

Renewable Resource Grant and Loan Program

2024
Due: May
15th

Application Instructions
and Forms for
Government Entities





RENEWABLE
RESOURCE
GRANT
PROGRAM

Project Application
Government Entities
Instruction and Forms

Application Deadline May 15, 2024
[Grants.dnrc.mt.gov](https://grants.dnrc.mt.gov)

Department of Natural Resources and Conservation
Resource Development Bureau

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Renewable Resource Grant and Loan Program Instructions for Grant and Loan Applications

General Information

The Montana Legislature established the Renewable Resource Grant and Loan (RRGL) Program to enhance and develop Montana's renewable resources. The Resource Development Bureau of the Department of Natural Resources and Conservation (DNRC) administers the program. This program is funded through earnings from certain natural resource-based taxes. Use this application to apply for Renewable Resource Grants and Loans.

Project Applications

Non-Public Facility

- Non-public facility projects (stream restoration, irrigation, studies, or other projects not for public facilities) may use the application in this booklet if sponsored by a government entity.

Public Facility

- Public Facility Projects only applying for RRGL Program funds may use this application.
- Public Facility Projects (drinking water, wastewater, and solid waste projects) with multiple state funding sources must submit a Uniform Application for Montana Public Facility Projects and the RRGL Application Supplement to the Uniform Application in place of this application.

Submittal Information

DNRC requires two (2) forms of the application to meet the needs of multiple reviewers during the evaluation, scoring and ranking process. All grant and loan applicants (public and non-public facility) must submit all required materials (**1. Submitted Online**) and (**2. Submitted by Mail**) by **May 15, 2024**.

1. Submitted Online:

Applications are available online through <http://grants.dnrc.mt.gov/submit> and are accepted online through the grant management system. Applications are available through the DNRC website <https://dnrc.mt.gov/Conservation/Grant-and-Loan-Programs/Renewable-Resource-Grants-and-Loans/>

2. Submit by Mail:

- I. One (1) original Authorizing Statement.
- II. One (1) unbound original application and all supporting documentation. Public Facility Projects will include a copy of the signed Preliminary Engineering Report (PER).
- III. \$250.00 application fee (online or check by mail).

Mail to: MT DNRC RRGL Program, PO BOX 201601, Helena, MT 59620

Application Deadline

Application forms must be submitted online at <http://grants.dnrc.mt.gov> and additional documents must be postmarked or to the DNRC office **5:00 p.m. May 15, 2024**. Please contact our office with questions (406) 444-6668.

Program Definitions

Conserve - efficient and/or sustainable use of a renewable resource.

Manage - improve the governing entities ability to control and administer a renewable resource.

Develop - new beneficial and sustainable use of a renewable resource.

Preserve - protect or repair a renewable resource.

Program costs - non-reimbursable costs not directly related to the project. Program costs include office rent that will be incurred regardless of the project is implemented, salaries of existing fully funded staff positions unless the work-hours associated with the project are accounted for, or any other costs that pay for ongoing or general services of the applicant.

Project - any activity or development that conserves, develops, or preserves a renewable resource and that does not result in a long-term adverse impact to land, air, water, fish, wildlife, or recreation opportunities.

Project costs - costs that will be incurred only by implementing the project described in the application and whose source is RRGL program funds, matching dollars or in-kind contributions.

Public entity - any department, agency, board, commission, or other division of state government, city, municipality, county, conservation district, water and sewer district, or other political subdivision or local government body of the state, or a tribal government.

Public benefit or citizen benefit - a benefit that accrues to the common well-being of the citizens of Montana from a renewable resource project including but not limited to the benefits that accrue to an applicant.

Public resource - land, air, water, fish, wildlife, and recreation opportunities.

Renewable resource - a sustainable natural resource including water, wind, renewable energy, soil, wetlands, fish and aquatic habitat, wildlife habitat, range land, crop land, and forests.

Applicant Eligibility

Grants and Loans for Government Entities

Eligible applicants include any division of state government, tribal government, or other county, city, or local political subdivision. Government entities have included cities, towns, counties, conservation districts, water and sewer districts, school districts, irrigation districts, joint boards of control, state agencies, and universities as specified in 85-1-605, Montana Code Annotated (MCA).

Project Eligibility

Project types eligible for funding are specified in 85-1-602, Montana Code Annotated (MCA).

- [1] *Either grants or loans may be provided to fund the following types of projects:*
- (a) feasibility, design, research, and resource assessment studies;*
 - (b) preparation of construction, rehabilitation, or production plans; and*
 - (c) construction, rehabilitation, production, education, or other implementation efforts.*

Projects must enhance the common well-being of Montanans through the conservation, management, development, or preservation of a targeted renewable resource. Renewable resource projects including water conservation; water for public use, agricultural use, or other beneficial uses; surface water or groundwater quality; forestry related resources; air quality; waste management; and other renewable resource-related projects are eligible to receive grant and loan funding.

Funding Limitations

Grants

The Montana Legislature appropriates funds directly to each project, based on amounts recommended by DNRC. DNRC limits grant funding recommendations to a maximum of **\$125,000** for a renewable resource project.

Loans

DNRC does not have a standard limit on the recommended loan amount. The limit is based on the applicant's ability to repay the loan. Local governments enter into debt by issuing bonds. Drinking water and wastewater projects are encouraged to apply to the State's Revolving Fund (SRF) Loan Programs. These SRF Loan Programs are specifically designed to provide below-market interest rates for these types of systems. However, some renewable resource projects are not eligible for funding under the SRF Programs. For more information, see: <https://dnrc.mt.gov/Conservation/Grant-and-Loan-Programs/Loans/State-Revolving-Fund-Loans>

Example: Rehabilitation of an irrigation diversion dam.

The Renewable Resource Loan Program provides an excellent source of loan funds. If the applicant demonstrates a high cost of water or other financial hardship, DNRC may recommend a below-market rate loan. The identified cost and financial hardship will be compared to other projects that have been funded by the RRGL program as well as those partially funded by other agencies. The amount of the subsidy depends on the specific RRGL need demonstrated by the borrower.

Renewable Grant and Loan Application Ranking Criteria

Projects funded under the Renewable Resource Grant and Loan (RRGL) Program must result in resource and citizen benefits, be financially feasible, have no significant environmental impacts, have an adequate project management plan, and be technically feasible.

After DNRC receives applications, projects are reviewed based on ranking criteria, compared with other applications, and ranked on how the project meets RRGL Program goals. A summary of the program's ranking criteria is below.

Eligibility Criteria

An application is eligible if:

- The project results in benefits to at least one renewable resource and is technically and financially feasible;
- The application is complete; and
- The project has no long term adverse environmental impacts.

Renewable Resource Benefits (60 percent of total score)

This scoring category is influenced by how likely the project will benefit renewable resources. Specifically, how the project will conserve, manage, develop, or preserve a renewable resource. Renewable Resource benefits will score higher in applications which **quantify predicted benefits**.

The renewable resource benefit score is based on the degree to which the project is predicted to:

- Have multiple benefits (conserve, manage, develop, protect);
- Benefit multiple renewable resources (surface water, groundwater, land, energy, etc.);
- Benefit regional or statewide renewable resources;
- Benefit an important resource (such as a blue-ribbon trout stream); and
- Achieve an objective in a natural resource management plan (such as the State Water Plan).

Additional tips for improving your score for resource and citizen benefits are listed at the end of Part 3 of this application.

Public or Citizen Benefits (15 percent of total score)

This scoring category is influenced by how likely the project will benefit the public economically or by improving public health and safety.

The citizen benefit score is based on the degree to which the project is predicted to:

- Benefit the local economy (e.g. increase the number of jobs, increase the local recreational use, increase the economic viability of a community);
- Benefit a regional or statewide economy; and
- Improve public health and safety.

Public benefits will score higher in applications that **quantify anticipated benefits**.

Technical and Financial Feasibility and Project Management (20 percent of total score)

This scoring category evaluates the applicant's ability to complete the project as described in the application.

Project feasibility is evaluated based on the degree to which the proposed project meets the following criteria:

- The project solves or mitigates a renewable resource problem.
- Alternatives considered address the stated problem and are developed to the extent costs and benefits can be compared.
- Selection of the preferred alternative is justified.
- Selection of the preferred alternative considers renewable resource benefits.
- The preferred alternative is technically feasible.
- Costs are reasonable and within industry standards.
- The expected funding sources are supported with documentation.

- The applicant considers timing and cost of DNRC reporting, permitting, public input, procurement, and other contingencies.
- The project management plan demonstrates the applicant's ability to anticipate problems and successfully complete the project.

Application Clarity and Project Value (5 percent of total score)

Reviewers evaluate projects based solely on information provided in the application.

Applications with the following attributes will receive higher scores in this category:

- All requested information is provided as outlined in the application.
- Narratives are clearly written.
- Assertions are supported by documentation.
- The project has documented public or stakeholder support.
- The project is part of a natural resource management plan (e.g. the State Water Plan).

Renewable Resource Grant and Loan Program

Application Checklist

This application is composed of the following parts. Each part is required by May 15, 2024 to submit a complete application.

