



## **ENERGY EFFICIENCY CONSERVATION BLOCK GRANT (EECBG)**

### **REQUEST FOR APPLICATIONS**

January 16, 2026

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## SECTION 1. REQUEST FOR APPLICATION

The Montana Department of Environmental Quality (DEQ) Energy Bureau announces this Request for Application (RFA) inviting Montana public K–12 schools and local government entities that have not previously received a direct Energy Efficiency Conservation Block Grant (EECBG) to apply for funding. To participate, eligible applicants must first email a Draft Application (DA) to [brouse@mt.gov](mailto:brouse@mt.gov) by **10:00 PM MST on Sunday, February 8, 2026**. Following DA submittal, applicants must submit a Formal Application (FA) through eMACS by **2:00 PM MST on Friday, March 6, 2026**. This RFA aligns with U.S. Department of Energy (DOE) funding requirements and competitive grants will be awarded to successful applicants and administered by DEQ.

DEQ's approximate allocation for this ECBG opportunity is \$480,000. Upon award and acceptance of a grant, successful applicants will receive reimbursement in phases as project work is completed according to the approved task schedule. Each applicant may receive up to \$100,000 in funding. No cost share is required for participation in this program.

The RFA explains application requirements. A webinar will supplement this guidance by offering additional training. During the Draft Application (DA) phase, applicants develop a full scope of work, a project milestone schedule, and a budget. During the DA phase, DEQ encourages applicants to use its no-cost engineering assistance to help prepare DAs and to apply the feedback they receive to their Formal Application (FA). Engineering support from DEQ is available until 12:00 PM MST (noon) on **Friday, February 20, 2026**. The formal RFA will open in the Montana eMACS system on **Friday, February 20, 2026, at 2:00 PM MST**. Except for communication with the DOA contract officer as noted in Section 5.0, all questions during the FA phase must be submitted through the eMACS Q&A Board, as DEQ staff will not respond to inquiries by email, phone, or any other method.

Applicants may submit only one FA for a project; however, their proposed Scope of Work may include multiple Energy Conservation Measures (ECMs). DA and FA proposals are limited to 5-pages in length, excluding the cover page and attachments, and only the FAs submitted and received through eMACS will be used for proposal scoring. An RFA schedule outlining key applicant activities and milestone dates has been prepared by DEQ and is provided in Table 1, Section 3 of this document.

Eligible Energy Conservation Measures and Activities typically include building or facility energy efficient equipment upgrades and indoor air quality improvements; however, other improvements may be permitted. Candidates are encouraged to ask DEQ staff about other upgrades that may apply to their facilities. Appendix A of this RFA lists typical project ECM examples.

## SECTION 2. ELIGIBILITY REQUIREMENTS

### 2.A. APPLICANT ELIGIBILITY

Eligible entities include the following:

- Public K12 Schools, and
- Local Government Entities<sup>1</sup> that have not previously received a direct DOE EECBG grant. A list of local governments who received a direct DOE EECB grant can be found here <https://deq.mt.gov/energy/Programs/conservation>.

### 2.B. PROPOSAL GENERAL REQUIREMENTS

Under this RFA, for award consideration all eligible entities must meet the following compliance requirements:

1. Authorized public entity
2. Federal compliance:
  - a. National Environmental Policy Act (NEPA)
  - b. Davis-Bacon contract wage documentation
3. Montana eMACS system registry

All eligible entities are required to submit both a DA and a FA according to the schedule provided in Table 2. To participate in the process, eligible entities must register with the state's online platform, eMACS, which will be used for submitting questions, viewing responses, and uploading FA materials. DEQ will offer a webinar to guide eligible entities through these general requirements. Both the DA and FA are limited to 5-pages in total, excluding cover page and attachments, and only the FA will be evaluated for scoring purposes.

### 2.C. INELIGIBLE COSTS & TECHNOLOGY OPTIONS

As a prerequisite to the FA submittal, eligible entities must submit a DA. Eligible entity may request DEQ engineering support to prescreen their DAs to ensure their FA does not include ineligible costs or technologies. It is the applicant's responsibility to propose work that can be completed on schedule and on budget.

### 2.D. FUNDING LEVELS & COSTS COVERED

The maximum grant award is anticipated to be \$100,000. During the DA phase, DEQ will work with eligible entities to help them clearly define proposed ECMs and to ensure the proposed ECMs are eligible for funding. All awards require project completion by October 31, 2026.

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<sup>1</sup> "Local Government Entities" shall mean Montana Counties, Incorporated Cities or Towns.

## SECTION 3. APPLICANT ACTIVITIES AND KEY DATES/TIMES

### PHASE 1

- **DEQ Web Announcement of EECBG Opportunity. Funding Source: State-Administered DOE Competitive Grant**
  - Funding Available: ~\$480,000; Maximum award \$100,000
  - Eligible Energy Conservation Measures (ECMs) / Activities:
    - Energy Efficiency Upgrades / Building and Facility Upgrades
    - Indoor Air Quality Improvements Resulting from Upgrades
  - Eligible Entities:
    - K12 Schools
    - Local Governments that have not previously received a direct EECGB grant from DOE (list of direct grantees <https://deq.mt.gov/energy/Programs/conservation>)
  - Key dates/times:
    - 01/16/26 Grant Draft Period Opens
- **Open Period for Technical Assistance - Applicant works with DEQ to Develop Project Concepts for DAs and FAs**
  - Key dates/times:
    - Open through 12:00 PM MST (noon) on Friday, 02/20/26
- **DEQ Hosts Recorded EECBG Application Webinar**
  - Webinar Agenda:
    - EECBG Overview
    - Phase 1: Draft Application (DA)
    - DA required elements
    - DA review period
    - Phase 2: Formal Application (FA)
    - FA Proposal submittal via eMACS
    - FA Scoring
    - Grant Awards
    - Grant Administration
  - Key dates/times:
    - 01/28/2026, 2:00-4:00 PM MST
- **Applicant submits DA by email as prerequisite to FA submittal (email submittals to [brouse@mt.gov](mailto:brouse@mt.gov))**
  - Key dates/times:
    - 02/08/26, Sunday - Applicant DA closes at 10:00 PM MST
    - *Note: DEQ assistance with draft FA remains available until 12:00pm (noon) MST on 02/20/26*

## PHASE 2

- **RFA live in eMACS (2:00PM MST), DEQ ends communication (noon)**
  - Key dates/times:
    - RFA launch in eMACS at 2:00pm 02/20/26
- **FA Submitted and received through eMACS**
  - Key dates/times:
    - 03/06/26 Applicant FA closes at 2:00pm MST
- **DEQ FA Review and Award Period, all eligible entities notified thru email of award status**
  - Key dates/times:
    - 03/09/26 – 03/13/26
- **DEQ Project Administration Phases:**
  - Negotiate Contract
    - SOW
    - Budget
    - Timeline
    - Deliverables
  - Project Implementation
  - Project/Contract Closeout
  - Key dates/times:
    - 03/16/26 – 10/30/26 Project Administration

Energy Office Program Contacts:

- **Primary Contact: Bonnie Rouse, Energy Resource Professional, 406-444-4956, [brouse@mt.gov](mailto:brouse@mt.gov)**
- Secondary Contact: John Walden, Energy Engineer, 406-444-2933, [john.walden@mt.gov](mailto:john.walden@mt.gov)
- Secondary Contact: David LeMieux, Energy Engineer, 406-444-6750, [dlemieux2@mt.gov](mailto:dlemieux2@mt.gov)

## 3.A. APPLICATIONS

This RFA is a two-phase solicitation process comprised of the DA and the FA. To be considered for a grant award, eligible entities must submit both the DA and FA. Deadline times and submittal methods are provided in 2, below.

***Table 1: Two-Phase Application Schedule***

Submittal	Submittal Deadline	Submittal Method
Draft Application submitted and received	February 8, 2026, 10:00PM MST	Email application to <a href="mailto:brouse@mt.gov">brouse@mt.gov</a>
Final Application submitted and received	March 6, 2026, 2:00PM MST	eMACS system

The review team for the DA phase will assess submitted applications for eligibility, completeness, and alignment with the goals of this RFA. Eligible entities are strongly encouraged to incorporate DEQ's DA feedback into their FA. For the Review and Award period, the same review team will evaluate and score

proposals using the “Proposal Scoring Criteria” outlined in Section 4. Candidate proposals should be written with a focus on scoring criteria provided. If total funding requests exceed the amount available, applications will be competitively ranked according to the scoring criteria.

DEQ will review only those applications submitted by the deadlines outlined in the RFA schedule and scoring will be based solely on the FA. However, submission of a DA remains a required prerequisite to the FA.

Receiving guidance from the program during the Draft Application Phase does not grant any rights to applicants nor guarantee an award. To remain eligible for funding, FAs must meet all minimum eligibility requirements, and DEQ will provide applicants with a list of any deficiencies identified in their DA for correction in the FA. Applications must include all required documentation listed in Section 3.B on the cover sheet. DEQ will evaluate and score all FAs based on the criteria outlined in Section 3.C, and funding will be awarded solely according to these scoring results. DEQ may also release additional information throughout the process on its website at <https://deq.mt.gov/energy/incentive>.

### **3.B. APPLICATION COVER SHEET**

At a minimum, both DA and FA proposals must provide the following information:

#### **EECBG Applicant Information**

Organization Name: \_\_\_\_\_  Government  K12

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Employer/Taxpayer ID (EIN/TIN): \_\_\_\_\_ UEI (from SAM.gov): \_\_\_\_\_

Authorized Representative (Signatory) Name: \_\_\_\_\_

Title: \_\_\_\_\_

E-mail: \_\_\_\_\_ Phone: \_\_\_\_\_

Contract Manager Name: \_\_\_\_\_

Title: \_\_\_\_\_

E-mail: \_\_\_\_\_ Phone: \_\_\_\_\_

#### **Project Information**

Project Name: \_\_\_\_\_

Project(s) City & Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### **Project Abstract**

A 150-word limit abstract describing the project scope of work.

