Good morning all. The attached e-mail went to Otto yesterday and now that we have properly logged in the JFO item and it has a JFO reference number, (2) below in bold should be considered your final approval notification that JFO #2331 was approved at the July 29, 2008 Joint Fiscal Committee meeting. If you have any questions, let us know.
--Becky

>>> Virginia Catone 7/29/2008 3:29 PM >>>
At today’s meeting the JFC:

(1) Accepted the BISHCA Commissioner’s certification in connection with transfer of various insurance funds to the GF (7/29/08 letter from Commissioner to Sen. Bartlett as JFC Chair -- distributed at the meeting)

(2) Approved Public Service Department request of 7/25 (JFO #2331) to accept $99,400 grant for period 7/1/08-12/31/08 for "Dig Safe" program

(3) Agreed to meet on August 19 re Administration appropriation reduction plan that will be triggered by the revised downward revenue estimates at today’s E Board meeting. The 8/19 meeting will start at 9:30 a.m, and the Chair suggested members plan on the possibility of an all day meeting. FYI, I took the liberty of scheduling Room 10 for the meeting even though I will be not otherwise be involved. Also to be included on the agenda: approval of consultant to do a nuclear energy analysis (obviating the scheduling of an August conference call on this subject).

CC:  Klein, Steve;  Lavery, Nathan
MEMORANDUM

TO: Senator Susan Bartlett, Chair, Joint Fiscal Committee
FROM: Michael K. Smith, Secretary of Administration
RE: Department of Public Service Dig Safe Grant
DATE: July 25, 2008

I am requesting that the Joint Fiscal Committee consider and approve the accompanying Pipeline and Hazardous Materials Safety Administration (PHMSA) State Damage Prevention program grant from the U.S. Department of Transportation to the Vermont Department of Public Service (PSD) at its meeting scheduled for July 29, 2008. The Engineering Director at the PSD, Hans Mertens, would appreciate expedited approval to allow as much time as possible for the best study and report in the time available. The grant period ends on December 31, 2008.

The grant will permit the PSD to assess the scope and effectiveness of its current Dig Safe program against the federal Pipeline Safety Law. Project deliverables will help the PSD to prepare for future federal audits of Vermont’s compliance with the applicable law and may affect subsequent federal funding for the Dig Safe program.

Mr. Mertens, Director of Engineering Services and Chief Engineer (802-828-4007), is available to answer any questions you may have about the grant or program.
STATE OF VERMONT
GRANT ACCEPTANCE FORM

DEPARTMENT: Public Service Department

DATE: July 22, 2008

GRANT/DONATION: PHMSA State Damage Prevention Program (SDPP) grant

GRANTOR/DONOR: U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)

GRANT PERIOD: July 1, 2008 – December 31, 2008

AMOUNT/VALUE:
Federal Funding $ 99,400

POSITIONS REQUESTED (LIMITED SERVICE): None

ANY ON-GOING, LONG-TERM COSTS TO THE STATE: None

COMMENTS:
Form AA-1 and attachments provide details.

I recommend acceptance of this grant.

DB

DEPT. FINANCE AND MANAGEMENT: 
SECRETARY OF ADMINISTRATION: 
SENT TO JOINT FISCAL OFFICE:

RECEIVED
JUL 29 2008
JOINT FISCAL OFFICE
STATE OF VERMONT
REQUEST FOR GRANT ACCEPTANCE
(use additional sheets as needed)

1. Agency: Not Applicable
2. Department: Vermont Department of Public Service
3. Program: The Vermont Underground Facility Damage Prevention Program
4. Legal Title of Grant: PHMSA State Damage Prevention Program (SDPP) Grant
5. Federal Catalog No.: DTPH56-08-SN-0001
6. Grantor and Office Address: U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration (PHMSA)

8. Purpose of Grant: This grant addresses the development of comprehensive State programs designed to prevent damage to underground utilities and other underground facilities as described in the Federal Pipeline Safety Law 49 USC§60134. Vermont statutes exist related to the Vermont Underground Utility Damage Prevention Program and the Vermont Department of Public Service presently administers the program (more commonly known as the Digsafe Program). This grant project will study the scope and effectiveness of VT’s existing program and prepare a gap analysis against nine standard elements of an effective State damage prevention program, recently specified by the Federal Pipeline Safety Law. Project deliverables also include detailed proposals to enable the existing program to comport with the nine elements and a cost-benefit analysis for each. We expect to sub-grant these funds to the University of Vermont, who will perform the study.

9. Impact on Existing Programs if Grant is not Accepted: The Vermont Department of Public Service has no funds available to research and develop the deliverables described above and in 49 USC§60134. Without the grant, these activities will not occur during the calendar year of 2008. Future federal audits will examine the Vermont program specifically for the damage prevention elements described in the federal law and this assessment may affect subsequent federal funding for the Vermont Gas Pipeline Safety Program.

