Intergovernmental Grant Agreement

Cover Page

State Agency

Clean Fleet Enterprise ("CFE") and enterprise for the purposes of Section 20 of Article X of the Colorado Constitution
Colorado Department of Public Health and Environment

Grantee

City of Fort Collins

Grantee UEI

84-6000587

Grant Amount

06/01/2026-05/31/2031: $1,806,281.00
Total for All State Fiscal Years $1,806,281.00

Grant Issuance Date

June 1, 2026

Grant Expiration Date

May 31, 2031

Fund Expenditure End Date

May 31, 2031

Agreement Authority -

Authority to enter into this Contract exists in:
CRS § 25-7-103.5

The Clean Fleet Enterprise ("CFE") is and operates as a government-owned business within the Department of Public Health and Environment ("the department") for the business purpose of incentivizing and supporting the use of electric motor vehicles and other clean fleet technologies by owners and operators of motor vehicle fleets. See § 25-7-103.5(4), C.R.S.

The enterprise is overseen by the CFE Board of Directors. The department administers the program on behalf of the enterprise.

Grant Purpose

This environmental project serves to incentivize the use of Enterprise Approved Fleet Vehicles by businesses and governmental entities that operate fleets. This includes motor vehicles that were originally powered by internal combustion engines but have been converted into battery electric or hydrogen fuel cell electric motor vehicles and compressed natural gas motor vehicles that are fueled by recovered methane. [Request for Application (RFA) 47404827].

Exhibits and Order of Precedence

The following Exhibits and attachments are included with this Agreement:

1. Exhibit A, Additional Provisions
2. Exhibit B, Statement of Work.
3. Exhibit C, Budget.
4. Exhibit D, Sample Option Letter.

In the event of a conflict of inconsistency between this Agreement and any Exhibit or attachment, such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:

1. Colorado Special Provisions in §18 of the main body of this Agreement.
2. The provisions of the other sections of the main body of this Agreement.
3. Exhibit A, Additional Provision
4. Exhibit B, Statement of Work.
5. Exhibit C, Budget.
6. Exhibit D, Sample Option Letter.

Principal Representatives

For the State:

Jeremy Neustifter
Board Administrator
Clean Fleet Administrator
Colorado Department of Public Health and Environment
4300 Cherry Creek Drive South
Denver CO 80246
cdphe_cfe@state.co.us

For Grantee:

Tracy Ochsner
Director of Operation Services
City of Fort Collins
City Hall West: 300 La Port Avenue;
PO Box 580
Fort Collins, CO 80524
tochsner@fcgov.com

Signature Page

The Signatories Listed Below Authorize this Grant

GRANTEE

City of Fort Collins

Tracy Ochsner

____

By:

Date: ______________________

STATE OF COLORADO

Jared S. Polis, Governor

Clean Fleet Enterprise (CFE)

____

By: Will Allison, Chairperson
CFE Board of Directors

Date: ______________________

In accordance with §24-30-202, C.R.S., this Agreement is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER

Robert Jaros, CPA, MBA, JD

____

By: Kurt Williams, Controller

Effective Date: __________________

1. Grant

As of the Grant Issuance Date, the STATE OF COLORADO acting by and through the Clean Fleet Enterprise, a government owned business within the State agency shown on the first page of this Grant Award Letter (the "State" or "CFE" or "CDPHE") hereby obligates and awards to Grantee shown on the first page of this Grant Award Letter (the "Grantee" or "Contractor") an award of Grant Funds in the amounts shown on the first page of this Grant Award Letter. By accepting the Grant Funds provided under this Grant Award Letter, Grantee agrees to comply with the terms and conditions of this Grant Award Letter and requirements and provisions of all Exhibits to this Grant Award Letter.

2. Term

A. Initial Grant Term and Extension

The Parties' respective performances under this Grant Award Letter shall commence on the Grant Issuance Date and shall terminate on the Grant Expiration Date unless sooner terminated or further extended in accordance with the terms of this Grant Award Letter. Upon request of Grantee, the State may, in its sole discretion, extend the term of this Grant Award Letter by providing Grantee with an updated Grant Award Letter showing the new Grant Expiration Date.

B. Early Termination in the Public Interest

The State is entering into this Grant Award Letter to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Grant Award Letter ceases to further the public interest of the State or if State, Federal or other funds used for this Grant Award Letter are not appropriated, or otherwise become unavailable to fund this Grant Award Letter, the State, in its discretion, may terminate this Grant Award Letter in whole or in part by providing written notice to Grantee that includes, to the extent practicable, the public interest justification for the termination. If the State terminates this Grant Award Letter in the public interest, the State shall pay Grantee an amount equal to the percentage of the total reimbursement payable under this Grant Award Letter that corresponds to the percentage of Work satisfactorily completed, as determined by the State, less payments previously made. Additionally, the State, in its discretion, may reimburse Grantee for a portion of actual, out-of-pocket expenses not otherwise reimbursed under this Grant Award Letter that are incurred by Grantee and are directly attributable to the uncompleted portion of Grantee's obligations, provided that the sum of any and all reimbursements shall not exceed the maximum amount payable to Grantee hereunder. This subsection shall not apply to a termination of this Grant Award Letter by the State for breach by Grantee.

3. Definitions

The following terms shall be construed and interpreted as follows:

A. **"Agreement"** means this Agreement, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future modifications thereto.

B. **"Award"** means an award by a Recipient to a Subrecipient funded in whole or in part by a Federal Award. The terms and conditions of the Federal Award flow down to the Award unless the terms and conditions of the Federal Award specifically indicate otherwise.

C. **"Breach of Agreement"** means the failure of a Party to perform any of its obligations in accordance with this Agreement, in whole or in part or in a timely or satisfactory manner. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within 30 days after the institution of such proceeding, shall also constitute a breach. If Grantee is debarred or suspended under §24-109-105, C.R.S. at any time during the term of this Agreement, then such debarment or suspension shall constitute a breach.

D. **"Budget"** means the budget for the Work described in Exhibit C.

E. **"Business Day"** means any day in which the State is open and conducting business, but shall not include Saturday, Sunday or any day on which the State observes one of the holidays listed in §24-11-101(1) C.R.S.