### **Application Acknowledgement**

Authorized Representative Name\* (Print): \_\_\_\_\_

Title: \_\_\_\_\_

Authorized Representative Signature\*: \_\_\_\_\_

Date: \_\_\_\_\_

*\* The application must be signed (electronically or in ink) by an individual authorized to legally bind the applicant. Proof of authority of the person signing the request for application response must be furnished upon request.*

### 3.C. APPLICATION CONTENT REQUIREMENTS

#### Project Scope Of Work:

For both the DA and FA, eligible entities shall include - in a single table - a listing of all proposed ECMS (work activities) and provide a budget and milestone completion schedule for each ECM. A sample ECM list follows in Table 3.

**Table 2: Example Listing of Multiple ECMS**

ECM Description	Estimated ECM Cost -\$	ECM 50% complete milestone date	ECM 90% complete milestone date
ECM 1: Lighting upgrade			
ECM 2: Boiler Tuning			

#### Proposal Supporting Documents

Eligible entities should support their project budget with quotes if possible. All calculations and assumptions are to be included as an attachment to proposals. Prescriptive or non-quantifiably energy savings are not permitted unless allowed by DEQ engineers in writing during the DA phase. Proposal supporting documentation/attachments do not count towards the 5-page application length.

#### What Grant Reviewers Look for in Every ECM

Applicant must clearly identify the Scope of Work, list of Energy Conservation Measures (ECMs), and schedule. Documentation must be provided for baseline energy use and project estimated energy savings. The applicant should also provide the anticipated life cycle or useful life of installed equipment and anticipated avoided maintenance from the project. Along with estimated annual energy savings, the anticipated simple payback should be included. Applicants shall provide a listing of all installed equipment, equipment costs, and associated contractor work costs. Show any calculations, preferably in a MS-Excel attachment, where appropriate. Successful eligible entities are highly encouraged to focus proposal information on scoring criteria in Section 4 of this RFA. Reviewers expect every proposal to include a milestone schedule.

#### Draft Contract

Eligible entities are encouraged to review the draft contract award requirements in Appendix B: Draft Awardee Contract. Successful applicants are subject to compliance with the finalized contract prior to accepting EECB funding awards.

#### Application Size Limit

Applications (DA and FA) are limited to a maximum of 5-pages in length, excluding the cover page and supporting documentation/attachments.

### 3.D. REPORTING REQUIREMENTS & PAYMENT REQUESTS

Periodic reporting will be required from the start of the project until all work is complete and project funds have been fully disbursed. Additional details on reporting requirements, including deadlines and templates, will be provided to recipients after award notification. Project expenses will be paid on a reimbursement basis once DEQ receives appropriate documentation of expenditures and deliverables. Successful applicants must purchase equipment and submit proof of total costs along with reimbursement invoice materials before payment can be issued. DEQ will reimburse completed work in accordance with the terms outlined in Appendix B: Draft Awardee Contract.

### SECTION 4. PROPOSAL SCORING CRITERIA

DEQ gives preference to applicant proposals that include Energy Conservation Measures (ECMs) demonstrating potential energy savings, improved operational performance, or reduced maintenance needs; however, eligible entities are also encouraged to highlight non-economic benefits such as population served, impacts in low-income areas, or demonstrated financial need. Draft Application (DA) proposals will be reviewed for eligibility and completeness with the goal of providing applicants with feedback to strengthen their Formal Application (FA). Although the DA is required, it will not be scored. At minimum, complete FAs must include a Scope of Work, a milestone schedule, and a cost estimate for each proposed ECM. FA proposals will be scored and ranked according to the criteria outlined in Table , and each application will be evaluated individually on its own merits.

**Table 3: Proposal Scoring Metric**

Metric	Scoring Criteria	Scoring Point Allocation (%)
1	Aggregated Energy Conservation Measures	30
2	Project Simple Payback	20
3	Rural NCES Classification	25
4	Low-Income Community Need Classification	25
		Total: 100

### SECTION 4 – METRIC 1

Metric 1 evaluates project energy savings.

**Table 4: Metric 1 – Aggregated Energy Conservation Measures Scoring**

Annual Energy Savings	Points
≤30% i.e. reduction from baseline	30
≤20% – 29.9%	22.5
≤10% – 19.9%	15
≤5% – 9.9%	7.5
< 5% or not clearly quantified	0

In Metric 1, applicants must quantify the aggregated annual energy savings associated from each Energy Conservation Measure (ECM) using engineering calculations, utility benchmarking, or modeled results. Applicants must show all calculations. Projects demonstrating higher energy savings or energy reduction, relative to their baseline energy profile will receive higher scores. **DEQ energy engineers can assist with calculations during the open period.**

Metric 1 is calculated as follows: In Step 1 the most recent 12-months of utility information is aggregated from all commodities in common units of MMBtus to determine the annual energy usage baseline. This is the annual baseline energy profile. In Step 2, the total annual energy savings from the aggregated ECMS are converted to common units of MMBtus and then subtracted from the annual baseline energy profile to produce the estimated new annual energy profile. Finally in Step 3, the scoring criteria from Table 5 is applied based on the percentage change or reduction using the following sample calculation:

$$\text{Reduction from Baseline [%]} = (\text{new energy profile [MMbtu]} - \text{baseline energy [MMBtu]}) / (\text{baseline energy [MMBtu]}) * 100$$

Note: DEQ may elect to normalize the computed energy reduction percentage data from all proposals to match the point scale (this will ensure that at least one applicant receives the maximum points listed in Table 5).

## SECTION 4 – METRIC 2

Metric 2 provides simple payback scoring to evaluate the cost effectiveness of the proposal.

**Table 5: Metric 2 – Simple Payback Scoring**

SIMPLE PAYBACK	POINTS
< 6 years	20
>6 – 9 years	13
>9 – 12 years	6.5
>12 – 15 years	3.3
>15 years	0

Applicants provide the project simple payback period (to be scored as shown in **Error! Reference source not found.**) using the following formula:

$$\text{Simple Payback (years)} = \text{Total Project Cost (\$)} / \text{Annual Energy Cost Savings (\$/yr)}$$

Note: DEQ my elect to normalize simple payback data from all proposals to match the point scale (this will ensure at least on applicant receives the Simple Payback maximum points listed in Table 6).

## SECTION 4 – METRIC 3

Metric 3 awards additional points to applicants classified as more isolated or rural using National Center for Education Statistics (NCES) data.

**Table 6: Metric 3 – NCES Locale Code Score Weights**

NCES LOCALE CODE	LOCALE DESCRIPTION	RURAL CATEGORY	POINTS
43	Rural - Remote	Most Rural	25
42	Rural - Distant	Moderately Rural	20
41	Rural - Fringe	Least Rural	15
33	Town - Remote	Not Rural but Isolated	10
32	Town - Distant	Not rural but Somewhat Isolated	5
All Others	Not Rural		0

This approach is intended to support projects in areas with limited services, higher energy vulnerability, and reduced access to infrastructure. Classifications will be based on NCES data, which identifies the physical location of the applicant's school district or local government entity. Scoring for this metric will follow the criteria outlined in Table 7. The NCES link:

<https://nces.ed.gov/programs/maped/LocaleLookup/>

Referencing Table 7, applicants located in “remote rural” areas (Locale Code 43) experience the greatest distance from services and the least access to infrastructure, resulting in the highest score. “Distant rural” areas (42) also face substantial isolation and therefore receive an intermediate score. “Fringe rural” areas (41) are rural but situated closer to urban infrastructure, earning a lower but still positive score. Applicants located in “remote town” or “town distant” areas (33/32) may also experience practical isolation and will receive points accordingly for small, isolated communities.

County-level eligible entities must use the NCES Locale Code of the school geographically closest to the proposed project site. For proposals involving multiple project locations, applicants should report the Locale Code associated with the location that has the highest project cost.

## SECTION 4 – METRIC 4

Metric 4 awards additional points to applicants classified as lower income.

**Table 7: Metric 4 – Low-Income Community Need**

PERCENTAGE OF STUDENTS ELIGIBLE	POINTS
>80%	25
>60% – 80%	20
>40 – 60%	15
>20 – 40%	10
<20%	0

For Metric 5, applicants will be scored using the Montana Office of Public Instruction's "Free and Reduced Eligibility" data for 2025, [School & District Data](#). Under this criterion, applications will receive more points when characterized as low-income i.e. greater community need. The basis for scoring this category uses participation in free/reduced school meal data that is tracked and updated annually. Metric 4 will be scored as shown in 8.

County applicants are instructed to use the data from the school geographically closest to the proposed project location. If multiple projects in different locations are proposed, applicants are instructed to provide data project location having the greatest percentage.

## **SECTION 5. PROPOSAL SUBMITTAL INSTRUCTIONS**

The official RFA will open in eMACS at 2:00 PM MST on Friday, February 20, 2026. From 12:00 PM MST on February 20, 2026, until the project award on March 6, 2026, applicants are prohibited from communicating about this RFA with any Montana state agency staff, officials, or evaluation team members, except as permitted by DOA's Contract Officer, XXXX, listed below. Any unauthorized contact may result in disqualification from further consideration.

