



OFF-SEASON STOCK WATER MITIGATION GRANT PROGRAM COMPACT IMPLEMENTATION TECHNICAL TEAM

APPLICATION GUIDELINES

Water Rights Compact Entered into by the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana, The State of Montana, and The United States

[MCA 85-20-1901](#)

**DRAFT- Not Approved
by CITT**

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1. GENERAL INFORMATION

The Confederated Salish and Kootenai-Montana Compact (Compact) is a water rights agreement between the Confederated Salish and Kootenai Tribes of the Flathead Reservation, the State of Montana, and the United States. The Compact became effective on September 17, 2021.

The Compact will result in changes in operations at the Flathead Indian Irrigation Project (FIIP) impacting FIIP's delivery of stock water outside of the irrigation season. To lessen potential impacts to stock growers, the State of Montana agreed to contribute \$4 million dollars toward stock water mitigation. The Compact Implementation Technical Team (CITT) recommended this money be made available to affected producers through the **Off-Season Stock Water Mitigation Grant Program** and be administered by the Department of Natural Resources and Conservation.

CITT developed the **Off-Season Stock Water Mitigation Grant Program** to provide funding for stock growers to implement the most appropriate strategies for their operation to adapt to changing stock water availability.

Compact Implementation Technical Team (CITT)

The Compact Implementation Technical Team (CITT) is established under Article IV.G of the Compact. Its primary role is to and advise the Project Operator on the implementation of FIIP Operational Improvements, Rehabilitation and Betterment, and Adaptive Management, with additional duties defined in Appendix 3.5. CITT is composed on five representatives:

<i>Name</i>	<i>CITT Position</i>	<i>Title</i>	<i>Organization</i>
Nick Belcourt	Project Operator Representative	Maintenance Supervisor	BIA, Flathead Indian Irrigation Project (FIIP)
David Lake	FIIP Irrigator Representative	Irrigator	
Daniel Lozar	Federal Representative	Irrigation Engineer	BIA, Northwest Region
Maya Rao	State Representative, CITT Chair	Hydrologist	DNRC, Compact Implementation Program
Casey Ryan	CSKT Representative	Hydrologist	CSKT, Natural Resources Department

CITT oversees the expenditure of \$12 million allocated by the State of Montana, under Article VI, in the following categories:

- \$4 million for water measurement activities.
- \$4 million for improving on-farm efficiency.
- \$4 million for mitigating the loss of Stock Water deliveries from the FIIP.

Appendix 3.5, (3)(a)(vi) instructs the CITT to plan, prioritize, and implement the stock water mitigation measures as settlement funds become available both prior to and following the Effective Date of the Compact.

Program Overview

The **Off-Season Stock Water Mitigation Grant Program** provides funding for stock producers that will no longer receive stock water deliveries outside of the irrigation season from FIIP. This grant will allow producers the flexibility to determine the most appropriate strategies to adapt their operation to changing

stock water availability. The Off-Season Stock Water Mitigation Grant Program is a CITT program administered by the Montana Department of Natural Resources and Conservation (DNRC).

DNRC is responsible for verifying application eligibility, overseeing the scoring process, recommending the final ranking list to the CITT, and managing grant awards. FIIP will participate in eligibility review by verifying assessed acres and off-season stock water delivery at the location of proposed projects. A review panel will review and score applications based on the established scoring criteria. The review panel will then transmit scores to DNRC (the grant administrator), who will rank applications based on score. DNRC will create a list of the highest-scoring applications that are recommended for grant funding by CITT.

The CITT will vote on whether to accept the list of projects recommended for funding.

Award Amount

The total appropriation for off-season stock water mitigation grants is **\$4,000,000**, *MCA 85-20-1901*. The Off-Season Stock Water Mitigation Grant Program has a maximum award of **\$200,000.00** per eligible project and no minimum award amount.

Reimbursement Time Limit

Grant funds must be expended within 24 months of grant contract execution. An extension of up to 12 months may be approved by the grant administrator for extenuating circumstances.

Match

The Compact does not require that recipients provide matching funds in order to be eligible for off-season stock water mitigation grants. Applicants are required to describe any activities it shall contribute the project in the Application Contribution to Project section of the application.

2. ELIGIBILITY

Eligible Applicants

Eligible applicants of the Off-Season Stock Water Mitigation Grant Program must meet the following criteria:

1. Landowner or Lessee:
 - Landowner with FIIP assessed acres **OR**
 - Lessee of land with FIIP assessed acres with authorization to apply from the Landowner
2. Own and manage livestock at the location of the proposed project or lease land to a lessee who owns and manages livestock at the location of the proposed project. Livestock must meet the definition in [Appendix A](#).
3. Applicant must be in good standing with FIIP.

If the applicant is a lessee, this application must also be signed by the landowner.

Eligible Projects

The Off-Season Stock Water Mitigation Program allows for eligible applicants to make necessary investments in off-season stock water mitigation infrastructure on eligible land.