- 1. Part 1: Application Summary**
- 2. Part 2: Proposal Abstract**
- 3. Part 3: Resource and Citizen Benefits**
- 4. Part 4: Technical Presentation**
- 5. Part 5: Project Management**
- 6. Part 6: Financial Presentation**
- 7. Part 7: Environmental Evaluation**
- 8. Authorizing Statement submitted to DNRC with application materials and application fee.**
- 9. One (1) Unbound Application including supporting documentation submitted to DNRC by application deadline.**
- 10. Online application www.dnrc.grants.mt.gov**

Part 1: Application Summary

1. **Applicant/Authorized Representative Name** _____
(Person authorized to enter into a grant agreement with DNRC)

2. **Project Title** _____
(Include the Public Entity Name and describe the specific project. Example: Bainville Water System Repairs and UV Treatment Upgrades)

3. **Public Entity Name** _____
(City, county, tribal government, district, other)

4. **Project Type** _____
(Example: irrigation, municipal, groundwater study, other)

5. **Project Location: Include a project map, site photograph, and the project location coordinates**
 - **Latitude:** (example: 46.85560) _____
 - **Longitude:** (example: -112.0494) _____

6. **State Senate District #** _____

7. **State House District #** _____

8. **County** _____
(Project location can be in more than one County)

Project Contacts

Identify Individuals working on this project.

APPLICANT: ELECTED OFFICIAL/AUTHORIZED REPRESENTATIVE:

(Name)

(Title)

(Street/PO Box)

(City/State/Zip)

(Telephone)

(Email)

PRIMARY CONTACT/LEAD PROJECT MANAGER:

(Name)

(Title)

(Street/PO Box) *(if different than the applicant)*

(City/State/Zip) *(if different than the applicant)*

(Telephone)

(Email)

GRANT/LOAN ADMINISTRATOR:

(Name)

(Title)

(Telephone)

(Email)

**PROJECT ENGINEER/ARCHITECT/CONSULTANT:
(if applicable)**

(Name of Engineer)

(Title)

(Telephone)

(Email)

LEGAL COUNSEL: (if applicable)

(Name)

(Name of Firm)

(Telephone)

(Email)

CLERK/CHIEF FINANCIAL OFFICER: (if applicable)

(Name)

(Title)

(Telephone)

(email)

BOND COUNSEL: (if applicable)

(Name)

(Title)

(Telephone)

(Email)

Part 2: Proposal Abstract

Prepare a brief project description that highlights the project's benefits supporting the RRGL Program purpose. The abstract, along with the project map and photograph, will be used for legislative approval and purposes.

Renewable Resource Grant and Loan Program Purpose

Invest in projects that will enhance or develop Montana's renewable resources and that will preserve for the citizens of Montana the economic and other benefits of the state's natural heritage. Refer to the program guidelines for more background information: <https://dnrc.mt.gov/docs/conservation/RD-Bureau/RRGL/RRGL-Program-Guidelines-2025-Biennium.pdf>

The abstract should include the project background, primary purpose, and a summary description of the project. **Abstracts are required to be less than 350 words.** The abstract will be incorporated into the RRGL Program's report to the Montana Legislature and provide accurate information that best describes the project's renewable resource benefits and other merits. Legislative assessment of the benefits of each project will be based primarily on ranking recommendations and this abstract.

Example:

The Newlan Creek Water District (NCWD) manages Newlan Creek Reservoir North of White Sulphur Springs and provides irrigation water in Meagher County. The dam has a total storage capacity of 14,030 acre-feet. Uses for the water include water storage for irrigation and flood control, flood prevention, recreation, fish and wildlife, and sediment control. The upstream guardian gate is leaking is reported to remain open approximately 2-inches. Water bypasses the gate and loses an estimated 2,984.8 acre-feet each year during the non-irrigation season. This water loss from storage cannot be used during the following irrigation season.

The DNRC Dam Safety Program issued a renewal of the five-year operating permit which included a permit condition requiring NCWD to repair or replace the gate if necessary. Water leaking into the outlet conduit from concrete pipe joints impacting soils in the dam embankment.

Part 3: Resource and Citizen Benefits

Describe how and to what extent your project would benefit a renewable resource. Projects with the greatest benefits to renewable resources tend to rank the highest. Provide a narrative addressing the following questions.

Resource and Citizen Benefits Narrative

1. What is the primary purpose of your project?

Describe the primary project purpose even if it may not benefit renewable resources. The RRGL Program is in place not to only encourage projects designed exclusively to benefit or develop renewable resources. It also encourages communities to include resource benefit activities in their larger projects.

2. What is the project's renewable resource benefit?

A. Identify the renewable resource(s) that will benefit from or be used by your project.

- Eligible renewable resources are surface water, groundwater, arable land, wetlands, riparian areas, fish, habitat, rangeland, renewable energy sources, and forests.
- Use the specific name and location of the resource(s).
- Is the resource important or highlighted (e.g. a blue-ribbon trout stream or an aquifer that is a drinking water source)?

B. Describe how the renewable resource will benefit or be used by your project.

- Describe the problem with the renewable resource that your project will address.
- In what way will your project conserve, manage, develop, or preserve the renewable resource? Under what time frame and for how long?
- Will the benefits or increase in sustainable use be measurable? If so, provide an estimate and a description of how you quantified the benefit.
- If your project is part of a natural resource plan, describe the plan and include a letter of support.

3. What is your project's citizen benefits?

Identify the citizen benefits that will result from your project.

- Describe the problem with the resource that your project will address.
- What is the economic benefit of the project? Will it be measurable? If so, provide an estimate. (e.g. Number of jobs created over a given period). Is the economic benefit local or region-wide?
- Does the project improve resource-based recreation? Is there a local or region-wide benefit?
- Describe how the project will improve health and safety. Is the benefit region-wide, community-wide, or does it primarily benefit a specific business such as an irrigation district?

4. What is the project's renewable resource benefit?

Describe the extent of the resource benefits? Acres, miles, etc...

- **Example:** Preserve 2.5 miles of streambank habitat OR conserve 23,000 kW of energy.

Tips for Improving the Resource and Citizen's Benefits Score

How the project is predicted to benefit renewable resources and Montana citizens comprises 75% of scoring criteria.

- Quantify predicted benefits.
- Projects with multiple benefits or that improve or develop multiple resources score higher.
- Projects without predictable impacts to renewable resources (e.g. research or education) may improve their score by describing how a similar project benefited renewable resources elsewhere.
- If your project is part of a resource management plan, cite the location in the plan that recommends the project and include a support letter from the organization that implements the plan.

Part 4: Technical Presentation

Describe the project that will take place during the grant term as distinguished from phases completed before or after the grant term. Discuss past phases or current phase only as part of the project history.

Example: An irrigation district is taking steps to improve irrigation infrastructure and is seeking funding to line irrigation canals. Currently, the district is installing new headgates on its main canal; in the future, the district plans to install measuring devices. In this scenario, the project proposal concerns only the canal-lining project. The applicant should discuss the merits of only the lining phase of the project. The future phase of installing measuring devices can be discussed as part of a long-term plan to increase water conservation in the system.

Technical Narrative

The Technical Narrative presents topics DNRC considers in evaluating the technical feasibility of the project. Projects not technically feasible will be ineligible for funding consideration. The description must provide enough detail to verify that the project is technically feasible and will achieve the project objectives. This information will be used as the scope of work for a grant agreement. This outline is not all-inclusive; you may address other topics.

All basic information requested in the Technical Narrative and the Environmental Evaluation should be provided in the main application text, not in the appendices. Appendices should provide supporting information and not serve as the primary source of information.

If critical information is contained in the appendices, it is not guaranteed to receive due consideration in the grant evaluation.

1. Project identification.

- Identify the physical location of the project including longitude and latitude coordinates. Provide a map that displays the relationship of the proposed project to the larger scale watershed, region, or resource that stands to benefit (include scale and a north arrow).
- Identify the project type (research, planning, design, construction, or others).
- Specifically describe the problem this project will address.

2. Discuss the project history, and describe all related work previously conducted.

- Discuss the circumstances that precipitated the need for the project.
- Discuss ongoing or past efforts made to address the problem or achieve the proposed purpose.
- Identify related facilities, programs, or other resources that support the project.

3. Describe the project purpose.

- Describe what part of your project meets the RRGL Program purpose. The project may have more than one purpose and the application should address and analyze each.
- Describe specific project implementation tasks.

4. Describe the renewable resource current condition.

- Describe what data currently exists and how it relates to understanding the current condition of renewable resources to be addressed by the project. Provide documentation where appropriate.
 - Describe underlying causes of the current condition.
 - What are the identified and potential causes of the problem? Of these, what are limiting factors—those factors most responsible for the current condition?
 - Which of these factors have been quantified and to what degree?
 - Describe any uncertainty about the importance of these factors.
5. **Describe the desired outcome.**
Describe in detail what changes are desired in the current condition and what the condition will be when the project has achieved its objectives (use qualitative as well as quantitative descriptions where possible).
- Which factors contributing to the current condition will and will not be addressed by the proposed project and to what degree?
 - How will these affect desired results?
6. **Describe the alternatives that will accomplish the same or substantially similar goals as that of the proposed project.**
Discuss alternatives that could accomplish the project's goals. At a minimum, two alternatives must be discussed in addition to the no action alternative. Projects without adequate alternative analysis will be required to provide additional alternative evaluations to be considered for funding.
7. **Compare the costs and benefits of each alternative and the reasons for selection of the preferred alternative.**
Descriptions of each alternative do not have to be as detailed as the description of the preferred alternative. Enough information must be provided to demonstrate that the alternatives were investigated and that the proposed alternative provides either greater resource benefits at the same costs or similar resource benefits at a lower cost. If costs and benefits of the project cannot be quantified, provide a narrative discussion of the cost and benefits.
8. **Provide a specific description of the project implementation plan.**
- Describe the overall approach to project implementation.
 - Identify each of the project phases, and the specific tasks comprising each phase, and then relate them to the project's purpose.
 - Identify project staff for the project tasks and quantify staffing time necessary to complete the project.
 - Identify contracted services necessary to complete the project.
 - Identify all permits, regulatory approvals, or easements necessary to complete the project.
 - Indicate whether the project is a phase of a larger project for which additional funding is needed and, if so, the targeted funding sources.
 - Describe the measures that will be undertaken to ensure long-term effectiveness.
 - Describe how the project sponsor will meet the DNRC reporting requirements.

