

**REQUEST FOR APPLICATIONS
FOR
COMMUNITY ENERGY EFFICIENCY DEVELOPMENT PROGRAM PROJECTS
ISSUED BY
THE STATE OF NEW MEXICO,
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT,
ENERGY CONSERVATION AND MANAGEMENT DIVISION**

I. PURPOSE

The State of New Mexico, Energy, Minerals and Natural Resources Department (EMNRD), Energy Conservation and Management (ECAM) Division is requesting applications from governmental entities for Community Energy Efficiency Development (CEED) Program projects to provide improvements to residential buildings in underserved communities in New Mexico.

Community energy efficiency projects will target the adoption of energy-efficient consumer behavior, equipment, or devices that result in a decrease in energy consumption without reducing the amount or quality of energy services. This includes health and safety measures, including those that use efficient equipment or devices to improve indoor air or drinking water quality, and equipment or electrification upgrades.

Projects will serve one or more goals of the CEED Program for residential buildings in underserved communities, including:

- reduce energy consumption;
- reduce energy-related operating costs;
- reduce the carbon intensity of energy consumption; or
- a combination of the above.

Each applicant is responsible for demonstrating how the proposed projects meet at least one of these goals and must engage impacted communities in the development of the application.

Applications must be complete and submitted on Sept. 30, 2025 by 5:00 p.m. MT.

Per Section X: Contact and Due Dates, below, prospective applicants may ask questions leading up to the Request for Applications (RFA) deadline. Prospective applicants may also register for a non-mandatory pre-application information session at 3:00 p.m. MT on Aug. 8, 2025 via Microsoft Teams:

Information Session link: [Join link](#)

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZDg4MzJkYmMtZjY1OC00NjijLWFhNTktOTIzNGFhMzFIN2Ni%40thread.v2/0

Information Session ID: 262 017 409 628 6

Information Session passcode: Wa2L5UG6

Dial in by phone: [+1 505-312-4308](tel:+15053124308), [109341274#](tel:+15053124308)

Phone conference ID: 109 341 274#

Applications must demonstrate that the project will meet all of the criteria listed in Section VII: Application Evaluation Criteria, below, to be funded. Projects may be funded from state or federal funding sources.

II. ELIGIBILITY

Projects will fall under one of two types. Type 1 Projects are open to Indian nations, tribes, or pueblos; county or municipal governments; and the New Mexico Mortgage Finance Authority (MFA) operating as Housing New Mexico, to provide improvements to low-income residential buildings in an application identified underserved community. Type 2 Projects are reserved for the MFA to provide improvements to low-income residential buildings across New Mexico.

All projects must take place within the state of New Mexico.

Project costs eligible for reimbursement may include costs of program administration, building audit or assessment costs, contractual costs such as service provider or contractor costs, partner organization costs, engineering design, environmental and regulatory assessments, equipment, supplies, construction, inspections, and monitoring/quality assurance.

III. BACKGROUND INFORMATION

The CEED Program will facilitate targeted energy efficiency improvements in underserved communities by providing block grants to local governments in partnership with community organizations. Low-income households often pay a disproportionate amount of their income on home energy costs (e.g., electricity, natural gas, and other home heating fuels), referred to as the “energy burden.” In New Mexico, individuals living below the federal poverty level pay on average 14% of their income on home energy expenses, and in some rural communities that expense can be as high as 37%. The CEED Program will build on New Mexico’s efforts for reaching underserved communities while working toward its emission reduction goals.

The CEED Block Grant Act, NMSA 1978, Sections 62-17A-1-9 [nmonesource.com/nmos/nmsa/en/item/4407/index.do#a17A], established the CEED Program and CEED Block Grant Fund to support residential energy efficiency and conservation in New Mexico. New Mexico Administrative Code Rule 19.1.10 CEED Program [www.srca.nm.gov/parts/title19/19.001.0010.html], establishes requirements and procedures for applying for a CEED Program grant.

An Act, Relating To Public Finance; Creating The Community Benefit Fund (CBF Act) [nmonesource.com/nmos/nmsl/en/item/19137/index.do#c141], NMSA 1978, Section 6-4-37, established the Community Benefit Fund to support projects for purposes that include; reducing greenhouse gas emissions, increasing electricity from renewable energy resources, and increasing the efficiency of electricity from energy efficiency projects.

IV. SCOPE OF WORK

TYPE 1 PROJECTS

Applications for Type 1 Projects are open to all eligible entities and must describe a scope of work that includes:

- A. a description of the proposed project including the geographic area and target community, how the project intends to meet the goals of the program, and the approach for maximizing project benefits. This must include how the project will meet the specific energy savings and community benefits described in Section V: Application Package Contents, below;
- B. a description of the community partner(s) that applicants propose to collaborate with and the community partner(s)' experience working in the targeted community;
- C. a timeline for implementation, with a work plan detailing how tasks will be executed within the allotted timeframe and by which members of the project team; and
- D. A logic model with the proposed reporting metrics and data collection methodology; appropriateness of measures and deliverables created and proposed for tracking and collecting data, and project impact estimates.

TYPE 2 PROJECTS

Applications for Type 2 projects are reserved for the MFA and must propose a scope of work that includes:

- A. a description of the proposed project including the geographic area(s), how the project meets the goals of the program, and the approach for maximizing project benefits. This must include how the project will meet the specific energy savings and community benefits described in Section V: Application Package Contents, below;
- B. a coordination plan with information on how the project would support infrastructure improvements for affordable housing; how the project would complement and not duplicate other energy efficiency programs in the state, and how energy efficiency improvements to the residential housing units will help to reduce the energy burden of low-income households that may not qualify for other energy efficiency programs in the state;
- C. a logic model with the proposed reporting metrics and data collection methodology; appropriateness of measures and deliverables created and proposed for tracking and collecting data, and project impact estimates; and
- D. a timeline for implementation, with a work plan detailing how tasks will be executed within the allotted timeframe and by which members of the project team.