Eligible projects must meet all of the following criteria:

1. Project must provide stock water per the definition in [Appendix A](#).
2. Be either a new development or expansion/improvement of an existing development.
3. Proposed development must be in one (or more) of the following categories:
 - Stock Use Addition to Existing Development
 - Stock Well
 - Developed Spring
 - Stock Water Pit
 - Stock Water Tank Served by Surface Water
 - Stock Water Conveyance Structure

Example Projects

- Pipeline Installation and/or Distribution to Storage/Watering Facilities for Livestock Use
- Improvements to Gravity Flow System that can be used for stock water
- Development of a Spring from groundwater seepage and/or a non-perennial stream
- Construction of a Watering Facility for Livestock
- Construction of New Well for Livestock with stock water tanks or stock water pits

Ineligible Projects

The Off-Season Stock Water Mitigation Grant Program may not be used for:

- Recreational ponds or water features
- Developments for non-stock water uses
- New developments for any use other than solely stock water (Adding a stock use to an existing development is considered an eligible project)
- Developments on non-FIIP assessed acres
- Project that does not serve livestock or provide stock water, per definitions in [Appendix A](#).
-
- Projects that illustrate an unnecessary-redundancy to stock water delivery.

Additionally, if a project is determined to have adverse environmental impacts that cannot be mitigated, it is not eligible for a grant.

Eligible Project Locations

Eligible projects must meet both of the following location criteria:

1. Proposed place of use on FIIP assessed acres owned or leased by the applicant.
2. Project must be on the Flathead Reservation outside of the Camas Division.

Ineligible Project Locations

1. Projects where the proposed place of use is not on FIIP assessed acres (even if point of diversion is on FIIP assessed acres).

Eligible Expenses

A wide range of costs and expenditures associated with a construction project are eligible as part of a project budget. The Off-Season Stock Water Mitigation Grant Program funds can pay for eligible costs on a reimbursement basis. Expenses incurred before the grant agreement is signed will not be reimbursed. Recipients must document eligible costs at the time the reimbursement is made.

Eligible costs include:

- Permitting Application Fees
- Project Management (see definition in [Appendix A](#))
- Environmental Review
- Materials & Supplies
- Contracted Services including contracted technical, engineering, or construction services
- Contingency

Ineligible Expenses

The Off-Season Stock Water Mitigation Grant Program does not fund:

- Utility Fees (e.g. new service MVP application, power poles, conduits, paying for power)
- Weed Management
- Fencing Unrelated to Project
- Land Lease or Rental Payments
- Land or Property Acquisition
- Grant Administration Costs (see definition in [Appendix A](#))
- Activities Outside of the Scope of Work including salaries/wages, travel, conferences, and other expenses not directly related to the project
- Costs Incurred Outside the Eligible Term in the grant agreement
- Routine Maintenance and Operation, as well as tasks that are programmatic in nature
- Routine Compliance Monitoring Expenses
- Indirect Costs/Administrative Costs including facility costs or overhead expenses
- Prepayment of Anticipated Costs of Future Activity
- Costs Paid for with Loan Funds/Repayment of Loans
- Political Lobbying or Litigation
- Food or Beverages
- Travel Expenses that exceed the State of Montana Travel Policy

Eligibility criteria and details about application scoring can be found in [Appendix C: Eligibility and Scoring Criteria](#).

3. COMPLIANCE WITH APPLICABLE LAWS

Grant award recipients must comply with all other applicable federal, tribal, state, county, and local government statutes and regulations. The list below is intended to provide a general awareness of water rights, permits, and other issues commonly encountered with the implementation of irrigation and stock water systems. Other regulations may apply.

COUNTY REGULATIONS

Sanders County

Sanders County requires a permit for well construction. Information can be found here:

<https://www.co.sanders.mt.us/203/Environmental-Health>.

Missoula County

Missoula County requires a permit for well construction. Information can be found here:

<https://www.missoulacounty.us/government/health/health-department/home-environment/septic-systems-wells/septic-well-permitting>.

Lake County

Lake County may require a permit for well construction. Information about Lake County's environmental regulations can be found here: <https://www.lakemt.gov/169/Environmental-Health>.

FLATHEAD RESERVATION WATER MANAGEMENT BOARD

The Flathead Reservation Water Management Board (FRWMB) is the exclusive regulatory body for water rights administration on the Flathead Indian Reservation. Award recipients must follow all applicable requirements set forth in the Unitary Administration and Management Ordinance, [MCA 85-20-1902](#) and *CSKT Ordinance 111-A*.

Both adding a new use to an existing development and creating a new development require applying for a water right. New uses or a change in use authorization require pre-approval from FRWMB before construction begins.

General requirements for each type of development are listed below; go to the [FRWMB's water right application forms page](#) for a full list of requirements.