10. Budget Information:

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| REVENUES: |
| State Funds: |
| Cash | $0.00 | $0.00 | $0.00 |
| In-Kind | $0.00 | $0.00 | $0.00 |

| Federal Funds: |
| (Direct Costs) | $98,400.00 | $0.00 | $0.00 |
| (Statewide Indirect) | $0.00 | $0.00 | $0.00 |
| (Department Indirect) | $1,000.00 | $0.00 | $0.00 |

| Other Funds: |
| (source) | Grant | $0.00 | |
| TOTAL | $99,400.00 | $0.00 | $0.00 |

Appropriation Nos. | Amounts
| 22005 | $99,400.00 |
| 22007 | $0.00 |

-over-
11. Will grant monies be spent by one or more personal service contracts?

- [ ] YES
- [X] NO

If YES, signature of appointing authority here indicates intent to follow current guidelines on bidding.

12a. Please list any requested Limited Service positions:

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TOTAL Positions 0

12b. Equipment and space for these positions:

- [ ] NA Is presently available.
- [ ] Can be obtained with available funds.

13. Signature of Appointing Authority

I certify that no funds have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant.

(Signature) 7-26-08

(Title)

14. Action by Governor:

- [X] Approved
- [ ] Rejected

(Signature) 7/28/08

15. Secretary of Administration:

- [X] Request to JFO
- [ ] Information to JFO

(Signature) 7/28/08

16. Action by Joint Fiscal Committee:

- [ ] Request to be placed on JFC agenda
- [ ] Approved (not placed on agenda in 30 days
- [ ] Approved by JFC
- [ ] Rejected by JFC
- [ ] Approved by Legislature

(Signature) 7/28/08
Project Abstract

The state of Vermont’s Underground Utility Damage Prevention System is comprised of Vermont Statutes Title 30 Chapter 86 and Vermont Public Service Board (PSB) Rule 3.800. These statutes and rules define the obligations of public, private, and professional stakeholders in the implementation and operation of an effective damage prevention system, and provide the basic framework for such a system. The PSB Rules designate the Vermont Department of Public Service (DPS) as the entity responsible for enforcement and promotion of the Dig Safe laws and empowers DPS to levy fines and/or other penalties for violation of these laws. The major components of the laws governing the State of Vermont’s Damage Prevention Program are as follows:

- Establishment of a one call center and minimum requirements for operation of the system including notification procedures and reporting of underground facility locations;
- Investigation of complaints;
- Uniform standards for marking existing underground facilities;
- Uniform standards regarding future installation of underground utility facilities; and
- Standards for granting exemptions.

The success of Vermont’s damage prevention system relies on the cooperation and participation of all stakeholders through use of the one call center and organized stakeholder groups. This grant application includes a description of existing programs and regulations, and their relationship to the nine elements of an effective damage prevention program as defined by the Pipeline Inspection, Protection, Enforcement, and Safety Act of 2006, Section 2; 49 U.S.C §60134, State Damage Prevention Programs.

To date, no comprehensive study has been done on the scope and effectiveness of the underground utility damage prevention system within the state of Vermont. The proposed activities described in this application are designed to gain a better understanding of the system in place, identify deficiencies, and foster the relationships necessary for effective implementation of programs addressing the nine elements. The funds from this grant will be used to initiate a detailed review of stakeholder issues related to the nine elements and develop recommendations to improve Vermont’s underground utility damage prevention programs relative to industry and peer group best practices.
July 7, 2008

Mr. GC Morris
Vermont Department of Public Service
112 State Street
Montpelier, VT 05620-2601

RE: Executed Grant Agreement #DTPH56-08-G-PHP13, “State Damage Prevention Program”

Dear Mr. Morris:

Enclosed is one (1) executed copy of the above referenced Grant Agreement for your files.

If you have any questions or concerns regarding this matter, please don’t hesitate to contact Karina Muñoz at (202) 366-4059.

Sincerely,

Warren D. Osterberg
Contracting Officer

Enclosures:
Executed Grant Agreement Form (SF-26)
Basic Grant Agreement
Award Terms and Conditions
GRANT AGREEMENT #DTPH56-08-G-PHPS13
"State Damage Prevention Program"

BETWEEN

VERMONT DEPARTMENT OF PUBLIC SERVICE
112 State Street, Montpelier, VT 05620-2601

AND

U.S. DEPARTMENT OF TRANSPORTATION (US DOT)
Pipeline and Hazardous Materials Safety Administration (PHMSA)
1200 New Jersey Avenue, S.E., Washington, DC 20590

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<td>Article XI. Attachments</td>
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Article I. Award Information

Section 1.01 Authority
This agreement is entered into between the United States of America, represented by the U.S. Department of Transportation (DOT), Pipeline and Hazardous Materials Safety Administration (PHMSA), and Vermont Department of Public Service, pursuant to and under Section 2 (State Damage Prevention Programs) of the Pipeline Inspection, Protection, Enforcement, and Safety Act of 2006 (PIPES Act), Public Law 109-468 (December 29, 2006), codified at 49 U.S.C. §60134.

