

**RESOLUTION NO. 2025-3**

**A RESOLUTION TO AUTHORIZE INFRASTRUCTURE CONTRACT #MT-SLIPA-25-127 BETWEEN MONTANA DEPARTMENT OF COMMERCE, AND THE TOWN OF DRUMMOND FOR SLIPA GRANT FUNDING.**

**WHEREAS**, the Town of Drummond's Fire Water Supply existing storage tank is in need of improvements and a Drummond Water PER (Preliminary Engineer Report) was authorized to look at the water needs within the Town of Drummond; and

**WHEREAS**, the Town of Drummond has submitted for HB355/SLIPA Grant Funding to assist in these improvements; and

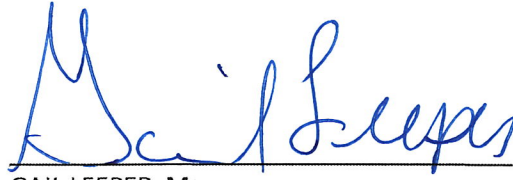
**WHEREAS**, Montana Department of Commerce State-Local Infrastructure Partnership of 2023 Contract #MT-SLIPA-25-127, was prepared by the Montana Department of Commerce; and

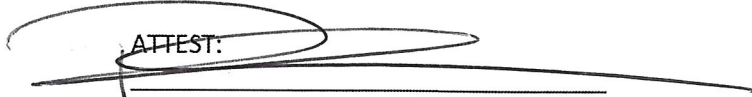
**WHEREAS**, The Drummond Town Council passed and approved said contract at the March 18, 2025 Drummond Town Council Meeting; and

**WHEREAS**, The Drummond Town Council authorized Gail Leeper, Mayor, to sign said contract at the March 18, 2025 Drummond Town Council Meeting; a copy of said contract is attached hereto as Exhibit A.

**NOW THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Drummond accepts the Montana Department of Commerce fully executed Infrastructure Contract #MT-SLIPA-25-127 between Montana Department of Commerce, and the Town of Drummond for SLIPA Grant Funding.

**DATED** this 15<sup>th</sup> day of April, 2025

  
GAIL LEEPER, Mayor

  
ATTEST:

ROBIN WIGHT, Clerk/Treasurer/Paralegal

TOWN OF DRUMMOND  
RESOLUTION 2025-3  
DRUMMOND WATER  
#MT-SLIPA-25-127  
EXHIBIT A

RECEIVED MAR 24 2025  
Fully Executed  
DRUMMOND WATER

**MONTANA DEPARTMENT OF COMMERCE**  
**STATE-LOCAL INFRASTRUCTURE PARTNERSHIP ACT OF 2023**  
**CONTRACT #MT-SLIPA-25-127**

This agreement ("Contract") is entered into by the Town of Drummond, Montana ("Grantee") and the Montana Department of Commerce ("Department").

Grantee and the Department hereby agree to the following terms:

**Section 1. PURPOSE**

The purpose of this Contract is to provide, on a reimbursement basis, funding for Grantee to use to maintain and repair existing local government infrastructure and to supplement Grantee's required local cash match, as established by Section 2 of the State-Local Infrastructure Partnership Act of 2023 ("SLIPA" or "Program"), which the 2023 Montana Legislature enacted by passing [House Bill 355](#), and which later was signed into law by Governor Greg Gianforte on June 13, 2023 (Chapter 771, Laws 2023) ("HB 355").

**Section 2. AUTHORITY**

This Contract is issued under authority of HB 355, as well as Title 90 and Title 18 of the Montana Code Annotated, and related Administrative Rules of Montana.

**Section 3. APPLICATION INCORPORATED BY REFERENCE**

Grantee's application for Program assistance, including any written modifications or reports resulting from the review of the application by the Department (collectively, the "Project"), is specifically incorporated into this Contract by reference and the representations made therein are binding upon Grantee. The date on which Grantee submitted its SLIPA application to Department is referred to herein as the "Application Date."