Wells

- Maximum flow: 35 gpm
- Maximum annual volume: 2.4 acre-ft
- Must use a licensed well driller
- Must have a well shaft casing
- Water must be dispensed with a stock tank(s)
- Stock water wells (60SF Allowance) may not be connected to a home or business

Developed Springs

- Maximum flow: 35 gpm
- Maximum annual volume: 2.4 acre-ft
- Must construct a fence to exclude stock from the developed spring
- Stock water developed spring (60SF Allowance) may not be connected to a home or business

- Water must be dispensed with a stock tank(s)

Stock Use Addition to Existing Development

- Applicants may add stock water use to an existing well or developed spring which has a domestic allowance using Form 60DF
- Addition of stock water use may not cause a violation of the requirements set forth in [Section 2-2-117 of the CSKT-MT Compact Unitary Administration and Management Ordinance](#)

Stock Water Pits

- Maximum capacity: 5 acre-ft or less
- Maximum annual volume: 10 acre-ft
- Stock water pit allowance is sourced from groundwater seepage, a non-perennial stream, or both, ditches or pipelines are not permitted to fill a stock water pit
- Stock water pit allowance is constructed on and accessible to a parcel of land 40 acres or larger

Stock Water Tank Served by Surface Water

- Maximum flow: 10 gpm
- Maximum annual volume: 2.4 acre-ft
- Means of conveyance is a fully contained pipe or hose. Open ditch conveyance is not allowed
- Stock Water associated with the appropriation is dispensed using one or more stock tanks

Applicants are highly encouraged to contact FRWMB at [\(406\) 201- 2532](tel:4062012532) or contact@frwmb.gov for more information.

ENVIRONMENTAL PERMITTING

Below is a list of permits that **may be** required as part of the project submitted. It is the responsibility of the grantee to secure all required permits prior to project agreement execution.

- [Clean Water Act Section 401 Certification](#) – US Environmental Protection Agency
 - Regulates discharge into Waters of the US
- [Clean Water Act Section 404 Permit](#) – US Army Corps of Engineers
 - Regulates the discharge of dredge and fill material.
- [NBPDES Stormwater Discharge from Construction Permit](#) – US Environmental Protection Agency
- FIIP Special Use Permit (if project involves crossing FIIP easements, utilities, culverts, bridges, etc.)
- [Aquatic Lands Conservation Ordinance \(ALCO\) 87-A Permit](#) – CSKT

4. APPLICATION AND AWARD PROCESS

Applications are required to be submitted through Formstack. The application link is available at **{insert address}**.

Applications are due by 5:00 p.m. on January 10, 2025.

Award Timeline

Date	Description
January 10, 2025	Application Deadline
January 17, 2025	Eligibility Review Completed by DNRC and FIIP
February 3 – March 7, 2025	Scoring Period by Review Panel
March 10, 2025	Recommended Project List Provided to CITT by DNRC
March 12, 2025	CITT Vote on Acceptance of Recommended Project List
March 13-21, 2025	Award Notification by DNRC

Required Documents

Applicants must submit:

1. Completed grant application via Formstack.
2. Required attachments

Application Review Process

1. DNRC will review all applications as they are received for eligibility.
2. Only complete applications will be considered **eligible** for funding. DNRC may request additional information from applicants to clarify if an application is **complete** and **eligible**.
3. If DNRC determines an application is **ineligible**, it will inform the applicant with the reasoning and provide a list of ineligible applications to the CITT.
4. If an application is determined to be **eligible** for the Off-Season Stock Water Mitigation Grant Program, the review panel will score projects according to the scoring criteria in [Appendix C](#).
5. DNRC will tabulate the scores provided by the review panel and provide a ranked list of projects with a funding recommendation to the CITT.
6. CITT will determine award recipients and convey to DNRC for notice of award.
7. See the Award Timeline above.

Scoring Applications

Applications will be competitively scored by the review panel based on the benefits of the proposed project.

The review panel must consider technical and financial feasibility as well as the applicant's ability to manage the project. Projects that are not technically or financially feasible are not eligible. Financial feasibility considers the Applicant's ability to finance the total project cost. Technical feasibility includes but is not limited to:

- Adequacy of cost estimates.
- Thoroughness and feasibility of the project's implementation plan and schedule.
- Quality of supporting technical data submitted with the application.

See [Appendix C: Eligibility and Scoring Criteria](#) for the Off-Season Stock Water Mitigation Grant Program.

5. GRANT MANAGEMENT

Awards

DNRC will provide an award letter to applicants that have been selected as grant award recipients by the CITT. All selected award recipients will be responsible for providing the necessary startup documentation within the timeframe identified in the award letter, see [Appendix D: Grant Award Letter Example](#).

Award letters will detail:

- Total Grant Award
- Eligible Project Costs and Timeframes
- Startup Requirements
- Procurement Requirements
- Program Specific Requirements/Limitations

All awardees defined as a private person (per the definition in *MCA 85-1-102 (6) (a)*), must provide a completed W-9 form during the grant contract process. Failure to meet startup conditions within a 12-month timeframe may result in a rescinded award.

Contracting

DNRC grant recipients must have an executed grant agreement with the DNRC prior to incurring costs for eligible projects. **State procurement laws are required to be followed under this agreement.** DNRC may require a project kickoff call and monthly or quarterly comply with all other applicable state statutes and regulations.

Reporting

Compliance and reporting will be required and defined in the final grant award, see [Appendix E: Reporting and Reimbursement Requirements](#).

Grant recipients will be required to submit quarterly project and expenditure reports as well as a final reports. DNRC requires grant applicants to describe what they intend to accomplish if selected to receive funding, outcomes to determine the effectiveness of proposals and state how they will achieve those outcomes. Failure to comply with reporting requirements may result in delays of reimbursement to recoupment of costs or canceling awards.