F. **"CORA"** means the Colorado Open Records Act, §§24-72-200.1 *et seq.*, C.R.S.

G. **"Grant Award Letter"** means this letter which offers Grant Funds to Grantee, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future updates thereto.

H. **"Grant Funds"** means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Grant Award Letter.

I. **"Grant Expiration Date"** means the Grant Expiration Date shown on the first page of this Grant Award Letter.

J. **"Grant Issuance Date"** means the Grant Issuance Date shown on the first page of this Grant Award Letter.

K. **"Exhibits"** exhibits and attachments included with this Grant as shown on the first page of this Grant

L. **"Extension Term"** means the period of time by which the Grant Expiration Date is extended by the State through delivery of an updated Grant Award Letter

M. **"Goods"** means any movable material acquired, produced, or delivered by Grantee as set forth in this Grant Award Letter and shall include any movable material acquired, produced, or delivered by Grantee in connection with the Services.

N. **"Incident"** means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access or disclosure of State Confidential Information or of the unauthorized modification, disruption, or destruction of any State Records.

O. **"Initial Term"** means the time period between the Grant Issuance Date and the Grant Expiration Date.

P. **"Party"** means the State or Grantee, and "Parties" means both the State and Grantee.

Q. **"Services"** means the services to be performed by Grantee as set forth in this Grant Award Letter, and shall include any services to be rendered by Grantee in connection with the Goods.

R. **"State Confidential Information"** means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to, State personnel records not subject to disclosure under CORA. State Confidential Information shall not include information or data concerning individuals that is not deemed confidential but nevertheless belongs to the State, which has been communicated, furnished, or disclosed by the State to Grantee which (i) is subject to disclosure pursuant to CORA; (ii) is already known to Grantee without restrictions at the time of its disclosure to Grantee; (iii) is or subsequently becomes publicly available without breach of any obligation owed by Grantee to the State; (iv) is disclosed to Grantee, without confidentiality obligations, by a third party who has the right to disclose such information; or (v) was independently developed without reliance on any State Confidential Information.

S. **"State Fiscal Rules"** means the fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a) C.R.S.

T. **"State Fiscal Year"** means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.

U. **"State Records"** means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.

V. **"Subcontractor"** means third-parties, if any, engaged by Grantee to aid in performance of the Work. "Subcontractor" also includes sub-grantees.

W. **"Work"** means the delivery of the Goods and performance of the Services described in this Grant Award Letter.

X. **"Work Product"** means the tangible and intangible results of the Work, whether finished or unfinished, including drafts. Work Product includes, but is not limited to, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and any other results of the Work. "Work Product" does not include any material that was developed prior to the Grant Issuance Date that is used, without modification, in the performance of the Work.

Any other term used in this Grant Award Letter that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit.

4. Statement of Work

Grantee shall complete the Work as described in this Grant Award Letter and in accordance with the provisions of Exhibit B. The State shall have no liability to compensate or reimburse Grantee for the delivery of any goods or the performance of any services that are not specifically set forth in this Grant Award Letter.

5. Payments to Grantee

A. Maximum Amount

Payments to Grantee are limited to the unpaid, obligated balance of the Grant Funds. The State shall not pay Grantee any amount under this Grant that exceeds the Grant Amount shown on the first page of this Grant Award Letter. Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available. If CFE funds (which are not subject to state fiscal year appropriations) or if federal funds or funds from any other non-State funds constitute all or some of the Grant Funds, the State's obligation to pay Grantee shall be contingent upon such non-State funding continuing to be made available for payment. The State shall not be liable to pay or reimburse Grantee for any Work performed or expense incurred before the Grant Issuance Date or after the Grant Expiration Date; provided, however, that Work performed and expenses incurred by Grantee before the Grant Issuance Date that are chargeable to an active Federal Award may be submitted for reimbursement as permitted by the terms of the Federal Award.

B. Reimbursement of Grantee Costs

Upon prior written approval, the State shall reimburse Grantee's allowable costs, not exceeding the maximum total amount described in this Grant Award Letter for all allowable costs described in this Grant Award Letter and shown in the Budget, except that Grantee may adjust the amounts between each line item of the Budget without formal modification to this Agreement as long as the Grantee provides notice to the State of the change, the change does not modify the total maximum amount of this Grant Award Letter or the maximum amount for any state fiscal year, and the change does not modify any requirements of the Work. The State shall only reimburse allowable costs if those costs are: **(i)** reasonable and necessary to accomplish the Work and for the Goods and Services provided; and **(ii)** equal to the actual net cost to Grantee (i.e. the price paid minus any items of value received by Grantee that reduce the cost actually incurred).

C. Close Out.

Grantee shall close out this Grant within 45 days after the Grant Expiration Date. To complete close out, Grantee shall submit to the State all deliverables (including documentation) as defined in this Grant Award Letter and Grantee's final reimbursement request or invoice. The State will withhold 5% of allowable costs until all final documentation has been submitted and accepted by the State as substantially complete.

6. Reporting - Notification

A. Performance and Final Status

Grantee shall submit all financial, performance and other reports to the State no later than the end of the close out described in **§5.E**, containing an evaluation and review of Grantee's performance and the final status of Grantee's obligations hereunder.

B. Violations Reporting

Grantee shall disclose, in a timely manner, in writing to the State, all violations of federal or State criminal law involving fraud, bribery, or gratuity violations potentially affecting the Award. The State Agency may impose any penalties for noncompliance allowed under 2 CFR Part 180 and 31 U.S.C. 3321, which may include, without limitation, suspension or debarment.

7. Grantee Records

A. Maintenance and Inspection

Grantee shall make, keep, and maintain, all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to this Grant for a period of three years following the completion of the close out of this Grant. Grantee shall permit the State to audit, inspect, examine, excerpt, copy and transcribe all such records during normal business hours at Grantee's office or place of business, unless the State determines that an audit or inspection is required without notice at a different time to protect the interests of the State.