**Section 4. ACCEPTANCE OF PROGRAM REQUIREMENTS**

- (a) The Grantee will comply with all applicable local, state, and federal laws as well as all applicable regulations, ordinances, and resolutions now in effect or as may be amended during the term of this Contract while completing the Project. In particular, Grantee will comply in full with the terms of HB 355, the terms of which are incorporated herein by reference. Grantee will comply with all administrative directives and procedures that may be established or amended by the Department for the Program, including the most current version of the *SLIPA Grant Application and Guidelines* maintained by the Department on its [website](#).
- (b) The Grantee agrees that all contracts and subcontracts it enters into for the completion of the activities described in Section 6 of this Contract will require such



contractors, subcontractors, and subrecipient entities to also comply with all requirements placed on the Grantee in paragraph (a) of this Section 4.

- (c) Grantee agrees that the Project will adhere to all applicable design standards and building codes. Grantee also shall obtain all applicable federal, state, and local permits required for the Project.
- (d) Grantee certifies that the Project maintains and repairs existing local government infrastructure, as required by Section 4 of HB 355.
- (e) Grantee certifies that the Project qualifies for a categorical exclusion under the Montana Environmental Policy Act ("MEPA").
- (f) Grantee represents that it satisfied the grant limit requirement set by Section 9 of HB 355.
- (g) If Grantee misappropriates or diverts any portion of the funds issued by Department pursuant to this Contract or the local cash match Grantee is required to provide by HB 355, the Grantee agrees to repay the Department the misappropriated or diverted funds within twelve (12) months of receiving notice from the Department and pay a fine equal to 20% of the amount misappropriated or diverted to the state's general fund, as required by Section 8 of HB 355.
- (h) Grantee agrees that it is fully responsible for managing the Project and ensuring that it is completed on-time and within budget. If cost overruns occur, Grantee agrees the cost of the overrun is the full and sole responsibility of the Grantee and that no supplemental appropriation may be authorized by the Department, as required by Section 7 of HB 355.

## **Section 5. EFFECTIVE DATE AND TIME OF PERFORMANCE**

- (a) This Contract shall take effect upon execution by the parties and will terminate on March 31, 2028, or upon Department's written approval of Grantee's Project completion report, whichever is earlier, unless otherwise terminated in accordance with this Contract.
- (b) Grantee may submit written reimbursement requests to Department once Grantee has satisfied the conditions established by Sections 6 and 12 of HB 355. Grantee must submit to Department all requests for reimbursement prior to Project completion report and no later than February 15, 2028.
- (c) Project activities to be performed by the Grantee will be completed according to the implementation schedule set forth in Exhibit A. The Grantee may modify the implementation schedule set forth in Exhibit A only with prior written approval of the Department.

- (d) Grantee agrees to have the Project under contract with a qualified contractor by December 31, 2024, as reflected in the implementation schedule in Exhibit A and as required by Section 7 of HB 355. Grantee may submit a written request for an extension of this deadline to the Department at least sixty (60) days prior to December 31, 2024. Department may grant that request if it determines, at its sole discretion, that Grantee has used all reasonable efforts to find a contractor for a Project but has failed, as established by Section 7 of HB 355.

## Section 6. SCOPE OF WORK

Consistent with Section 6 of HB 355, Grantee will complete the Project identified in Grantee's application and administer this Contract in compliance with the Project management plan, including any amendments, approved by the Department. The Grantee will use Program funds only for the following major components of the Project:

- Maintenance and replacement of the water main between the pump house and the fire water storage tank.

