the following text on all contracts under this grant:

“By accepting this contract, the contractor acknowledges and agrees to the terms provided in the [DBRA Requirements for Contractors and Subcontractors Under EPA Grants.](#)”

b. After Award of Contract:

- i. Approve and Submit Requests for Additional Wages Rates:** Work with contractors to request

additional wage rates if required for contracts under this grant, as provided in [29 CFR 5.5\(a\)\(1\)\(iii\)](#).

ii. **Provide Oversight of Contractors to Ensure Compliance with DBRA Provisions:** Ensure contractor compliance with the terms of the contract, as required by [29 CFR 5.6](#).

4. Recipient Responsibilities When Establishing and Managing Additional Subawards:

a. Include DBRA Requirements in All Subawards (including Loans):

Include the following text on all subawards under this grant:

“By accepting this award, the EPA subrecipient acknowledges and agrees to the terms and conditions provided in the [DBRA Requirements for EPA Subrecipients](#).”

b. **Provide Oversight to Ensure Compliance with DBRA Provisions:** Recipients are responsible for oversight of subrecipients and must ensure subrecipients comply with the requirements in [29 CFR 5.6](#).

5. The contract clauses set forth in this Term & Condition, along with the correct wage determinations, will be considered to be a part of every prime contract covered by Davis-Bacon and Related Acts (see [29 CFR 5.1](#)), and will be effective by operation of law, whether or not they are included or incorporated by reference into such contract, unless the Department of Labor grants a variance, tolerance, or exemption. Where the clauses and applicable wage determinations are effective by operation of law under this paragraph, the prime contractor must be compensated for any resulting increase in wages in accordance with applicable law.

P. Attorney General Certification

With each capitalization grant application, the State's Attorney General, or someone designated by the Attorney General, must sign or concur in a certification that: the State legislation establishing the SRF and the powers it confers are consistent with State law, and that the State may legally bind itself to the terms of the capitalization grant agreement. The State is required to submit the Attorney General certification prior to drawing any federal funds from this capitalization grant.