

**MARYLAND DEPARTMENT OF THE ENVIRONMENT
AND**

GRANT AGREEMENT FOR ENHANCED NUTRIENT REMOVAL

To help achieve Maryland's nutrient loading goals for the Chesapeake Bay, the Maryland Department of the Environment (the "Department") is providing financial assistance to undertake nutrient removal at wastewater treatment plants (WWTPs) that contribute nutrient loading to the Chesapeake Bay.

To provide for such nutrient removal, the Department is implementing a strategy known as Enhanced Nutrient Removal (ENR). The Maryland Water Quality Financing Administration, a unit of the Maryland Department of the Environment (the "Administration") is authorized to provide financial assistance for upgrading wastewater treatment facilities in order to achieve ENR pursuant to the Bay Restoration Fund Act codified at 9-1605.2 of the Environment Article of the Annotated Code of Maryland ("the Act").

The Bay Restoration Fund Act and the ENR Strategy set forth to reduce nutrients discharge to annual average nutrient goals of WWTP effluent quality of Total Nitrogen (TN) at 3 mg/l as "N" and Total Phosphorus (TP) at 0.3 mg/l as "P", where feasible, for all major WWTPs with a design capacity of 0.5 million gallons per day (mgd) or greater. The Department is authorized to select and upgrade other WWTPs with a design capacity of less than 0.5 million gallons per day (mgd) on a case-by-case basis based on the cost effectiveness of the upgrade and other factors.

The Department has considered the _____ WWTP owned by _____ ('Owner') with a design capacity of less than 0.5 mgd per day and selected the facility for ENR grant funding and the Owner has agreed to accept the ENR grant funds.

THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained herein, the Maryland Department of the Environment, the Maryland Water Quality Financing Administration, and the _____ hereby AGREE this _____ day of _____ 20__ that:

OBLIGATIONS OF THE _____

- I.1 The _____ shall proceed with the planning of the _____ WWTP in order to achieve ENR and to meet the annual average nutrient goals of plant effluent quality on Total Nitrogen at 3 mg/l and on Total Phosphorous at 0.3 mg/l as provided in the Bay Restoration Fund Act and the ENR Strategy.
- I.2 The _____ shall proceed with the design of the project specified in Section I.1 above, only after the planning (Engineering Study) is approved by the Department and the project deemed cost-effective for ENR funding.
- I.3 The _____ agrees to comply with the Conditions of MDE Grant Award for the planning and design of the plant to achieve ENR in accordance with the approved Project Budget and Engineering Study approved by the Department.

I.4 The _____ shall apply the proceeds of this Grant to finance Eligible Project Costs only.

I.5 The _____ in utilizing the proceeds of this Grant, shall be subject to the provisions of any applicable bond resolution.

OBLIGATIONS OF THE DEPARTMENT

II.1 The Department and the Administration agree to use their best efforts to obtain adequate State funding for eligible project costs through legislative appropriations, and/or issuance of revenue bonds, subject to approval by the Maryland Board of Public Works.

II.2 Subject to the availability of grant funds, the Department shall provide up to 100% of the eligible ENR costs for the planning and design of the _____ WWTP.

GENERAL CONDITIONS

III.1 The State financial assistance provided for under this agreement is subject to availability of State funds, availability of revenue bond funds, and is contingent upon approval by the Maryland Board of Public Works.

III.2 The State financial assistance provided for under this agreement is limited to eligible project costs that would be attributable to upgrading a wastewater facility to ENR as determined by the Department in its sole discretion.

III.3 The Department may not provide ENR grant for any design cost incurred prior to approval of the planning phase Engineering Study.

III.4 The Department may discontinue funding of the project at any time after the planning and/or design phase if it determines that the project is no longer cost effective in accordance to the Act.

SIGNATURES ON NEXT PAGE

ATTEST:

**MARYLAND DEPARTMENT OF THE
ENVIRONMENT - WATER QUALITY
FINANCING ADMINISTRATION**

WITNESS

**Terri Wilson, Director
Office of Budget & Infrastructure Financing**

DATE

ATTEST

(NAME OF OWNER)

WITNESS

By: (NAME OF OFFICER)

(TITLE)

DATE