Compliance

A recipient must comply with all other applicable state statutes and regulations, and a recipient shall provide for compliance with Compact requirements and any interpretive guidance by other parties in any agreements it enters into with other parties relating to these funds.

Procurement

Recipients are responsible for ensuring that any procurement using off-season stock water mitigation funds, or payments under procurement contracts using such funds, are consistent with the procurement standards set forth in Montana's Procurement Act. *MCA Title 18, Chapter 4* outlines the requirements and standards for procurement within the State of Montana. See [Appendix H: Procurement/Limited Solicitation Worksheet](#).

Environmental Compliance

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. See [Appendix G](#) for instructions related to the *BIA Categorical Exclusion Exception Review (CEER) Checklist*, the *Shoreline Protection Ordinance*, and the *MEPA Checklist*.

Recordkeeping

Recipients must maintain records and financial documents for five years after all funds have been expended or returned. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

Recipients must agree to provide or make available such records to DNRC and CITT upon request, and to any authorized oversight body, including but not limited to the CSKT and the State of Montana.

Reimbursement

DNRC requires grant recipients to submit requests for reimbursement using the state vendor invoice with supporting documentation, including but not limited to, applicable invoices and receipts and uniform budget tracker. See [Appendix E: Reporting and Reimbursement Requirements](#) for more details.

Grant Closeout

Grant recipient will be required to submit a final report, deliverables, and invoices in compliance with the grant agreement to process final reimbursement. DNRC will withhold 10% of the total grant until recipient has submitted an acceptable final report. See [Appendix E](#) for more details.

6. TECHNICAL ASSISTANCE

Assistance for applicants will be available throughout the application period. As questions arise, please contact the following DNRC employees for assistance.

- Heather McAdams, DNRC Hydrologist, heather.mcadams@mt.gov, 406-542-5890
- Maya Rao, CITT Chair, maya.rao@mt.gov, 406-542-5884
- Samantha Kemp, DNRC Grant Administrative Specialist, samantha.kemp@mt.gov, 406-444-6790

APPENDIX A: TERMS

Amendment

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

Animal Unit

An animal unit (AU) is a measurement of livestock, [DNRC Form No. 615 R03/2012](#).

Application

"Application" means an application for an off-season stock mitigation project grant submitted by an applicant in accordance with the Compact and the rules adopted pursuant to the Compact.

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, an owner, individual, board chair, association supervisor, etc.). Application forms CANNOT be signed by a different representative even if that representative has signing authority within the entity. This is because DNRC has no way of knowing who has signing authority within the applicant 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 D: Grant Award Letter Example](#).

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: {Appendix}

Permitting

Permit(s) are eligible uses of grant funds. Possible permits may include but are not limited to Clean Water Act (401 Permit), Federal Clean Water Act (404 Permit), Federal Rivers and Harbors Act (Section 10 Permit), and/or Stormwater Discharge Permit.

Project Management

Project management includes tasks such as managing on-the-ground operations, meeting with contractors, etc.

Environmental Review

Environmental review must be conducted as part of all awarded projects. Costs incurred with respect to maintaining environmental compliance of the project are eligible uses of grant funds.

Materials or Supplies

Materials or supplies are defined as purchases necessary to support the grant activities that do not meet the definition of equipment 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 construction contract in support of the award-funded project. Contracted services represent an actual **procurement**, or purchase, of services.

Applicant Provides Labor and Equipment for Construction. Applicant must request authorization to use its own labor and equipment for construction projects.

- Procurement of materials must follow tribal, 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.
- Onsite project inspection must be completed by Agency staff.

Contingency

Contingency may not be more than 10% of costs associated with budget categories.

Compact Implementation Technical Team (CITT)

Compact Implementation Technical Team or CITT refers to the entity established under Article IV.G of the Compact. The primary role of CITT is to plan and advise the Project Operator on the implementation of FIIP Operational Improvements, Rehabilitation and Betterment, and Adaptive Management. Additional duties of the CITT are outlined in Appendix 3.5 of the Compact.

Compact

Compact refers to the Water Rights Compact entered into by the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana, the State of Montana, and the United States of America to settle all existing claims to water of or on behalf of the Confederated Salish and Kootenai Tribes within the State of Montana, *MCA 85-20-1901*. The Effective Date of the Compact is September 17, 2021.

Flathead Indian Irrigation Project (FIIP)

Flathead Indian Irrigation Project or FIIP means the irrigation project developed by the United States to irrigate lands within the Flathead Reservation pursuant to the Act of April 23, 1904, Public Law 58-159, 33 Stat. 302 (1904), and the Act of May 29, 1908, Public Law 60-156, 35 Stat. 441 (1908), and includes, but is not limited to all lands, reservoirs, easements, rights-of-way, canals, ditches, laterals, or any FIIP facilities (whether situated on or off the Reservation), headgates, pipelines, pumps, buildings, heavy equipment, vehicles, supplies, records or copies of records and all other physical, tangible objects, whether or real or personal property, used in the management and operation of the FIIP.

Grant Administration

Grant Administration is the tasks associated with management of a grant including preparation of documents such as reimbursement requests and progress reports.

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.
- **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.
- 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.