B. Monitoring

The State will monitor Grantee's performance of its obligations under this Grant Award Letter using procedures as determined by the State. The State shall have the right, in its sole discretion, to change its monitoring procedures and requirements at any time during the term of this Agreement. The State shall monitor Grantee's performance in a manner that does not unduly interfere with Grantee's performance of the Work

C. Final Audit Report

Grantee shall promptly submit to the State a copy of any final audit report of an audit performed on Grantee's records that relates to or affects this Grant or the Work, whether the audit is conducted by Grantee or a third party.

8. Confidential Information-State Records

A. Confidentiality

Grantee shall hold and maintain, and cause all Subcontractors to hold and maintain, any and all State Records that the State provides or makes available to Grantee for the sole and exclusive benefit of the State, unless those State Records are otherwise publicly available at the time of disclosure or are subject to disclosure by Grantee under CORA. Grantee shall not, without prior written approval of the State, use for Grantee's own benefit, publish, copy, or otherwise disclose to any third party, or permit the use by any third party for its benefit or to the detriment of the State, any State Records, except as otherwise stated in this Grant Award Letter. Grantee shall provide for the security of all State Confidential Information in accordance with all policies promulgated by the Colorado Office of Information Security and all applicable laws, rules, policies, publications, and guidelines. If Grantee or any of its Subcontractors will or may receive the following types of data, Grantee or its Subcontractors shall provide for the security of such data according to the following: **(i)** the most recently promulgated IRS Publication 1075 for all Tax Information and in accordance with the Safeguarding Requirements for Federal Tax Information attached to this Grant as an Exhibit, if applicable, **(ii)** the most recently updated PCI Data Security Standard from the PCI Security Standards Council for all PCI, **(iii)** the most recently issued version of the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy for all CJI, and **(iv)** the federal Health Insurance Portability and Accountability Act for all PHI and the HIPAA Business Associate Agreement attached to this Grant, if applicable. Grantee shall immediately forward any request or demand for State Records to the State's principal representative.

B. Other Entity Access and Nondisclosure Agreements

Grantee may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Grant Award Letter. Grantee shall ensure all such agents, employees, assigns, and Subcontractors sign nondisclosure agreements with provisions at least as protective as those in this Grant, and that the nondisclosure agreements are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential

Information. Grantee shall provide copies of those signed nondisclosure restrictions to the State upon request.

C. Use, Security, and Retention

Grantee shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information wherever located. Grantee shall provide the State with access, subject to Grantee's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Grant, Grantee shall return State Records provided to Grantee or destroy such State Records and certify to the State that it has done so, as directed by the State. If Grantee is prevented by law or regulation from returning or destroying State Confidential Information, Grantee warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

D. Incident Notice and Remediation

If Grantee becomes aware of any Incident, it shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. After an Incident, Grantee shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the State at no additional cost to the State.

E. Safeguarding PII

If Grantee or any of its Subcontractors will or may receive PII under this Agreement, Grantee shall provide for the security of such PII, in a manner and form acceptable to the State, including, without limitation, State non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Grantee shall be a "Third-Party Service Provider" as defined in §24-73-103(1)(i), C.R.S. and shall maintain security procedures and practices consistent with §§24-73-101 *et seq.*, C.R.S. In addition, as set forth in § 24-74-102, et. seq., C.R.S., Contractor, including, but not limited to, Contractor's employees, agents and Subcontractors, agrees not to share any PII with any third parties for the purpose of investigating for, participating in, cooperating with, or assisting with Federal immigration enforcement. If Contractor is given direct access to any State databases containing PII, Contractor shall execute, on behalf of itself and its employees, the certification attached hereto as Exhibit __ on an annual basis Contractor's duty and obligation to certify as set forth in Exhibit __ shall continue as long as Contractor has direct access to any State databases containing PII. If Contractor uses any Subcontractors to perform services requiring direct access to State databases containing PII, the Contractor shall require such Subcontractors to execute and deliver the certification to the State on an annual basis, so long as the Subcontractor has access to State databases containing PII.

9. Conflict of Interest

Grantee shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Grantee under this Grant. Grantee acknowledges that, with respect to this Grant, even the appearance of a conflict of interest shall be harmful to the State's interests and absent the State's prior written approval, Grantee shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Grantee's obligations under this Grant. If a conflict or the appearance of a conflict arises, or if Grantee is uncertain whether a conflict or the appearance of a conflict has arisen, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Grantee acknowledges that all State employees are subject to the ethical principles described in §24-18-105, C.R.S. Grantee further acknowledges that State employees may be subject to the requirements of §24-18-105, C.R.S. with regard to this Grant.

10. Insurance

Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S. (the "GIA"). Grantee shall ensure that any Subcontractors maintain all insurance customary for the completion of the Work done by that Subcontractor and as required by the State or the GIA.

11. Breach of Agreement

In the event of a breach of agreement, the aggrieved party shall give written notice of breach of agreement to the other party. If the notified party does not cure the breach, at its sole expense, within 30 days after the delivery of written notice, the party may exercise any of the remedies as described in §12 for that party. Notwithstanding any provision of this agreement to the contrary, the state, in its discretion, need not provide notice or a cure period and may immediately terminate this agreement in whole or in part or institute any other remedy in this agreement in order to protect the public interest of the state; or if grantee is debarred or suspended under §24-109-105, C.R.S., the state, in its discretion, need not provide notice or cure period and may terminate this agreement in whole or in part or institute any other remedy in this agreement as of the date that the debarment or suspension takes effect.

12. Remedies

A. State's Remedies

In addition to any remedies available under any exhibit to this grant agreement, if grantee is in breach under any provision of this agreement and fails to cure such breach, the state, following the notice and cure period set forth in §11, shall have all of the remedies listed in this section in addition to all other remedies set forth in this agreement or at law. The state may exercise any or all of the remedies available to it, in its discretion, concurrently or consecutively.

i. Termination for Breach

In the event of grantee's uncured breach, the state may terminate this entire agreement or any part of this agreement. Additionally, if grantee fails to comply with any terms of the federal award, then the state may, in its discretion or at the direction of a federal awarding agency, terminate this entire agreement or any part of this agreement. Grantee shall continue performance of this agreement to the extent not terminated, if any.