## Section 7. BUDGET

- (a) Grantee represents that the estimated total cost for the Project is \$24,750.
- (b) Grantee represents that it has secured a local cash match of \$6,187.50 to complete the Project based on the existing Project cost estimate, as required by Section 6(7) of HB 355 and the Department's Guidelines. Grantee further represents that these local cash match funds are available and committed to the Project, as required by Section 12(1)(d) of HB 355. Grantee's local cash match may include pre-construction costs incurred by Grantee after June 13, 2023. Grantee acknowledges and agrees that if the actual costs Grantee incurs in completing the Project are different than the existing Project cost estimate, Grantee's ultimate 25% local cash match will change to be at least 25% of the total Project costs actually incurred, which must be confirmed during the Project closeout process with the Department.
- (c) The total amount to be awarded to the Grantee under this Contract shall not exceed **\$18,562.50**. Grantee acknowledges that there are no circumstances under which it shall be allocated by Department more than \$25,594 for its total SLIPA projects, as established by Section 11 of HB 355 and the [Department](#).
- (d) A copy of the preliminary Project budget is attached as Exhibit B and specifically incorporated herein by this reference. After construction bids are awarded or other major Project activity cost elements are determined, the Grantee shall provide the Department with a final Project budget that will, upon receipt and approval by the Department, supersede the preliminary budget in Exhibit B and thereby be incorporated as part of this Contract, binding upon the Grantee.



- (e) For retroactive budget adjustments of \$5,000 or less between line items of the Program portion of Exhibit B, the Department's written approval of the request for reimbursement form shall constitute approval of the budget adjustment. Grantee shall describe the rationale for any budget adjustment and note the adjustment(s) in the request for reimbursement submitted to the Department. Budget adjustments in excess of \$5,000 between any line item of Exhibit B must be approved in writing in advance by the Department.
- (f) Any authorized funds not expended under this grant by the later date referenced in Section 5(b), or otherwise accounted for in accordance with the provisions of this Section, will revert to the Department.
- (g) As set forth in Section 17, if the Grantee fails to or is unable to comply with any of the terms and conditions of this Contract, any costs incurred will be the Grantee's sole responsibility.

## **Section 8. ACCESS TO AND RETENTION OF RECORDS**

- (a) Grantee agrees to create and maintain records supporting the services covered by this Contract, including but not limited to, financial records, supporting documents, and such other records as are required by law or other authority, for a period of five (5) years after either the termination date of the Contract or the conclusion of any claim, litigation, or exception relating to the Contract taken by the State of Montana or third party, whichever is later. These records will be kept in the Grantee's offices.
- (b) Grantee shall provide the Department, Montana Legislative Auditor, or their authorized agents access to any records related to the Project or otherwise necessary to determine contract compliance, at no cost to the Department, the Montana Legislative Auditor, or their authorized agents.

## **Section 9. LIAISONS**

All Project management and coordination on behalf of the Department shall be through a single point of contact designated as the Department's liaison. Grantee shall designate a liaison that will provide the single point of contact for management and coordination of Grantee's work. All work performed pursuant to this Contract shall be coordinated between the Department's liaison and the Grantee's liaison. The liaisons for this Contract are:

**For Department:**

Lynda ODonnell (or successor)  
Program Specialist, MDOC  
301 S. Park Ave.

**For Grantee:**

Gail Leeper  
Mayor, Town of Drummond  
114 A Street

P.O. Box 200523  
Helena, MT 59620-0523  
406-841-2545  
Lynda.ODonnell@mt.gov

Drummond, MT  
406-288-3231  
townofdrummond@blackfoot.net

## **Section 10. REPRESENTATIONS REGARDING REIMBURSEMENTS**

- (a) By signing this Contract, Department certifies that Grantee has fulfilled the conditions set by Section 12 of HB 355 and is eligible to receive Program funding on a reimbursement basis for Grantee's reasonable construction costs actually incurred and authorized by Section 4 of HB 355, as identified in Section 6 of this Contract that Grantee incurred after the Application Date.
- (b) By signing this Contract, Department certifies that Grantee has submitted a SLIPA Environmental Review Form and is eligible to receive Program funding on a reimbursement basis.
- (c) Grantee represents that it solicited and accepted applications for eligible SLIPA projects, in accordance with Section 5 of HB 355. Grantee further represents that it did not begin construction on the Project prior to the Application Date. Grantee acknowledges and agrees that Department will not reimburse Grantee for any pre-construction costs incurred by Grantee prior to the Application Date, although such pre-construction costs may qualify for the local cash match required by HB 355 and this Contract if incurred after June 13, 2023.
- (d) Department will issue reimbursements to the Grantee for eligible Project costs actually incurred after the Application Date after Grantee completes activities set forth in Section 6 of this Contract. Grantee acknowledges and agrees that it must submit to the Department written reimbursement requests supported by adequate documentation in order to receive SLIPA funding under this Contract, and that Department may request additional supporting documentation at its discretion.
- (e) Grantee acknowledges and agrees Department will not reimburse Grantee for any costs incurred prior to the Application Date, any expenses not included in Exhibit B or an approved adjustment thereto, any ineligible expenses as set forth in the most current version of the *SLIPA Grant Application and Guidelines*, any expenses not adequately supported in writing by the Grantee's records, or any expenses not permitted by HB 355.
- (g) Grantee acknowledges and agrees Department is allowed at least fifteen (15) business days to process a request for reimbursement once Grantee has submitted adequate supporting documentation to the Department. The Grantee shall provide banking information before or at the time of Contract execution in order to facilitate electronic funds transfer payments.