Each applicant may only submit one complete Draft or Final Application. During the Draft Application Phase, applicants must submit their DA by email to [brouse@mt.gov](mailto:brouse@mt.gov). During the Final Application Phase, application materials must be uploaded to the eMACS system. If the electronic application materials are significantly large, exceeding the 15MB eMACS upload files size limit, please submit FA materials by email to XXXX via the State of Montana's File Transfer Service, FTS (<https://transfer.mt.gov/Home/Login>). To access the FTS system, applicants must use an existing ePass account or create their own account.

Note: Please verify the size of your attachment(s) prior to attempting to submit. Before attempting to submit your FA documents, ensure you file sizes are less than 15MB. DOA is not responsible for any documents that are unable to be uploaded due to file size limitations.

XXXXX  
Montana DOA  
P.O. Box XXXX  
Helena, MT 59620-XXXX  
Phone: 406-444-XXXX  
E-mail: [XXXX@mt.gov](mailto:XXXX@mt.gov)

## APPENDIX A: ECM PROJECT EXAMPLES

Examples of good and bad Energy Conservation Measures (ECMs) are provided below. Eligible projects are not limited to these examples and other eligibility requirements may apply.

### Examples of Good Energy Conservation Measure

- Lighting upgrades (LEDs with controls): High energy savings, long life, easy verification.
- HVAC efficiency improvements: High-efficiency boilers, chillers, VFDs; measurable and permanent savings.
- Building envelope upgrades: Insulation, controls improvements, air sealing; long-term load reduction.
- Controls and optimization: Building automation systems, scheduling, retro-commissioning; low-cost, scalable savings.
- Water efficiency with energy impact: Efficient hot water systems and fixtures save both energy and water.
- Industrial and process efficiency: High-efficiency motors, compressed air optimization, waste heat recovery.

### Examples of Poor Energy Conservation Measures

- Behavior-only programs: Savings are temporary and difficult to verify.
- Renewable generation without efficiency: Energy production does not reduce demand and is often ineligible.
- Like-for-like equipment replacement: No incremental energy savings.
- Aesthetic or comfort-only upgrades: Energy impact is unclear or negative.
- Unproven or experimental technologies: High risk and lack of verifiable savings.
- Temporary or short-term measures: Poor lifecycle value and limited impact.

### What Grant Reviewers Typically Look For in Every ECM

- Clear baseline vs. post-project energy use
- Quantified annual energy savings (kWh, therms, MMBtu)
- Measure useful life and permanence
- Cost-effectiveness metrics
- Avoided Maintenance
- Measurement and Verification (M&V) approach

## APPENDIX B: DRAFT AWARDEE CONTRACT

Contract #XXXXXX

Bipartisan Infrastructure Law Energy Efficiency and Conservation Block Grant

Subrecipient Entity Name XXXXXX

**THIS CONTRACT** is entered into by and between the State of Montana Department of Environmental Quality (State) and Subrecipient Name, Montana (Subrecipient), collectively the Parties, for the purpose of complete.....

This Contract is entered into in accordance with Title 18, Montana Code Annotated (MCA) and Administrative Rules of Montana (ARM) Title 2 chapter 5 and is exempted from the provisions of the Montana Procurement Act under § 18-4-132(3)(a), MCA.

**THIS CONTRACT** is funded in whole or in part by grant funding from the United States Department of Energy (DOE) under the Bipartisan Infrastructure Law. The State, as a pass-through entity, has accepted this grant funding subject to the Special Terms and Conditions attached to this Contract as **Attachment C**. By entering into this Contract, Subrecipient agrees to comply with all applicable provisions of the Special Terms and Conditions including, but not limited to the prevailing wage requirements of the Davis-Bacon Act and associated reporting provisions. Furthermore, Subrecipient shall ensure that all applicable provisions of the Special Terms and Conditions are included in any qualifying subcontract Subrecipient enters into and is associated with any project funded under this Contract. Should any provision of the Special Terms and Conditions conflict with a term or condition of this Contract, the Special Terms and Conditions supersede this Contract.

### 1 EFFECTIVE DATE AND DURATION

The Contract's initial term is effective upon the last signature through XXXX, XX, 2026, unless terminated earlier as provided in this Contract. In no event is this Contract binding on the State unless the State's authorized representative has signed it. The State's authorized signatory for this Contract is the Department of Environmental Quality Agency Procurement Officer, or their designee.

### 2 SERVICES/SUPPLIES

Subrecipient shall provide State the following services described in **Attachment A: Scope of Work**.

#### **2.1 Unique Entity Identification (UEI) Requirement.**

As part of the reporting requirements under the Federal Grant Award, Subrecipient and any subcontractors must have and maintain active and current contractor profiles in the System for Award Management (SAM-[SAM.gov](https://www.sam.gov) | Home) for the duration of this Contract. The UEI replaced the Data Universal Numbering System (DUNS), managed by Dun and Bradstreet, in 2023.

## **2.2 Report Requirements.**

All reports must accompany the invoice relative to the month submitted. For example, 1<sup>st</sup> report will be submitted with January invoice; 2<sup>nd</sup> report will be submitted with April invoice, 3<sup>rd</sup> report will be submitted with July invoice. **To the extent not required by Sections 2.2.1 and 2.2.2 below, Subrecipient shall comply with the reporting requirements set forth in the Federal Assistance Reporting Checklist in the Special Terms and Conditions.**

### **2.2.1 Quarterly Reports.**

When requesting reimbursement of funds per the schedule specified in Section 4, Consideration and Payment, of this Contract, Subrecipient shall include a written status report that provides a description of activities undertaken. The status report must justify the expenditure on the requested funds. These reports must be provided within 15 days after the end of each quarter. At minimum, each report shall include:

- A short narrative of the original project (this will be the same for each report)
- Project progress during the reporting period (i.e., activities initiated, accomplishments, and highlights)
- Problems, corrective actions, other issues/concerns encountered.
- Funding expenditure status. Show your spend down compared to stated requirements, funding sources including matches, and explain any discrepancies. Are you under/on/over budget? What were the driving elements for budget savings/constraints experienced during the reporting period?
- Planned activities for next quarter.

## **3 REPRESENTATION**

Subrecipient represents that the services provided will conform to the Contract requirements, including all descriptions, specifications and attachments made a part of this Contract. State's acceptance of services provided by Subrecipient shall not relieve Subrecipient from its obligations under this representation. In addition to its other remedies under this Contract, at law, or in equity, State may, at Subrecipient's expense, require prompt correction of any services failing to meet Subrecipient's representation herein. Services corrected by Subrecipient shall be subject to all the provisions of this Contract in the manner and to the same extent as services originally furnished.

## **4 CONSIDERATION/PAYMENT**

This Contract is funded in whole or in part by a portion of Federal Grant No. DE-SE000356.0000 from the United States Department of Energy (DOE).

### **4.1 PAYMENT SCHEDULE.**

As consideration of the goods and services described in **Attachment A: Scope of Work** to be provided by Subrecipient, the State shall award Subrecipient up to \$XXXX subject to the milestone schedule described in section 4.2.2. With DEQ acceptance of project invoices and backup documentation, project payments will be made on a reimbursement basis with the expectation that Subrecipient will bill monthly for expenses to date. Backup documentation shall include, at a minimum, detailed line-item

descriptions of goods and services purchased under this agreement. DEQ may at its discretion require Subrecipient to provide additional information regarding any invoice. DEQ agrees to make any request in writing. Subrecipient agrees to provide any requested information within ten 10 business days. The final award amount is subject to the **Refund Obligations contained in the Special Terms and Conditions.**

#### **4.2 Allowable Costs and Invoice Requirements.**

##### **4.2.1 Allowable Costs.**

The allowable expense categories that may be reimbursed under this Contract for the fulfillment of the services provided are as follows:

Supplies and materials necessary in the performance of the Contract including newsletter/articles and display boards and the cost of developing supplies and materials;

Communications and reproduction expenses necessary in performance of the Contract including telephone, postage, facsimiles, and photocopying.

Further guidance on allowable costs under this Contract can be found in Term 25 of the Special Terms and Conditions, and the relevant provisions of 2 CFR part 200.

##### **4.2.2 Invoice Requirements, Inspections, and Payments.**

The State shall pay Subrecipient based on completion and acceptance of each milestone defined below. Monthly invoicing for partial completion of milestones is expected.

Milestone/Deliverable	Payment Amount	Payment % of Total
Completion of SOW Task 1 – DBA Training	\$0	0%
Completion of SOW Task 2 - TBD	\$XX	X%
Completion of SOW Task X, if applicable - TBD	\$XX	X%
Completion of SOW Task X - Project completion/DEQ closeout letter	\$XX	10 %
<b>Total</b>	<b>\$XX</b>	<b>100%</b>

Subrecipient shall include the Contract numbers on all invoices, packing lists, packages, and correspondence pertaining to the Contract. If the numbers are not provided, the State is not obligated to pay the invoices.

**Prior to closeout and payment of the final ten percent (10%) of the contract value, Subrecipient must provide the State with documentation sufficient to demonstrate compliance with the Build America Buy America Act and Davis-Bacon Act requirements of this Contract.**

All invoices shall meet the following requirements unless other arrangements are made and agreed to in writing by both Parties. Unless otherwise noted or agreed to in writing, State has 30 days to pay invoices as allowed by §17-8-242, MCA.

- Company Logo, Name, Address, Remittance Information

- Contract and Purchase Order numbers
- Purchase Order Date
- Description of Purchase (Item #, Description, Quantity, Unit Cost, Discount if Applicable, Total Extended Cost Per Line, Grand Total)
- Email invoice to State's Contract Manager named in Section 28, or their designee within 30 consecutive days after Purchase Order fulfillment.