Section 1.02 Grantee Information
Vermont Department of Public Service
112 State Street
Montpelier, VT 05620-2601
DUNS: 809376791
EIN/TIN: 03-6000274

Primary Contact: GC Morris, gc.morris@state.vt.us, (802) 828-4073

Section 1.03 Awarding Agency Information
U.S. Department of Transportation (US DOT)
Pipeline and Hazardous Materials Safety Administration (PHMSA)
1200 New Jersey Avenue, SE
Room E22-301
Washington, DC 20590

Primary Contact: Karina Muñoz, karina.munoz@dot.gov, (202) 366-4059

Section 1.04 Basic Award Information
Funding Opportunity Title: "State Damage Prevention Program"
Funding Opportunity Number: DTPH56-08-SN-0001
CFDA Number: 20.720
Award Type: Grant Agreement
Award Number: DTPH56-08-G-PHPS13
Project Title: Vermont State Damage Prevention Program Grant
Project Period: July 1, 2008 – December 31, 2008
Grant Amount: $99,440.00
Appropriation Data: 5172308DA0/2008/50D0204000/PSCOP03000/41050 $99,440 PR#: 956-08-6019

Article II. Background

Section 2.01 Background
Section 2 of the PIPES Act added a new State Damage Prevention Program Grant program to the Federal Pipeline Safety Law, codified at 49 USC §60134. The purpose of these grants is to establish comprehensive State programs designed to prevent damage to underground pipelines in States that do not have such programs and to improve the quality and effectiveness of damage prevention programs in States that do. Section 60134 sets forth nine elements of an effective State damage prevention program.
Section 2.02 Statement of Purpose
Grants awarded under the State Damage Prevention Program are intended for States to establish or improve the overall quality and effectiveness of their programs that are designed to prevent damage to underground pipeline facilities.

Section 2.03 Specific Objective(s) of the Agreement
Under this grant award Vermont Department of Public Service will perform a study on the scope and effectiveness of the underground utility damage prevention system within the state of Vermont. The study will help to gain a better understanding of the system in place, identify deficiencies, and foster the relationships necessary for effective implementation of programs addressing the nine elements.

Article III. Workscope
Under the terms of this agreement, the Grantee will address the following elements listed in 49 USC §60134 through the actions it has specified in its Application.

- **Element (1):** Participation by operators, excavators, and other stakeholders in the development and implementation of methods for establishing and maintaining effective communications between stakeholders from receipt of an excavation notification until successful completion of the excavation, as appropriate.
- **Element (2):** A process for fostering and ensuring the support and partnership of stakeholders, including excavators, operators, locators, designers, and local government in all phases of the program.
- **Element (3):** A process for reviewing the adequacy of a pipeline operator’s internal performance measures regarding persons performing locating services and quality assurance programs.
- **Element (4):** Participation by operators, excavators, and other stakeholders in the development and implementation of effective employee training programs to ensure that operators, the one-call center, the enforcing agency, and the excavators have partnered to design and implement training for the employees of operators, excavators, and locators.
- **Element (5):** A process for fostering and ensuring active participation by all stakeholders in public education for damage prevention activities.
- **Element (6):** A process for resolving disputes that defines the State authority’s role as a partner and facilitator to resolve issues.
- **Element (7):** Enforcement of State damage prevention laws and regulations for all aspects of the damage prevention process, including public education, and the use of civil penalties for violations assessable by the appropriate State authority.
- **Element (8):** A process for fostering and promoting the use, by all appropriate stakeholders, of improving technologies that may enhance communications, underground pipeline locating capability, and gathering and analyzing information about the accuracy and effectiveness of locating programs.
- **Element (9):** A process for review and analysis of the effectiveness of each program element, including a means for implementing improvements identified by such program reviews.

Article IV. Deliverables
Vermont Department of Public Service will submit the following reports:
- Progress Report;
- Final Report;
- Mid-term Financial Status Report; and
- Final Financial Status Report.

Additional information about the reporting requirements is in Article IX, Reports.
Article V. Delineation of Tasks/Deliverables

Section 5.01 Incorporation of Grantee Application
The Grantee’s application and Project Plan dated April 18, 2008 and subsequent responses providing additional information dated June 13, 2008 and June 19, 2008 are incorporated by reference into this award.

The Grantee is responsible for accomplishing the objectives, tasks and deliverables of this Grant Agreement, and performing the tasks and the deliverables outlined in the Grantee’s Project Plan.