8. Provide a project schedule.

- Provide specific dates the work under the proposed project will be started and completed.
- The project schedule should only include items in the tasks for the project and are funded through this grant application.

10. Provide supporting technical documentation.

- Provide information on the natural features of the project area, e.g. soils, vegetation, and hydrology.
- Include any draft and/or completed technical reports and studies related to the project.
- Provide a topographic map or aerial photo that shows the project location by sections, townships, and ranges. (Show titles on all maps and include both a scale and a north arrow.)
- Identify all applicable statutes, rules, regulations, and standards to be met.

Part 5: Project Management

Describe the project management plan. Applications which do not address the project management components listed below may be ineligible for funding consideration.

Project Management Narrative

Briefly discuss how you will implement this project from funding through project completion in **500 words or less**. Use the outline below to organize your presentation. This outline is not all-inclusive; you may address other topics.

1. Identify staff requirements needed for successful project management. Discuss how you plan to meet those requirements. If possible, identify the individual members of your project management team, including any already properly procured consultants who will provide project management services. Include the project grant management plan <https://dnrc.mt.gov/docs/conservation/RD-Bureau/RRGL/Grant-Management-Plan-Instructions.docx>
2. Summarize the procurement procedures and requirements related to your project.
3. Discuss coordination activities with other local, state, or federal agencies needed to implement the project and if the plan is part of another on-going or planned action.
4. Discuss your public involvement plans during the planning and implementation of your project through completion and closeout.
5. Describe how you will manage consultants responsible for completing major project tasks. Discuss how you will remain current on the status of consultant and contractor activities as project tasks are completed.
6. All projects must follow applicable state, federal and local laws.

If you are developing a new water appropriation that is water storage, water conservation, water salvage or water reuse project, or changing an existing water right with the project, contact your local DNRC Regional Office and have your project reviewed.

- Attach a letter to this application that indicates if a permit, change authorization or no action is required.
- If the DNRC determines the proposed project to be developing state water through the application evaluation it may affect your ability to receive funding through the RRGL program.

Activities that occur in designated Sage Grouse habitat are subject to Executive Order 12-2015. Consult with the Sage Grouse Habitat Conservation Program prior to submitting a grant or loan application.

- See the program webpage for more information: <https://sagegrouse.mt.gov>

Part 6: Financial Presentation

Describe the proposed project financial management plan. Applications must address the financial narrative section, financial documentation section, and the budget forms below to be eligible for funding consideration.

Project Costs vs. Program Costs

DNRC reimburses project specific costs only. Reimbursable costs are costs that will be incurred only by implementing the project as described in the grant agreement.

Ineligible or non-reimbursable program costs are costs are those not directly related to the project. This may include but is not limited to advertising, routine project monitoring or maintenance, repair and maintenance of vehicles, equipment (unless approved by the Department), office rent, repayment of debt, professional licenses or memberships, utilities, maintenance, legal fees not associated with the project, salary and benefits unless the work-hours are directly related to the project and accounted for, or any other costs that pay for ongoing or general services of the applicants.

The RRGL Program **cannot reimburse for any indirect costs** OR any portion of a salary of a state employee, including University System employees.

The Administrative Rules of Montana, ARM [36.17.607](#), defines program costs and project costs as follows:

(11) "Program costs" means non reimbursable costs not directly related to the project. Program costs include, but are not limited to:

- a. office rent that will be incurred whether or not the project is implemented;
- b. salaries of existing fully funded staff positions unless the work-hours associated with the project are accounted for; or
- c. any other costs that pay for ongoing or general services of the applicant.

(12) "Project costs" means costs that will be incurred only by implementing the project described in the application, and whose funding source is:

- a. RRGL program funds;
- b. matching dollars; or
- c. in-kind contributions.

The following tasks are ineligible for reimbursement:

- Activities outside of the scope of work, including advertising, salaries and benefits, travel, conferences, professional licenses or memberships, and other expenses not directly related to the project.
- Routine costs incurred by the applicant for maintenance and operation, including advertising, office rent and utilities, salaries and benefits, routine project monitoring or maintenance and routine repair and maintenance of vehicles and equipment, as well as tasks that are programmatic in nature (see project costs vs. program cost explanation above).
- Repayment of debt.
- Legal fees not associated with the project or approved by DNRC.
- Indirect costs (for example, facilities and administration or overhead). Indirect costs may be listed as matching funds.

Financial Narrative

The financial narrative must clearly demonstrate the funding will be available to complete the project within the proposed budget.

- The application budget forms **may not** be used in lieu of the narrative.
- Projects must be financially feasible to be eligible.
- Failure to submit adequate financial information will jeopardize your chance of receiving project funding. This outline is not all-inclusive; you may address other funding categories as applicable.

The financial narrative must describe the use of funds committed to the project from DNRC and from matching funding sources. Do not include the costs for phases of construction completed before or after the term of a DNRC funding agreement.

Provide a narrative addressing the following questions.

Grant Information

1. Total Budget

The narrative must explain the basis of the figures provided in the budget tables and how they match the Scope of Work. Show how the amounts in each budget line items were calculated.

Example: If the project budget lists \$12,600 in material costs, provide the breakdown for all material costs (120 tons of gravel @ \$30 per ton = \$3,600 and 50,000 square feet of geo-textile material @ \$0.18 per square foot = \$9,000. Total material cost = \$12,600).

Tip: Definitions are available in **Attachment F** for budget expenditure categories

The administrative/financial costs cover the costs of implementing a local project, including the cost of local government personnel involved with managing the project; the cost of the local project audit; and other contractual costs for professional services (e.g. hiring a project manager) that may be associated with administration of the program. It is recommended that applicants budget adequate resources for the final project audit.

Administrative/financial costs must be appropriate to ensure cost-effective management of the project being undertaken. Any proposed administrative/financial costs must be eligible, fully supported, and explained.

Applicants, which propose to contract for project management assistance with a consultant or other entity, must specifically itemize this amount in the administrative budget and explain it.

2. Construction Costs

These costs include all the costs associated with construction: construction contract costs, material purchases, land purchases directly related to the project, and a reasonable contingency. You may include an inflation factor, accounting for time lapse between project approval and receipt of funding. Identify this cost on the budget forms.

- a. Provide enough information to clearly show how the construction cost estimates were developed.
 - b. Describe unit costs where applicable.
 - c. Provide the preliminary cost estimates used to evaluate the alternatives to the proposed project.
 - d. Provide the funding associated with construction contingency for all projects.
- 3. Identify the operation and maintenance costs necessary to support the project in the future. Identify the source of funds you will use to cover these expenses.**
Discuss how you plan to fund the ongoing operation and maintenance of facilities and infrastructure constructed with grant or loan funding.
- 4. Describe the funding structure that ensures the project is financially feasible.**
Demonstrate that adequate funding sources available to complete the proposed project.
- a. Indicate any costs which remain undefined at the time of application.
 - b. If the funding structure for your project contains uncommitted grant funds, please provide an explanation of how the project could proceed if the uncommitted grants were not realized, such as phasing the project.

Loan Information

1. Will tax revenues be pledged for repayment? If yes, will this be a special tax levy (e.g. special improvement district) or will it be a pledge of the general taxing authority of the local government?
2. Will rates and charges be pledged for repayment (example: a revenue bond)? If yes, please describe the rates and charges of the system. Include in this discussion information about number of users and the method of calculating the rates (e.g. is it based on quantity of water or on a per hook-up basis). Also, using the last fiscal year's information, what were the total revenues of the system and what was the cost of the operation and maintenance of the system?
3. Is there any outstanding debt that relies on the same revenues that will be the basis of the DNRC loan? If yes, what is the amount of the debt, what is the remaining term of the debt, and, if possible, please provide a copy of the bond resolution associated with the outstanding debt.
4. Use a rate of five percent (5%) over a 20-year term to calculate annual debt service payments associated with a Renewable Resource loan. Using this information along with current rate or tax information for the system, discuss the overall financial status of the local government. To be eligible for a below-market rate of interest, the applicant must demonstrate a high financial need.

Financial Documentation

Submit supporting documentation to provide evidence of the financial feasibility of the proposed project.

1. **Include copies of estimates used to generate the project budget.**
2. **If you applied to other funding agencies for grant and/or loan funds for the same**

project, or if you intend to apply for additional funding in the future, provide the following:

- a. Indicate the expected date a funding decision will be made if you requested a grant or a loan; and
- b. If funding has been secured, provide a copy of the notice of award.

3. If other agencies, associations, or individuals will provide in-kind or match funding, provide the following information:

- a. If funding has not been secured, provide copies of correspondence with the date assistance was requested, the type of assistance (whether matching dollars or in-kind contribution) and the amount requested, the date a funding decision is expected;
- b. If funding has been secured, provide copies of correspondence documenting funding commitments and type of funds committed (matching dollars or in-kind contribution);

- c. If the RRGL Grant is providing partial funding, describe how the RRGL Grant fits into the overall funding plan;
- d. Identify matching funds or in-kind contributions that support the project budget;
- e. Identify other sources and amounts of matching dollars; and
- f. Identify other sources and amounts of in-kind contributions. Eligible in-kind contributions are those project-specific contributions associated directly with project implementation.