The State reserves the right to inspect invoices and seek clarifications and/or corrections for all submitted invoices. Payment for questioned costs may be withheld pending resolution and may require rebilling by Subrecipient for submittal of additional documentation, including any records required to be kept by Subrecipient; or may withhold payment if Subrecipient has not performed in accordance with the Contract. Such withholding cannot be greater than the additional costs to the State caused by Subrecipient's lack of performance.

The Subrecipient shall, upon execution of this Contract, provide the State with its banking information in order to facilitate the State's electronic transfer of payments.

## **5 ACCOUNTING, AUDIT AND RETENTION OF RECORDS**

### ***5.1 Maintenance of Records.***

Subrecipient shall maintain books, records, documents, other evidence directly pertinent to performance of work under this Contract, and current accounting for all funds received and expended pursuant to this Contract as defined by Generally Acceptable Accounting Principles (GAAP) and Office of Management and Budget (OMB) guidance provided in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Subrecipient's accounting system must be able to allocate costs associated with this Contract in a manner that keeps these costs separate from the costs of other contracts.

### ***5.2 Access to Records.***

The State, the Legislative Auditor, the Legislative Fiscal Analyst, DOE, and the Comptroller General of the United States, or their authorized representatives, have the right of access to accounting records of Subrecipient for purposes of inspection, audit, excerpts, or transcripts of funds received and expended by Subrecipient pursuant to this Contract. Subrecipient shall maintain the records at the address of its contract manager in Section 28 of this Contract and allow the entities in the preceding sentence to have access to them for review and copying during normal business hours for as long as the Subrecipient retains the records under paragraph 5.5. Notwithstanding the provisions of the Contract Termination section of this Contract, this Contract may be terminated by the State upon any refusal of Subrecipient to allow access to such records necessary to carry out an audit and analysis (§18-1-118, MCA).

### ***5.3 Disclosure of Reports.***

Subrecipient shall disclose all information and reports resulting from access to the records maintained in paragraph 6.1 to any of the agencies referred to in paragraph 5.2.

#### **5.4 Standard Audit Procedures.**

Audits conducted under this section must be as defined in by Generally Accepted Auditing Standards (GAAS) as established by the American Institute of Certified Public Accountants and with established procedures and guidelines of the reviewing or auditing agency.

#### **5.5 Retention of Records.**

All books, records, reports, accounting, and other documents maintained by Subrecipient under this Contract must be retained for a period of eight (8) years after either the completion date of this Contract or the conclusion of any litigation, claim, audit, or exception relating to this Contract taken by the State or a third party, whichever is later. Subrecipient may not destroy any records without first offering the records to the State.

#### **5.6 Timely Remedy of Noncompliance.**

If an audit shows that Subrecipient has not complied with federal or state laws and rules concerning the handling and expenditure of the funds received under this Contract, including any grant-related income, Subrecipient must correct the areas of non-compliance within six (6) months after DEQ receives the audit report.

#### **5.7 Funding Level Requirements.**

##### **5.7.1 \$1,000,000 or More in Annual Federal Funding.**

If Subrecipient receives a total of \$1,000,000 or more in federal funds from any and all sources of federal funding during any fiscal year during which this Contract is performed, it must comply with the accounting and audit requirements of the most current version of the 2 CFR Part 200, Subpart F, Audit Requirements, concerning the use of the funds provided under this Contract. Subrecipient shall provide a copy of its annual or biennial audit report covering the year in question to the State within 30 days after the report's issuance. The audit report must include all the following information:

- Federal grantor/pass-through grantor program title;
- Federal CFDA number;
- Pass-through grantor's number or this Contract number;
- Program or award amount;
- Cash accrued or deferred revenue on July 1 or the first day of Subrecipient's fiscal year;
- Receipts or revenue recognized during the period;
- Total disbursements/expenditures;
- Cash accrued or deferred revenue on July 1 or the last day of Subrecipient's fiscal year; and
- An indication of the basic accounting used in determining the above information in a footnote to the schedule of federal financial awards.

##### **5.7.2 Less than \$1,000,000 in Annual Federal Funding.**

If a Subrecipient receives less than \$1,000,000 in total federal assistance during any fiscal year during which this Contract is performed, and therefore does not need to submit an audit report to the State, Subrecipient shall notify the State in writing within 30 days after the end of that fiscal year.

## **5.8 Mandatory Inclusion in Subcontracts.**

Subrecipient must incorporate Section 5 in its entirety in any subcontract it awards in excess of \$5,000, at any tier, and in all charge orders directly related to project performance.

## **6 PREVAILING WAGE REQUIREMENTS**

To ensure compliance with Federal prevailing wage requirements, Subrecipient must participate in a meeting with the State and undergo Davis Bacon Act compliance training prior to the release of any funds under this Contract. See **Attachment A, Task 1** and **Attachment C, Term 44** for more information on Davis Bacon Act compliance.

### **6.1 Montana Resident Preference.**

The nature of the work performed, or services provided, under this Contract meets the statutory definition of a “public works contract” in §18-2-401, MCA. Unless superseded by federal law, Montana law requires that contractors and subcontractors give preference to the employment of Montana residents for any public works contract in excess of \$25,000 for construction or non-construction services in accordance with §18-2-401 through §18-2-432, MCA, and all administrative rules adopted under these statutes.

The Commissioner of the Montana Department of Labor and Industry has established the resident requirements in accordance with §18-2-403 and §18-2-409, MCA. Any and all questions concerning prevailing wages and Montana resident issues should be directed to Montana Department of Labor and Industry, (406)-444-5600.

### **6.2 Standard Prevailing Rate of Wages.**

In addition, unless superseded by applicable Federal Law contained in **Attachment C to this Contract**, all employees working on a public works contract must be paid prevailing wage rates in accordance with §18-2-401 through §18-2-432, MCA, and all associated administrative rules. Montana law requires that all public works contracts, as defined in §18-2-401, MCA, in which the total cost of the Contract is greater than \$25,000, contain a provision stating for each job classification the standard prevailing wage rate, including fringe benefits, travel, per diem, and zone pay that the contractors, subcontractors, and employers shall pay during the public works contract.

### **6.3 Notice of Wages and Benefits.**

Furthermore, §18-2-406, MCA, requires that all contractors, subcontractors, and employers who are performing work or providing services under a public works contract post in a prominent and accessible site on the project staging area or work area, not later than the first day of work and continuing for the entire duration of the Contract, a legible statement of all wages and fringe benefits to be paid to the employees in compliance with §18-2-423, MCA.

### **6.4 Wage Rates, Pay Schedules, and Records.**

All contractors, subcontractors, and employers shall classify each employee who performs labor on a public works project according to the applicable standard prevailing rate of wages for such a craft, classification, or type of employee established by the Commission or the Montana Department of

Labor and Industry, and shall pay each such employee a rate of wages not less than the standard prevailing rate as specified in the Montana Prevailing Wages Rates ([Prevailing Wage](#)).

## **7 ASSIGNMENT, TRANSFER, AND SUBCONTRACTING**

Subrecipient may not assign, transfer, or subcontract any portion of this Contract without State's prior written consent (18-4-141, MCA). Subrecipient is responsible to State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by Subrecipient. No contractual relationships exist between any subcontractor and State under this Contract.

## **8 HOLD HARMLESS, INDEMNIFICATION, AND INSURANCE REQUIREMENTS**

### ***8.1 Assumption of Liability.***

Subrecipient is a self-insured entity under Montana law. Accordingly, each party shall:

- Be responsible and assume liability for its own wrongful or negligent acts or omissions, or those of its officers, agents, or employees to the full extent required by law, and shall indemnify and hold the other party harmless from any such liability.
- Maintain reasonable coverage for such liabilities, whether through commercial insurance or a reasonable self-insurance mechanism under the provisions of Title 2, Chapter 9, MCA, and the minimums prescribed by law.
- Provide the other party with a certificate of insurance upon request.
- Self-Insured Retentions. Any self-insured retention is not effective unless it is declared to and approved by the State. At the request of the State, either (i) the insurer shall reduce or eliminate such self-insured retentions as respects the State, its officers, officials, employees, or volunteers; or (s) at the expense of Subrecipient, Subrecipient shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

### ***8.2 Conformance with Law.***

Subrecipient shall follow all federal requirements applicable to federal grants and agreements including provisions in the Special Terms and Conditions, which are incorporated in this Contract as if fully set forth within this section.

## **9 NONDISCRIMINATION AGAINST FIREARMS ENTITIES/TRADE ASSOCIATIONS**

Subrecipient shall not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and Subrecipient shall not discriminate during the term of the Contract against a firearm entity or association. This section shall be construed in accordance with § 30-20-301, MCA.

## **10 RETIRED STATE EMPLOYEE REQUIRED EMPLOYER REPORTING**

Under ARM 2.43.2114, state agencies are required to file employee reports with the Montana Public Employee Retirement Administration (MPERA). The employee reports required under ARM 2.43.2114 include a working retiree report covering Montana's Public Employees' Retirement System (PERS) retirees performing work in a PERS-covered positions as an employee, an independent contractor, or through an employee leasing arrangement, or a temporary service contractor. ARM 2.43.2114(6)(a) requires DEQ to include the social security number of employees and workers in the employer report. Subrecipient's staff assigned to perform work under this Contract will be asked to provide a social security number.

The purpose of collecting the social security number of an individual hired as an independent contractor or through a professional employer arrangement, an employee leasing agreement, or a temporary service contractor is to determine whether the individual is a retiree. Determining an individual's status as a retiree will determine whether DEQ must make employer contributions into the public employee retirement system for retirees who return to work in a PERS-covered position as required by Section 19-3-1113, MCA.

## **11 DISABILITY ACCOMMODATIONS**

The State does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to the State's Contract Liaison identified herein. Interested parties should provide as much advance notice as possible.