Article VI. Agreement Officials
Refer to the Award Terms and Conditions (Attachment 1), Section 1, for a detailed description of each official’s responsibilities below.

Agreement Officer (AO)
Mr. Warren D. Osterberg
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Contracts and Procurement, PHA-30
1200 New Jersey Avenue, SE, E22-103
Washington, D.C. 20590
Telephone: (202) 366-6942
Fax: (202) 366-7974 E-mail: Warren.Osterberg@dot.gov

Agreement Administrator (AA)
Ms. Karina Munoz
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Contracts and Procurement, PHA-30
1200 New Jersey Avenue, SE, E22-301
Washington, D.C. 20590
Telephone: (202) 366-4059
Fax: (202) 366-7974 E-mail: Karina.Munoz@dot.gov

Agreement Officer’s Technical Representative (AOTR)
Mr. Max Kieba
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety
1200 New Jersey Ave, SE, Room E22-319
Washington, DC 20590
Telephone: (202) 493-0595
Fax: (202) 493-2311 E-mail: Max.Kieba@dot.gov

Principal Investigator (PI)
Mr. GC Morris
Vermont Department of Public Service
112 State Street
Montpelier, VT 05620-2601
Telephone: (802) 828-4073 E-mail: GC.Morris@state.vt.us
Article VII. Terms and Conditions
The Grantee must comply with and spend funds consistent with all the terms and conditions of this award, including the Award Terms and Conditions in Attachment 1 and any other terms and conditions spelled out in this document. Attachment 1, Award Terms and Conditions is incorporated into this Agreement.

Article VIII. Special Terms and Conditions

Section 8.01 Modifications
Modifications to this Grant Agreement may be made only in writing, signed by both the Grantee and the Agreement Officer, and specifically referred to as a modification to this Grant Agreement.

Section 8.02 Travel
Any travel necessary to carry out the objectives of this agreement must use the most economical form of transportation available. All travel is to be scheduled sufficiently in advance, to the extent practicable, to take advantage of offered discount rates. Travel and Per Diem authorized under this agreement must be incurred in accordance with the Government Travel Regulations currently in effect. Current per diem rates are listed at: http://www.gsa.gov/perdiem.

Article IX. Reports

Section 9.01 Progress Report
During the performance of the grant, the Grantee must provide a letter-type written report to the AOTR and the AA. The report must include the following:

1. A comparison of actual accomplishments to the objectives established for the period.
2. Where the output of the project can be quantified, a computation of the cost per unit of output.
3. The reasons for slippage if established objectives were not met.
4. Other pertinent information including, when appropriate, actions taken to address the recommendations PHMSA provided in correspondence dated June 5, 2008.

This report must be submitted to the AOTR and the AA in electronic form via e-mail no later than October 31, 2008.

Section 9.02 Final Report
At the end of the grant period, the Grantee must deliver a letter-type final report to the AOTR and the AA that describes the results of all activities undertaken as a result of this grant. The report must include the following:

1. A comparison of actual accomplishments to the objectives established for the period.
2. Where the output of the project can be quantified, a computation of the cost per unit of output.
3. The reasons for slippage if established objectives were not met.
4. Other pertinent information including, when appropriate, actions taken to address the recommendations PHMSA provided in correspondence dated June 5, 2008.

This report must be submitted to the AOTR and the AA in electronic form via e-mail no later than March 31, 2009.
Section 9.03 Mid-term Financial Status Report
During the performance of the grant, the Grantee will submit a mid-term Financial Status Report, Standard Form 269 (SF-269), to report the status of funds. In addition to SF-269, the Grantee should provide the break down of costs for each object class category as stated in SF-424A. This report must be submitted to the AA in electronic form via e-mail no later than October 31, 2008.

Section 9.04 Final Financial Status Report
At the end of the grant period, the Grantee will submit a Final Financial Status Report, Standard Form 269 (SF-269), to report the status of all funds. In addition to SF-269, the Grantee should provide the break down of costs for each object class category as stated in SF-424A. This report must be submitted to the AA in electronic form via e-mail no later than March 31, 2009.

Article X. Consideration and Payment

Section 10.01 Request for Advance/Reimbursement
Payments will be made after receipt of “Request for Advance or Reimbursement,” SF-270. Each request must be submitted in an original to the AA, one copy to the AOTR and one copy to the Payment Office listed below:

U.S. Department of Transportation
Federal Aviation Administration, MMAC
Financial Operations, AMZ-150
P.O. Box 269039
Oklahoma City, OK 73126-9039
Attn: Ms. Margaret Gorman
(405) 954-7468

Section 10.02 Approved Project Proposal/Budget
The Grantee’s application dated April 18, 2008 and subsequent responses providing additional information dated June 13, 2008 and June 19, 2008 are incorporated by reference into this award.