If the proposed project budget includes in-kind labor, always reference the source for your labor value estimate whether it is this guidance or the U.S. Bureau of Labor Statistics at the following website specific to labor values for Montana: https://www.bls.gov/oes/current/oes_mt.htm

Example: A floodplain project where cost of the entire project is \$4 million. The project has four different funding entities; describe specifically what the RRGL funds will fund.

Budget Forms

Complete the budget forms to detail the total estimated project cost. Show costs that you will document during project implementation. Include only costs directly related to the project.

Use one column for each sponsor and for each type of funding (grant or loan). Add more columns as needed Place the name of contributors from other sources in the "other" columns. If all sources of funds are not secured, label one column "Unknown." The sum of the totals of each column must add up to the total estimated project cost.

The following budget forms are categorized by project tasks e.g. grant administration, project design and construction. Additional forms may be used for other budget categories.

Budget Forms for Renewable Resource Projects

Project Administration Tasks

Date _____

| Category | DNRC Grant | DNRC Loan | Project Sponsor | Other <hr style="width: 50%; margin: 0 auto;"/> <i>(Specify)</i> | Other <hr style="width: 50%; margin: 0 auto;"/> <i>(Specify)</i> | Other <hr style="width: 50%; margin: 0 auto;"/> <i>(Specify)</i> | Total |
|--|------------|-----------|-----------------|---|---|---|-------|
| Grant/Loan Administration (Applicant) | | | | | | | |
| Grant/Loan Administration (Contracted Services) | | | | | | | |
| Payroll and/or Accounting Expenses | | | | | | | |
| Audit | | | | | | | |
| DNRC Reporting | | | | | | | |
| Other, please itemize | | | | | | | |
| Subtotal | | | | | | | |
| Project specific communication expenses (describe) | | | | | | | |
| Administrative supplies (describe) | | | | | | | |
| Other, please itemize | | | | | | | |
| | | | | | | | |
| Total Administration | | | | | | | |

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Budget Forms for Renewable Resource Projects

Professional and Technical Tasks (project design, engineering oversight, etc...)

Date _____

| Category | DNRC Grant | DNRC Loan | Project Sponsor | Other <u> </u> <i>(Specify)</i> | Other <u> </u> <i>(Specify)</i> | Other <u> </u> <i>(Specify)</i> | Total |
|---|------------|-----------|-----------------|--|--|--|-------|
| Professional/technical service | | | | | | | |
| Professional _____ | | | | | | | |
| | | | | | | | |
| Other contracted services | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Subtotal Technical Services | | | | | | | |
| Other costs, please itemize | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total Professional & Technical | | | | | | | |

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Budget Forms for Renewable Resource Projects

Construction Tasks

Date _____

| Category | DNRC Grant | DNRC Loan | Project Sponsor | Other <i>(Specify)</i> | Other <i>(Specify)</i> | Other <i>(Specify)</i> | Total |
|------------------------------|------------|-----------|-----------------|---------------------------|---------------------------|---------------------------|-------|
| Labor | | | | | | | |
| Materials | | | | | | | |
| | | | | | | | |
| Construction | | | | | | | |
| Other, please itemize | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Subtotal Construction | | | | | | | |
| Other, please itemize | | | | | | | |
| | | | | | | | |
| Contingency | | | | | | | |
| Total Construction | | | | | | | |

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Budget Forms for Renewable Resource Projects

Additional/Other Tasks

Date

| Category | DNRC Grant | DNRC Loan | Project Sponsor | Other <i>(Specify)</i> | Other <i>(Specify)</i> | Other <i>(Specify)</i> | Total |
|-----------------|------------|-----------|-----------------|---------------------------|---------------------------|---------------------------|-------|
| | | | | | | | |
| | | | | | | | |
| Subtotal | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total | | | | | | | |

Total Tasks Costs

| | | | | | | | |
|---|--|--|--|--|--|--|--|
| Total Administration | | | | | | | |
| Total Professional & Technical | | | | | | | |
| Total Construction | | | | | | | |
| Additional/Other | | | | | | | |
| Additional/Other | | | | | | | |
| Total Project Cost | | | | | | | |

Applicant Affordability Data

Complete the following section if the project generates revenue through user fees or assessments.

Irrigation and Sewer or Water Project are required to enter a '0' value or actual value corresponding to the project type.

For Sewer or Water System Projects:

| | Current | Projected |
|--|---------|-----------|
| Number of residential users served | _____ | _____ |
| Average monthly residential water rate | _____ | _____ |
| Average monthly residential sewer rate | _____ | _____ |
| Type of billing system used (flat fee or metered) | _____ | _____ |

For Irrigation System Projects:

| | Current | Projected |
|--|---------|-----------|
| Number of irrigated acres served | _____ | _____ |
| Annual assessment per acre | _____ | _____ |
| or | | |
| Number of acre-feet of water sold annually | _____ | _____ |
| Cost of water per acre-foot | _____ | _____ |

Part 7: Environmental Evaluation

All applicants must consider the potential environmental impacts of their projects. Consideration of these impacts on the location, design, or construction actions may help avoid expensive mitigation or construction costs. A project will not be eligible for funding if it results in significant adverse impact after mitigation.

Please complete the Environmental Checklist below as the information provided will be subject to a MEPA assessment by DNRC. If an Environmental Assessment has already been completed for the proposed project, please attach it to the application in place of this evaluation.

[Environmental Checklist](#)

- ✓ For additional instructions on how to fill out the environmental checklist, please see our [Resources and Training](#) page.

Authorizing Statement

A. Grant Authorization

I certify that the information and the statements in this application are true, complete, and accurate to the best of my knowledge. I certify that the project or activity as described in this application complies with all applicable state, local and federal laws and regulations. By my signature below, I certify that I have knowledge of and understand the content of this application and that I am fully authorized to apply to the Department of Natural Resources and Conservation (DNRC) for the grant specified in the submitted materials.

I further declare that, for _____ (Entity Name), I am legally authorized to enter into a binding contract with the DNRC to obtain funding if this application, _____ (Title), is approved. I understand that all funds must be both authorized by the Montana Legislature and available in the natural resources project account before grants are available.

A facsimile, photocopy or electronic copy of the signature below shall have the same force and effect as an original signature and an electronic signature shall be regarded as an original signature. 30-18-102, MCA.

/s/ _____
Signature and Title of Authorized Representative Date

Printed Name and Title of Representative Entity Name

B. Loan Authorization

I certify that the information and the statements in this application are true, complete, and accurate to the best of my knowledge. I certify that the project or activity as described in this application complies with all applicable state, local and federal laws and regulations. By my signature below, I certify that I have knowledge of and understand the content of this application and that I am fully authorized to apply to DNRC for the loan specified in the submitted materials.

I understand that all funds must be authorized by the Montana Legislature, that loan funds will become available after the sale of state bonds, and that I will be expected to enter into a loan agreement when funding is available and according to my construction schedule.

I further declare that, for _____ (Entity Name), I am legally authorized to enter into a binding contract with the DNRC to obtain loan financing if this application is approved.

A facsimile, photocopy or electronic copy of the signature below shall have the same force and effect as an original signature and an electronic signature shall be regarded as an original signature. 30-18-102, MCA.

/s/ _____
Signature and Title of Authorized Representative Date

Printed Name and Title of Representative

APPENDIX A: TERMS

Amendment

An amendment is a formal modification to a grant agreement. It is written, signed by both DNRC and the subrecipient, and legally incorporated into the Grant Agreement.

Applicant

"Applicant" means the following who submit an application under the act, meeting the purposes and policies of the act pursuant to 85-1-601, MCA:

- (a) a local governmental or state governmental entity eligible under 85-1-605, MCA;
- (b) a tribal government eligible under 85-1-605, MCA; or
- (c) a private person that is an individual, association, partnership, corporation, or other governmental entity that is not eligible for loans and grants under 85-1-605, MCA.

Application

"Application" means an application for a renewable resource grant or loan submitted by an applicant in accordance with the act and the rules adopted pursuant to the act.

Authorized Person

The Authorized Person is the individual authorized to enter into a grant agreement with the State of Montana on behalf of the applicant entity. DNRC requires that applications be signed by an authorized representative of the applicant entity (for example, a mayor, county commissioner, board chair, district supervisor, etc.). Application forms CANNOT be signed by a different representative (for example the City Manager or Town Clerk), even if that representative has signing authority within the local government. This is because DNRC has no way of knowing who has signing authority within the local government entity. Additionally, DNRC needs to be confident that the authorized signatory can enter into a grant agreement in the future should the application be successful.

Awards

DNRC will issue an award letter to an applicant that contains information on the amount of the award as well as program requirements. DNRC may only authorize reimbursement of eligible project costs once a Grant Agreement has been executed. See Appendix C Award Letter Example. Award letters will detail:

- Total Grant Award
- Eligible Project Costs (Dates)
- Startup Requirements
- Match Requirements
- Procurement Requirements
- Program Specific Requirements/Limitations

Budget Categories

Budget categories for direct costs in a DNRC Grant Agreement may include Personnel Costs, Equipment, Contracted Services. Please see guidance on writing a budget narrative online: <https://dnrc.mt.gov/docs/conservation/ARPA/Tools-and-Resources/How-to-Write-a-Budget-Narrative-ARPA.pdf>

Personnel Costs

Personnel Costs, also referred to as payroll charges, include compensation paid to employees as wages or salaries and related fringe benefit costs for services provided for the benefit of the grant award project during the term of the grant agreement. As with any cost attributed to the grant

agreement, personnel costs must meet the general test of allowability in that the costs must be necessary, reasonable, and allocable to the award.