## **12 TECHNOLOGY ACCESS FOR BLIND OR VISUALLY IMPAIRED**

Subrecipient acknowledges that no state funds may be expended for the purchase or information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired (§18-5-603, MCA). Contact the State at 406-444-2575 for more information concerning nonvisual access standards.

## **13 REGISTRATION WITH THE SECRETARY OF STATE**

Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are formed in another state or country that are conducting activity in Montana must determine whether they are transacting business in Montana under §35-1-1026 and §35-8-1001, MCA. Such businesses may want to obtain guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at 406-444-3665 or visit their website at <https://sosmt.gov/>.

## **14 COMPLIANCE WITH LAW**

Subrecipient shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Subrecipient is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. Any subletting or subcontracting by Subrecipient subjects subcontractors to the same provisions. Under §49-3-207, MCA, and Executive Order No. 04-2016, Subrecipient agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Contract.

### ***14.1 Asbestos Remediation.***

If any work or construction performed under this Contract or any subcontract entered in furtherance of the work described in **Attachment A** of this Contract requires renovation or demolition of any structure, an asbestos inspection is required with determination for need of permit.

<https://deq.mt.gov/files/Public/Asbestos/Documents/docs/Brochures%20and%20Hand-outs/Think%20Asbestos%20Brochure.pdf>

### ***14.2 Waste Materials.***

Waste materials resulting from any work performed under this Contract or any subcontract entered in furtherance of the work described in **Attachment A** of this Contract shall be handled in accordance with Montana's solid waste rules and regulations. Re-use or recycling shall be considered before waste materials are landfilled. Resulting hazardous waste must be handled in accordance with Montana's rules and regulations. <https://deq.mt.gov/twr/Programs/hazmat>. Documentation of proper handling may be requested by the State.

**Subrecipient is responsible for understanding and complying with all Federal Laws and Regulations incorporated by reference in the Special Terms and Conditions as if they had been fully set forth herein.**

## **15 COMPLIANCE WITH WORKER'S COMPENSATION ACT**

Subrecipient shall comply with the provisions of the Montana Worker's Compensation Act while performing work for State of Montana in accordance with §39-71-401, §39-71-405, and §39-71-417, MCA. Proof of compliance must be in the form of worker's compensation insurance, an independent contractor's exemption certificate, or documentation from Montana Department of Labor and Industry of corporate officer status. Proof of compliance must be submitted on an ACCORD form, or other similar form, and can be included with the proof of insurance required in Section XX, Required Insurance. Neither Subrecipient nor its employees are State employees. This insurance/exemption must be valid for the entire Contract term and any renewal. Upon expiration, a renewal document must be mailed to Montana Department of Environmental Quality ATTN: Rebecca Gregg, PO Box 200901, Helena, MT 59620-0901.

## **16 REQUIRED INSURANCE**

Participation by a local government in a risk-sharing pool authorized by §2-9-211, MCA, that offers the required coverages shall meet the insurance requirements of this Contract.

### ***16.1 General Requirements.***

Subrecipient shall maintain for the duration of the Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by the Subrecipient and/or its agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission by Subrecipient and/or its agents, employees, assigns, or subcontractors.

### ***16.2 Primary Insurance.***

Subrecipient's insurance coverage shall be primary insurance with respect to the State, its officers, officials, employees, and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees, or volunteers shall be in excess of Subrecipient's insurance and shall not contribute with it.

### ***16.3 Specific Requirements for Commercial General Liability.***

The Subrecipient shall purchase and maintain for bodily injury, personal injury, and property damage of \$750,000 per claim and \$1,500,000 per occurrence to cover such claims as may be caused by any act, omission, or negligence of the Subrecipient and/or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insured for liability arising out of activities performed by or on behalf of Subrecipient, including the State's general supervision of Subrecipient, products, and completed operations, and the premises owned, leased, occupied, or used.

#### ***16.4 Specific Requirements for Automobile Liability.***

The Subrecipient shall purchase and maintain for bodily injury, personal injury, and property damage of \$750,000 per claim and \$1,500,000 per occurrence to cover such claims as may be caused by any act, omission, or negligence of the Subrecipient and/or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insured for liability arising out of activities performed by or on behalf of Subrecipient, including the State's general supervision of Subrecipient, products, and completed operations, and the premises owned, leased, occupied, or used.

#### ***16.5 Liability Requirements for Use of State-Owned Equipment and/or Vehicle.***

Subrecipient is required to purchase and maintain bodily injury and property damage insurance with a combined single limit of \$2,000,000 per occurrence and \$4,000,000 aggregate applicable to bodily injury, sickness, or death, and loss of, or damage to, property in any one occurrence for their use of State-owned equipment and/or vehicles in the performance of contracted work. Losses will be payable to the State against theft, collision, and other such risks as appropriate and specified by the State.

Subrecipient must ensure that either its policy covers all subcontractors or that each subcontractor acquires its own policy in the limits specified above. All policies will be primary and non-contributory to any other coverage available. Subrecipient's policy cannot include the following exclusions (i) injury to subcontractor's employees, (ii) damage to work performed by subcontractors, (iii) explosion, collapse, underground (XCU), and (iv) Contractual Liability Protection. Coverage must include (i) premises operations, (ii) products and completed operations, (iii) contractual, (iv) operations of independent contractors, and (v) personal injury.

Coverage may be satisfied by primary insurance or a combination of primary and excess or umbrella insurance; however, primary occurrence limit for the Contract cannot be less than \$2,000,000.

Deductible not to exceed \$5,000 per occurrence on property damage. This insurance coverage will be issued, and certificates provided to the State, per the requirements of this section.

The equipment and/or vehicle is, and shall remain, the exclusive property of the State. Except for damages, claims, or losses due to the State's acts or negligence, Contract, to the extent permitted by law, will indemnify and hold the State and the State's property free and harmless from any liability for losses, claims, injury to, or death of, any person including the Subrecipient or any subcontractor, or from damage to property arising from the Subrecipient or subcontractor using and possessing the equipment and/or vehicle or from the acts or omissions of any person(s), including the Subrecipient, using or possessing the equipment and/or vehicle with Subrecipient's express or implied consent.

#### ***16.6 Certificate of Insurance/Endorsements.***

A certificate of insurance has been received by Department of Environmental Quality ATTN: Rebecca Gregg, PO Box 200901 Helena, MT 59620-0901 prior to Contract execution. The certificate must indicate compliance with the insurance coverages and the required limits set forth in this Section of the

Contract. The required insurance must be maintained in force and effect by Subrecipient for the duration of the Contract. Subrecipient must notify the State immediately of any material change in insurance coverage, such as changes in limits, coverage, change in status of policy, etc. The State reserves the right to require complete copies of insurance policies at all times. Failure to comply with this requirement may result in Contract termination per Section 23, Contract Termination.

#### ***16.7 Cyber/Data Information Security Insurance.***

The Subrecipient shall purchase and maintain cyber/data information security insurance coverage with combined single limits for each wrongful act of \$2,000,000 per occurrence to cover the unauthorized acquisition of personal data such as social security numbers, credit card numbers, financial account information, or other information that uniquely identifies an individual and may be of a sensitive nature in accordance with §2-6-1501, MCA through §2-6-1503, MCA. If the Subrecipient maintains higher limits than the minimums shown above, the State requires and shall be entitled to coverage for the higher limits maintained by the Subrecipient. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the State. Such insurance must cover, at a minimum (i) privacy notification costs, (ii) credit monitoring, (iii) forensics investigations, (iv) legal fees/costs, (v) regulatory fines and penalties, and (vi) third party liability settlements or judgments as may be caused by any act, omission, or negligence of the Subrecipient's officers, agents, representatives, assigns, or subcontractors.

**NOTE:** If occurrence coverage is unavailable or cost-prohibitive, the State will accept "claims made" coverage provided the following conditions are met (i) the retroactive date must be shown and must be before the date of the Subrecipient or the beginning of Contract work, (ii) insurance may be maintained and evidence of insurance must be provided for at least three years after completion of the Contract work; and (iii) if coverage is cancelled or non-renewed and not replaced with another "claims made" policy form with a retroactive date prior to the Contract effective date, the Subrecipient must purchase "extended reporting" coverage for a minimum of three years after completion of work.

#### ***16.8 Deductibles.***

Any deductible is not effective unless it is declared to and approved by the State. At the request of the State, either (i) the insurer shall reduce or eliminate such deductibles as respects the State, its officers, officials, employees, or volunteers; at the expense of Subrecipient, Subrecipient shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

#### ***16.9 Certificate of Insurance/Endorsements.***

A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages, has been received by Department of Environmental Quality ATTN: Rebecca Gregg, PO Box 200901 Helena, MT 59620-0901. The certificates must name the State of Montana as certificate holder and Subrecipient shall provide copies of additional insured endorsements required for Commercial General Liability and/or Automobile Liability insurances. Subrecipient must notify the State immediately of any material change in insurance coverage, such as changes in limits, coverage, change in status of policy, etc. The State reserves the right to require complete copies of

insurance policies at all times. Failure to comply with this requirement may result in Contract termination per Section 24, Contract Termination.

## **17 CONTRACT PERFORMANCE ASSURANCE**

The State has determined that this Contract is not subject to the security requirements of Title 18, MCA. Accordingly, Subrecipient is not required to secure a surety bond to secure Subrecipient's performance under this Contract.

If Subrecipient enters into any subcontract for the procurement of goods or services in furtherance of this Contract, Subrecipient shall comply with all security requirements of Title 18, MCA.