V. APPLICATION PACKAGE CONTENTS

Applicants must submit their application packages electronically using the approved ECAM forms; Application via the online form at <https://forms.office.com/g/5KgWTEL5X4>, and Attachments found at emnrd.nm.gov/ecmd/ceed via email in PDF format.

A. Letter of Transmittal

Application packages must include a letter of transmittal that:

- identifies the name, title, telephone number, and email address for the applicant entity and person(s) authorized to negotiate a contract on applicant's behalf;

- identifies the name, title, telephone number, and email address of the person(s) to be contacted for clarification related to the contents of an application;
- accepts the terms and conditions of this RFA and its requirements;
- acknowledges receipt of all amendments to this RFA (if applicable); and
- is signed by the person(s) authorized to contractually obligate the entity.

B. Project Narrative

Application packages must include a narrative and materials related to the scope of work appropriate for the project as described in Section IV: Scope of Work, above. In addition, the application must include a narrative description of the project's alignment with the CEED Program's goals. Project narratives must describe how the project will improve residential low-income housing in New Mexico by:

1. Type 1 Projects

i. Project Description:

This section of the application must clearly describe:

- the community energy efficiency project that is being proposed and the project approach;
- the selected geographic "block", areas or property addresses where the project will take place;
- the identified community, including data detailing the energy-related needs of the community and why that community was selected for CEED Program funding;
- how the project would provide energy efficiency improvements to residential buildings in the targeted community
- the selected participant household eligibility requirements from Section 19.1.10.12 (D), NMAC to be used and how the Applicant will certify eligibility prior to the commencement of work;

ii. Community Benefit Description

This section of the application must explicitly address requirements imposed by the 2025 CBF Act. Funded applications must clearly articulate a plan for achieving social, environmental, economic and/or additional benefits as a result of a project being funded. (See Attachment 3, *Community Benefit Plan Template*).

2. Type 2 Projects

i. Project Description

This section of the application must clearly describe:

- the community energy efficiency project that is being proposed;
- the selected geographic areas or property addresses where the project will take place;

- c. how the project would support infrastructure improvements for affordable housing that would complement and not duplicate other energy efficiency programs in the state;
- d. the proposed energy efficiency improvements to residential housing units;
- e. how energy efficiency improvements to the residential housing units will help to reduce the energy consumption, burden, or carbon intensity of energy consumption of low-income households that may not qualify for other energy efficiency programs in the state; and
- f. the selected participant household eligibility criteria as established by the MFA.

ii. **Community Benefit Plan**

This section of the application must explicitly address requirements imposed by the 2025 CBF Act. Funded applications must clearly articulate a plan for achieving social, environmental, economic and/or additional benefits as a result of a project being funded. (See Attachment 3, *Community Benefit Plan Template*).

C. Logic Model

Application packages must include a logic model that describes proposed reporting metrics and data collection methodology; appropriateness of measures and deliverables created and proposed for tracking and collecting data.

This must also include the average impact by household, the aggregated impact of the project, and metrics which will determine success in implementation. Metrics proposed in applications may be tailored to the individual project.

D. Budget

Application packages must include a budget detailing anticipated expenditures showing how work will be compensated, additional sources of funding including a list of non-program funding or in-kind resources, and how these resources will be applied to the project, if applicable. Applicants must indicate areas for budget reduction potentials in the event a project is not selected for full funding. Administrative costs are capped at 15%.

E. Technical Capabilities

Application packages must include proof of administrative and fiscal readiness, including a statement on how the entity prevents fraud, waste, and abuse of funding. It must also include how the applicant will fund the project if the CEED Program grant will not fund the entire project. Include applicant entity's key technical capabilities for completing the work.

F. Timeline

1. Application packages must include a timeline showing how the project will be completed, including major milestones.
2. Applications must include a work plan detailing how tasks will be executed within the allotted timeframe and by which members of the project team.

G. Partnership Descriptions

Application packages must include:

1. descriptions of proposed community partner(s) with experience in the area(s) in which the project will take place, outlining scope of collaboration and experience of partner in working with the targeted underserved community, and may include letter(s) of support; and
2. descriptions of proposed service providers(s) with experience in the area(s) in which the project will take place, outlining any commitment by provider to employ apprentices from a registered apprenticeship program that promotes diversity or to provide paid internships to persons from the targeted underserved community, and may include letter(s) of support.

H. Grant of Authority Progress

Grantees must provide proof of Grant of Authority progress with application package. No funding will be awarded until the Grant of Authority is finalized. See: *CEED Program Grant of Authority Ordinance* document [www.emnrd.nm.gov/ecmd/wp-content/uploads/sites/3/CEED-Program-Grant-of-Authority-Ordinance.pdf] for more details.

Examples of progress proof may include:

- Draft Ordinance or Resolution language
- Municipal or Tribal Council agenda
- Governing body meeting minutes
- Official letter or memo of intent
- Public notice of Ordinance or Resolution consideration
- Legal review confirmation
- Council Work Session materials

I. Certification

Application packages must include a completed, signed *Statement of Assurances Form* (Attachment 2).

VI. ADDITIONAL REQUIREMENTS

A. Grant of Authority Requirement. Prior to ECAM's final approval of an application, an applicant that is:

- An Indian nation, tribe, or pueblo must provide ECAM with a copy of a resolution enacted by the Indian nation, tribe, or pueblo that provides approval for a specific CEED Program grant and must include in the resolution the terms and conditions of the grant approved by ECAM.
- A county or municipality must provide a copy of the ordinance enacted by the county or municipality that provides the county's or municipality's formal approval for a specific ECAM Program grant and must include in the ordinance the terms and conditions of

the grant approved by ECAM.

- The MFA must provide ECAM with formal approval of the MFA to accept a specific CEED Program grant. The MFA shall coordinate with the ECAM on work done pursuant to ECAM Program grants in the state to implement energy efficiency measures.

B. Community Benefit Fund Requirement. Prior to ECAM's final approval of an application, CBF Act funded projects that meet the requirements of NMSA 1978 6-4-37 A. (1)–(5) shall include:

- a. documentation that two meetings regarding the project were held within the community affected by the proposed project to accept comments and address concerns and that shows that notice of the meetings was provided to overburdened communities that may be impacted by the project; or
- b. a community benefits agreement negotiated with overburdened communities that may be impacted by the project.