Livestock

Livestock means cattle, bison, sheep, swine, horses, mules, goats, or other animals specifically raised and used for food or fiber or as a beast of burden. *Flathead Reservation Water Management Board Unitary Administration and Management Ordinance, 85-20-1902, Chapter 1, Part 1, 1-1-104.35.*

Place of Use (POU)

Place of use means the land, facility, or site where water is beneficially used, *ARM 36.12.101 (44)*. In the case of this grant, it means the location where stock will be drinking water.

Point of Diversion (POD)

Point of diversion means the location or locations where water is diverted from the source of supply, *ARM 36.12.101 (45)*.

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 H](#) 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/CITT 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 Reimbursement Requirements Guide online: [here](#).

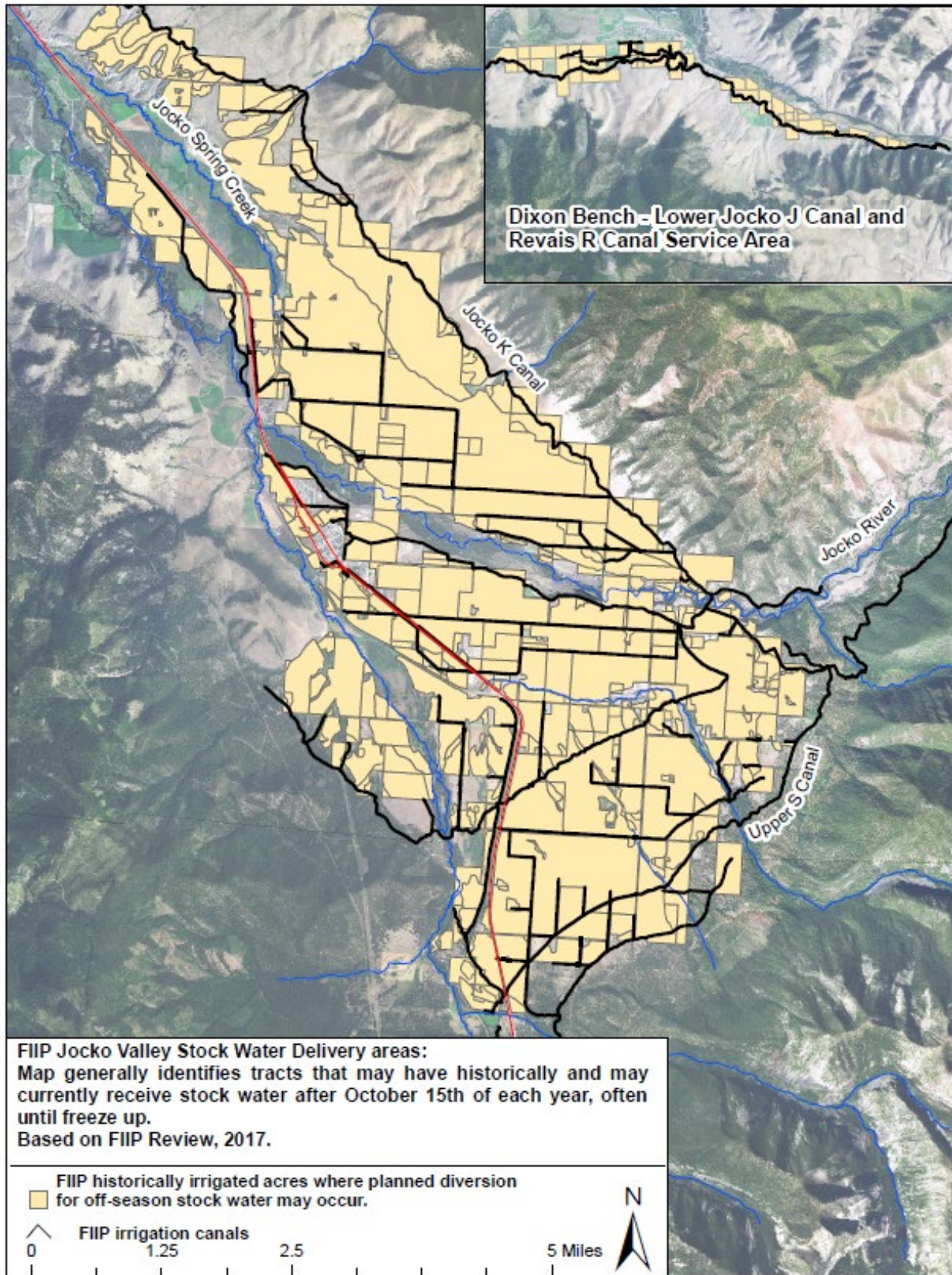
Review Panel

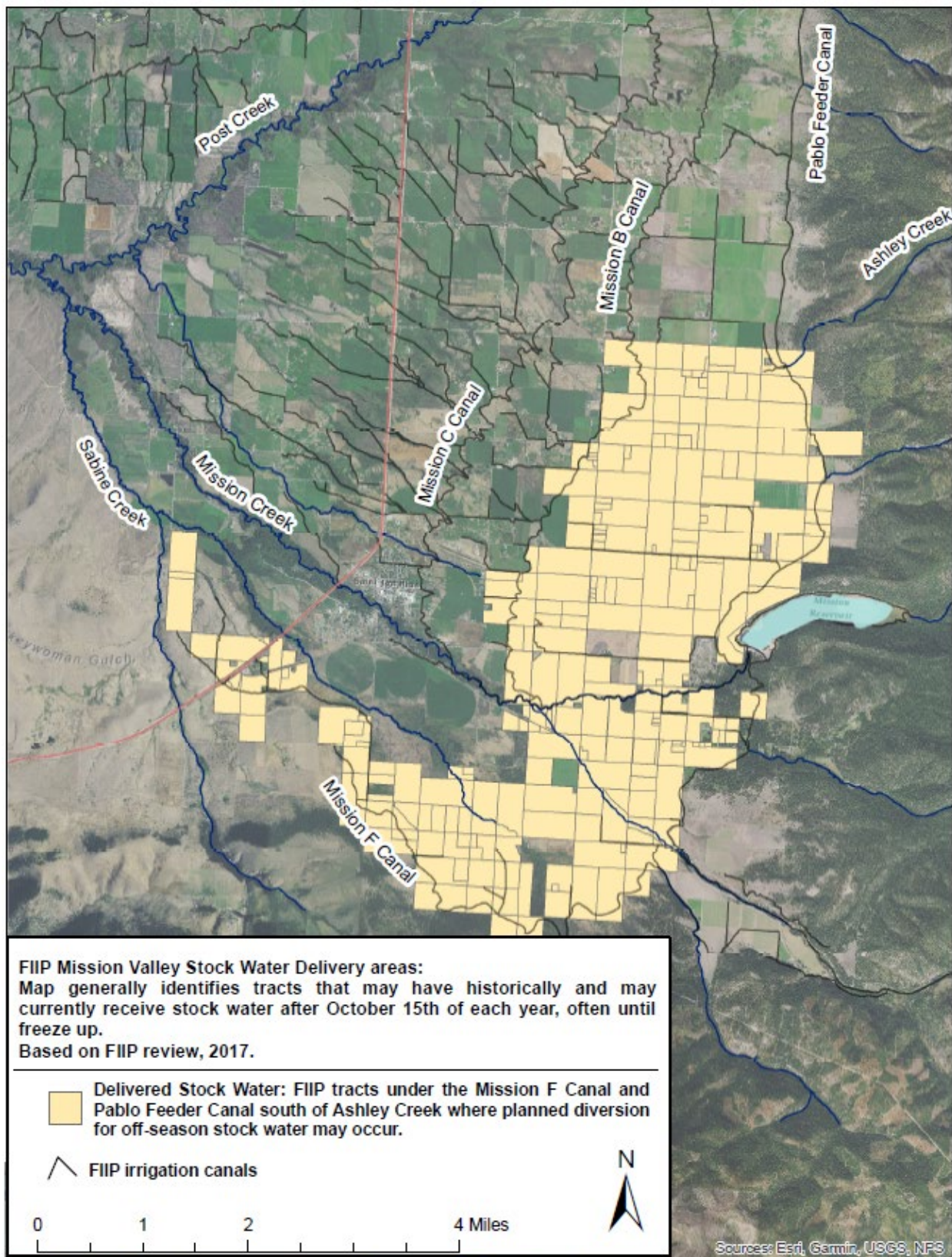
The review panel consists of three individuals who are not members of CITT and are ineligible to apply for grant funds. The review panel scores eligible applications submitted for the Off-Season Stock Water Mitigation Program.

Stock Water

Stock water means water whose purpose is direct consumption by livestock.