- (h) Grantee acknowledges and agrees that if Department, in its sole discretion, determines that the Grantee has failed to satisfactorily carry out its responsibilities under this Contract or has otherwise failed to comply with HB 355, the Department may withhold reimbursement to the Grantee until such time as the Department and the Grantee agree on a plan to remedy the deficiency.
- (i) Grantee acknowledges and agrees it may not use monies provided through this Contract as payment for Project costs that are reimbursed from other sources, including local cash match.

## **Section 11. REPORTING REQUIREMENTS**

Grantee acknowledges and agrees that it must timely comply with all reporting requirements established by Section 10 of HB 355 as a condition to continuing to receive SLIPA funding on a reimbursement basis.

- (a) Project Progress Reports: During the term of this Contract, Grantee will submit quarterly Project progress reports as described in the *SLIPA Grant Application and Guidelines* to the Department. During the term of this Contract, Grantee agrees it will submit quarterly Project progress reports to the Department on the first business day of every January, April, July, and October.
- (b) Project Completion Report: Upon completion of the Project Grantee will submit to Commerce a final Project completion report as described in the *SLIPA Grant Application and Guidelines* for Department approval. Upon approval of the Project completion report the Department will issue a notice of Project close-out and this Contract shall terminate.

## **Section 12. PROJECT MONITORING**

The Department or any of its authorized agents may monitor and inspect all phases and aspects of the Grantee's performance to determine compliance with this Contract, compliance with HB 355, the proper use of funds, and other technical and administrative requirements of this Contract, including the adequacy of the Grantee's records and accounts. The Department may advise the Grantee of any specific areas of concern and provide the Grantee opportunity to propose corrective actions acceptable to the Department.

The Grantee understands and acknowledges that the Department will report to the Montana Legislature and Legislative Interim Committees as requested on the status of all Program projects, and that information related to the Project may be considered public information subject to disclosure under Montana law.

## **Section 13. NOTICE**

All notices required under the provisions of this Contract must be in writing and delivered to the Parties' liaisons identified herein either by first class mail, electronic mail, or personal service.

#### **Section 14. REFERENCE TO CONTRACT**

The Contract number must appear on all invoices, reports, and correspondence pertaining to the Contract. If the number is not provided, Grantee acknowledges and agrees the Department is not obligated to pay the invoice.

#### **Section 15. ASSIGNMENT, TRANSFER AND SUBCONTRACTING**

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

#### **Section 16. CONTRACT AMENDMENT**

This Contract may not be enlarged, modified, or altered without a written agreement signed by all parties to the Contract.

#### **Section 17. TERMINATION OF CONTRACT**

This Contract may only be terminated in whole or in part as follows:

- (a) Termination Due to Loss or Reduction of Funding: The Department, at its sole discretion, may terminate or reduce the scope of this Contract if any funding sources are eliminated or reduced for any reason, including as permitted by Montana Code Annotated § 18-4-313(4). If a termination or modification is required, the Department may, if sufficient Program funds are available, compensate the Grantee for eligible services rendered and actual, necessary, and eligible expenses incurred as of the revised termination date. The Department will notify the Grantee of the effective date of the termination or modification of this Contract and, if a reduction in funding is required, provide the Grantee with a modified Project budget.
- (b) Termination for Cause with Notice to Cure Requirement: The Department may terminate this Contract for failure of the Grantee, its contractors, subcontractors, or subrecipient entities, to perform or comply with any of the services, duties, terms, or conditions contained in this Contract after giving the Grantee written notice of the stated failure. The written notice will demand performance of the



stated failure within a specified period of time not less than thirty (30) calendar days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