The State may also terminate this grant agreement at any time if the State has determined, in its sole discretion, that Grantee has ceased performing the Work without intent to resume performance, prior to the completion of the Work.

a. Obligation and Rights

To the extent specified in any termination notice, Grantee shall not incur further obligations or render further performance past the effective date of such notice, and shall terminate outstanding orders and subcontracts with third parties. However, Grantee shall complete and deliver to the State all Work not cancelled by the termination notice, and may incur obligations as necessary to do so within this Agreement's terms. At the request of the State, Grantee shall assign to the State all of Grantee's rights, title, and interest in and to such terminated orders or subcontracts. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee but in which the State has an interest. At the State's request, Grantee shall return materials owned by the State in Grantee's possession at the time of any termination. Grantee shall deliver all completed Work Product and all Work Product that was in the process of completion to the State at the State's request.

b. Payments

Notwithstanding anything to the contrary, the State shall only pay Grantee for accepted Work received as of the date of termination. If, after termination by the State, the State agrees that Grantee was not in breach or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest, and the rights and obligations of the Parties shall be as if this Agreement had been terminated in the public interest under **§2.B**.

c. Damages and Withholding

Notwithstanding any other remedial action by the State, Grantee shall remain liable to the State for any damages sustained by the State in connection with any breach by Grantee, and the State may withhold payment to Grantee for the purpose of mitigating the State's damages until such time as the exact amount of damages due to the State from Grantee is determined. The State may withhold any amount that may be due Grantee as the State deems necessary to protect the State against loss including, without limitation, loss as a result of outstanding liens and excess costs incurred by the State in procuring from third parties replacement Work as cover.

II. Remedies Not Involving Termination

The State, in its discretion, may exercise one or more of the following additional remedies:

a. Suspend Performance

Suspend Grantee's performance with respect to all or any portion of the Work pending corrective action as specified by the State without entitling Grantee to an adjustment in price or cost or an adjustment in the performance schedule. Grantee shall promptly cease performing Work and incurring costs in accordance with the State's directive, and the State shall not be liable for costs incurred by Grantee after the suspension of performance.

b. Withhold Payment

Withhold payment to Grantee until Grantee corrects its Work.

c. Deny Payment

Deny payment for Work not performed, or that due to Grantee's actions or inactions, cannot be performed or if they were performed are reasonably of no value to the state; provided, that any denial of payment shall be equal to the value of the obligations not performed.

d. Removal

Demand immediate removal of any of grantee's employees, agents, or subcontractors from the work whom the state deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable or whose continued relation to this Agreement is deemed by the state to be contrary to the public interest or the state's best interest.

e. Intellectual Property

If any work infringes, or if the state in its sole discretion determines that any work is likely to infringe, a patent, copyright, trademark, trade secret or other intellectual property right, grantee shall, as approved by the state (i) secure that right to use such work for the state and grantee; (ii) replace the work with non-infringing work or modify the work so that it becomes non-infringing; or, (iii) remove any infringing work and refund the amount paid for such work to the state.

f. Collection of Unallowable Costs (2 CFR 200.410)

Payments made for costs determined to be unallowable by either the awarding Federal agency, cognizant agency for indirect costs, or pass-through entity must be refunded with interest to the Federal Government. Unless directed by Federal statue or regulation, repayments must be made in accordance with the instructions provided by the Federal agency or pass-through entity that made the allowability determination. See §§ 200.300 through 200.309, and § 200.346.

B. Grantee's Remedies

If the State is in breach of any provision of this Agreement and does not cure such breach, Grantee, following the notice and cure period in §11 and the dispute resolution process in §13 shall have all remedies available at law and equity.

13. Dispute Resolution

Except as herein specifically provided otherwise or as disputes concerning the performance of this Grant that cannot be resolved by the designated Party representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager or official designated by Grantee for resolution.

14. Notices and Representatives

Each Party shall identify an individual to be the principal representative of the designating Party and shall provide this information to the other Party. All notices required or permitted to be given under this Grant Award Letter shall be in writing, and shall be delivered either in hard copy or by email to the representative of the other Party. Either Party may change its principal representative or principal representative contact information by notice submitted in accordance with this **§13**.

15. Rights in Work Product and Other Information

Grantee hereby grants to the State a perpetual, irrevocable, non-exclusive, royalty free license, with the right to sublicense, to make, use, reproduce, distribute, perform, display, create derivatives of and otherwise exploit all intellectual property created by Grantee or any Subcontractors or Subgrantees and paid for with Grant Funds provided by the State pursuant to this Grant.

16. Governmental Immunity

Liability for claims for injuries to persons or property arising from the negligence of the Parties, their departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §§24-30-1501, *et seq*. C.R.S. No term or condition of this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

17. General Provisions

A. Assignment

Grantee's rights and obligations under this Grant are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee's rights and obligations approved by the State shall be subject to the provisions of this Grant Award Letter.

B. Captions and References

The captions and headings in this Grant Award Letter are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Grant Award Letter to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

C. Entire Understanding

This Grant Award Letter represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Grant Award Letter.

D. Modification

The State may modify the terms and conditions of this Grant by issuance of an updated Grant Award Letter, which shall be effective if Grantee accepts Grant Funds following receipt of the updated letter. The Parties may also agree to modification of the terms and conditions of the Grant in a formal amendment to this Grant, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules.

E. Statutes, Regulations, Fiscal Rules, and Other Authority.

Any reference in this Grant Award Letter to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Grant Issuance Date. Grantee shall strictly comply with all applicable Federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. Digital Signatures

If any signatory signs this agreement using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Agreement by reference.

G. Severability

The invalidity or unenforceability of any provision of this Grant Award Letter shall not affect the validity or enforceability of any other provision of this Grant Award Letter, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under the Grant in accordance with the intent of the Grant.

H. Survival of Certain Grant Award Letter Terms

Any provision of this Grant Award Letter that imposes an obligation on a Party after termination or expiration of the Grant shall survive the termination or expiration of the Grant and shall be enforceable by the other Party.

I. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described above, this Grant Award Letter does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Any services or benefits which third parties receive as a result of this Grant are incidental to the Grant, and do not create any rights for such third parties.

J. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Grant Award Letter, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

K. Accessibility

i. Grantee shall indemnify, save, hold harmless, and assume liability on behalf of the State, its officers, employees, agents and assignees (collectively the "Indemnified Parties") for any and all costs, expenses, claims, damages, liabilities, court awards, attorney fees and related costs, and other amounts incurred by any of the Indemnified Parties in relation to Grantee's noncompliance with §§24-85-101, et seq., C.R.S., or the *Accessibility Standards for Individuals with a Disability* as established by the Office of Information Technology pursuant to Section §24-85-103, C.R.S. State employees are considered third parties for the purposes of this section.

ii. Grantee shall comply with the *Accessibility Standards for Individuals with a Disability*, as adopted by the Office of Information Technology pursuant to ¤24-85-103 C.R.S.

iii. The State may require Grantee's compliance with the *Accessibility Standards for Individuals with a Disability* adopted by the Office of Information Technology pursuant to §24-85-103 C.R.S. is determined and tested by a qualified third party selected by the State. The State may ask the Grantee to review the selection of the third party. Grantee shall be responsible for all costs associated with the third-party vendor's assessment. If Grantee is not in compliance as determined by the third-party vendor, at the State's request and at the State's direction, Grantee shall promptly take all necessary actions to come into compliance using a State-approved vendor, at no additional cost to the State.

18. Colorado Special Provisions (Colorado Fiscal Rule 3-3)

A. Statutory Approval. §24-30-202(1) C.R.S.

This agreement shall not be valid until it has been approved by the Colorado State Controller or designee. If this agreement is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), then this agreement shall not be valid until it has been approved by the State's Chief Information Officer or designee.

B. Fund Availability. §24-30-202(5.5) C.R.S.

Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

C. Governmental Immunity.

Liability for claims for injuries to persons or property arising from the negligence of the Parties, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §§24-30-1501, et seq. C.R.S. No term or condition of this agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

D. Independent Contractor.

Grantee shall perform its duties hereunder as an independent contractor and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be deemed to be an agent or employee of the State. Grantee shall not have authorization, express or implied, to bind the State to any Agreement, liability, or understanding, except as expressly set forth herein. Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Agreement. Grantee shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.

E. Compliance with Law.

Grantee shall comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. Choice of Law, Jurisdiction, and Venue.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Agreement. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Agreement shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

G. Prohibited Terms.

Any term included in this Agreement that requires the State to indemnify or hold Grantee harmless; requires the State to agree to binding arbitration; limits Grantee's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Agreement shall be construed as a waiver of any provision of §24-106-109 C.R.S.

H. Software Piracy Prohibition.

State or other public funds payable under this Agreement shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Agreement and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Grantee is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Agreement, including, without limitation, immediate termination of this Agreement and any remedy consistent with federal copyright laws or applicable licensing restrictions.

I. Employee financial Interest/Conflict of Interest. §§24-18-201 and 24-50-507 C.R.S.

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Agreement. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

Exhibit A, Additional Provisions

To Original Grant Agreement Number CTGG1 2026*3404

These provisions are to be read and interpreted in conjunction with the provisions of the Contract specified above.

I. Invoicing Provisions

a. CDPHE will distribute funding as a cost-reimbursement only.

1. All expenditures must comply with the State of Colorado fiscal rules.
2. CDPHE will not reimburse any costs incurred by selected applicants prior to the issuance of a legally executed Contract.

b. To receive compensation under the Contract, the Contractor shall submit a signed Reimbursement Request Form. This form is titled Reimbursement Request Form and will be emailed to the Contractor by the Mobile Sources Program upon Contract execution. The form is incorporated and made part of this Contract by reference. The Reimbursement Request Form must be submitted no later than **forty-five (45)** calendar days after receipt and final payment of the eligible purchase. Expenditures shall be in accordance with the Statement of Work and Budget. The Contractor shall submit the Reimbursement Request Form using the method listed below:

1. The Contractor shall submit the following documentation with the completed Reimbursement Request Form;

   i. Proof of purchase,
   ii. Proof of payment,
   iii. Receipts,
   iv. Copies of cleared checks,
   v. Invoices with zero balance shown.

2. Combine the completed and signed Reimbursement Request Form and supporting documentation into an electronic document.

3. Email the combined Reimbursement Request Form, and supporting documentation to:

APCD Fiscal Staff at cdphe_apcd_fiscal@state.co.us
and
Mobile Sources Program Staff at cdphe_cfe@state.co.us

Final billings under the Contract must be received by the State within a reasonable time; but no later than forty-five (45) calendar days from the effective expiration or termination date of the Contract.

II. Time Limit For Acceptance Of Deliverables.

a. Evaluation Period. The State shall have thirty (30) calendar days from the date a deliverable is delivered to the State by the Contractor to evaluate that deliverable, except for those deliverables that have a different time negotiated by the State and the Contractor.

b. Notice of Defect. If the State believes in good faith that a deliverable fails to meet the design specifications for that particular deliverable, or is otherwise deficient, then the State shall notify the Contractor of the failure or deficiencies, in writing, within thirty (30) calendar days of: 1) the date the deliverable is delivered to the State by the Contractor if the State is aware of the failure or deficiency at the time of delivery; or 2) the date the State becomes aware of the failure or deficiency. The above time frame shall apply to all deliverables except for those deliverables that have a different time negotiated by the State and the Contractor in writing pursuant to the State's fiscal rules.

c. Time to Correct Defect. Upon receipt of timely written notice of an objection to a completed deliverable, the Contractor shall have a reasonable period of time, not to exceed thirty (30) calendar days, to correct the noted deficiencies.

III. Health Insurance Portability and Accountability Act (HIPAA) Business Associate Determination:

The State has determined that this Contract does not constitute a Business Associate relationship under HIPAA.

IV. Ten percent (10%) of each reimbursement request, but not to exceed $180,628.10 may be withheld until all project objectives have been achieved, as determined by the Mobile Sources Program.

V. Contractor shall not sell, transfer, abandon, dispose of equipment, or otherwise allow the equipment to become unavailable for use during the term of the contract, without prior written authorization from the Mobile Sources Program.