Overburdened communities are communities experiencing disproportionate burdens in climate change, energy, health, housing, legacy pollution, transportation, water and wastewater and workforce development. See: *Community Benefit Plan Template* (Attachment 3)

C. Federal Funding Monitoring and Reporting Requirements

ECAM may apply funds available through the U.S. Department of Energy (DOE) and therefore, all undertakings are subject to provisions of Section 106 (36 C.F.R. Part 800) of the National Historic Preservation Act (NHPA) and related laws and regulations of the National Environmental Policy Act (NEPA). Federal regulations require DOE to monitor each grant recipient, and grantees to monitor each project, program, subrecipient, function, or activity supported by federal funds to ensure compliance with all federal rules and regulations. Prohibited uses of DOE funding include (10 C.F.R. Section 420.18): purchase of land, buildings, or structures, or any interest therein.

D. General Reporting Requirements

All selected applications are required to submit progress and expenditure reports, including a final report, in accordance with the requirements of their respective Governmental Services Agreement (GSA) (Attachment 1). Reporting will include but not be limited to data relating to project performance, energy savings, and non-energy benefits resulting from project energy efficiency, conservation, and retrofit measures.

ECAM reserves the right to structure reporting requirements on a project-specific basis.

E. Statement of Compliance

All selected applicants must provide a statement to demonstrate acknowledgement of compliance with all applicable federal, state, and local environmental laws, including but not limited to the Cultural Properties Act, NMSA 1978, Sections 18-6-1 through 18-6-17, and the Endangered and Protected Species Act, NMSA 1978, Sections 17-1-14 through 17-5-21.

F. Maintenance and Inspection of Public Records Act/Confidential Information

All information obtained regarding the project, including pre-applications, applications for funding, and reports are subject to disclosure, in response to requests received under provisions of the New Mexico Inspection of Public Records Act, NMSA 1978, Sections 14-2-1 to 14-2-12. Information that could reasonably be considered to be proprietary, privileged, or confidential commercial or financial information must be identified as such. EMNRD will maintain the confidentiality of that information only to the extent permitted by law.

VII. APPLICATION EVALUATION CRITERIA

No.	DESCRIPTION OF EVALUATION CRITERION	<u>TYPE 1:</u> Points Available	<u>TYPE 2:</u> Points Available
1.	Capability to meet the scope of work described. ECAM will consider the: <ul style="list-style-type: none"> • project description and approach; • project timeline and work plan; • appropriateness of measures/deliverables; • metrics created and proposed for tracking and collecting data; • qualifications of project team members; and • ability to complete the project financially. 	18	18
2.	Alignment with CEED Program goals. ECAM will consider the: <ul style="list-style-type: none"> • estimated reduction of energy use that will come from implementation of the proposed measures; • estimated reduction of energy cost that will come from implementation of the proposed measures; and • estimated reduction in carbon intensity of energy consumption from implementation of the proposed measures. 	5	5
3.	Partnership Experience. ECAM will consider the experience of each community partner and service provider identified in the application in working with the targeted underserved community.	2	1
4.	Workforce impact. ECAM will consider whether the partners identified in the application employ apprentices from a registered apprenticeship program that promotes diversity or if they provide paid internship to persons from the targeted underserved communities.	2	1
5.	Geographic diversity. ECAM will consider the degree to which the project promotes geographic	0	2

	diversity of the portfolio of community energy efficiency projects.		
6.	Underserved community benefits. ECAM will consider the degree to which the project benefits an underserved community, including: <ul style="list-style-type: none"> I. maximizing benefits in community; II. non-energy benefits, including health, etc.; and III. value of the project as a demonstration project to provide data for the effectiveness of implementing similar projects elsewhere. IV. Community Benefits Plan 	11	11
7.	Budget. ECAM will consider the total proposed budget as well as the average amount requested per household, prioritizing applications which propose to maximize project benefits in the community to the greatest extent feasible, while achieving the goals of the program.	12	12

VIII. EVALUATION PROCESS

The application evaluation process will follow the steps listed below:

- A.** upon receipt of applications, the Evaluation Team will document the contents of applications and review for eligibility, completeness, and compliance with the mandatory requirements stated within this RFA;
- B.** in the event that the application is incomplete or clarification of the application content is needed, the applicant will be notified by the Evaluation Team. The applicant must then submit the information requested in the timeframe established by ECAM;
- C.** the Evaluation Team will evaluate responsive applications based on the criteria in Section VII: Application Package Criteria, and will select responsive applications with the highest total weighted scores as finalists for award; and
- D.** applications deemed non-responsive or applicants that do not respond in the established timeframe may be disqualified.

IX. AWARD

- A.** Approval will be granted in two stages. Preliminary approval requires an application submission and ECAM selection. Final approval requires an additional Statement of Authority submission as required in Section VI: Additional Requirements, before full ECAM approval may be granted.
- B.** EMNRD may award multiple contracts under the terms of the attached draft GSA (Attachment 1) and this RFA. Any GSA awarded as a result of this RFA shall not be binding until approved by EMNRD and the funds encumbered by the Department of Finance and Administration. Any GSA awarded as a result of this RFA may last up to three years, depending on Applicant need and project complexity.

X. CONTACT AND DUE DATES

Questions concerning this RFA are to be submitted electronically or in writing to:

Dana Howard
EMNRD – ECMD
1220 S. St Francis Drive
Santa Fe, NM 87505
(505) 395-0855
EMNRD-CEED@state.nm.us

ECAM will only respond to written questions regarding this RFA. Questions need to be clearly labeled and cite the section(s) in the RFA or other document which form the basis of the question.

Written answers to those questions will be posted on the EMNRD–ECAM Division website as they arrive: www.emnrd.nm.gov/ecmd/ceed

Applicants must submit one application package by 5:00 p.m. MT on Sept. 30, 2025.

The application package consists of: Application, submitted electronically via the online form at <https://forms.office.com/g/5KgWTEL5X4>, and Attachments, found at emnrd.nm.gov/ecmd/ceed (Budget, Grant of Authority progress) via email in PDF format.