- (c) Effect of Termination: In the event of termination due to the Grantee's, its contractors', subcontractors', or subrecipient entities' failure to perform or comply with any of the services, duties, terms, or conditions of this Contract, any costs incurred will be the sole responsibility of the Grantee. However, at its sole discretion, the Department may approve written requests by the Grantee for reimbursement of eligible expenses incurred. The Department's decision to authorize payment of any costs incurred or to recover expended Program funds will be based on a consideration of the extent to which the expenditure of those funds represented a good faith effort of the Grantee to comply with any of those services, duties, terms, or conditions of this Contract, and on whether the failure to comply with any of those services, duties, terms, or conditions resulted from circumstances beyond the Grantee's control.

## **Section 18. COMPLIANCE WITH APPLICABLE LAWS**

Grantee and Grantees representatives (including contractors and subcontractors) shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, 2 CFR Part 200, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Grantee is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. Any subletting or subcontracting by Grantee subjects subcontractors to the same provisions. In accordance with § 49-3-207, MCA, and Executive Order No. 04-2016, Grantee agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, vaccination status, or marital status by the persons performing this Contract.

## **Section 19. ACCOUNTING, COST PRINCIPLES, AND AUDITING**

- (a) Grantee must, in accordance with §§ 2-7-503, 2-7-504, MCA, implementing administrative rules, and other authorities, maintain for the purposes of this Contract an accounting system of procedures and practices that conforms to Generally Accepted Accounting Principles ("GAAP").

- (b) Department, any other legally authorized governmental entity, or their authorized agents may, at any time during or after the term of this Contract, conduct in accordance with §§ 2-7-503, 5-13-304, and 18-1-118, MCA and other authorities, audits for the purposes of ensuring the appropriate administration, expenditure of monies, and delivery of services provided through this Contract, at no cost to the Department.

## **Section 20. AVOIDANCE OF CONFLICT OF INTEREST**

- (a) Grantee will comply with §§ 2-2-121, 2-2-201, 7-3-4256, 7-3-4367, 7-5-2106, and 7-5-4109, MCA, as applicable, and any other applicable local, state, or federal law regarding the avoidance of conflict of interest.
- (b) Grantee agrees that none of its officers, employees, or agents will solicit or accept gratuities, favors, or anything of monetary value from contractors, subcontractors, or potential contractors and subcontractors, who provide or propose to provide services relating to the Project funded under this Contract.
- (c) Grantee shall promptly refer to the Department any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted any false claim or has committed any criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this Contract.

## **Section 21. COMPLIANCE WITH WORKERS' COMPENSATION ACT**

Grantee shall comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with §§ 39-71-401, 39-71-405, and 39-71-417, MCA. Grantee accepts responsibility for supplying, and requiring all subcontractors to supply, the Department proof of compliance with the Montana Workers' Compensation Act while performing work for the State of Montana. The Grantee agrees that neither the Grantee nor its employees are employees of the State. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. This insurance/exemption must be valid for the entire term of the Contract. Proof of compliance and renewal documents must be sent to the Department within thirty (30) days of Contract execution.

## **Section 22. OWNERSHIP AND PUBLICATION OF MATERIALS**

All reports, information, data, and other materials prepared by the Grantee or any of its contractors or subcontractors in furtherance of this Contract are the property of the Grantee and the Department, and may be subject to Montana's Public Records Act. Both Grantee and the Department have the royalty-free, nonexclusive, and irrevocable right to reproduce, publish, authorize others to use, and to otherwise use, in whole or part, such



property and any information relating thereto. No material produced in whole or part under this Contract may be copyrighted or patented in the United States or in any other country without the prior written approval of both the Department and the Grantee.