Personnel costs can be checked for reasonableness by comparing compensation with other organizations' pay for similar work, or if no similar work exists, with market salary standards. The charges must be consistent with other **payroll charges and organizational policies, and they must not be charged elsewhere to another award or function.**

Fringe benefit costs associated with payroll charges (such as the employer's portion of payroll taxes; health insurance premiums; workers' compensation insurance; contributions to retirement programs; and compensated absences such as vacation, holiday, military, and sick leave) are also allowable, provided the benefits are reasonable and required by law, employee agreement, or established policy of the grant recipient.

All salaries, wages, and benefits claimed as direct costs to grant awards must be based on the recipient's documented payroll records. Time and attendance records (including work schedules, calendars, and time sheets) may be used to document payroll charges.

Please see DNRC CARDD Grant Reimbursement for Personnel Expenses Guide online: <https://dnrc.mt.gov/docs/conservation/CARDD-Training/DNRC-Reimbursement-for-Personnel-Services-Guide-Final.pdf>

Equipment

Equipment is defined as tangible property having a useful life of more than one year and a per-unit acquisition cost. Not all DNRC grant programs allow for the purchase of equipment. If it is permitted by the grant program, Program Managers will work with the applicant during the application process to determine the eligibility of equipment purchase. If the purchase of equipment is determined to be an allowable cost, it will be clearly noted in the grant agreement's budget table, and the grant recipient will be required to follow all state and local guidance related to the acquisition and disposition of the equipment.

Materials or Supplies

Materials or supplies are defined as purchases necessary to support the grant activities that do not meet the definition of equipment above and are generally less than \$5,000. Materials and supplies are not expected to have a useful life beyond the immediate needs of the project.

Contracted Services

The Contracted Services budget category includes costs incurred for services provided under contract in support of the award-funded project. Contracted services represent an actual **procurement**, or purchase, of services.

DNRC can allow reimbursement for local governments to provide their own labor, equipment, or materials under specific circumstances. Please see <https://dnrc.mt.gov/docs/conservation/ARPA/Tools-and-Resources/Non-DEQ-Project-Guidelines-FINAL.pdf>

The State of Montana requires that projects must be designed and inspected during construction by a Montana registered engineer and all land surveying projects must be performed by a Montana registered land surveyor Montana Code Annotated (MCA) 18-2-121.

Local Government Provides Labor and Equipment for Construction. Local governments must request authorization to use their own labor and equipment for construction projects. Common types of these projects are canal/ditch conversion to pipe and canal lining.

- Procurement of materials must follow federal, state and/or local procurement laws, rules, and regulations.
- The entity must provide DNRC with documentation of similar projects constructed or must provide DNRC with the manpower and machinery available to complete the construction according to plans and specifications.
- Accurate expense records of labor and machinery used for construction must be kept and provided to DNRC for reimbursement.
- A licensed engineer or surveyor registered in Montana must be present for inspection and completion of the project (MCA 18-2-121).
- DNRC requires As-Builts that are certified by a licensed P.E. as part of the Final Reporting Requirements.

Grant Agreement

The Grant Agreement is a legally binding contract between DNRC and the Grant Recipient to allow DNRC to reimburse the Grant Recipient for approved project activities.

Grant Recipient

A Grant Recipient is the entity legally allowed to carry out project activities as part of a DNRC Grant Program.

Eligible Expenses (Allowable Costs)

To be considered allowable under a grant award, a project cost must, at a minimum, be allocable, reasonable, and necessary.

- **necessary** to accomplish the project objectives as described in the Grant Agreement and applicable industry or program standards;
- **reasonable** for proper and efficient performance and administration of the grant award. A cost is “reasonable” if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost; and
- **allocable** to the grant award. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to the cost objective in accordance with the relative benefits received.

Additional general criteria for allowability of costs require that the cost also:

- be authorized or not prohibited under state or local laws or regulations;
- conform to any limitations or exclusions set forth in cost principles established by federal or state laws, terms and conditions of the grant agreement, or other governing regulations as to types or amounts of cost items;
- be consistent with policies, regulations, and procedures that apply uniformly to both state grant awards and other activities of the grant recipient;
- be accorded consistent treatment. A cost may not be assigned to the grant agreement as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to another grant agreement or subaward;
- be determined in accordance with the grant recipient’s accounting records;
- be adequately documented.

Ineligible Expenses

DNRC cannot reimburse expenses for:

"Program costs" or "Indirect costs" means non-reimbursable costs not directly related to the project. Program costs include, but are not limited to:

- office rent that will be incurred whether or not the project is implemented;
- salaries of existing fully funded staff positions unless the work-hours associated with the project are accounted for; or
- any other costs that pay for ongoing or general services of the applicant.

These costs are incurred for a common or joint purpose benefitting the organization and are not readily assignable to the project objectives. These costs tend to be necessary for the operation of an organization as a whole and benefits are shared across all programs.

Examples include:

- Utilities
- Operations and maintenance
- Routine compliance monitoring expenses
- Licenses, memberships, and subscriptions
- Communications
- Office equipment
- Costs of recurring/regular meetings, and
- Organizational newsletters.

Other ineligible project costs include:

- Costs incurred outside the eligible term in the grant agreement
- Political lobbying or litigation
- Land or property acquisition
- Food or beverages
- Travel expenses that exceed the State of Montana Travel Policy
- Activities that limit lawful access to property (see [MCA 85-1-602 \(4\)](#))
- Repayment of loans, and
- Prepayment of anticipated costs of future activities.

Match

Match is the portion of project costs not paid with grant funds. It is usually the recipient's contribution or a third party's donated services or supplies. For grant awards that require match, the recipient must document, according to the terms of the Grant Agreement, that the match requirement has been met. Costs used to meet a match requirement must be allowable under the applicable cost principles and must meet program guidance and documentation requirements. Failure to properly record match expenses may result in the termination of the Grant Agreement or the withholding of grant reimbursements by DNRC until appropriate documentation is provided.

Match Requirements

Matching contributions may be in the form of **in-kind** or **cash** from local, state or federal sources. However, all contributions must be targeted for expenditure on the **project specifically identified in the application**.

Costs claimed as match must meet all the following criteria

- Matching funds must be substantiated by accounting records
- Be necessary and reasonable for the accomplishment of project objectives, and
- Be considered eligible as meeting program requirements.

Cash Match (Hard Match)

Cash Match, also referred to as hard match, is the actual cash outlay contributed to the project by the subrecipient or third parties, such as project partners and beneficiaries.

In-kind Match (Soft Match)

Eligible in-kind contributions are those project-specific contributions associated directly with **project implementation**. In-kind Match, also referred to as soft match, is the value of **non-cash** contributions provided by grant recipients or third parties. In-kind contributions may be in the form of goods, labor, services, facilities, space, personnel, materials, or equipment calculated at **fair market value**. Note that third-party in-kind match contributions count toward satisfying a match requirement only when, if the party receiving the non-cash contributions were to pay for them, the payments would be allowable costs.

Donated Services - Volunteers

Volunteer services furnished by professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as match if the service is an integral and necessary part of an approved subaward-funded project or program.

Values claimed for volunteer services must be consistent with costs of similar work performed in the subrecipient's organization or in the local labor market. If an entity does not have volunteer service rates readily available, an acceptable Montana-specific average cost per hour for unskilled volunteer services can be found at http://www.independentsector.org/volunteer_time.

Budgets including in-kind labor, always reference the source for your labor value estimate. It may be helpful to use the U.S. Bureau of Labor Statistics website to estimate labor values for Montana: https://www.bls.gov/oes/current/oes_mt.htm.

If volunteer services are approved to be claimed as match, the recipient should maintain documentation on:

- Name of volunteers (who)
- Dates of volunteer work (when)
- Tasks completed by volunteers (what)
- Total hours worked by volunteers (how many), and
- Source of the labor or volunteer rate.

Donated Services

Other examples of donated services may include use of equipment, printing, website maintenance or server space, telephone services, transportation costs, or administrative or accounting services provided in support of the program. These donated services should be valued at the fair market value for the services or what the entity would have to pay for the services if they were not donated.

Donated Goods

A recipient may receive donations of supplies necessary to accomplish project goals, the reasonable value of which may be used for match requirements of the program. The value assessed must not exceed fair market value at the time of the donation. DNRC will require recipients to provide supporting documentation on basis for determining the value of donated goods claimed as match.

Memorandum of Understanding (MOU)

This is an agreement between the eligible entity, or grant recipient and a non-eligible entity that must clearly spell out the roles and responsibilities of each party to ensure the success of the project activities as specified in the grant award. It must also clearly define the financial arrangement to ensure that DNRC grant funds are not disbursed to the non-eligible entity. Non-eligible entities may not be a beneficiary of DNRC grant funds. Appendix D: Example Memorandum of Understanding.

Pass-Through Entity

When a grant recipient transfers or subawards funds to another entity to incur project costs and execute the project activities, this is considered a pass-through or subrecipient agreement. DNRC grants generally do not allow for Grant Recipients to pass-through or subaward grant funds to a third party.

Procurement

Grant recipients are responsible for ensuring any procurement using DNRC grant funds, or payments under procurement contracts using such funds are consistent with the procurement standards set forth in the Montana Procurement Act (Title 18, Chapter 4) and local procurement laws, rules, or policy. Grant recipients are responsible for determining the most appropriate instrument of procurement. See Appendix E for State of Montana Procurement Limits and a Limited Solicitation Worksheet.