XI. NOTICES

Award of agreements is contingent upon sufficient appropriations and authorization being made by the State of New Mexico and DOE.

The money made available to support any GSA entered into as a result of this RFA must cover Governmental Gross Receipts Taxes as a component of the total GSA amount.

EMNRD may cancel this RFA and reject any and all applications when it is in the State of New Mexico's best interests.

EMNRD may conduct discussions with applicants who submit applications but may also accept applications without such discussions.

The Procurement Code, NMSA 1978, Sections 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks.

**STATE OF NEW MEXICO
GOVERNMENTAL SERVICES AGREEMENT
BETWEEN THE
STATE OF NEW MEXICO,
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
AND
[[INSERT ENTITY NAME]]**

THIS GOVERNMENTAL SERVICES AGREEMENT (Agreement) is made and entered into by and between the State of New Mexico, Energy, Minerals and Natural Resources Department (EMNRD) and [[Insert Entity Name]] (Entity).]

THE PARTIES MUTUALLY AGREE:

1. **Scope of Work**: Entity shall:

[[Insert Scope of Work]]

[All contracts must have reporting requirements, or the program manager must justify the lack of reports in a written memo to the file for auditing purposes. Delete this instruction after you have made your selection below.]

Entity shall also provide brief written progress reports to EMNRD [on a weekly, bi-weekly, monthly, quarterly, annual, with each request for payment/reimbursement or some other time frame basis].

2. **Compensation**:

[Option 1: Work Product. If you choose this option, use Paragraph A below. If you do not intend to reimburse for travel, remove travel reference from paragraph and adjust Paragraph A accordingly. Remove this instruction and all other options not chosen in this Compensation Section.

A. EMNRD shall pay Entity for services satisfactorily performed pursuant to the Scope of Work and as specified below. This amount shall not exceed _____ (\$ _____), including New Mexico governmental gross receipts taxes, and any travel, if necessary, pursuant to Paragraphs B and C of this Compensation Section. EMNRD shall make payment upon the satisfactory and timely completion of the work described in the Scope of Work and for no more than the maximum amount set forth below for each deliverable:

Insert deliverables/payment schedule here. Remove this instruction.

If you pay travel, the amount needs to be set out as a separate deliverable in the deliverables/payment schedule. Remove this instruction.

This amount is a maximum and not a guarantee that the work assigned to be performed by Entity under this Agreement shall equal the amount stated herein or the amounts state per task.

The parties do not intend for the Entity to continue to provide services without compensation when the total compensation amount is reached. Entity is responsible for notifying EMNRD when the services provided under this Agreement reach the total compensation amount. In no event shall the Entity be paid for services provided exceeding the total compensation amount without this Agreement being amended in writing prior to those services exceeding the total compensation amount being provided. EMNRD MUST receive all invoices no later than 10 days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date SHALL NOT BE PAID.

Option 2: Lump Sum Amount Upon Completion of All Work. If you choose this option, use Paragraph A below. If you do not intend to reimburse for travel, remove travel reference from paragraph and adjust Paragraph A accordingly. Remove this instruction and all other options not chosen in this Compensation Section.

A. Upon satisfactory completion of services, EMNRD shall pay Entity for services satisfactorily performed pursuant to the Scope of Work in an amount not to exceed _____ (\$ _____), which amount includes New Mexico governmental gross receipts taxes, and any travel, if necessary, pursuant to Paragraphs B and C of this Compensation Section. In no event shall the Entity be paid for services provided exceeding the total compensation amount without this Agreement being amended in writing prior to those services exceeding the total compensation amount being provided. EMNRD MUST receive all invoices no later than 10 days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date SHALL NOT BE PAID.

Option 3: Time and Materials. If you choose this option, use Paragraph A below. If you do not intend to reimburse for travel, remove travel reference from paragraph and adjust Paragraph A accordingly. Remove this instruction and all other options not chosen in this Compensation Section.

A. EMNRD shall pay Entity for services rendered and amount not to exceed _____ (\$ _____) per (hour, day, week, month), such compensation not to exceed _____ (\$ _____) in total, which amount includes gross receipts taxes and travel as shown in Paragraphs B and C of this Compensation Section. EMNRD shall reimburse Entity for the cost of materials necessary under this Agreement for an amount not to exceed _____ (\$ _____). This amount is a maximum and not a guarantee that the work assigned to Entity under this Agreement to be performed shall equal the amount stated herein. EMNRD MUST receive all invoices no later than 15 days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date SHALL NOT BE PAID. Payment shall not relieve the Entity of any unperformed obligations under the Scope of Work.

Option 4: Advance of Funds. If you choose this option, use Paragraphs A, B and C below. Remove this instruction and all other options not chosen in this Compensation Section.

A. Within XX days following this Agreement's effective date, EMNRD shall transfer to Entity _____ (\$ _____), which shall include New Mexico Governmental Gross Receipts Taxes, for completion of the Tasks described in the Scope of Work above. Payment shall not relieve Entity of any unperformed obligations under the Scope of Work.

B. Upon expiration or termination of this Agreement, if either party has property or funds in its possession belonging to the other, it shall return the property or funds in proportion to the parties' original contribution.

C. Entity shall be responsible for paying New Mexico Governmental Gross Receipts taxes levied on amounts payable under this Agreement, if applicable.

If you will not pay for travel and you did not choose Option 4, Advance Funds, use Paragraphs C and D below. Remove these instructions.

If you will pay for travel and you did not choose Option 4, Advance Funds, use Paragraphs B, C and D Below. Remove these instructions.

B. EMNRD shall pay such travel expenses as may be incurred in, and that are necessary for, this Agreement's performance at the rates established in the Per Diem and Mileage Act, NMSA 1978, Sections 10-8-1 *et seq.* as implemented by the current Department of Finance and Administration (DFA) rule and the current EMNRD travel policy.

C. Entity shall be responsible for paying New Mexico Governmental Gross Receipts taxes levied on amounts payable under this Agreement, if applicable.