## Section 23. INSURANCE

- (a) General Requirements: Grantee must maintain and ensure that its representatives, assigns, and subcontractors maintain for the duration of the Contract, at their own cost and expense, liability insurance against claims for injuries to persons or damages to property, including contractual liability, that may arise from or in connection with the performance of the duties and obligations in the Contract by Grantee, its agents, employees, representatives, assigns, or subcontractors. This insurance must cover such claims as may be caused by any negligent act or omission. The State, its officers, officials, employees, and volunteers must be covered as additional insureds for all claims arising out of the use of grant proceeds provided by the State of Montana.
- (b) General Liability Insurance: At its sole cost and expense, Grantee must purchase and maintain occurrence coverage with minimum combined single limits of \$1 million per occurrence and \$2 million aggregate per year, or as established by statutory tort limits of \$750,000 per claim and \$1,500,000 per occurrence as provided by a self-insurance pool insuring counties, cities, or towns, as authorized under § 2-9-211, MCA.
- (c) Professional Liability Insurance: Grantee shall assure that any representatives, assigns, and subcontractors performing professional services under this Contract purchase occurrence coverage with combined single limits for each wrongful act of \$1,000,000 per occurrence and \$2,000,000 aggregate per year. *Note: if "occurrence" coverage is unavailable or cost prohibitive, the contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of the Contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three (3) year tail for claims that are filed after the cancellation or expiration date of the policy.*
- (d) Property Insurance: At its sole cost and expense, Grantee must maintain property and hazard insurance, including course of construction coverage and earthquake insurance, for loss or damage to any building and related improvements and contents therein on a replacement cost basis throughout the term of the Contract. *Note: earthquake insurance is required when working in areas where the shaking level is above 10g.*  
(Ref: <http://rmtd.mt.gov/Portals/62/aboutus/publications/files/NEHRP.pdf>).
- (e) General Provisions: All insurance coverage must be with a carrier licensed to do business in the State of Montana and with a Best's rating of at least A-, or by a

public entity self-insured program either individually or on a pool basis as provided by Title 2, MCA. All certificates and endorsements must be received by the Department prior to beginning any activity provided for under the Contract. Grantee must notify the Department immediately of any material change in insurance coverage, such as changes in limits, coverage, change in status of policy, etc. The Department reserves the right to request complete copies of Grantee's insurance policy, including endorsements, at any time.

#### **Section 24. HOLD HARMLESS AND INDEMNIFICATION**

To the fullest extent permitted by law, Grantee shall indemnify and hold harmless State, its elected and appointed officials, officers, agents, directors, and employees from and against all claims, damages, losses and expenses, including the cost of defense thereof, to the extent caused by or arising out of the Grantee's negligent acts, errors, or omissions in work or services performed under this Contract, including but not limited to, the negligent acts, errors, or omissions of any subcontractor or anyone directly or indirectly employed by any subcontractor for whose acts subcontractor may be liable.

Claims under this provision also include those arising out of or in any way connected with the Grantee's breach of this contract, including any Claims asserting that any of the Grantee's employees are actually employees or common law employees of the State or any of its agencies, including but not limited to, excise taxes or penalties imposed on the State under Internal Revenue Code ("Code") §§ 4980H, 6055 or 6056.

#### **Section 25. DEFAULT**

Failure on the part of either party to perform the provisions of the Contract constitutes default. Default may result in the pursuit of remedies for breach of contract as set forth herein or as otherwise legally available, including but not limited to damages and specific performance.

#### **Section 26. DEBARMENT**

The Grantee certifies and agrees to ensure during the term of this Contract that neither it nor its principals, contractors, subcontractors, or subrecipient entities are debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Contract by any governmental department or agency.

#### **Section 27. FORCE MAJEURE**

Neither party will be liable for any failure or delay in performing its duties in this agreement due to Force Majeure Events. "Force Majeure Event" means an event or circumstance beyond a party's reasonable control, such as natural catastrophes and acts of terrorism or war, and the consequences of that event or circumstance. Force Majeure Event does not include a strike or other labor unrest that affects only that party, an



increase in prices or other change in general economic conditions, a change in law, or an event or circumstance that results in that Party's not having sufficient funds to comply with an obligation to pay. If a Force Majeure Event continues for 30 days, the other party may terminate this agreement or suspend payments while the event continues.