Section 10.03 Payment of Advance/Reimbursement
All Grantees must be registered in the Central Contractor Registration (CCR) in order to receive payments on their invoices. For information on how to register, visit www.ccr.gov.

See Attachment 1 “Award Terms and Conditions” for additional payment requirements.

Article XI. Attachments
Attachment 1 - DTPH56-08-G-PHPS13 - Award Terms and Conditions
VERMONT DEPARTMENT OF PUBLIC SERVICE
Attn: GC Morris
112 State Street
Montpelier VT 05620-2601

AWARD/CONTRACT

1. THIS CONTRACT IS A RATED ORDER
UNDER DPAS (15 CFR 350)

2. CONTRACT (Proc. Inst. Ident.) NO.
DTPH56-08-G-PHPS13

3. EFFECTIVE DATE
See Block 20C

4. REQUISITION/PURCHASE REQUEST/PROJECT NO.
956-08-6019

5. ISSUED BY
Office of Contracts and Procurement
US DOT/PHMSA/PHA-30
1200 New Jersey Avenue, SE
E22-229
Washington DC 20590-0001

6. ADMINISTERED BY
Office of Contracts and Procurement
US DOT/PHMSA/PHA-30
1200 New Jersey Avenue, SE
E22-229
Washington DC 20590-0001

7. NAME AND ADDRESS OF CONTRACTOR
(No., Street, City, Country, State and Zip Code)

VERMONT DEPARTMENT OF PUBLIC SERVICE
Attn: GC Morris
112 State Street
Montpelier VT 05620-2601

8. FOB ORIGIN

9. DISCOUNT FOR PROMPT PAYMENT
Net 30

10. SUBMIT INVOICES
(4 copies unless otherwise specified)

11. SHIP TO/MARK FOR
Program Development
1200 New Jersey Avenue, SE
E21-321
Washington DC 20590

12. PAYMENT WILL BE MADE BY
US DOT/PHMSA/Financial Operations
AMZ-150
P.O. Box 269039
Oklahoma City OK 73126-9039

13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION:

14. ACCOUNTING AND APPROPRIATION DATA
See Schedule

15. TOTAL AMOUNT OF CONTRACT
$99,440.00

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17. CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 2 copies to issuing office. Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.))

18. AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any condition sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.

19A. NAME AND TITLE OF SIGNER (Type or print)
GC Morris, Gas Engineer

19B. NAME OF CONTRACTOR
Vermont Dept of Public Service

19C. DATE SIGNED
6/30/08

20A. NAME OF CONTRACTING OFFICER
WARREN OSTERBERG

20B. UNITED STATES OF AMERICA

20C. DATE SIGNED
7/1/08
---

**NOTICE OF GRANT AGREEMENT AWARD**

Grant Agreement between the U.S. Department of Transportation (DOT), Pipeline and Hazardous Materials Safety Administration (PHMSA), and Vermont Department of Public Service.

See the attached documents for complete details of the grant agreement:

- DTPH56-08-G-PHPS13 - Basic Grant Agreement
- DTPH56-08-G-PHPS13 - Award Terms and Conditions (Attachment 1)

**Accounting Info:** 5172308DA0/2008/50D0204000/PSCOP03000/41050

**FOB:** Destination

**Period of Performance:** 07/01/2008 to 12/31/2008

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**Grant Agreement Number:** DTPH56-08-G-PHPS13

**Project Title:** Vermont State Damage Prevention Program Grant

**Project Period:** July 1, 2008 - December 31, 2008

**Total Federal Award Amount:** $99,440.00

**Obligated Amount:** $99,440.00

The total amount of award: $99,440.00. The obligation for this award is shown in box 15G.

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**Item No.** | **Supplies/Services** | **Quantity** | **Unit** | **Unit Price** | **Amount**
---|---|---|---|---|---

| 0001 | Tax ID Number: 03-6000274  
DUNS Number: 809376791 | | | | 99,440.00 |
Financial Assistance Awards to State and Local Governments
Award Terms and Conditions

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1. Definitions
   a) **Recipient** — An organization receiving financial assistance directly from Federal awarding agencies to carry out a project or program.
   b) **Agreement Officer (AO)** — The AO has full authority to negotiate, administer, and execute all business matters of the award. Further, should any changes to the scope, budget, schedule, or any other terms of the agreement become necessary, only the AO has the authority to amend the award.
   c) **Agreement Administrator (AA)** — The AA is responsible for the daily administration of the award. The AA is NOT AUTHORIZED to change the scope, budget, specifications, and terms and conditions as stated in the award, to make any commitments that otherwise obligates the Government or authorize changes which affect the award budget, delivery schedule, period of performance, or other terms and conditions.
   d) **Agreement Officer’s Technical Representative (AOTR)** — The AOTR assists in monitoring the work under the award. The AOTR will oversee the technical administration of the award and will act as a technical liaison with the performing organization. The AOTR is NOT AUTHORIZED to change the scope, budget, specifications, and terms and conditions as stated in the award, to make any commitments that otherwise obligate the Government or authorize changes which affect the award budget, delivery schedule, period of performance, or other terms and conditions.
   e) **Principal Investigator (PI)** — The PI is the individual designated by the Recipient and approved by PHMSA who is responsible for the technical direction of the project. The PI cannot be changed or become someone substantially less involved than was indicated in the Recipient’s proposal, without prior written approval of the Agreement Officer.