D. Entity must submit detailed invoices accounting for all services performed, and expenses incurred. Invoices evidencing the propriety of each claim for payment must be supported by approved purchase order. When compensation is based on hourly rates, Entity shall also provide documentation of hours expended on the services provided. If EMNRD finds that the invoice services, or expenses are not acceptable, within 30 days of receipt of written notice from Entity that payment is requested for services received, EMNRD shall provide Entity a letter of exception explaining the defect or objection to the invoice, services, or expenses, and outlining steps Entity may take to provide remedial action. Upon certification by EMNRD that the invoice, services, or expenses have been received and accepted, EMNRD shall tender payment to Entity within 30 days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, EMNRD shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.]

3. **Term:** This Agreement becomes effective when executed by an authorized representative of Entity and of EMNRD and when DFA encumbers funds for this Agreement. It shall terminate on [INSERT DATE] unless earlier terminated pursuant to Section 4, Termination, or Section 5, Appropriations, below.

4. **Termination:** Either party may terminate this Agreement upon written notice delivered to the other at least 10 days prior to the intended termination date. By such termination, neither party may nullify or avoid any obligation required to have been performed prior to termination.

5. **Appropriations:** This Agreement's terms are contingent upon the New Mexico State Legislature [and insert name of federal funding agency, if applicable] granting sufficient appropriation and authorization. If sufficient appropriation or authorization is not granted, EMNRD may terminate this Agreement, or in the alternative suspend performance pending approval of sufficient appropriation or authorization, upon written notice from EMNRD to Entity. EMNRD's decision as to whether sufficient appropriations are available shall be at its sole and absolute discretion and shall be final, binding, and accepted by Entity.

Option: If Entity is another state agency, revise this section to reflect Entity is not an EMNRD employee. Remove this instruction.

6. **Status of Entity:** Entity and its agents and employees are independent contractors performing professional services for EMNRD and are not employees of the State of New Mexico. Entity and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the State of New Mexico as a result of this Agreement. Entity agrees not to purport to bind the State of New Mexico unless the Entity has express written authority to do so, and then only within the strict limits of that written authority.

7. **Assignment:** Entity shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without EMNRD's prior written approval.

8. **Subcontracting:** Entity shall not subcontract any portion of the services to be performed under this Agreement or obligate itself in any manner to any third party, with respect to any rights or responsibilities under this Agreement, without EMNRD's prior written approval. EMNRD may disallow costs incurred by the Entity in relation to a subcontract if Entity does not obtain prior written approval.

Option: Include Paragraphs A and B below if you are using federal funds for the work of this contract. Remove this instruction.

A. Entity shall comply with 2 C.F.R. 200.318 through 200.326 for procurement of property or services conducted pursuant to this Agreement.

B. Any contract shall include all provisions necessary to allow Entity to meet its obligations and requirements under this Agreement and all provisions required by law.

Option: Include Paragraph C below if subcontractor will be reimbursed for travel expenses. Remove this instruction.

C. Travel expense reimbursement requested for subcontractors, if applicable, shall be reimbursed in accordance with rates established in the Per Diem and Mileage Act, NMSA 1978, Section 10-8-1 *et seq.*, as implemented by the current DFA Rule and EMNRD Travel Policy.

9. **Release:** Final payment of the amounts due under this Agreement shall operate as a release of EMNRD, its officers, and employees, and the State of New Mexico from all liabilities, claims, and obligations whatsoever arising from or under this Agreement.

10. **Confidentiality:** Any confidential information provided to or developed by Entity in the performance of this Agreement shall be kept confidential and shall not be made available by Entity to any individual or organization without EMNRD's prior written approval.

11. **Product of Services; Copyright:** All materials developed or acquired by Entity under this Agreement shall become the State of New Mexico's property and be delivered to EMNRD no later than this Agreement's expiration date. Nothing Entity produces, in whole or in part, under this Agreement shall be the subject of a copyright application or other claim of ownership by or on behalf of Entity.

12. **Conflict of Interest; Governmental Conduct Act:** Entity warrants that it presently has no

interest and that it shall not acquire any interest, direct or indirect, which would conflict in any manner with performance or other services required under this Agreement. Entity certifies that all applicable provisions of the requirements of the Governmental Conduct Act, NMSA 1978, Sections 10-16-1 through –18, including provisions related to contracting with, or employing, public officers, legislators, state employees, or former state employees, have been followed.

13. **Amendment**: This Agreement shall not be altered, changed, or amended except by written instrument executed and approved by the parties hereto.

14. **Merger**: This Agreement incorporates all the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements, and understandings have been merged into this written Agreement. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless as embodied in this Agreement.

15. **Penalties for Violation of Law**: The Procurement Code, NMSA 1978, Sections 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks.

16. **Equal Opportunity Compliance**: Entity agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Entity assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation, or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Entity is found not to be in compliance with these requirements during the life of this Agreement, Entity agrees to take appropriate steps to correct these deficiencies.

17. **Applicable Law**: The laws of the State of New Mexico shall govern this Agreement, without giving effect to New Mexico's choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, Section 38-3-1(G). By execution of this Agreement, Entity acknowledges and agrees to the exclusive jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

18. **Records and Audit**:

A. Entity shall maintain detailed time and expenditure records that indicate the date, time, nature, and cost of services rendered during the Agreement's term and effect and retain them until six years after the termination date specified in Section 3, Term. These records shall be maintained and available within the State of New Mexico. During this time, such records shall be subject to inspection by EMNRD, DFA, and the State Auditor [(and [insert name of federal funding agency, if applicable])]. Entity further agrees to include in all subcontracts hereunder the same right of inspection and audit against all subcontractors. EMNRD shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose EMNRD's right to recover excessive or illegal payments. The periods of inspection and audit may be extended for records, which relate to litigation or settlement of claims arising out of performance of this Agreement [(and costs and expenses related to this Agreement for which exception is under consideration by [insert name of federal funding agency, if applicable])] or any authorized

representative and shall continue until all potential litigation, appeals, claims, or exceptions have expired or been resolved.