## **Section 28. SEPARABILITY**

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

## **Section 29. ARBITRATION**

Unless otherwise agreed to in writing or provided for by law, arbitration is not available to the parties as a method of resolving disputes that would arise under the Contract.

## **Section 30. NO WAIVER OF BREACH**

No failure by the Department to enforce any provisions hereof after any event of breach will be deemed a waiver of its rights regarding that event, or any subsequent event. No express failure of any event of breach will be deemed a waiver of any provision hereof. No such failure or waiver will be deemed a waiver of the right of the Department to enforce each and all the provisions hereof upon any further or other breach on the part of the Grantee.

## **Section 31. JURISDICTION AND VENUE**

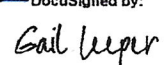
This Contract is governed by the laws of Montana. The parties agree that any litigation concerning this Contract must be brought in the First Judicial District in Lewis and Clark County, State of Montana and each party must pay its own costs and attorney fees, except as provided in Section 24, Hold Harmless and Indemnification.

## Section 32. INTEGRATION

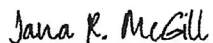
The Contract contains the entire agreement between the parties. No statements, promises, or inducements of any kind made by either party or the agents of either party, not contained herein or in a properly executed amendment hereto are valid or binding. This Contract supersedes all prior agreements, representations, and understandings. Any amendment or modification must be in a written agreement signed by all Parties.

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

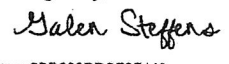
### GRANTEE:

DocuSigned by:  
  
69A79D41E3FA4EC...  
Gail Leeper, Mayor  
Town of Drummond  
3/20/2025  
Date

### APPROVED AS TO FORM:

Signed by:  
  
BC5395D174C84EF...  
Jana R. McGill, Attorney

### DEPARTMENT:

Signed by:  
  
6BD669DDCF9F243...  
Galen Steffens, Division Administrator  
Community MT  
3/21/2025  
Date



# EXHIBIT A Implementation Schedule

TASK	QUARTERS, 2024				QUARTERS, 2025			
	1st J F M	2nd A M J	3rd J A S	4th O N D	1st J F M	2nd A M J	3rd J A S	4th O N D
<b>PROJECT DESIGN</b>								
Commence Final Design								
Complete Project Design								
Submit Plans to DEQ								
Prepare Bid Documents								
Finalize Acquisition								
<b>ADVERTISEMENT FOR CONST. BID</b>								
Review Contract Requirements								
Public Bid Advertisement								
Open Bids & Examine Proposals								
Request Contr. Debarment Review								
Select Contractor & Award Bid								
Conduct Pre-Const. Conference								
Issue Notice to Proceed to Contractor								
<b>PROJECT CONSTRUCTION</b>								
Begin Construction		X						
Monitor Engineer & Contractor			X					
Conduct Labor Compliance Reviews								
Hold Const. Progress Meetings			X					
Final Inspection				X				
<b>PROJECT CLOSE OUT</b>								
Submit Final Drawdown				X				
Project Completion Report/Final Certification				X				
Contract End Date	2028							

# EXHIBIT B Budget

ADMINISTRATION	Source: SLIPA	Source: Local Cash	Source:	TOTAL
				\$0
				\$0
				\$0
				\$0
				\$0
				\$0
<b>TOTAL ADMINISTRATION</b>	\$0	\$0	\$0	\$0
<b>CONSTRUCTION RELATED ACTIVITIES</b>				
				\$0
Water Improvements (10% Contingency)	\$18,562.50	\$6,187.50		\$24,750
				\$0
				\$0
				\$0
				\$0
				\$0
<b>TOTAL ACTIVITY</b>	\$18,562.50	\$6,187.50	\$0	\$24,750
<b>TOTAL PROJECT BUDGET</b>	<b>\$18,562.50</b>	<b>\$6,187.50</b>	<b>\$0</b>	<b>\$24,750</b>