APPENDIX B: OFF-SEASON STOCK WATER HISTORICAL DELIVERY AREA





APPENDIX C: ELIGIBILITY AND SCORING CRITERIA

Eligibility Criteria

DNRC will review applications using the following eligibility criteria. FIIP will verify the that the proposed place of use in located on FIIP assessed acres. Successful applications must receive a score of “Pass” for all of the criteria below.

- _____(Pass/Fail) Eligible applicant.
- _____(Pass/Fail) Eligible project location.
- _____(Pass/Fail) Eligible off-season stock water mitigation project.
- _____(Pass/Fail) Project can reasonably be completed within 24 months of grant contract execution, per the project schedule.
- _____(Pass/Fail) All required documentation submitted.

Livestock will be quantified using animal units (AUs) per DNRC Form No. 615 R03/2012. An animal unit is a measurement of livestock. A cow calf pair is considered one animal and weaned animals are considered individuals.

Animal	Animal Units (AU)
1 Bison	1.5 AU
1 Horse	1.5 AU
1 Dairy Cow	1.5 AU
1 Beef Cow	1 AU
3 Swine	1 AU
5 Sheep	1 AU
5 Goats	1 AU

SCORING CRITERIA

Points will be awarded for benefits related to the project by a review panel. Partial points will not be awarded. Numbers in parenthesis indicated the percentage of the total score each category is worth.