Procurement Plan

A procurement plan provides for free and open competition, transparency in transactions, comparability, and documentation of all procurement activities to demonstrate compliance with the Montana Procurement Act and local procurement laws, regulations and policies. The procurement plan should cite the steps a grant recipient will undergo to ensure that prior to requesting reimbursement, all project expenditures are eligible.

Procurement Documentation

Grant recipients must maintain records sufficient to detail the history of procurement. Records include, but are not necessarily limited to, the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and basis for the contract price. This documentation may be requested and reviewed by DNRC in the course of grant monitoring activities or by independent auditors during an audit. **Documents must be held for five years after the termination or expiration of the Grant Agreement.**

Reimbursement

DNRC reimburses eligible project costs on a **reimbursement basis**. To be eligible for reimbursement, costs must be incurred within the dates specified in the grant agreement. DNRC will only reimburse costs if they are included in the approved scope and budget in the executed grant agreement. Grant recipients must document eligible costs in order to receive reimbursement, which includes a progress report, copies of vendor invoices, completed budgets, documentation of match (if required) and DNRC may request proof of payment prior to authorizing reimbursement. See DNRC CARDD's Reimbursement Requirements Guide online: https://dnrc.mt.gov/_docs/conservation/CARDD-Training/DNRC-Reimbursement-Request-Guide-Complete.pdf

Sponsor

Eligible entities may "sponsor" a grant on behalf of an entity that is not eligible to receive grant funds from DNRC. Eligible entities, or applicants, must have a material connection to the work being performed and are the legal party for purposes of project representation, negotiations, and communications. DNRC will require that a grant applicant sponsoring a grant for ineligible entity provide an executed Memorandum of Understanding (MOU). Appendix D: Example Memorandum of Understanding for example language.

APPENDIX B: ELIGIBILITY AND RANKING

The criteria for eligibility and ranking RRGL Grant Applications are established in ARM [36.17.610](#). Private grants have additional ranking considerations outlined in [MCA 85-1-609](#) and [MCA 85-1-610](#). For each grant cycle, DNRC will publish the guidelines to the eligibility and numerical points to be awarded for the following criteria:

Eligibility:

Applicant Eligibility:

- ✓ Local Government ([MCA 85-1-605](#)) - Project, Planning, Emergency, Irrigation Development, Watershed Management, Nonpoint Source Grants.

Private Person (85-1-606) – Private, Irrigation Development, Watershed Management, and Nonpoint Source Grants.

Eligible Activities ([MCA 85-1-602](#)):

- ✓ Feasibility, design, research, and resource assessment studies.
- ✓ Preparation of construction, rehabilitation, or production plans.
- ✓ Construction, rehabilitation, production, education, or other implementation efforts.

Eligible Projects ([MCA 85-1-602](#)):

- ✓ Development of natural resource-based recreation;
- ✓ Development of natural, offstream, and tributary storage;
- ✓ Improvement of water use efficiency, including development of new, efficient water systems, rehabilitation of older, less efficient water systems, and acquisition and installation of measuring devices required under 85-2-113; monitoring; and development of state, tribal, and federal water projects;
- ✓ Water-related projects that improve water quality, including livestock containment facility projects, soil and range health projects, and the maintenance and repair of source watersheds;
- ✓ Water-related projects that improve water quantity, including streamflows and water storage in existing natural systems, such as riparian areas, flood plains, and wetlands;
- ✓ Advancement of farming practices that reduce agricultural chemical use; and
- ✓ Projects that facilitate the use of alternative renewable energy sources, as defined in 15-6-225.

RRGL Eligibility ([ARM 36.17.610](#)):

- ✓ Project must have renewable resource benefits – see Renewable Resource Benefits Ranking below.
- ✓ Project must result in public benefits – see Public Benefits Ranking below.
- ✓ Project is technically feasible:
 - Adequate alternative analysis.
 - Adequate cost estimate for the potential alternatives.
 - Adequate cost estimate for the preferred alternative. **Eligibility evaluates applicant's total project budget including committed cash match. Projects that fail to provide an adequate budget narrative to justify project costs may receive a reduced award or be ineligible for grant funds.** Please see the guidance on how to write a budget narrative online: <https://dnrc.mt.gov/docs/conservation/ARPA/Tools-and-Resources/How-to-Write-a-Budget-Narrative-ARPA.pdf>

- Preferred alternative selection.
- Thoroughness and feasibility of the project's implementation plan and schedules.
- Quality of supporting technical data.
- ✓ Project Management Plan is adequate and can support the project:
 - Past management problems
 - Other concerns
- ✓ Project may NOT reduce, restrict, or prohibit any lawful access to the property that existed prior to the project's implementation.
- ✓ Project may NOT result in a long-term adverse impact to public benefits: land, air, water, fish, wildlife or recreation opportunities. [MCA 85-1-601](#)

Renewable Resource Benefits Ranking ([ARM 36.17.610](#)):

Points must be awarded for renewable resource benefits related to the project. If a project has no renewable resource benefits, it is ineligible for a grant.

| Renewable Resources | Conserve | Develop | Manage | Preserve |
|---------------------------------|-----------------|----------------|---------------|-----------------|
| Surface Water | | | | |
| Ground Water | | | | |
| Wind | | | | |
| Renewable Energy | | | | |
| Soil | | | | |
| Wetlands | | | | |
| Fish and Aquatic Habitat | | | | |
| Wildlife Habitat | | | | |
| Range Land | | | | |
| Crop Land | | | | |
| Forests | | | | |

Total Renewable Resource Score:

"Conservation" means the promotion of efficient and/or sustainable use of a renewable resource.

"Development" means a new beneficial and sustainable use of a renewable resource.

"Management" means activities that improve governing entities' ability to control and administer a renewable resource.

"Preservation" means the protection of a renewable resource from pollution, destruction, or neglect.

"Renewable resource" means a sustainable natural resource including water, wind, renewable energy, soil, wetlands, fish and aquatic habitat, wildlife habitat, range land, crop land, and forests.

Public Benefits Ranking ([ARM 36.17.610](#)):

Points must be awarded for public benefits. If a project has no public benefits, it is ineligible for a grant.

| Citizen Benefits | Common Well-Being (State's Natural Heritage) | Human Health or Safety* | Welfare (Economic) | Recreation |
|------------------|--|-------------------------|--------------------|------------|
| Applicant | | | | |
| Local | | | | |
| Regional | | | | |
| Statewide | | | | |

Total Public Benefits Score:

Tie Breaker Points:

Project Implements State Water Plan:

Project will Mitigate Human Health or Safety Problems*:

Total Project Score:

Applications shall be assigned a net ranking score based on the points gained or lost. Once the applications have been ranked, DNRC creates a priority list of all of the applications.

Private Grants Eligible Projects ([MCA 85-1-609](#))

- ✓ Water-related project.
- ✓ Will promote, enhance, or advance the purpose (85-1-601), policies, and objectives (85-1-602) of the renewable resource grant and loan program; *See RRG Eligibility and Renewable Resource Benefits and Public Benefits Ranking.*
- ✓ Will be constructed, developed, and operated within the state of Montana; *Example, private grants are only available for a primary residence for a Montana resident.*
- ✓ Will be economically feasible. (A project is economically feasible if the project benefits exceed the project costs. The department shall consider only quantifiable benefits and costs in calculating economic feasibility.) *See the Public Benefits Ranking below.*
- ✓ Will be an efficient use of natural resources, including water, energy, land, and air. (An efficient use is one that minimizes waste.)

- ✓ Will provide multipurpose facilities to the extent practicable;
- ✓ Will comply with statutory and regulatory standards protecting the quality of resources such as air, water, land, fish, wildlife, and recreational opportunities;
- ✓ Will provide associated public benefits in addition to any private benefits the project may provide; and
- ✓ Is needed to accomplish the purpose for which the project is proposed;
- ✓ Applicant has adequate financial resources to construct, operate, and maintain the project. The department shall consider financial resources from any source for which the applicant has qualified, including a renewable resource grant or loan.
- ✓ Applicant holds or can acquire all necessary lands, other than public lands, and interests in the lands and water rights necessary for the construction, operation, and maintenance of the proposed project;
- ✓ Applicant is able and willing to enter into a contract with the department for construction or development of the proposed project.
- ✓ Applicant has committed match of 50% of total project cost MCA-85-1-614.

Private Grants – Additional Ranking ([MCA 85-1-610](#))

Renewable Resource Benefits Ranking ([ARM 36.17.610](#)):

Points must be awarded for renewable resource benefits related to the project. If a project has no renewable resource benefits, it is ineligible for a grant.

| Renewable Resources | Conserve | Develop | Manage | Preserve |
|--------------------------|----------|---------|--------|----------|
| Surface Water | ** | | ** | |
| Ground Water | ** | | ** | |
| Wind | | | | |
| Renewable Energy | | | | |
| Soil | | | | |
| Wetlands | | | | |
| Fish and Aquatic Habitat | | | | |
| Wildlife Habitat | | | | |
| Range Land | | | | |
| Crop Land | | | | |
| Forests | | | | |

Total Renewable Resource Score:

"Conservation" means the promotion of efficient and/or sustainable use of a renewable resource.

"Development" means a new beneficial and sustainable use of a renewable resource.

"Management" means activities that improve governing entities' ability to control and administer a renewable resource.

"Preservation" means the protection of a renewable resource from pollution, destruction, or neglect.

"Renewable resource" means a sustainable natural resource including water, wind, renewable energy, soil, wetlands, fish and aquatic habitat, wildlife habitat, range land, crop land, and forests.

Additional Points **Manage and Conserve Water Resources:****

The extent to which the project will effectively utilize water resources and promote the conservation and efficient use of the water resource must be evaluated and considered.