## **18 CONTRACT OVERSIGHT**

### ***18.1 CIO Oversight.***

The Chief Information Officer (CIO) for the State of Montana, or designee, may perform contract oversight activities. Such activities may include the identification, analysis, resolution, and prevention of deficiencies that may occur within the performance of contract obligations. The CIO may require the issuance of a right to assurance (Section 18.2) or may issue a stop work order (Section 18.3).

### ***18.2 Right to Assurance.***

If the State, in good faith, has reason to believe that Subrecipient does not intend to, is unable to, or has refused to perform- or continue performing all material obligations under this Contract, the State may demand in writing that Subrecipient give a written assurance of intent to perform. Subrecipient's failure to provide written assurance within the number of days specified in the demand (in no event less than five (5) business days) may, at the State's option, be the basis for terminating this Contract and pursuing the rights and remedies available under this Contract or law.

### ***18.3 Stop Work Order.***

The State may, at any time, by written order to Subrecipient require Subrecipient to stop any or all parts of the work required by this Contract for the period of days indicated by the State after the order is delivered to Subrecipient. The order must be specifically identified as a stop work order issued under this clause. Upon receipt of the order, Subrecipient shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, Subrecipient shall resume work. The State Project Manager shall make the necessary adjustment in the delivery schedule or contract price or both, and this Contract shall be amended in writing accordingly.

### ***18.4 System Security.***

Subrecipient shall ensure systems delivered under this Agreement are adequately secure. For purposes of this Agreement, adequate security is defined to require compliance with federal and State of Montana security requirements and to ensure freedom from those conditions that may impair the State's use of its data and information technology or permit unauthorized access to the State's data or information technology. The State of Montana has established control standards and policies that align with the NIST Cybersecurity Framework. The latest revision of NIST SP 800-53 is used for control adherence evaluation established after developing a security categorization utilizing FIPS PUB 199. Thus, Subrecipient shall provide reasonable proof, through independent audit reports, that the system specified under this Agreement meets or exceeds federal and State of Montana security requirements to ensure adequate security and privacy, confidentiality, integrity, and availability of the State's data and information technology. Annual assurance statements shall be delivered to the Contract Manager. Annual assurance statements must contain a detailed accounting of the security controls provided and must be in the form of a NIST Security Assessment Report or FedRAMP Security Assessment Report.

### ***18.5 Physical Access.***

Subrecipient represents and warrants that it has established and during the Term it will at all times enforce (i) physical protection mechanisms for all information assets and information technology to ensure such assets and technology are stored and protected in appropriate data centers; (ii) appropriate facility entry controls limiting physical access to systems that store or process data; (iii) processes to ensure access to facilities is monitored and restricted on a “need to know” basis; and (iv) controls to physically secure all confidential information and to properly destroy such information when it is no longer needed.

### ***18.6 Prohibited Activities and Spoofing.***

Licensor and its officers, employees, agents, subcontractors, and affiliated users shall not violate or attempt to violate the security of the State’s network or interfere or attempt to interfere with the State’s systems, networks, authentication measures, servers or equipment, or with the use of or access to the State’s network by any other user. Such prohibited activity includes (i) accessing or logging into a server where access is not authorized; (ii) unauthorized probing, scanning, or testing the security or vulnerability of the State’s network or other systems; and (iii) attempting to portray itself as the State or an affiliate of the State or otherwise attempting to gain access, without authorization, via the State’s network or systems to any account or information technology resource not belonging to Licensor or its officers, employees, agents, subcontractors, and affiliated users (“Spoofing”). Licensor shall not perform unauthorized Spoofing or scanning of any kind, including user account identity. Systems shall not Spoof the mt.gov domain or engage in Email Spoofing. Email Spoofing is the creation of email messages with a forged sender address. For example, Email Spoofing included creating or sending emails using the State’s domain.

### ***18.7 Disaster Recovery.***

The State may replicate any software created or purchased under this contract onto its servers in its Disaster Recovery Data Center in Miles City, Montana, for the purposes of utilizing the State’s licenses, at no additional cost, for testing the State of Montana’s disaster recovery plans during a 10-day test period, twice annually. The server shall remain in a cold, stand-by state, or off, until testing is carried out, or a disaster occurs that shuts down the State’s primary data center in Helena, Montana. The Miles City Data Center is located approximately 350 miles from Helena, Montana. Also, the state shall be prohibited from making additional copies of the software for any other reason without written permission from Subrecipient.

### ***18.8 Security Requirements.***

Systems delivered under this Contract shall have assurances that they are adequately secure. For purposes of contract approval considerations herein, security is defined as freedom from those conditions that can cause loss of assets with unacceptable consequences. Understandably, no system can be guaranteed as 100% secure. The State has established control standards and policies that align with the NIST Cybersecurity Framework. NIST SP 800-53, the latest revision is used for control adherence evaluation established after establishing a security categorization utilizing FIPS PUB 199. Thus, the Subrecipient shall provide reasonable proof, through independent audit reports, that the system specified under this Contract can meet or exceed expectations for both federal and state

regulatory requirements to ensure the risk is minimized to better protect privacy, confidentiality, integrity, and availability. Annual assurance statements shall be delivered to the Contract Manager. Annual assurance statements must contain a detailed account of the security controls provided and must be in the form or a NIST Security Assessment Report, FedRamp Security Assessment Report, or SOC2 report. Soc1 reports may be accepted by exception and where applicable, as mutually agreed upon in writing.

## **19 INTELLECTUAL PROPERTY/OWNERSHIP**

### **19.1 Mutual Use.**

Subrecipient shall make available to the State, on a royalty-free, non-exclusive basis, all patent and other legal rights in or to inventions first conceived and reduced to practice or created in whole or in part under this Contract, if such availability is necessary for the State to receive the benefits of this Contract. Unless otherwise specified in a statement of work, both parties shall have a royalty-free, non-exclusive, and irrevocable right to reproduce, publish, or otherwise use copyrightable property created under this Contract. This mutual right includes (i) all deliverables and other materials, products, modifications that Subrecipient has developed or prepared for the State under this Contract; (ii) any program code, or site-related program code that Subrecipient has created, developed, or prepared under or primarily in support of the performance of its specific obligations under this Contract; and (iii) is collectively called the “Work Product”.

### **19.2 Title and Ownership Rights.**

The State retains title to and all ownership rights in all data and content, including but not limited to multimedia or images (graphics, audio, and video), text, and the like provided by the State (the “Content”), but grants Subrecipient the right to access and use Content for the purpose of complying with its obligations under this Contract and any applicable statement of work.

### **19.3 Ownership of Work Product.**

Subrecipient shall execute any documents or take any other actions as may reasonably be necessary, or as the State may reasonably request, to perfect the State’s ownership of any Work Product.

### **19.4 Copy of Work Product.**

Subrecipient shall, at no expense to the State, deliver to the State, upon the State’s request during the term of this Contract or at its expiration or termination, a current copy of all Work Product in the form and on the media in use as of the date of the State’s request, or such expiration or termination.

### **19.5 Ownership of Subrecipient Pre-Existing Materials.**

Subrecipient retains ownership of all literary or other works of authorship (such as software programs and code, documentation, reports, and similar works), information, data, intellectual property, techniques, subroutines, algorithms, methods or related rights and derivatives that Subrecipient owns at the time this Contract is executed or otherwise developed or acquired independent of this Contract and employed by Subrecipient in connection with the services provided to the State (the “Subrecipient Pre-existing Materials”). Subrecipient Pre-existing Materials are not Work Product.

Subrecipient shall provide full disclosure of any Subrecipient Pre-Existing Materials to the State before its use and to prove its ownership. If, however, Subrecipient fails to disclose to the state such Subrecipient Pre-existing Materials, Subrecipient shall grant the State a non-exclusive, worldwide, paid-up license to use any Subrecipient Pre-Existing Materials embedded in the Work Product to the extent such Subrecipient Pre-Existing Materials are necessary for the State to receive the intended benefit under this Contract. Such license shall remain in effect for so long as such Pre-Existing Materials remain embedded in the Work Product. Except as otherwise provided for in Section 18.2 above, or as may be expressly agreed in any statement of work, Subrecipient shall retain title to and ownership of any hardware it provides under this Contract.

## 20 PATENT AND COPYRIGHT PROTECTION

### **20.1 Third Party Claim.**

If a third party makes a claim against the State that the products furnished under this Contract infringe upon or violate any patent or copyright, the State shall promptly notify Subrecipient. **Subrecipient shall defend such claim in the State's name, or its own name, as appropriate, but at Subrecipient's expense.** Subrecipient shall indemnify the State against all costs, damages, attorney fees, and all other costs and expenses of litigation that accrue as a result of such claim. If the State reasonably concludes that its interests are not being properly protected, or if principles of governmental or public law are involved, it may enter into any action.

### **20.2 Product Subject of Claim.**

If any product furnished is likely to or does become the subject of a claim of infringement of a patent or copyright, then Subrecipient may, at its option, procure for the State the right to continue using the alleged infringing product, or modify the product so that it becomes non-infringing. If none of the above options can be accomplished, or if the use of such product by the State shall be prevented by an injunction, the State will determine whether the Contract has been breached.

## 21 CONFLICT OF INTEREST

For the purposes of the Montana Code of Ethics, Subrecipient and each of its employees and subcontractors, is a "public employee" for the purposes of this Section. As such, Subrecipient and each of its employees and subcontractors is subject to the requirements of Title 2, Chapter 2, MCA, regarding conflicts of interest, including but not limited to sections §2-2-104, §2-2-105, §2-2-121, and §2-2-201, MCA.

