

GRANT AGREEMENT

This grant agreement is between FLATHEAD ELECTRIC COOPERATIVE ("Grantor"), 2510 U.S. Highway 2 East, Kalispell, Montana 59901, and BIGFORK SCHOOL DISTRICT #38 ("Grantee"), 600 Commerce Street, P.O. Box 188, Bigfork, Montana 55911.

FLATHEAD COUNTY SHERIFF'S DEPARTMENT ("Signatory"), 920 S. Main Street #100, Kalispell, MT 59901, is an additional SIGNATORY to this Grant Agreement.

Recitals:

- A. Pursuant to Section 35-18-316, M.C.A., "A cooperative shall, upon the action of the board of trustees, retain patronage refunds allocated to its members that remain unclaimed for a period of 5 years after the end of the year in which the refunds are given. Refunds retained by the cooperative must be used for educational purposes."
- B. "Grant Purpose:" Grantee will use this Grant to provide a School Resource Officer program for area youth.
- C. Grantor is reinvesting unclaimed capital credit refunds to underwrite this Grant.
- D. Grantee desires to use this Grant in with its own and other funds to implement said Grant Purpose.
- E. Signatory acknowledges its responsibility to implement the School Resource Officer program funded by this Grant Agreement and to immediately notify Grantor and Grantee in writing if unable to fulfill this responsibility. Under such a scenario, Grantor and Grantee agree that Grantor will no longer be bound by the terms of this Grant Agreement.

Grant Agreement:

1. Term of Grant Agreement

1.1. Effective Date. July 1, 2024 or the date the parties obtain all required signatures, whichever is later. No payments will be made to Grantee until this Grant Agreement is fully executed.

1.2. Expiration Date. June 30, 2029, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

1.3. Survival of Terms. The following clauses survive the expiration or cancellation of this Grant Agreement: Liability; Publicity and Endorsement; Governing Law; Jurisdiction, and Venue.

2. Grantee's Duties

2.1: Grantee will use this Grant to fulfill its financial obligation to fund the Grant Purpose for the duration of this Grant Agreement.

2.1.1: Grantee will immediately notify Grantor if Grantee receives other funds in support of the Grant Purpose. In such instance, Grantee will prepare a report to Grantor's Board of Trustees,

either in person or in writing, on the additional funds received for the Grant Purpose. This report will include a proposal as to how and when Grantee proposes refunding a portion or the entire amount of the Grant to Grantor.

2.2. Grantee will train and expect its employees and agents to comply with all applicable federal, state, and local laws, ordinances, rules and regulations.

3. Consideration and Payment

3.1. Consideration: The total obligation of Grantor to Grantee is Two Hundred Twelve Thousand Five Hundred Dollars (\$212,500.00).

3.2. Payments: The total obligation shall be payable by Grantor to Grantee over five years, within ten business days of the following dates and in the following amounts:

July 1, 2024: \$42,500

July 1, 2025: \$42,500

July 1, 2026: \$42,500

July 1, 2027: \$42,500

July 1, 2028: \$42,500

4. Conditions of Payment

4.1. Should for any reason Grantee fail to fulfill or pursue the Grant Purpose during any time of the Grant duration, Grantor shall have no obligation to issue future payments set forth in Section 3.2, and Grantee agrees to not assert any claim for the unpaid grant payments.

5. Assignment, Amendments, Change Orders, Waiver, and Grant Agreement Complete

5.1. Assignment. The Grantee shall neither assign nor transfer any rights or obligations.

5.2. Amendments. Any amendments to this Grant Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant agreement, or their successors in office.

5.3. Waiver. If Grantor fails to enforce any provision of this Grant Agreement, that failure does not waive the provision or the Grantor's right to enforce it.

5.4. Grant Agreement Complete. This Grant Agreement contains all negotiations and agreements between the Grantor and the Grantee. No other understanding regarding this Grant Agreement, whether written or oral, may be used to bind either party.

6. Liability

6.1. The Grantee must indemnify, save, and hold the Grantor, its agents, trustees, employees and members harmless from any claims or causes of action, including attorney's fees incurred by the Grantor, arising from the performance of this Grant Agreement by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the Grantor's failure to fulfill its obligations under this Grant Agreement.

7. Workers' Compensation

7.1. Grantee certifies that it will comply with all applicable laws pertaining to workers' compensation insurance coverage.

7.2. Grantee's employees and agents will not be considered Grantor's employees.

7.3. Any claims that may arise under the Montana Workers' Compensation Act on behalf of Grantee's employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way Grantor's obligation or responsibility.

8. Publicity and Endorsement

8.1. Publicity. Any publicity regarding the subject matter of this Grant Agreement must identify Grantor's unclaimed capital credits as the source of funds for the Grant Purpose. For purposes of this provision, publicity includes social media, newsletters, blog posts, notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Grant Agreement.

Grantee is encouraged to use the following language anytime it is communicating about this Grant:

Flathead Electric Cooperative's Community Education Grants are funded by unclaimed capital credits. "Capital credits" refers to the money not-for-profit Flathead Electric Cooperative returns to its members when it brings in more revenue than is needed to operate. Some of these capital credits go unclaimed, usually because members move away without updating their mailing addresses. When capital credits go unclaimed for five years or more, Montana law allows that money to be used for educational purposes, such as supporting the Bigfork School District's School Resource Officer program.

8.2. Endorsement. The Grantor does not endorse any messaging or content produced, published, or otherwise offered through any activity of Grantee beyond the Grant Purpose.

9. Governing Law, Jurisdiction, and Venue

9.1. Montana law governs this Grant Agreement.

9.2. Venue for all legal proceedings out of this Grant Agreement, or its breach, must be in the appropriate state court with competent jurisdiction in Flathead County, Montana.

10. Termination

10.1. Termination by Grantor. Grantor may immediately terminate this grant agreement without cause, upon 90 days' written notice to the Grantee.

10.2. Termination for Cause. Grantor may immediately terminate this Grant Agreement if Grantor finds that there has been a failure to comply with the provisions of this Grant Agreement, the grant funds were not used for the Grant Purpose, or that the purposes for which the funds were granted have not been or will not be fulfilled.

10.3. Termination for Insufficient Funding. Grantor may immediately terminate this Grant Agreement if Grantee does not obtain funding at a level sufficient to fund the Grant Purpose.

10.3.1. Termination must be by written notice to the Grantee.

10.3.2. Grantor will not be assessed any penalty if the agreement is terminated because of the decision of the Grantee to not pursue the Grant Purpose.

10.3.3. Grantee agrees to provide Grantor notice of the lack of funding within a reasonable time of the Grantee's receiving that notice.

11. Report

11.1. At least one time per Grantee's fiscal year, Grantee shall report to Grantor's Board of Trustees, either in person or in writing, the progress of the Grant Purpose, including an overview of the program, how many schools and children have been served, and how the Grant monies have been invested in education.

GRANTOR

Date:

Mark Johnson, General Manager, Flathead Electric Cooperative

GRANTEE

Date:

Tom Stack, Superintendent, Bigfork School District

SIGNATORY

Date:

Brian Heino, Sheriff, Flathead County Sheriff's Department