Example: Renewable Resource Benefits for Conservation and Management of Water Resources will have higher points than the other renewable resource benefits.

Public Benefits Ranking ([ARM 36.17.610](#)):

Points must be awarded for public benefits. If a project has no public benefits, it is ineligible for a grant. The extent and desirability of the public benefits that will be provided must be considered.

[MCA 85-1-610](#)

| Citizen Benefits / Extent and Desirability | Common Well-Being (State's Natural Heritage) | Human Health or Safety* | Welfare (Economic) | Recreation |
|---|---|--------------------------------|---------------------------|-------------------|
| Applicant | | | | |
| Local | | | | |
| Regional | | | | |
| Statewide | | | | |
| Desirability | | | | |

Total Public Benefits Score:

Private Grants - Additional Points ([MCA 85-1-610](#)):

Family Farm Preference:

A water-related project that will be used as part of a family farm must be given preference. A family farm is one devoted primarily to agriculture under the ownership and operation of a resident Montana family.

State Reservation of Waters:

A water-related project that will utilize or develop water reserved under 85-2-316 must be given preference.

Geographic Balance:

The department, to the extent practicable, shall attempt to achieve geographic balance in the promotion of renewable resource grant and loan projects through the awarding of loans and grants to private persons. *Example, applicant has not received a DNRC grant in the past biennium.*

Financial Need:

Projects that could not be accomplished without the assistance of a grant must be given preference. *Example: the applicant can provide financial information demonstrating the need for the grant funds to complete the project. Additionally, this precludes income properties from receiving private grants for septic replacement or upgrades.*

Total Project Score:

Applications shall be assigned a net ranking score based on the points gained or lost. Once the applications have been ranked, DNRC creates a priority list of all applications.

APPENDIX C: RRG PROGRAM AWARD LETTER EXAMPLE

GRANT RECIPIENT ORGANIZATION
ADDRESS
CITY, MT ZIP

RE: DNRC Renewable Resource Grants Award Letter PROJECT TITLE

Dear AUTHORIZED PERSON:

Congratulations on receiving your RRGL PROGRAM grant for \$AWARD AMOUNT for the PROJECT TITLE.

Project costs incurred (AS OF THE DATE OF THIS LETTER) or (INCURRED AFTER JULY 1, 2023, BUT BEFORE JULY 1, 2024) may be eligible for reimbursement. Before DNRC can reimburse eligible project expenses, GRANT RECIPIENT ORGANIZATION must enter into an executed grant agreement with DNRC. DNRC requires the following Startup Conditions to draft a grant agreement. Startup conditions are due within (12-MONTHS) or (24 MONTHS) of the date of this letter. Failure to meet the deadline to submit startup conditions may result in DNRC rescinding this grant award.

Startup Conditions:

- Updated Scope
- Updated Schedule ([PDF Schedule](#))
- Updated Budget ([Uniform Budget Status of Funds Tracker](#))
- Commitment Letters for Matching Funds
- Grant Management Plan ([Document](#))
- Memorandum of Understanding (if required)
- Procurement Plan (if required)

APPLICANT ORGANIZATION must enter into a grant agreement with DNRC prior to requesting reimbursement for eligible project costs.

OPTIONAL Program Specific Requirements:

- Match Requirements (Private Grants)
- Limited Solicitation Worksheet
- Project Kickoff Meeting
- Progress Meetings
- Eligible Project Cost Limitations

Please contact me if you have any questions. I am looking forward to working with you on your project.

Sincerely,

GRANT MANAGER

Cc: PROJECT CONTACT
PROJECT ENGINEER

APPENDIX D: REPORTING AND REIMBURSEMENT REQUIREMENTS

Progress Reports

The Recipient will provide progress reports to DNRC during the term of the grant agreement. Reports will provide status information for each project implementation task and identify the reporting period. Status information will include, at a minimum:

- Project activities during the reporting period;
- Costs incurred;
- Funds remaining;
- Anticipated activities during the next reporting period, and
- Expected changes in scope, schedule, or budget.

The Recipient shall report on total project costs including those funded by the Recipient and other matching funds. Significant problems encountered shall be noted and necessary scope and timeline modifications requested.

The Recipient must submit a project progress report with each reimbursement request at a minimum on a quarterly basis. DNRC will not honor claims for reimbursement if DNRC has not approved the progress report or if there is a delinquent report.

Reimbursement requests must:

- Include a State of Montana vendor invoice signed by an authorized agent.
- Be billed by the tasks identified in the project scope of work and budget.
- Be supported by backup documentation of contractor invoices, receipts, cancelled checks, or other documentation of costs.

Recipient invoices need to relate clearly to the scope of work and budget in the grant agreement.

Projects with multiple funding sources need to submit a uniform status of funds spreadsheet (provided by DNRC) or other means of tracking and documenting match and the project budget.

All reimbursement and reporting are submitted through the online grant management system www.grants.dnrc.mt.gov.

Reporting and reimbursement templates and training materials are provided on DNRC [Resources and Training](#) webpage.

Final Report

The Recipient must submit one hard copy and one electronic copy (pdf) of the final report that meets the requirements of Attachment C to DNRC upon project completion. Final disbursement of funds is contingent upon DNRC receipt and approval of a final report that meets these requirements. Final reports must be submitted to DNRC within 90 days of the Agreement termination date.

Final reports must include a signed Certificate of Compliance to DNRC upon project completion. Projects that included construction must also submit a signed Engineer's Statement of Completion. DNRC may also request as-built drawings for construction projects, IF APPLICABLE TO PROJECT.

The Recipient is not required to use the suggested format in this Attachment but must include the information listed below. At a minimum, the final report must describe the purpose and location of the project, project tasks, changes to the scope, schedule or budget, how the project met stated goals and objectives, how the project benefited and/or developed renewable resources, and the current project status. Final reports will be made available to the public on the DNRC website.

Final Report Requirements

1. Title Page:
 - a. Recipient's name, address, and telephone numbers.
 - b. DNRC Grant Agreement Number
 - c. Name, address, and telephone of other contacts if primary contacts are not available.
 - d. Funding: total project cost and amount of agreement
 - e. State where copies of the report may be obtained (Recipient contact person name, address, phone number. An email address or website is acceptable).
 - f. A list of supporting documents (for example, construction completion reports or other project deliverables, if applicable).
2. Introduction: Describe the project history, location, and purpose. Provide a project location map.
3. Discussion and Results:
 - a. Describe how project goals and tasks identified in the Agreement were completed:
 - Describe the planning process (for example: discuss project design, independent review, coordination with agencies, permits required and other activities).
 - Describe how each task listed in the scope of work was accomplished. Provide details on each task (for example: if trees were planted as an erosion control measure, state how many, the tree species, the age or size of the trees, and location of the plantings).
 - List the goals and/or objectives of the project as stated in the scope of work and briefly describe how they were met by the activities described in the tasks above. Discuss any differences between project goals and objectives and actual project results.
 - Provide an explanation for tasks that were not completed or any out-of-scope work.
 - Include a project map, data, and/or photos that document the project.
 - b. Summarize any problems encountered and solutions adopted. What would you do differently?
4. Resource and Public Benefits:

Describe the project's overall benefits. What are the anticipated and realized benefits to resources and to the local and regional area of the completed project? Were these benefits realized? If not, explain why.

5. Grant Agreement Administration & Project Costs:
 - a. Work schedule: Compare the time allotted for project completion with the actual schedule. Identify delays and discuss the reasons for delays.
 - b. Budget: Include a table that summarizes how the monies were spent by budget category or task as described in Attachment B and funding source (i.e. DNRC, Sponsor, other State or federal agencies). Explain cost overruns or savings. Discuss unbudgeted expenses that arose over the course of the project.
 - c. Match Funds: Identify all funds from other sources or in-kind services that were used to fund the project. If not all matching funds were spent provide a justification.
6. Project Completion and Certification
 - a. Recipient's Certificate of Compliance (must be signed for all projects).
 - b. As Built Drawings, if requested by the DNRC (construction projects only).
 - c. Engineer's Statement of Final Completion (if applicable).
 - d. Deliverables: List here if any.
 1. Final Report submitted electronically (PDF)

Reporting and reimbursement templates and training materials are provided on DNRC [Resources and Training](#) webpage.

APPENDIX E: EXAMPLE MEMORANDUM OF UNDERSTANDING

Note: This example should not simply be copied. It is only provided as an example to help create an agreement between a local government entity and project partner organization or subrecipient that is to be reviewed and approved by all parties and their attorney's.

THIS CONTRACT is entered into by (Insert Name of LOCAL GOVERNMENT), herein referred to as "LOCAL GOVERNMENT", and the (Insert Name of PARTNER ORGANIZATION), herein referred to as "PARTNER ORGANIZATION".

WITNESSETH THAT:

WHEREAS, the LOCAL GOVERNMENT is the recipient of a DNRC grant to PROJECT NAME (describe the Project) owned and operated by the PARTNER ORGANIZATION; and

WHEREAS, this Contract between the LOCAL GOVERNMENT and the PARTNER ORGANIZATION will enable them to enhance cooperation in implementing the LOCAL GOVERNMENT's DNRC award to accomplish the above-described project; and

WHEREAS, the LOCAL GOVERNMENT, in its capacity as a DNRC grantee, has determined that the PARTNER ORGANIZATION can better supervise the design and construction phases of the PROJECT NAME; and

WHEREAS, the DNRC has required the LOCAL GOVERNMENT to enter into a contract with the PARTNER ORGANIZATION specifying the terms and conditions of the LOCAL GOVERNMENT's delegation of certain DNRC grant management responsibilities to the PARTNER ORGANIZATION; and

WHEREAS, both parties to this Contract understand that neither local government involved herein has in any way, expressly or implied, abrogated any of its individual powers, and that this Contract does not create any new organization or legal entity.