If the State discovers that an employee of Subrecipient or subcontractor is in violation of this Section, the State may, after consulting with Subrecipient, terminate this Contract or take other appropriate measures to address the conflict and Subrecipient shall reimburse the State for any services the State requires to be performed by another Subrecipient that duplicate the services performed by the employee who violated this Section.

## **22 DISCLOSURE**

### ***22.1 Timely Disclosure of All Conflicts.***

Subrecipient shall notify the State of any actual, apparent, or potential conflict of interest with regard to any individual working on a work assignment or having access to information regarding a subcontract. Notification of any conflict of interest (which are defined as the same types of relationships as organization conflicts of interest, but applicable to an individual). If a personal conflict of interest exists, the individual who is affected shall be disqualified from taking part in any way in the performance of the assigned work that created the conflict-of-interest situation.

### ***22.2 Conflict Certification.***

Subrecipient certifies that it has identified all current employees and proposed subcontractor's employees that will perform work under this Contract and that have worked for the State in the last two years prior to submitting the solicitation request which resulted in the award of this Contract. Subrecipient further certifies that no former employee of the State of Montana or local government may work under this Contract for a period of twelve months after voluntary termination of public employment, if by working under the Contract the employee will take direct advantage, unavailable to others, of matters with which the employee was directly involved during the employee's public employment.

## **23 CONTRACT TERMINATION**

Any termination of this Contract is subject to the exception that Section 5 (Accounting, Audit, and Retention of Records), relating to retention of and access to records, remain in effect.

### ***23.1 Termination for Cause.***

Either party may, by written notice to the other party, immediately terminate this Contract in whole or in part for failure to materially perform any of the services, duties, terms, or conditions contained in this Contract.

### ***23.2 Termination for Cause with Notice to Cure Requirement.***

Either party may terminate this Contract in whole or in part for failure of the other party to materially perform any of the services, duties, terms, or conditions contained in this Contract after giving the other party written notice identifying items not performed. The written notice must demand performance of the items not performed. The written notice must demand performance of the items not performed within a specified period of not less than 30 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

### ***23.3 Reduction of Funding.***

Under §18-4-313(4), MCA, the State must terminate this Contract if funds are not appropriated or otherwise made available to support the State's continuation of performance of this Contract in a subsequent fiscal period. If state or federal government funds are not appropriated or otherwise made available through the state budgeting process to support continued performance of this Contract (whether at an initial contract payment level or any contract increases to that initial level) in

subsequent fiscal periods, the State shall terminate this Contract as required by law. The State shall provide Subrecipient the date the State's termination shall take effect. The State shall not be liable to Subrecipient for any payment that would have been payable had the Contract not been terminated under this provision. As stated above, the State shall be liable to Subrecipient only for the payment, or prorated portion of that payment, owed to Contract up to the date the State's termination takes effect. This is Subrecipient's sole remedy. The State shall not be liable to Subrecipient for any other payments or damages arising from termination under this section, including but not limited to general special, or consequential damages such as lost profits or revenues.

#### ***23.4 Noncompliance with Department of Administration Requirements.***

The Department of Administration, under the provisions of §2-17-514, MCA, retains the right to cancel or modify any contract, project, or activity that is not in compliance with the Department's Plan for Information Technology, the State Strategic Plan for Information Technology, or any Statewide IT policy or standard in effect as of the date of Contract execution. If terminated, the State will pay for products and services delivered to the date and any applicable termination fee specified in the statement of work or work order. Any modifications to this Contract must be mutually agreed to by parties.

### **24 EVENT OF BREACH-REMEDIES**

#### ***24.1 Event of Breach by Subrecipient.***

Any one or more of the following Subrecipient acts or omissions constitute an event of material breach under this Contract:

- Products or services furnished fail to conform to any requirement;
- Failure to submit any report required by this Contract;
- Failure to perform any of the other terms and conditions of this Contract, including but not limited to beginning work under this Contract without State's prior approval and breaching Section 29 obligations; or
- Financial inability to perform its obligations under this Contract.

#### ***24.2 Event of Breach by State.***

The State's failure to perform any material terms or conditions of this Contract constitutes an event of breach.

#### ***24.3 Actions in Event of Breach.***

Upon a material breach by either party, the non-breaching party may:

Terminate this Contract as defined under Section 23 (Contract Termination), and pursue any of its remedies under this Contract; at law or in equity; or

Treat this Contract as materially breached and, except as the remedy is limited in this Contract, pursue any of its remedies under this Contract, at law or in equity.

### **25 FORCE MAJEURE**

Neither party is responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God,

materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the non-performing party, so long as such party uses its best efforts to remedy such failure or delays. A party affected by a force majeure condition shall provide written notice to the other party within a reasonable time of the onset of the condition. In no event, however, shall the notice be provided later than five (5) working days after the onset. If the notice is not provided within the five (5) day period, then a party may not claim a force majeure event. A force majeure condition suspends a party's obligations under this Contract, unless the parties mutually agree that the obligation is excused because of the condition.

## **26 WAIVER OF BREACH**

Either party's failure to enforce any contract provisions after any event of breach is not a waiver of its right to enforce the provisions and exercise appropriate remedies if the breach occurs again. Neither party may assert the defense of waiver in these situations.

## **27 CONFORMANCE WITH CONTRACT**

No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the Contract shall be granted without the State's prior written consent. Products or services provided that do not conform to the Contract terms, conditions, delivery, price, quality, quantities, or may be rejected and returned at Subrecipient's expense.

## **28 CONTRACT MANAGERS AND SERVICE OF NOTICES**

### ***28.1 Contract Managers.***

All management and coordination on State's behalf must be through a single point of contact designated as State's Contract Manager. Subrecipient shall designate a Contracts Manager that will provide the single point of contact for management and coordination of Subrecipient's work. All work performed under this Contract must be coordinated between State's Contract Manager and Subrecipient's Contract Manager.

The State CM is designated by the agency program manager to provide technical liaison duties between the Subrecipient's management and the Contracting Officer in routine technical matters constituting general program direction within the scope of the Contract. Under NO circumstances is the CM authorized to effect any changes in the work required under this Contract whatsoever or enter into any agreement that has the effect of changing the terms and conditions of this Contract or that causes the Subrecipient to incur any costs.

In addition, except as otherwise authorized in this Contract, the CM will NOT supervise, direct, or control Subrecipient employees. Notwithstanding this provision, to the extent that Subrecipient accepts any direction that constitutes a change to his Contract without prior written authorization of the Contracting Officer, costs incurred in connection therewith are incurred at the sole risk of the Subrecipient, and if involved under this Contract, may be disallowed.

On all matters that pertain to the Contract terms, the Subrecipient must communicate with the Contracting Officer. Whenever, in the opinion of the Subrecipient, the CM requests efforts beyond the terms of the Contract, the Subrecipient shall so advise the Contracting Officer. IF the CM persists and there still exists disagreement as to the proper contractual coverage, the Contracting Officer will be notified immediately, preferably in writing.

Proceeding with work without proper contractual coverage may result in nonpayment or necessitate submittal of a Contract claim per the provisions contained herein (i.e., breach of contract, termination, deficiency notice). The Subrecipient's management should clearly communicate this position to its employees working on this Contract and to any subcontractors also providing support.

XXXX XXXX is State's Contract Manager  
PO Box 200901  
Helena, MT 59620-0901  
406-444-XXXX  
[XXXX@mt.gov](mailto:XXXX@mt.gov)

XXXX XXXX, is Subrecipient's Contract Manager  
PO Box / Street Address  
Town, MT ZIP  
406-XXX-XXXX  
Email

## **28.2 Service of Notices.**

State's Contract Manager and Subrecipient's Contract Manager may be changed by written notice to the other party. Written notices, requests, or complaints must first be directed to the Manager. Notice may be provided by personal service, mail, or facsimile. If Notice is provided by personal service or facsimile, the Notice is effective upon receipt; if Notice is provided by mail, the Notice is effective within three (3) business days of mailing. A signed and dated acknowledgement of the Notice is required by both parties.

The personnel identified or described in Subrecipient's proposal shall perform the services provided for the State under this Contract. Subrecipient agrees that any personnel substituted during the term of this Contract must be able to conduct the required work to industry standards and be equally or better qualified than the personnel originally assigned. The State reserves the right to approve Subrecipient personnel assigned to work under this Contract and any changes or substitutions to such personnel. The State's approval of a substitution will not be unreasonable withheld. This approval or disapproval shall not relieve Subrecipient to perform and be responsible for its obligations under this Contract. The State reserves the right to require Subrecipient personnel replacement. If Subrecipient personnel become unavailable, Subrecipient shall provide equally qualified replacement in time to avoid delays to the work plan.

## **29 MEETINGS**

### **29.1 Technical or Contractual Problems.**

Subrecipient shall meet with State's personnel, or designated representatives, to resolve technical or contractual problems occurring during the Contract term or to discuss the progress made by Subrecipient and State in the performance of their respective obligations, at no additional cost to the State. State may request and coordinate meetings as problems arise. State shall provide Subrecipient a minimum of three (3) full business days' notice of meeting date, time, and location. State prefers virtual meetings; however, State reserves the right to conduct site visits with face-to-face meetings. Subrecipient's consistent failure to participate in problem resolution meetings, Subrecipient missing or rescheduling two (2) consecutive

meetings, or Subrecipient's failure to make a good faith effort to resolve problems may result in Contract termination.