[Option: Are you using federal funds to pay for this contract? If yes, you must determine whether your provider is a subrecipient or a contractor. If you determine your provider is a subrecipient, you need to include the following paragraph in your contract. If you determine your provider is a contractor, the requirements do not apply and you will remove this this paragraph. Delete this instruction.]

B. If Entity receives \$1,000,000 or more in federal funding from all sources in the aggregate in a fiscal year, Entity's financial records involving services and procurement under this Agreement shall be audited annually pursuant to all federal, state, and local government audit requirements, and in accordance with the Single Audit Act Amendments of 1996, 2 C.F.R. 200, Subpart F – Audit Requirements.

Entities who do not meet the \$1,000,000 audit threshold (Tier 7), must complete the State of New Mexico – Office of the State Auditor Certification Form for Tier 1 and Tier 2, or the Office of the State Auditor Agreed Upon Procedures (Tiers 3-6) in accordance with the Audit Act, NMSA 1978, Sections 12-6-1 through 12-6-14, and 2.2.2.16 NMAC, Annual Financial Procedures Required for Local Public Bodies with Annual Revenues Less than Five Hundred Thousand Dollars.

To comply with state audit requirements, Entities shall have one of the above-mentioned Forms or Agreed Upon Procedures on file with the Office of the State Auditor. Entity shall provide EMNRD with a copy of the independent financial audit, either in hard copy format or electronically, no more than 45 days after the audit's completion for each fiscal year this Agreement is in effect.

19. **Liability:** Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred with this Agreement is subject to the immunities and limitations of the Tort Claims Act, NMSA 1978, Sections 41-4-1 *et seq.*, as amended.

20. **Procurement, Utilization, and Disposition of Property:** Entity shall report acquisition of any capital property (property with an expected life of at least one year) to EMNRD within one month following the acquisition. If upon termination of this Agreement Entity has any property in its possession belonging to EMNRD, Entity shall account for the property and dispose of it as EMNRD directs. ***[Option: If federal funding is involved include the following statement. Otherwise remove it and this instruction.]*** All property acquired by the Entity or procured under this Agreement shall be used and disposed of in accordance with [insert federal funding agency's name] regulations governing disposal of property.]

21. **Invalid Term or Condition:** If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

22. **Enforcement of Agreement:** A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict performance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no waiver of a specified right by a party shall be effective to waive any other rights.

23. **Notice:** Except as otherwise specified herein, all notices hereunder shall be in writing) and shall be given to the relevant party at its address set forth below, or such other address as such party may hereafter specify by notice to the other given by courier, by United States certified or

registered mail, or by telecommunication device capable of creating a written record of such notice and its receipt.

To EMNRD:

[[insert position title and address of project manager]]

EMNRD – ECMD
1220 S. St Francis Drive
Santa Fe, NM 87505

General Counsel
EMNRD – Office of the Secretary
1220 S. St Francis Drive
Santa Fe, NM 87505

To the Entity:

[[insert contact information]]

Address 1
Address 2
City, NM Zip Code]

To Risk Management Division:

Risk Management Division
General Services Department
P.O. Drawer 26100
Santa Fe, NM 87502

24. **Authority:** If Entity is other than a natural person, the individual(s) signing this Agreement on behalf of Entity represent and warrant that the individual has the power and authority to bind Entity, and that no further action, resolution, or approval from Entity or any other entity is necessary to enter a binding contract.

[Option: Include the following if acknowledgment required. If not, remove this section and renumber successive accordingly. Remove this instruction.]

25. **Acknowledgment:** Entity shall acknowledge EMNRD (**option** - and [insert name of federal funding agency, if applicable]) as a co-sponsor and funding source in all news releases, programs, proceedings, and related publicity/publications for the project.]

[26]. **Minimum Wage Rate:** If applicable, Entity shall comply with minimum wage rates as established by the New Mexico Department of Workforce Solutions, Labor Relations Division, and with all other applicable requirements of that Department, including posting of the wage rates in a prominent location on the site for hiring and performing of this Agreement.

[27]. **Compliance with Law and Funding Source Conditions:**

A. Entity shall comply with all applicable state and federal statutes, regulations, or rules, including without limitation those imposed as a consequence of funding pursuant to this Agreement.

[If you are using federal funds to pay for the work of this agreement, the following clauses must be included. If you are using non-federal funding, delete the clauses and this

instruction.

B. Compliance with use of Small Businesses (SBs), Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs), Veteran-Owned Businesses (VBs), and Labor Surplus Area Firms (LSAFs) - Contractor shall take affirmative steps to assure that MBEs and WBEs are used when possible as sources of supplies and services. The affirmative steps shall include the following:

- 1) including qualified SBs/MBEs/WBEs/VBs/LSAFs on solicitation lists;
- 2) assuring that SBs/MBEs/WBEs/VBs/LSAFs are solicited once they are identified;
- 3) when economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum SB/MBE/WBE/VB/LSAF participation;
- 4) where feasible, establishing delivery schedules which will encourage SB/MBE/WBE/VB/LSAF participation;
- 5) encouraging use of the services of the U.S. Department of Commerce's Minority Business Development Agency and the U.S. Small Business Administration to identify SBs/MBEs/WBEs/VBs/LSAFs, as required; and
- 6) if any subcontracts are to be let, requiring the subcontractor to take the affirmative steps listed above.

C. Compliance with Trafficking Victims Protection Act of 2000 - Contractor, Contractor's employees, subcontractors, and subcontractors' employees shall not:

- 1) engage in severe forms of trafficking in persons during this Agreement's term;
- 2) procure a commercial sex act during this Agreement's term; or
- 3) use forced labor in the performance of this Agreement.

D. Compliance with NMSA 1978, Section 66-7-374, Texting While Driving - Contractor and Contractor's employees shall not read or view a text message or manually type on a handheld mobile communication device for any purpose while driving a motor vehicle in connection with this Agreement, except to summon medical or other emergency help, or unless that device is an amateur radio and the driver holds a valid amateur radio operator license issued by the Federal Communications Commission.