2. Recipient Responsibilities
   In accepting a PHMSA financial assistance award (grant or cooperative agreement), the Recipient assumes legal, financial, administrative, and programmatic responsibility for administering the award in accordance with the laws, rules, regulations, and Executive Orders governing grants and cooperative agreements, and these Award Terms and Conditions, including responsibility for complying with any provisions included in the award.
   Failure to comply with these requirements may result in suspension or termination of the award and PHMSA recovery of funds.

3. Compliance with Award Terms and Conditions
   Submission of a signed Request for Advance or Reimbursement (payment request) form constitutes the Recipient’s agreement to comply with and spend funds consistent with all the terms and conditions of this award.

4. Order of Precedence
   Any inconsistency or conflict in the terms and conditions specified in this Grant shall be resolved according to the following order of precedence:
   a) The Federal statute authorizing this award or any other Federal statutes, laws, regulations or directives directly affecting performance of this Grant.
   b) Terms and Conditions of this Grant.
NOTE: OMB Circulars are available at: www.whitehouse.gov/omb/circulars.

5. Uniform Administrative Requirements
49 CFR 18, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments” establishes administrative standards to ensure consistency among recipients of Federal awards. These include financial and program management, property and procurement standards, cost-sharing or matching, and reporting and record retention.

OMB Circular A-102, “Grants and Cooperative Agreements with State and Local Governments”, as adopted by DOT in 49 CFR 18, is incorporated by reference into this award.

49 CFR 18 is available at: http://www.dot.gov/ost/m60/grant/49cfr18.htm.

6. Federal Cost Principles
The allowability of costs will be determined in accordance with the applicable Federal cost principles and terms and conditions of the award.

State and Local Governments are subject to the provisions of OMB Circular A-87, “Cost Principles for State, Local, and Indian Tribal Governments,” codified in 2 CFR 225.

OMB Circular A-87, codified in 2 CFR 225, is incorporated by reference into this award.


7. Audit Requirements
OMB Circular A-133, “Audits of States, Local Governments, and Nonprofit Organizations,” includes specific guidance for conducting financial and compliance audits. The threshold for requiring an A-133 audit is $500,000 in yearly expenditures of Federal funds. This amount is the aggregate of funds from all Federal sources.

OMB Circular A-133 is incorporated by reference into this award.

8. Restrictions on Lobbying
The Recipient may not conduct political lobbying, as defined in the statutes, regulations, and 2 CFR 225—“Lobbying”, within the Federally-supported project. The Recipient may not use Federal funds for lobbying specifically to obtain grants and cooperative agreements. The Recipient shall comply with 49 CFR 20, U.S. Department of Transportation “New Restrictions on Lobbying”

49 CFR 20 is incorporated by reference into this award.

49 CFR 20 is available at: http://www.dot.gov/ost/m60/grant/regs.htm.

9. Nondiscrimination
The Recipient shall comply with Title VI of the Civil Right Act of 1964, which provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied benefits of, be subject to discrimination under any program or activity receiving Federal financial assistance. The Recipient shall comply with
49 CFR 21, “Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964”

49 CFR 21 is incorporated by reference into this award.

49 CFR 21 is available at: http://www.dot.gov/ost/m60/grant/regs.htm.

10. Governmentwide Debarment and Suspension (Non-procurement)
The Recipient shall comply with the provisions of EO 12549, “Debarment and Suspension,” which generally prohibits entities that have been debarred, suspended, or voluntarily excluded from participating in Federal non-procurement transactions either through primary or lower-tier covered transactions. The Recipient shall comply with 49 CFR 29, “Governmentwide Debarment and Suspension (Non-Procurement).”

Recipients are encouraged to subscribe to and utilize the Monthly Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs published by GSA and found at: www.epls.gov.

49 CFR 29 is incorporated by reference into this award.

49 CFR 29 is available at: http://www.dot.gov/ost/m60/grant/regs.htm.

11. Drug-Free Workplace
The Recipient must comply with the provisions of Public Law 100-690, Title V, Subtitle D, “Drug-Free Workplace Act of 1988,” which require the Recipient to take steps to provide a drug-free workplace. The Recipient shall comply with 49 CFR 32, “Governmentwide Requirements for Drug Free Workplace (Financial Assistance).”