LOCATION (50%)

The place of use (POU) is in the FIIP historically delivered stock water area.	_____ 100 Pts
The place of use (POU) is outside the FIIP historically delivered stock water area	_____ 0 Pts
SUBTOTAL FOR LOCATION	_____ 100 Pts
WEIGHTED SUBTOTAL FOR LOCATION	_____ 50 PTS

WATER RIGHTS (5%)

Applicant has existing water rights that encompass the project, or project will only require a stock water (60SF) or domestic allowance (60DF) from FRWMB.	_____ 100 Pts
Project requires a permit or change in use	_____ 0 Pts
SUBTOTAL FOR WATER RIGHTS	_____ 100 Pts
WEIGHTED SUBTOTAL FOR WATER RIGHTS	_____ 5 PTS

LIVESTOCK SERVED (20%)

Number of animal units served by proposed project outside of the irrigation season.

1-9 animal units	_____ 5 Pts
10-49 animal units	_____ 40 Pts
50+ animal units	_____ 100 Pts
SUBTOTAL FOR LIVESTOCK SERVED	_____ 100 Pts
WEIGHTED SUBTOTAL FOR LIVESTOCK SERVED	_____ 20 PTS

READINESS TO PROCEED (15%)

Budget narrative aligns with project summary.	_____ 20 Pts
Applicant consulted with applicable resources/experts regarding location/feasibility of project (i.e., technical specifications, well drillers, contractors, etc.)	_____ 20 Pts
Applicant consulted with FRWMB regarding water rights for the proposed project.	_____ 15 Pts
Applicant consulted with FIIP for applicable Special Use Permits.	_____ 15 Pts
The proposed project does not require right-of-way/easement permissions.	_____ 15 Pts
Applicant will contribute to the project.	_____ 15 Pts
SUBTOTAL FOR READINESS TO PROCEED	_____ 100 Pts
WEIGHTED SUBTOTAL FOR READINESS TO PROCEED	_____ 15 PTS

PRE-AWARD RISK ASSESSMENT (10%)

Applicant has an accounting system to track receipts and expenditures of grant funds.	_____ 25 Pts
Applicant has financial resources to complete the project.	_____ 25 Pts
Applicant is not involved any lawsuits/legal action that may impact project.	_____ 25 Pts
Applicant has resources to complete the project in the proposed timeline.	_____ 25 Pts

SUBTOTAL FOR PREAWARD RISK ASSESSMENT	_____ 100 Pts
WEIGHTED SUBTOTAL FOR PREAWARD RISK ASSESSMENT	_____ 10 PTS

WEIGHTED SCORE

LOCATION	_____ 50 PTS
WATER RIGHTS	_____ 5 PTS
LIVESTOCK SERVED	_____ 20 PTS
READINESS TO PROCEED	_____ 15 PTS
PRE-AWARD RISK ASSESSMENT	_____ 10 PTS
TOTAL WEIGHTED POINTS	_____ 100 PTS

APPENDIX D: GRANT AWARD LETTER EXAMPLE

GRANT RECIPIENT ORGANIZATION
ADDRESS
CITY, MT ZIP

RE: Off-Season Stock Water Mitigation Grant Program
PROJECT TITLE

Dear AUTHORIZED PERSON:

Congratulations on receiving your Off-Season Stock Water Mitigation Grant Program grant for \$AWARD AMOUNT for the PROJECT TITLE.

Project costs incurred (AS OF THE DATE OF THIS LETTER) or (INCURRED AFTER _____, BUT BEFORE _____) 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) 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](#))
Grant Management Plan ([Document](#))
Land Use Agreement (if required)
Procurement Plan (if required)

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

Once startup documentation is received, the grant agreement will be executed. The grant agreement will include program specific requirements including, but not limited to, the following:

- 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: State of Montana CITT Representative

APPENDIX E: 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.
- Expected changes in scope, schedule, or budget.

The Recipient shall report on total project costs including those funded by the Recipient and other 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 the project budget.

All reimbursement and reporting are submitted via email to the DNRC Grant Administrative Specialist at samantha.kemp@mt.gov.

Reporting and reimbursement templates and training materials are provided on CITT Off-Season Stock Water Mitigation Grant 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 off-season stock mitigation, and the current project status. Final reports will be made available to the public on the DNRC CITT 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 identified in the Agreement was completed:
 - Describe the planning process (for example: discuss project design, independent review, coordination with agencies, permits required and other activities).
 - Describe how the project was accomplished.
 - Discuss any differences between project description 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 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, Applicant, other State, or federal agencies).

Explain cost overruns or savings. Discuss unbudgeted expenses that arose over the course of the project.

- c. Applicant Contribution: Identify all efforts provided by Applicant or from other sources or in-kind services that were used to fund the project.

6. Project Completion and Certification

- a. Recipient's Certificate of Compliance (must be signed for all projects).
- b. Final Report submitted electronically (PDF)

Reporting and reimbursement templates and training materials are provided on DNRC CITT Grant webpage

APPENDIX F: DESCRIPTION OF BUDGET EXPENDITURE CATEGORIES

Activity Costs

- **Permitting** – Estimated costs for required permits.
- **Project Management** – Estimated costs for time spent managing a construction project. This does not include administrative functions related to the management of the grant.
- **Environmental Review** – Costs associated with the environmental review and approval from the DNRC or the CSKT Tribal Lands Department.
- **Materials/Supplies** – Estimated costs for project materials and/or supplies for the project.
- **Construction** – Estimated costs for project construction from the PER or bid documents. Cost estimates may include inflationary factors.
- **Contingency** - The construction contingency typically is not less than 10% of the estimated construction cost. Any deviation must be adequately justified.