## **29.2 Progress Meetings.**

During the term of this Contract, the State's Contract Manager shall plan and schedule progress meetings with Subrecipient to discuss Subrecipient's and the State's progress in the performance of their respective obligations. These progress meetings will include the State Contract Manager, the Subrecipient Contract Manager, and any other additional personnel involved in the performance of this Contract as required. At each meeting, Subrecipient shall provide the State with a written status report that identifies any problem or circumstance encountered by Subrecipient, or of which Subrecipient gained knowledge during the period since the last such status report, which may prevent Subrecipient from completing any of its obligations or may generate charges in excess of those previously agreed to by the parties. This may include the failure or inadequacy of the State to perform its obligations under this Contract. Subrecipient shall identify the amount of excess charges, if any, any the cause of any identified problem or circumstance and the steps taken to remedy the same. This same information may be rolled into the quarterly reports as specified in Section 3 above for formal documentation.

## **29.3 Failure to Notify.**

If Subrecipient fails to specify in writing any problem or circumstance that materially affects the costs of its delivery of services or products, including a material breach by the State, about which the Subrecipient knew or reasonably should have known with respect to the period during the term covered by Subrecipient's status report, Subrecipient shall not be entitled to rely upon such problem or circumstance as a purported justification for an increase in the price for the agreed upon scope.

## **29.4 State's Failure or Delay.**

For a problem or circumstance identified in Subrecipient's status report in which Subrecipient claims was the result of the State's failure or delay in discharging any State obligation, the State shall review same and determine if such problem or circumstance was in fact the result of such failure or delay. If the State agrees as to the cause of such problem or circumstance, the parties shall each attempt to resolve the problem or circumstance in a matter satisfactory to both parties.

## **30 TRANSITION ASSISTANCE**

If this Contract is not renewed at the end of the original term, if the Contract is otherwise terminated before project completion, or if particular work on a project is terminated for any reason, Subrecipient must provide transition assistance for a reasonable, mutually agreed period after the expiration or termination of this Contract or particular work under this Contract. The purpose of this assistance is to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. The parties agree that such transition assistance is governed by the terms and conditions of this Contract, except for those terms or conditions that do not reasonably apply to such transition assistance. The State shall pay Subrecipient for any resources utilized in performing such transition assistance at the most current contract rates. If there are no established Contract rates, then the rate must be mutually agreed upon. If the State terminates a project, or this Contract, for cause, then the State may offset the cost of paying Subrecipient for the additional resources Subrecipient utilized in providing transition assistance with any damages the State may have sustained as a result of Subrecipient's breach.

## **31 CHOICE OF LAW AND VENUE**

Montana law governs this Contract as defined in §18-1-401, MCA. If there is a dispute under this Contract the parties will meet in person and attempt to resolve the dispute. If the dispute cannot be settled through negotiation, the parties agree that prior to resorting to litigation they will attempt to settle the dispute by nonbinding mediation administered by a neutral mediator agreed to by the parties.

Both parties waive objection to personal jurisdiction in the First Judicial District in and for the County of Lewis and Clark, State of Montana. Any litigation concerning this bid, proposal, or contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees, except as provided in Section 8, Defense, Indemnification/Hold Harmless.

## **32 TAX EXEMPTION**

The State of Montana is exempt from Federal Excise Taxes except as otherwise provided in the Federal Patient Protection and Affordable Care Act [P.L. 111-\*148, 124 Stat. 119].

## **33 PERSONAL PROPERTY TAX**

All personal property taxes will be paid by Subrecipient.

## **34 SEVERABILITY CLAUSE**

A declaration by any court or any other binding legal source that any provision of the Contract is illegal, and void shall not affect the legality and enforceability of any other provisions of the Contract, unless the provisions are mutually and materially dependent.

## **35 SCOPE, ENTIRE AGREEMENT, AND AMENDMENT**

### **35.1 CONTRACT.**

This Contract consists of 20 numbered pages and any Attachments as required as amended, and Subrecipient's response, as amended. In the case of dispute or ambiguity, the order of precedence of document interpretation is the same, **EXCEPT** the Special Terms and Conditions in Attachment C shall take precedence over all other documents.

### **35.2 *Entire Agreement.***

These documents are the entire agreement of the parties. They supersede all prior agreements, representations, and understandings. Any amendment or modification must be in a written agreement signed by the parties.

## **36 WAIVER**

State's waiver of any Subrecipient obligation or responsibility in a specific situation is not a waiver in a future similar situation or is not a waiver of any other Subrecipient obligation or responsibility.

## **37 EXECUTION**

The parties through their authorized agents have executed this Contract on the dates set out below.

### **SUBRECIPIENT NAME**

BY: \_\_\_\_\_

DATE

Signatory / Title  
PO Box / Street Address  
Town, MT ZIP

### **DEPARTMENT OF ENVIRONMENTAL QUALITY**

BY: \_\_\_\_\_

DATE

REBECCA GREGG, Agency Procurement Officer  
DEQ Operations, Financial Services Bureau  
PO Box 200901  
Helena, MT 59620-0901

**Approved as to Legal Content:**

BY: \_\_\_\_\_

DATE

DEQ Attorney

## ATTACHMENT A: SCOPE OF WORK

Bipartisan Infrastructure Law (BIL)  
Energy Efficiency and Conservation Block Grant (EECBG) program Scope of Work (SOW)  
Subrecipient XXXXX

### Sub-recipient:

Subrecipient Name  
PO Box / Street Address  
Town, MT ZIP  
406-XXX-XXXX  
Tax ID: XX-XXXXXXX  
UEI #: XXXXXXXXXXXXXXXXXX

SIGNATORY: Name, Title - email  
FISCAL CONTACT / CONTRACT MANAGER: Name, Title - email

**Project Description:** As an eligible sub-recipient of an Energy Efficiency and Conservation Block Grant (EECBG) from the Montana Department of Environmental Quality (DEQ), XXXX has been awarded funding for complete.....

**EECBG Funding Commitment:** \$XX. Of this amount, \$XX will be available to XXXX on a reimbursement basis upon subrecipient completion of Task 1. The final \$XX will be paid with DEQ written confirmation that all reporting requirements have been met and DEQ receipt of "Letter of Project Acceptance" signed by Subrecipient.

**Project completion/deadline date:** TBD, 2026

**Project main deliverable:** Complete.....

### Task 1: Davis-Bacon Act Compliance Training Certification:

**Task Description:** Subrecipient, and identified partner entities, must attend a project kick-off meeting with the State. Additionally, Subrecipient, or their designee, must undergo Davis Bacon Act (DBA) compliance training as prescribed by the State. Subrecipient will require DBA covered contractors to submit weekly payroll to Department of Energy's (DOE) LCPTtracker website.

**Timeline:** TBD, 2026

**Outputs/Deliverables:** Participation in project kick-off meeting with the State and documentation or other assurances that the State finds sufficient to demonstrate that Subrecipient has completed the prescribed Davis Bacon Act compliance training.

### Task 2: Task Description and Cost

**Task Description:** Complete....

- Systems and equipment procured under this contract are prohibited from utilizing any electronics produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities). See Attachment C, Special Terms and Conditions, Term 40. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment.
- Federal Davis Bacon Act [DBA] wage requirements apply, See Attachment C, Special Terms and Conditions, Term 44. Davis Bacon Requirements Current prevailing wage requirements can be found at <https://sam.gov/wage-determination/MT20240037/4>

**Timeline:** TBD, 2026

**Outputs/Deliverables:** Complete ..... to include weekly submittal of certified payroll and documentation of asbestos inspection and waste handling when applicable.

**Task 3: Project Acceptance/DEQ Closeout Letter - Final \$XX (10%)**

**Task Description:** Final commissioning of Project **Description** and acceptance of project completeness by Subrecipient. Final reimbursement request submitted to DEQ.

**Timeline:** TBD, 2026

**Outputs/Deliverables:** All required documentation and reporting accepted by DEQ. "Letter of Project Acceptance" signed by Subrecipient and submitted to DEQ.

## ATTACHMENT B: STANDARD TERMS AND CONDITIONS

**ACCEPTANCE/REJECTION OF BIDS:** The State reserves the right to accept or reject any or all bids, wholly or in part, and to make awards in any manner deemed in the best interest of the State. Bids will be firm for 30 days, unless stated otherwise in the text of the invitation for bid.

**ALTERATION OF SOLICITATION DOCUMENT:** In the event of inconsistencies or contradictions between language contained in the State's solicitation document and a vendor's response, the language contained in the State's original solicitation document will prevail. Intentional manipulation and/or alteration of solicitation document language will result in the vendor's disqualification and possible debarment.

**DEBARMENT:** Subrecipient certifies, by submitting this bid, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If Subrecipient cannot certify this statement, attach a written explanation for review by the State.

**FAILURE TO HONOR BID/PROPOSAL:** If a bidder to whom a contract is awarded refuses to accept the award (PO/contract) or fails to deliver in accordance with the contract terms and conditions, the department may, in its discretion, suspend the bidder for a period of time from entering into any contracts with the State of Montana.

**RECIPROCAL PREFERENCE:** The State of Montana applies a reciprocal preference against a vendor submitting a bid from a state or country that grants a residency preference to its resident businesses. A reciprocal preference is only applied to an invitation for bid for supplies or an invitation for bid for non-construction services for public works as defined in section 18-2-401(9), MCA, and then only if federal funds are not involved. For a list of states that grant resident preference go to the [State Procurement Bureau website](#).

**SOLICITATION DOCUMENT EXAMINATION:** Vendors shall promptly notify the State of any ambiguity, inconsistency, or error which they may discover upon examination of a solicitation document.

**U.S. FUNDS:** All prices and payments must be in U.S. dollars.

## ATTACHMENT C: FEDERAL TERMS AND CONDITIONS

Federal Terms and Conditions may be added as appropriate.

Applicants may request an email copy of EECBG Federal Terms and Conditions to Bonnie Rouse,  
[brouse@mt.gov](mailto:brouse@mt.gov).