E. In the event this Agreement is funded with federal monies, Contractor shall comply with 2 C.F.R. 200.318 through 200.327 for procurement conducted pursuant to this Agreement.

F. In the event this Agreement is funded with federal monies and Contractor wishes to enter into an agreement with a small business firm or non-profit organization regarding the substitution of parties, assignment, or performance of experimental, developmental, or research work under this Agreement, Contractor shall comply with the requirements of 37 C.F.R. Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements" and any implementing regulations issued by the [insert name of federal funder].

G. Contractor shall not award subcontracts to parties listed on the government-wide exclusions in the federal System for Award Management (SAM), in accordance with OMB guidelines that implement federal Executive Orders 12549 (3 C.F.R. part 1986, Comp., p. 189) and 12689 (3 C.F.R. part 1989 Comp., p. 235), "Debarment and Suspension." SAM exclusions contain the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

H. If the value of this Agreement exceeds \$100,000, Contractor shall comply with the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352) regarding the limitations of use of appropriated funds to influence certain federal contracting and financial transactions.

I. If this Agreement is valued at more than \$150,000, Contractor shall comply with all applicable standards orders or requirements issued under the federal Clean Air Act (42 U.S.C. § 7401 *et seq.*); Clean Water Act (33 U.S.C. § 1251 *et seq.*); Executive Order 11738 (Providing for Administration of the Clean Air Act and the Federal Water Pollution Control Act With Respect to Federal Contracts, Grants, or Loans); and U.S. Environmental Protection Agency (EPA) regulations.

J. Contractor should, to the greatest extent practicable and consistent with law, provide a preference for the purchase, acquisition, or use of goods, product or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).

- 1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- 2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pip; aggregates such as concrete; glass, including optical fiber; and lumber.

K. Compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144 and 3146-3147), as amended and as supplemented by the U.S. Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction") – Contractor shall pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of the U.S. Department of Labor. In addition, Contractor shall pay wages not less than once per week.

L. Compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by the U.S. Department of Labor regulations (29 CFR Part 3) – Contractor is prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which they are entitled.

M. If this Agreement is valued at more than \$100,000 and involves the employment of mechanics or laborers, Contractor must comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. § 3702 and § 3704) as supplemented by the U.S. Department of Labor regulations (29 CFR Part 5).

N. If the Federal Award meets the definition of "funding agreement" under 37 CFR § 401.2(a), the Contract must comply with "Rights to Inventions Made by Nonprofit Organizations, Small Business Firms Under Government Grants, Contracts and Cooperative Agreements" (37 CFR Part 401).

O. Contract should, to the greatest extent practicable and consistent with law, purchase acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, or biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products. Procurement of such items as prescribed in the guidelines of the U.S.

Environmental Protection Agency (40 CFR Part 247).]

[Option: If agreement is with a state agency do not include the following provision because all state agencies are covered by Risk Management Division. Remove this Section (and this instruction) and renumber successive sections accordingly. If agreement is with a county, municipality, state university, or public school, determine whether it has insurance coverage. If it does, keep the following. If the county, municipality, state university, or public school does not have coverage, discuss the situation with legal as to how it should be addressed. Remove these instructions.]

28. **Insurance Coverage:** Entity shall provide EMNRD a statement indicating that the activities described in the Scope of Work are covered by insurance as set forth below, secured in accordance with any method allowed by applicable law, including self-insurance, pooling of self-insured reserves, or insurance provided by a third party, prior to commencing work under this Agreement. Entity shall maintain continuous coverage of the activities described in the Scope of Work, so long as this Agreement is in effect. Failure to maintain such coverage is reason for immediate termination of this Agreement. Entity shall notify EMNRD prior to cancellation or expiration of any insurance required under this Agreement.

A. Worker's Compensation protection that complies with the requirements of the Worker's Compensation Act, NMSA 1978, Sections 52-1-1 *et seq.*, if applicable. If the Entity fails to comply with the Workers Compensation Act and applicable rules when required to do so, EMNRD may terminate this Agreement.

B. Comprehensive public liability protection covering property damage and personal injury liability that may arise under this Agreement and any amendments hereto, in amounts equal or greater than liability limits set forth in NMSA 1978, Sections 41-4-19, as it may be amended from time to time.]

IN WITNESS WHEREOF, the parties hereto have herein below executed this Agreement.

STATE OF NEW MEXICO, ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

By: _____ Date: _____
Cabinet Secretary or Designee

[ENTITY NAME]

By: _____ Date: _____
Authorized Representative Signature

Printed Name and Title

GSA SUBPART 1: Energy Conservation Measure Improvements

Energy Conservation Measure (ECM) improvements will target the adoption of energy-efficient consumer behavior, equipment, or devices that result in a decrease in energy consumption without reducing the amount or quality of energy services. This includes health and safety (H&S) measures, including those that use efficient equipment or devices to improve indoor air or drinking water quality, and equipment or electrification upgrades. The ECM improvements shall not cause an energy bill or cost increase in relation to the total cost a household spends on utilities. The following provisions are included to ensure the successful execution of projects. Improvements list is subject to change.

1. Entity shall implement ECMs in an order that prioritizes greatest savings (e.g. sealing the building envelope prior to heat pump installation). Entity shall follow the U.S. Department of Energy (DOE) Weatherization Assistance Program (WAP) guidelines regarding prioritizing measures (air sealing, duct sealing outside the thermal boundary, and thermal boundary insulation [attic, wall, floor or belly, foundation, sill, etc.]) and installing in order of savings to investment Ratio (SIR) the ECMs and related H&S and incidental repairs measures (SIR calculation = $(\text{Annual \$ savings} \times \text{Expected Usage Lifetime (EUL)}) \div (\text{Initial \$ cost})$). EUL durations can be found below, in Table 1: Energy Conservation Measure Expected Usage Lifetimes, or online [[Table 9.2: Allowable Default ECM Lifetimes](#)].