NOW, THEREFORE, THE LOCAL GOVERNMENT AND THE PARTNER ORGANIZATION MUTUALLY AGREE AS FOLLOWS:

I. Responsibilities Delegated to the PARTNER ORGANIZATION

A. The PARTNER ORGANIZATION will, subject to prior approval by the Board of LOCAL GOVERNMENT Commissioners/Directors, retain the services of a consulting engineering firm to design and supervise the construction of the project.

B. The PARTNER ORGANIZATION will be responsible for all facets of the design and construction phases of the project, including the following:

1. Design engineering;
2. Construction engineering;
3. Except as provided by paragraph IV. Administration below, compliance with all applicable state and federal requirements;
4. Except as provided by paragraph IV. Administration below, compliance with all other state and federal requirements as described in the DNRC Grant Agreement;
5. Preparation of construction bid documents; and
6. Supervision of the bid process, the awarding of construction contracts, and construction of the project. The selection of the project contractor will be subject to the ratification of the LOCAL GOVERNMENT Board of Commissioners/directors and bid solicitation documents will reflect this requirement.

C. The PARTNER ORGANIZATION and its consulting engineer will receive, review, and approve all requests for payment for the items contained in paragraph B, above, and prepare and submit such requests to the LOCAL GOVERNMENT Board of Commissioners/directors in a timely fashion in accordance with established procedures.

D. During the term of this Contract, the PARTNER ORGANIZATION will maintain reasonable records of its performance hereunder in a manner consistent with generally accepted accounting principles. The PARTNER ORGANIZATION will allow the LOCAL GOVERNMENT and DNRC and their authorized representatives access to these records at any time during normal business hours. At the request of the LOCAL GOVERNMENT, the PARTNER ORGANIZATION will submit to the LOCAL GOVERNMENT, in the format prescribed by the LOCAL GOVERNMENT, status reports on its performance under this Contract.

E. The PARTNER ORGANIZATION will provide documentation that the local share of the project that exceeds DNRC funds may be accessed by the LOCAL GOVERNMENT for the project no later than the time of construction bid award.

II. Payment of Design and Construction Costs Incurred by the PARTNER ORGANIZATION
In consideration of the PARTNER ORGANIZATION's acceptance of the responsibilities described in paragraph I, above, the LOCAL GOVERNMENT agrees to the following:

A. Upon receipt of a valid claim for payment from the PARTNER ORGANIZATION for allowable project costs as specified in the LOCAL GOVERNMENT's grant agreement with DNRC, a copy of which is appended as Attachment A of this Contract, and which by this reference is made a part hereof, the LOCAL GOVERNMENT will request the required amount of grant funds from DNRC and upon receipt of these funds, the LOCAL GOVERNMENT will honor the PARTNER ORGANIZATION's claim and pay the engineer or contractor accordingly. **(Note: Be sure to specify clearly that grant funds can be reimbursed directly to contractors and not to entities ineligible to receive DNRC grant funds.)**

B. Each payment for engineering and construction costs will be drawn from DNRC and PARTNER ORGANIZATION funds (if applicable) in amounts that are proportionate to the percentage that such funds represent of the total cost of the project as specified in Exhibit B of Attachment A.

C. The LOCAL GOVERNMENT will deduct a retainage from each payment request equal to five percent of the request, submitted by the PARTNER ORGANIZATION for construction costs incurred by the project contractor and hold this retainage until construction is completed, the engineer approves final payment, and the project is accepted, all in accordance with the conditions of the construction contract. **(Note: A retainage requirement is optional.)**

D. The LOCAL GOVERNMENT will also withhold one percent of the amount of any claim submitted by the contractor and will forward this amount to the Montana Department of Revenue pursuant to section 15-50-206(2), MCA.

E. The LOCAL GOVERNMENT may refuse to pay any claim which it deems not valid under the terms of the DNRC grant agreement (Attachment A). Any agreement between a DNRC grantee and a partner organization or subrecipient, such as a water or sewer district, should include a "Scope of Work" which includes a description of the work to be performed, a schedule for completing the work, and a budget. (These items are standard components of any DNRC grant agreement which is referred to here as an attachment.)

III. Duration of the Contract

A. This Contract takes effect when the following conditions are satisfied:

1. DNRC and the LOCAL GOVERNMENT Board of Commissioners/directors have executed the DNRC grant agreement;
2. The LOCAL GOVERNMENT Attorney and the attorney for the PARTNER ORGANIZATION have approved this Contract as to form and content; and
3. The LOCAL GOVERNMENT Board of Commissioners/directors and the PARTNER ORGANIZATION's governing body have each reviewed this Contract and agreed fully to its terms and conditions.

B. This Contract will terminate 90 days after the project engineer files a certificate of completion of the project with the Montana Department of Environmental Quality and Department closes out the DNRC project with the LOCAL GOVERNMENT.

IV. Administration

For purposes of implementing the joint undertaking established by this Contract, the LOCAL GOVERNMENT's Board of Commissioners and the PARTNER ORGANIZATION's Board of Directors hereby agree to coordinate with the LOCAL GOVERNMENT's DNRC grant agreement liaison, the project engineer, and a designated representative of the PARTNER ORGANIZATION. These individuals may meet on a regular basis during the term of the DNRC project to provide for the efficient and effective implementation of this project.

V. Management of Real Property or Equipment Acquired

The primary purpose of this Contract is to allow the LOCAL GOVERNMENT to delegate responsibility for the design and construction of the PARTNER ORGANIZATION's project to the PARTNER ORGANIZATION and to define the procedures by which the LOCAL GOVERNMENT will disburse DNRC funds to pay the costs incurred as a result of these activities. The PARTNER ORGANIZATION's facilities will be constructed or improved as described in the DNRC grant agreement (Attachment A) and the PARTNER ORGANIZATION may continue to own and operate those facilities subject to the limitations contained in subparagraph B.

Upon the expiration of this Contract the PARTNER ORGANIZATION will transfer to the LOCAL GOVERNMENT any DNRC funds on hand at the time of expiration and any accounts receivable attributable to the use of DNRC funds.

VI. Indemnification

The PARTNER ORGANIZATION waives any and all claims and recourse against the LOCAL GOVERNMENT, including the right of contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to the PARTNER ORGANIZATION's performance of this Contract except claims arising from the concurrent or sole negligence of the LOCAL GOVERNMENT or its officers, agents, or employees. The PARTNER ORGANIZATION will indemnify, hold harmless, and defend the LOCAL GOVERNMENT against any and all claims, demands, damages, costs, expenses, or liability arising out of the PARTNER ORGANIZATION's performance of this Contract except for liability arising out of the concurrent or sole negligence of the LOCAL GOVERNMENT or its officer's agents, or employees.

VII. Suspension and Termination

The LOCAL GOVERNMENT may suspend or terminate this Contract if the PARTNER

ORGANIZATION materially fails to comply with any term of the LOCAL GOVERNMENT's grant agreement with DNRC. In addition, the LOCAL GOVERNMENT may terminate this Contract for convenience with reasonable notice.

This Contract has been approved by the LOCAL GOVERNMENT's Board of Commissioners and the PARTNER ORGANIZATION's Board of Directors.

(Name of LOCAL GOVERNMENT)

Commissioners

_____Chairman

Date: _____

_____Commissioner

Date: _____

_____Commissioner

Date: _____

APPENDIX F: DESCRIPTION OF BUDGET EXPENDITURE CATEGORIES

Administrative/Financial Costs

Administrative Costs

Appropriate costs include items for personnel and grant and loan administration services to administer the project. Costs include administrative supplies, project specific communication, postage, and travel. These are costs incurred by the borrower in administering the project. (As applicable, specify each one as a separate line item.)

- **Administrative costs cannot include indirect costs.**
- **Reimbursable requests for administrative costs must include documentation in a manner that guarantees accountability in the event of an audit.**

Activity Costs

Land Acquisition - Cost of land purchase, easements, right-of-way, leases, etc.

Engineering - Basic Services – Engineering services necessary for every engineering project. If you have entered into an engineering services agreement, these amounts will be in the agreement. If you have not entered into an engineering services agreement, use the estimated engineering services costs from the PER.

Professional and Technical Tasks - Including but not limited to project design, engineering oversight, etc...

Study and Report Cost
Preliminary Design Cost
Final Design Cost
Bidding Cost
Construction Administration Cost
Post Construction Cost

Engineering–Resident Project Representative Services – Construction observation, sometimes called inspection services. Construction observation as necessary to ensure the project is constructed in accordance with the approved project plans and specifications.

Engineering-Additional Services – These are services specific to a particular project. Examples include preparation of applications and supporting documentation for grants and loans; additional studies or services such as geotechnical or soil studies; preparation of feasibility studies or licensing; special surveys such as those necessary to obtain easements and rights-of-way, etc.

NOTE-Grant & Loan Administration Services are to be entered above under the Administrative/Financial Costs.

Construction – Estimated costs for project construction from the PER. Cost estimates may include inflationary factors.

Contingency - Construction contingencies for public facility projects should be based on the complexities and unknowns associated with the project. The construction contingency typically is not less than 10% of the estimated construction cost. Any deviation must be adequately justified.



The Montana Department of
**Natural Resources
& Conservation**

Renewable Resource Grant and Loan Program

1539 11th Avenue P.O. Box 201601 Helena, MT 59620-1601

<http://dnrc.mt.gov/divisions/cardd>



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