APPENDIX G: 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. All applicable forms may be downloaded from the grant website. [{insert link}](#)

Land Type	Jurisdiction	Contact	Required Form(s) for Completion
Tribal Trust Land (Owned by CSKT)	Bureau of Indian Affairs	CSKT Tribal Lands Department 406-675-2700	BIA Categorical Exclusion Exception Review (CEER) Checklist; Shoreline Protection (if applicable)
Individual Tribal Trust Land (Owned by Individual Tribal Member)	Bureau of Indian Affairs	CSKT Tribal Lands Department 406-675-2700	BIA Categorical Exclusion Exception Review (CEER) Checklist; Shoreline Protection (if applicable)
Fee Land	Dept. Of Natural Resources and Conservation	Samantha Kemp, Grant Administrative Specialist 406-444-6790 Samantha.kemp@mt.gov	State of Montana MEPA Checklist

Tribal Trust Land/Individual Tribal Trust Land -- CSKT Tribal Lands Department

Please complete the ***BIA Categorical Exclusion Exception Review (CEER) Checklist*** located [here](#) and submit with your application. If an Environmental Assessment has already been completed for the proposed project, please attach it to the application in place of this evaluation.

For projects that will impact the shoreline of rivers, streams, lakes, and wetlands within the Reservation, ***The Shoreline Protection Ordinance*** must be followed. The Shoreline Protection program provides technical assistance and project review through the implementation of the tribal ordinances protecting shorelines, water quality, and personal property. [Shoreline Protection \(csktnrd.org\)](http://csktnrd.org)

Fee Land – DNRC

Fee land falls under the jurisdiction of state land requirements and is therefore subject to Montana Environmental Protection Act (MEPA). Please complete the State of Montana MEPA Checklist located [here](#) and submit with application.

APPENDIX H: PROCUREMENT/LIMITED SOLICITATION WORKSHEET

Grant recipients must comply with State of Montana Procurement requirements.

	State of Montana		
	Goods & Services MCA Title 18, Chapter 4	Construction MCA Title 18, Chapter 4	Licensed Professional Services MCA Title 18, Chapter 8
\$250,000 +	Competitive Invitation for Bid (IFB) or Request for Proposals (RFP) Award to lowest responsive bidder	Competitive Invitation for Bid (IFB) Award to lowest responsive bidder	Request for Qualifications (RFQ) Award to lowest responsive bidder
\$100,000-\$250,000			
\$50,000-\$100,000	Limited Solicitation Minimum of 3 Quotes Award to lowest responsive bidder	Limited Solicitation Minimum of 3 Quotes Award to lowest responsive bidder	Direct Negotiation Rotate Vendors
\$10,000-\$50,000			
\$0-\$10,000	Direct Negotiation No Quotes Rotate Vendors	Direct Negotiation No Quotes Rotate Vendors	

LIMITED SOLICITATION / SMALL PURCHASE WORKSHEET

Subrecipient: _____

Agreement #: _____

<u>PRODUCT/WORK DESCRIPTION</u>	<u>BRAND/MODEL (Equipment)</u>		
	Vendor 1	Vendor 2	Vendor 3
1. Vendor Name	1.	1.	1.
2. Contact Person	2.	2.	2.
3. Phone/Email	3.	3.	3.
4. Date of Outreach	4.	4.	4.
Price Quoted			
Vendor Awarded*			

Three attempts to contact can be considered a quote price of "no response" and no additional attempts are required.

*Work should be awarded to the most cost-effective option that can provide the work/supplies required. Items such as shipping charges and travel distances should be included in determination of the most cost-effective option.

APPENDIX I: BUDGET NARRATIVE

A budget narrative provides the task, purpose, and anticipated cost to meet the project goals. It is an overall snapshot of the work to be completed. The Budget Narrative template is available on the grant website.

Example

Off-Season Stock Water Mitigation Grant Budget Narrative		
<i>Applicant Name/Organization</i>	ABC Ranch Company, LLC	
<i>Project Name</i>	Well Installation	
Task Name and Description	Justification	Grant Request
Permitting	Permit expenses are anticipated to be \$250 for xxx permit and \$500 for yyy permit.	\$ 750.00
Project Management	Project management tasks include landowner and agency coordination, tracking of project tasks, assistance with procurement and bidding. Oversight of construction and management of volunteers. Project Manager 100 hours @ \$50/hour based on estimates from US Bureau of Labor and Statistics.	\$ 5,000.00
Environmental Review	Environmental review includes coordination with CSKT Environmental Office for environmental review and determination for project. Costs is an estimate.	\$ 500.00
Materials/Supplies	Will be included with construction cost.	\$ -
Contracted Services	Construction estimate includes anticipated costs associated with mobilization, excavator, drill and crew. Estimate based on 5 days full crew. Estimate based on similar project completed recently. Applicant will procure construction contractor through competitive bid.	\$ 50,000.00
Contingency	Contingency is based on 10% for due to unforeseen permitting, material and construction cost issues.	\$ 5,625.00
TOTAL PROJECT		\$ 61,875.00