49 CFR 32 is incorporated by reference into this award.

49 CFR 32 is available at: http://www.dot.gov/ost/m60/grant/regs.htm.

DOT Order 4600.17A is incorporated by reference into this award.

DOT Order 4600.17A is available at: http://www.dot.gov/ost/m60/grant/ord4600.htm.

Treasury Circular No. 1075 is incorporated by reference into this award. This Circular can be found in Appendix 1 of Volume 1, Part 6, Chapter 2000 of the Treasury Financial Manual at: http://fms.treas.gov/tfm/voll/v1p6c200.txt.

14. Payments
Recipients shall be paid in advance, provided they maintain or demonstrate the willingness to maintain the following in accordance with 49 CFR 18: (1) written procedures that minimize the time elapsing between the transfer of funds and disbursement by the Recipient, and (2) financial management systems that meet the standards for fund control and accountability. If these items are not met, reimbursement shall be the method for payment.
Reimbursement/Advance payments will be made after the receipt of “Request for Advance or Reimbursement,” Standard Form SF-270. Each request must be submitted in an original to the AA, one copy to the AOTR and one copy to the Payment Office listed below:

U.S. Department of Transportation  
Federal Aviation Administration, MMAC  
Financial Operations, AMZ-150  
P.O. Box 269039  
Oklahoma City, OK 73126-9039  
Attn: Ms. Margaret Gorman  
(405) 954-7468

A payment for 50% of the award amount will be made shortly after the effective date of award, and another payment for the remaining 50% will be made three (3) months after the effective date of award provided that the Recipient has submitted the form SF-270.

a) Method of payment.
   i) The Government will make all payments under this agreement by electronic funds transfer (EFT), except as provided by paragraph (a)(ii) of this clause. As used in this clause, the term “EFT” refers to the funds transfer and may also include the payment information transfer.
   ii) If the Government is unable to release one or more payments by EFT, the Recipient agrees either to—
       (a) Accept payment by check or some other mutually agreeable method of payment; or
       (b) Request the Government to extend the payment due date until such time as the Government can make payment by EFT (but see paragraph d. of this clause).

b) Recipient’s EFT information. The Government will make payment to the Recipient using the EFT information contained in the Central Contractor Registration (CCR) database. If the EFT information changes, the Recipient is responsible for providing the updated information to the CCR database.

c) Mechanisms for EFT payment. The Government may make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR Part 210.

d) Suspension of payment. If the Recipient's EFT information in the CCR database is incorrect, the Government is not obligated to make payment to the Recipient under this agreement until the correct EFT information is entered into the CCR database. An invoice or agreement-financing request is not a proper invoice for the purpose of prompt payment under this agreement.

e) Recipient EFT arrangements. If the Recipient has identified multiple payment receiving points (i.e., more than one remittance address and/or EFT information set) in the CCR database, and the Recipient has not notified the Government of the payment receiving point applicable to this agreement, the Government will make payment to the first payment receiving point (EFT information set or remittance address as applicable) listed in the CCR database.

f) Liability for uncompleted or erroneous transfers.
i) If an uncompleted or erroneous transfer occurs because the Government used the Recipient's EFT information incorrectly, the Government remains responsible for—
   (a) Making a correct payment;
   (b) Paying any prompt payment penalty due; and
   (c) Recovering any erroneously directed funds.

ii) If an uncompleted or erroneous transfer occurs because the Recipient’s EFT information was incorrect, or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and—
   (a) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Recipient is responsible for recovery of any erroneously directed funds; or
   (b) If the funds remain under the control of the payment office, the Government will not make payment, and the provisions of paragraph d. of this clause apply.

g) EFT and prompt payment. A payment will have been made in a timely manner in accordance with the prompt payment terms of this agreement if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

h) EFT and assignment of claims. If the Recipient assigns the proceeds of this agreement, the Recipient must require, as a condition of any such assignment, that the assignee register in the CCR database and be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause will apply to the assignee as if it were the Recipient. EFT information that shows the ultimate recipient of the transfer to be other than the Recipient, in the absence of a proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph d. of this clause.

i) Liability for change of EFT information by financial agent. The Government is not liable for errors resulting from changes to EFT information made by the Recipient’s financial agent.

j) Payment information. The payment or disbursing office will forward to the Recipient available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. The Government may request the Recipient to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph a. of this clause, the Government will mail the payment information to the remittance address contained in the CCR database.