VI. Contractor shall notify CDPHE within three (3) business days via email if the project goals change or if the Contractor is unable to utilize the awarded funds due to a change of business status.

VII. If project goals change or if the Contractor is unable to utilize the equipment due to a change in business status, the Contractor shall submit written justification for the project change to CDPHE for review. If CDPHE approves the project change request, CDPHE will notify the Contractor via email and the awarded funds will be adjusted accordingly.

VIII. Contractor acknowledges and agrees that CDPHE may, at its sole discretion, execute a security lien against any piece of equipment purchased by Contractor pursuant to this contract. Any such lien shall remain in place until CDPHE determines that Contractor has satisfied all obligations of the contract, and CDPHE acknowledges and releases Contractor by written notice.

IX. Contractor shall request prior approval in writing from the CDPHE Program Manager for all modifications to the Statement of Work/Work Plan, or for any modification to the budget categories in the total budget, at least 30 days prior to exceeding any budget tasks/activities outlined in the contract. Modifications to only the budget categories shall not change the total budget. Any request for modifications to the total budget shall be submitted to the State at least ninety (90) days prior to the end of the contract period and will require contract modification. Modifications to the budget categories amounting to less than or equal to 10% of the total project budget may be granted upon written approval of the CDPHE-APCD Program Manager without a contract modification.

Exhibit B, Statement of Work

To Original Grant Agreement Number **CTGG1 2026*3404**
These provisions are to be read and interpreted in conjunction with the provisions of the contract specified above.

I. Entity Name: City of Fort Collins

II. Project Description

This project serves to achieve maximum air quality benefits for the people of Colorado by transitioning fossil fuel vehicles to Enterprise Approved Fleet Vehicles. Colorado Department of Public Health and Environment (CDPHE) distributes funding through the Clean Fleet Enterprise's (CFE) Clean Fleet Vehicle and Technology grant program. Colorado Senate Bill 21-260 (Sustainability of the Transportation System) created the Clean Fleet Enterprise within the CDPHE for the business purpose of incentivizing and supporting the use of electric motor vehicles and other clean fleet technologies by owners and operators of motor vehicle fleets. CDPHE manages the disbursement of funds for this project.

III. Definitions

1. **APCD:** Air Pollution Control Division
2. **CFE:** Clean Fleet Enterprise
3. **CFVT**: Clean Fleet Vehicle & Technology Grant Program
4. **Clean title**: A title provided by the Colorado Division of Motor Vehicles that shows the vehicle does not have a lien and without a branded title (e.g. rebuilt, salvaged).
5. **Contractor:** the awarded CFVT entity and any subsidiaries
6. **Enterprise Approved Fleet Vehicle:** vehicles outlined in the CFVT Program Guide used for business purposes.
7. **Enterprise Approved Fleet Vehicle Fuel Type:**
    a. **BEV:** Battery Electric Vehicle
    b. **PHEV:** Plug-in Hybrid Electric Vehicles
    c. **NZEV:** Near-Zero Emission Vehicle
    d. **CNG:** Compressed Natural Gas vehicle-fueled with 90% recovered methane
    e. **FCEV:** Fuel Cell Electric Vehicle
8. **GVWR:** Gross Vehicle Weight Rating
9. **Vehicle Depreciation Document:** Document outlining a depreciation schedule for vehicles that are sold, relocated outside of Colorado, or become permanently inoperable prior to conclusion of this contract.

10. **Vehicle Scrappage:** Fossil-fueled vehicles which are rendered permanently inoperable by means of crushing and destroying engine, transmission and chassis components.
11. **Predetermined Fossil-fueled Vehicles:** Fossil-fueled vehicles selected for permanent removal from the fleet by means of vehicle scrappage.
12. **Proof of Purchase:** Documentation in the form of an invoice, or similar, that the Enterprise Approved Fleet Vehicle has been sold to the Contractor.
13. **Proof of Payment:** Documentation in the form of a sales receipt, or similar, that the Enterprise Approved Fleet Vehicle has been paid for by the Contractor.
14. **Vehicle Operational Data:** Including miles traveled, fuel consumption (in kWh or similar), primary charging or fueling location, fuel economy (MPG or MPGe), vehicle vocation, basic route information, and percentage of recovered methane used in fueling (when applicable).
15. **Vehicle Information:** proof of approved State of Colorado registration, clean title, bill of lading, proof of insurance and required photos of each awarded Enterprise Approved Fleet Vehicle.

IV. Work Plan

Goal #1: To improve and protect the air quality in Colorado through incentivizing, supporting, and accelerating the adoption of Enterprise Approved Fleet Vehicle(s) and other clean fleet technologies by owners and operators of motor vehicle fleets as authorized by the Clean Fleet Enterprise created pursuant to § 25-7.5-103, C.R.S.

Objective #1: No later than the expiration date of the Contract, implement Enterprise Approved Fleet Vehicle(s) into regular fleet service.

Primary Activity #1 The Contractor shall implement Enterprise Approved Fleet Vehicle(s) for routine usage in daily business operations.

Sub-Activities #1
1. The Contractor shall provide CDPHE with proof of purchase for each Enterprise Approved Fleet Vehicle purchased.
2. The Contractor shall, upon vehicle delivery, provide CDPHE with proof of payment for each Enterprise Approved Fleet Vehicle.

Primary Activity #2 The Contractor shall provide quarterly progress reports to CDPHE.

Sub-Activity #2

1. The Contractor shall provide quarterly progress reports include at a minimum:
    a. Status of purchases related to this project
    b. Status of related charging infrastructure to this project
    c. Status of additional external funding related to this project
    d. Reimbursement requests, if applicable.

Primary Activity #3 The Contractor shall, when applicable, dispose of predetermined fossil-fueled vehicles utilizing the Vehicle Scrappage Form.

Sub-Activities #3

1. The Contractor shall use the Vehicle Scrappage Form, when submitting a Vehicle Scrappage reimbursement request.

Primary Activity #4 The Contractor shall collect information for each awarded Enterprise Approved Fleet Vehicle for the semi-annual Vehicle Operational Data report.

Sub-Activities #4

1. The Contractor shall provide Vehicle Operational Data to CDPHE for each awarded Enterprise Approved Fleet Vehicle no later than April 30th and October 31st of each calendar year after being put into regular fleet operation.
2. The Contractor shall provide a Vehicle Operational Data Form to CDPHE for each Enterprise Approved Fleet Vehicle awarded.

Standards and Requirements

1. The content of electronic documents located on CDPHE and non-CDPHE websites and information contained on CDPHE and non-CDPHE websites may be updated periodically during the contract term. The contractor shall monitor documents and website content for updates and comply with all updates.
2. The Contractor shall comply with the requirements of the Clean Fleet Vehicle & Technology Grant Program as governed by Senate Bill 21-260 Sustainability of the Transportation System. This information is incorporated and made part of this Contract by reference and as set forth in statute at § 24-38.5-302, *et seq.*, C.R.S., § 25-7.5-101, *et seq.*, C.R.S.
3. The Contractor shall comply with Registration Requirements for each awarded Enterprise Approved Fleet Vehicle. This information is located on the State of Colorado Department of Revenue Division of Motor Vehicles website and is incorporated and made part of this contract by reference.

4. The Contractor shall comply with the requirements of the Vehicle Scrappage Form document for the disposal of each predetermined fossil-fueled vehicle. This information is incorporated and made part of this contract by reference.
5. The Contractor shall comply with the requirement to provide a semi-annual Vehicle Operational Data Form to include each Enterprise Approved Fleet Vehicle awarded. This document is incorporated and made part of this contract by reference.
6. The Contractor shall provide legible CDPHE with Proof of Purchase documentation for each awarded Enterprise Approved Fleet Vehicle that may include, where appropriate:
    a. Dealer invoice documentation
    b. Manufacturer invoice documentation
    c. Documentation as approved by the Mobile Sources Program.
7. The Contractor shall provide legible CDPHE Vehicle Information for each awarded Enterprise Approved Fleet Vehicle acquired that may include, where appropriate:
    a. Bill of lading
    b. Manufacturer Certification of Origin (MCO)
    c. Colorado registration
    d. Clean title
    e. Proof of insurance
    f. Photos of each awarded Enterprise Approved Fleet Vehicle to include:
        i. Side of vehicle(s)
        ii. Engine block of vehicle(s) with emission control information label
        iii. VIN with GVWR on door of vehicle(s)
8. CDPHE will notify the Contractor via email no less than (10) business days prior to quarterly project update due date that project updates are no longer required.
9. The Contractor shall provide routine maintenance for each awarded Enterprise Approved Fleet Vehicle in accordance with the manufacturer's specification(s).
10. The Contractor shall incur repair/replacement costs for each awarded Enterprise Approved Fleet Vehicle or up-fitting equipment damaged by the Contractor, agents or subcontractors.
11. The Contractor shall address any vehicle deficiencies under the manufacturer's warranty for each awarded Enterprise Approved Fleet Vehicle.
12. The Contractor shall utilize each awarded Enterprise Approved Fleet Vehicle for the duration of this contract.
13. The Contractor shall notify CDPHE within three (3) business days of any awarded Enterprise Approved Fleet Vehicle(s) that becomes permanently inoperable prior to the expiration date of the contract.

14. The Contractor shall comply with the Vehicle Depreciation Document regarding the reimbursement schedule of the total funds provided by the State for each Enterprise Approved Fleet Vehicle that becomes permanently inoperable prior to the conclusion of the contract. This document is incorporated and made part of this contract by reference.
15. The Contractor shall notify the CDPHE within three (3) business days of any intent to sell any awarded Enterprise Approved Fleet Vehicle(s) prior to the expiration date of the contract.
16. The Contractor shall comply with the Vehicle Depreciation Document regarding the reimbursement schedule of the total funds provided by the State for each Enterprise Approved Fleet Vehicle that is sold prior to the conclusion of the contract. This document is incorporated and made part of this contract by reference.
17. The Contractor shall notify the CDPHE a minimum of six (6) months prior to any intent to permanently relocate any awarded Enterprise Approved Fleet Vehicle outside of the State of Colorado.
18. The Contractor shall comply with the Vehicle Depreciation Document regarding the reimbursement schedule of the total funds provided by the State for each Enterprise Approved Fleet Vehicle that is permanently relocated outside of the State of Colorado prior to the conclusion of the contract. This document is incorporated and made part of this contract by reference.
19. CDPHE will adhere to contacting awardees to collect the Vehicle Operational Data Form for the duration of this Contract. Vehicle Operational Data Forms will be collected and reported no later than April 30th and October 31st of each calendar year for the duration of this contract.
20. The Contractor shall provide Vehicle Operational Data for each awarded Enterprise Approved Fleet Vehicle placed into service for the duration of this contract.
21. The Contractor shall maintain active vehicle insurance coverage on each awarded Enterprise Approved Fleet Vehicle in accordance with the State's minimum requirements set forth in the main body of this Contract.
22. The Contractor shall operate the Enterprise Approved Fleet Vehicle in the state of Colorado, limiting routes and trips for vehicle operation in neighboring states.
23. The Contractor shall prohibit the use of any Enterprise Approved Fleet Vehicle by a subcontractor without prior written approval from CDPHE.
24. CDPHE will review Contractor requests to subcontract any awarded Enterprise Fleet Vehicle within 20 business days to:
    a. Ask clarifying questions

b. Provide feedback.

25. The Contractor shall participate in site visits.

26. CDPHE will provide a minimum of 10 business days' notice when arranging a site visit with the Contractor. Site visit options include:
    a. In-person
    b. Virtual

27. The Contractor shall submit all deliverables due under this contract electronically via email to the Mobile Sources Program at cdphe_cfe@state.co.us.

28. The Contractor shall respond to CDPHE emails within (3) business days.

Expected Results of Activity(s)
Decreased fossil-fueled vehicle emissions in Colorado.