15. Financial Reporting

   a) Financial Status Report: During the performance of the grant, the Recipient will submit a Financial Status Report (Standard Form 269) to report the status of funds. Specific reporting requirements will be provided by the AA after award.

   b) Final Financial Status Report: At the end of the grant, the Recipient will submit a Final Financial Status Report (Standard Form 269) to report the status of all funds. Specific reporting requirements will be provided by the AA after award.
16. Performance Monitoring
   a) Progress Report: During the performance of the grant, the Recipient will provide letter-type written reports to the AOTR and the AA. The report must include a description of how the funds were used to improve the program. Specific reporting requirements will be provided by the AOTR after award.
   b) Final Report: At the end of the grant, the Recipient must deliver a final report to the AOTR and the AA that describes the results of all activities undertaken as a result of this grant. Specific reporting requirements will be provided by the AOTR after award.

17. Adherence to Original Project Objectives and Budget Estimates
   a) The Recipient is responsible for any commitments or expenditures it incurs in excess of the funds provided by an award. Expenditures incurred prior to the effective date of an award cannot be charged against an award unless provided for in the award.
   b) The Recipient must submit any proposed change that requires PHMSA’s written approval 30 days prior to the requested effective date of the proposed change. PHMSA will not approve any change to the award during the last 30 days of the award period.

18. Prior Approvals
   a) The following expenditures require the AO’s advance written approval:
      i) Changes in the scope, objective, or key personnel referenced in the Recipient’s proposal.
      ii) Change in the project period. PHMSA must receive this request no later than 30 calendar days prior to the end of the project period. The Recipient must submit a revised budget indicating the planned use of all unexpended funds during the extension period.
   b) The Recipient must submit a revised financial estimate and plan for i) and ii) above.
   c) The AA will notify the Recipient in writing within 30 calendar days after receipt of the request for revision or adjustment whether the request has been approved.

19. Contracting with Small and Minority Firms, Women’s Business Enterprises, Veteran-Owned, and HubZone Area Firms
   a) It is the Department of Transportation (DOT) policy to award a fair share of contracts to small minority business, women-owned and HubZone firms. DOT is strongly committed to the objectives of this policy and encourages all Recipients of its Grants and Cooperative Agreements to take affirmative steps to ensure such fairness on the awarding of any subcontracts.
   b) The Recipient and any Sub-recipients are encouraged to take all necessary affirmative steps to assure that small, women-owned, minority disadvantages businesses, veteran, and HUBZone business firms are used when possible.
   c) Affirmative steps include:
      i) Placing qualified small and minority-disadvantaged businesses, women owned business enterprises, veteran-owned and HUBZone business firms on solicitation lists;
      ii) Assuring that small and minority businesses, women’s business enterprises, veteran-owned and HUBZone business firms are solicited whenever they are potential sources;
      iii) Dividing total requirements, when economically feasible, into small tasks or quantities to permit maximum participation by small and minority
businesses, women's business enterprises, veteran-owned, and HUBZone business firms;
iv) Establishing delivery schedules, when economically feasible, into small tasks or quantities to permit maximum participation by small and minority business, women's business enterprises, veteran-owned, and HUBZone business firms; and
v) Using the services and assistance of the Small Business Administration and the Office of the Small and Disadvantaged Business Utilization of the Department of Transportation, as appropriate.

20. Seat Belt Use Policies and Programs
In accordance with Executive Order 13043, the Recipient is encouraged to adopt on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this presidential initiative. For information on how to implement such a program or for statistics on the potential benefits and cost-savings to your company or organization, please visit the Buckle Up America section on NHTSA's website at www.nhtsa.dot.gov. Additional resources are available from the Network of Employers for Traffic Safety (NETS), a public-private partnership headquartered in Washington, D.C. dedicated to improving the traffic safety practices of employers and employees. NETS is prepared to help with technical assistance, a simple, user-friendly program kit, and an award for achieving the President's goal of 85 percent seat belt use. NETS can be contacted at 1-888-221-0045 or visit its website at www.trafficsafety.org.

21. Rights in Technical Data
Rights to intangible property under this agreement are governed in accordance with 49 CFR 18, Sec. 18.34, “Copyrights.”

22. Notice of News Releases, Public Announcements, and Presentations
The Recipient must provide two (2) copies of all press releases, formal announcements, or other planned written issuance containing news or information concerning this Grant Agreement. The Recipient must provide such documents to the AO and AOTR for approval prior to release. Also, any planned presentations/briefings related to this Grant Agreement, as well as the actual presentation (e.g. slides/vu-graphs) to be used, must be approved in advance by the AO.

23. Violation of Award Terms
If the Recipient has materially failed to comply with any term of the award, the Agreement Officer may suspend, terminate, or take other remedies as may be legally available and appropriate in the circumstances.

24. Fraud, Waste, or Abuse
The DOT Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. Such reports are kept confidential and callers may decline to give their names if they choose to remain anonymous. The number is: (800) 424-9071.
The mailing address is:

DOT Inspector General Hotline
P.O. Box 708
Fredericksburg, VA 22404
Phone: 1.800.424.9071
Fax: 540.373.2090
Email: hotline@oig.dot.gov
Web: http://www.oig.dot.gov/Hotline