Measurement of Expected Results
1. Semi-annual Vehicle Operational Data for each awarded Enterprise Approved Fleet Vehicle(s)

Deliverables

Description	Completion Date
1. The Contractor shall submit Proof of Purchase for each Enterprise Approved Fleet Vehicle and use each Enterprise Approved Fleet Vehicle in service.	No later than 18 months after contract execution.
2. The Contractor shall submit quarterly progress reports.	No later than the last business day of each quarter.
3. The Contractor shall submit Proof of Payment for reimbursement of each awarded Enterprise Approved Fleet Vehicle.	No later than 45 calendar days after receipt of the eligible vehicle.
4. The Contractor shall submit Vehicle Information for each approved vehicle acquisition.	No later than 45 calendar days after receipt of the eligible vehicle.
5. The Contractor shall submit a Vehicle Scrappage Form for each predetermined fossil-fueled vehicle that has been scrapped.	No later than 12 months after receipt of eligible vehicle.
6. The Contractor shall submit completed semi-annual Vehicle Operational Data Forms to CDPHE.	No later than April 30th and October 31st of each calendar year after the vehicle begins fleet service.

V. Monitoring

CDPHE’s monitoring of this Contract for compliance with performance requirements will be conducted throughout the contract period by the Mobile Sources Program. Methods used will include a review of documentation determined by CDPHE to be reflective of performance to include review of semi-annual Vehicle Operation Data reports. The Contractor’s performance will be evaluated at set intervals and communicated to the Contractor.

VI. Resolution of Non-Compliance

The Contractor will be notified in writing within **15** calendar days of discovery of a compliance issue. Within **30** calendar days of discovery, the Contractor and the State will collaborate, when appropriate, to determine the action(s) necessary to rectify the compliance issue and determine when the action(s) must be completed. The action(s) and timeline for completion will be documented in writing and agreed to by both parties. If extenuating circumstances arise that requires an extension to the timeline, the Contractor must email a request to the Mobile Sources Program and receive approval for a new due date. The State will oversee the completion/implementation of the action(s) to ensure timelines are met and the issue(s) is resolved. If the Contractor demonstrates inaction or disregard for the agreed upon compliance resolution plan, the State may exercise its rights under the provisions of this contract.

Exhibit C, Budget

To Original Grant Agreement Number **CTGG1 2026*3404**

These provisions are to be read and interpreted in conjunction with the provisions of the Contract specified above.

I. Budget Table

Budget Category	Amount the State will reimburse up to:
Enterprise Approved Fleet Vehicle(s)	$1,738,781.00
Vehicle Scrappage	$67,500.00
Total Project Cost	**$1,806,281.00**

This Grant Agreement shall not exceed **One Million Eight Hundred Six Thousand Two Hundred Eighty One Dollars ($1,806,281.00).**

II. Budget Narrative

1. **Enterprise Approved Fleet Vehicles** – The purchase of up to **four (4) light-duty BEV vehicles, and nine (9) Class 7-8 CNG Vehicles** to include vehicle delivery, and vehicle registration, if applicable.

2. **Vehicle Scrappage** – The amount eligible upon submission and approval of Vehicle Scrappage Form **up to seven (7) Class 7-8 Vehicles and two (2) Class 5 vehicles** for qualifying scrapped vehicles.

Exhibit D, Sample Option Letter

State Agency

[Insert Department's or IHE's Full Legal Name]

Grantee

[Insert Grantee's Full Legal Name, including "Inc.", "LLC", etc.]

Grantee UEI

[Insert Grantee UEI]

Current Agreement Maximum Amount

Initial Term

State Fiscal Year [20XX] [$0.00]

Extension Terms

State Fiscal Year [20XX] [$0.00]

State Fiscal Year [20XX] [$0.00]

State Fiscal Year [20XX] [$0.00]

State Fiscal Year [20XX] [$0.00]

Total for All State Fiscal Years [$0.00]

Option Letter Number

[Insert the Option Number (e.g. "1" for the first option)]

Original Agreement Number

[Insert CMS number or Other Agreement Number of the Original Agreement]

Option Agreement Number

[Insert CMS number or Other Agreement Number of this Option]

Agreement Performance Beginning Date

[Month Day, Year]

Current Agreement Expiration Date

[Month Day, Year]

Options:

A. Option to extend for an Extension Term
B. Option to change the quantity of Goods under the Agreement
C. Option to change the quantity of Services under the Agreement
D. Option to modify Agreement rates
E. Option to initiate next phase of the Agreement

Required Provisions:

1. For use with Option 1(A): In accordance with Section(s) [Number] of the Original Agreement referenced above, the State hereby exercises its option for an additional term, beginning [Insert start date] and ending on the current Agreement expiration date shown above, at the rates stated in the Original Agreement, as amended.
2. For use with Options 1(B and C): In accordance with Section(s) [Enter Section(s) number] of the Original Agreement referenced above, the State hereby exercises its option to

Exhibit D

[Increase/Decrease] the quantity of the [Goods/Services or both] at the rates stated in the Original Agreement, as amended.

3. For use with Option 1(D): In accordance with Section(s) [Enter Section(s) number] of the Original Agreement referenced above, the State hereby exercises its option to modify the Agreement rates specified in [Enter Exhibit/Section] [Enter Number/Letter]. The Agreement rates attached to this Option Letter replace the rates in the Original Agreement as of the Option Effective Date of this Option Letter.
4. For use with Option 1(E): In accordance with Section(s) [Enter Section(s) number] of the Original Agreement referenced above, the State hereby exercises its option to initiate Phase [indicate which Phase: 2, 3, 4, etc.], which shall begin on [Insert start date] and end on [Insert ending date] at the cost/price specified in Section [Enter Section(s) number].
5. For use with all Options that modify the Agreement Maximum Amount: The Agreement Maximum Amount table on the Agreement's Signature and Cover Page is hereby deleted and replaced with the Current Agreement Maximum Amount table shown above.

Option Effective Date:

The effective date of this Option Letter is upon approval of the State Controller or [Enter date], whichever is later.

STATE OF COLORADO
Jared S. Polis, Governor
[INSERT-Name of Agency or IHE]
[INSERT-Name & Title of Head of Agency or IHE]

____

By: [Name & Title of Person Signing for Agency or IHE]

Date: ____________________

In accordance with §24-30-202, C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By: ______________________________

[Name of Agency or IHE Delegate-Please delete if Agreement will be routed to OSC for approval]

Option Effective Date: ____________________