2. ECM improvements for residential housing units may include, but are not limited to: envelope upgrades; air sealing; duct sealing; insulation installation; EnergyStar windows ; EnergyStar doors; LED lighting; water tank insulation and water heater pipe insulation;

- A. cleaning, repair or replacement of heating and cooling systems;
 - i. Heating systems
 - i. Replacement or installation of secondary heating systems are not allowed.
 - ii. Use proper sizing protocols according to Manual J, State approved sizing protocols, NEAT/MHEA outputs, etc.
 - iii. High efficiency air source heat pumps. (Cold climate rated units as appropriate for climate zone).
 - ii. Cooling systems
 - i. Replacement or installation of secondary cooling systems are not allowed.
 - iii. Ensure no bill increase
 - i. Replace existing electric units or fuel switch from propane
- B. prioritized appliance repair or replacement:
 - i. Clean or repair baseload appliances/fixtures, as well as (in no particular order);
 - ii. High efficiency heat pump water heaters,
 - i. Household should have a minimum of 3 persons.
 - ii. New units should have an EF of 3.0 or higher.
 - iii. Replace only electric resistance water heaters.
 - iv. Cost is limited to \$1,750.
 - v. Thermostat set to 120 degrees maximum.
 - vi. Include water heater blanket, pipe insulation (as appropriate).
 - iii. EnergyStar refrigerator, cost is limited to \$900.

- i. Must have automatic defrost, top freezer preferred. May be no more than 2 cubic feet larger than existing refrigerator.
 - iv. EnergyStar dishwasher, cost is limited to \$525.
 - v. EnergyStar clothes washer, cost is limited to \$675.
 - vi. EnergyStar clothes dryer, cost is limited to \$700.
 - i. Heat pump clothes dryer cost is limited to \$840.
 - vii. EnergyStar oven/range, cost is limited to \$1000
 - i. New units may only have a single oven, induction ranges must not increase spending for participant
 - viii. Programmable/smart thermostats, cost is limited to \$150.
- 2) incidental repairs; cost is limited to \$1000 per unit. Allowable items include, but are not limited to:
 - i. Sealing of cracks
 - ii. Weather-stripping, caulking, hole patching.
 - iii. Installation of door sweeps
 - iv. Repair and replacement of thresholds
 - v. Repair and replacement of fireplace dampers.
 - vi. Repair or replacement of broken glass in window
 - vii. Exterior door repair
 - viii. Repair of building envelope to maintain the integrity of ECMs
 - ix. Low-flow showerheads diverter replacement or fixture repair.;
 - x. Electrical repair for lighting retrofits;
- 3) residential Health and Safety (H&S) measures, cost is limited to 20% average cost per unit. Allowable items include, but are not limited to:
 - i. Safety devices: smoke and carbon monoxide alarms, fire extinguishers
 - ii. Heating and cooling system safety checks;
 - iii. Asbestos
 - a. In siding, walls, ceilings, etc., in vermiculite, on pipes, furnaces, and other small-covered surfaces
 - b. General abatement of asbestos siding or replacement with new siding is not an allowable H&S cost
 - iv. Biologicals and unsanitary conditions
 - v. Building structure and roofing
 - vi. Code compliance
 - vii. Combustion gases
 - viii. Unsafe electrical
 - ix. Formaldehyde, volatile organic compounds (VOCs), flammable liquids, other air pollutants
 - x. Fuel leaks
 - xi. Hazardous materials disposal
 - xii. Injury prevention of occupants and project workers
 - xiii. Lead based paint
 - xiv. Mold and moisture
 - xv. Radon
 - xvi. Ventilation and indoor air quality
 - xvii. Window and door replacement, window guards

- a. Storm windows
- b. Window coverings
 - 1. Purchase of new window guards not allowed

C. ECM improvements must target efficient energy consumer behavior, equipment, or devices and result in a decrease in energy consumption without reducing the amount or quality of energy services.. Electrical fuse box/panel upgrades or installations are not included unless accompanied by an approved priority appliance installation. ECM improvements do not include replacement of functional, new (purchased within the last 10 years) appliances, or the purchasing of photovoltaic solar.

D. All ECMs and replacement units must meet safety guidelines. Under no circumstance should retrofit work that would exacerbate health and safety problems, for either the occupant or the worker, proceed.

- 1) All applicable State and local (or Authorities Having Jurisdiction (AHJ)) codes must be followed, and manufacturer approved materials and instructions must be used while installing any ECM.
 - i. Workers shall know when the AHJ requires a licensed professional to perform a certain task.

E. Replacement appliances shall comply with the minimum standards of energy efficiency for major appliances established by the National Appliance Energy Conservation Act (NAECA) of 1987.

- 1) Disposal according to applicable State and Federal laws, as appropriate. For Entities that contract out replacement and disposal to third-party contractors, Entities are responsible for obtaining assurances from the third-party contractor that these items were disposed of according to applicable State and Federal laws, as appropriate.

F. All activities carried out with CEED Program funding must meet the objectives of the program (in addition to meeting the list of eligible activities specified above) ensuring energy bill totals do not increase and ensuring cost limitations are followed.

- 1) Beneficial electrification or fuel switching measures may be installed as part of the retrofit process but must follow those parameters.
- 2) Proposals for additional ECM improvements may be considered, as appropriate, relating to the purposes of the CBF Act.

G. The term 'retrofit' is used, as 'rehabilitation' implies improvements beyond the scope of an energy efficiency program.

- 1) Unallowable rehabilitation activities include but are not limited to: creating additions or accessory units, changing floor plans, finishing attics and basements, repairing or replacing plumbing or electrical systems, completing kitchen and bathroom remodeling, or renovating or constructing a garage.

TABLE 1: ENERGY CONSERVATION MEASURE EXPECTED USAGE LIFETIMES

#	Measure Type	Measure Name	Life (Yr.)
1	Building Insulation	Attic insulation: blown in and batt	30
2	Building Insulation	Attic insulation: all other types	20
3	Building Insulation	Sill box insulation	20
4	Building Insulation	Foundation wall insulation	20
5	Building Insulation	Slab insulation	20
6	Building Insulation	Floor insulation: loose and batt types installed in fully enclosed air-tight cavities, and rigid insulation	30
7	Building Insulation	Floor insulation: all other types including loose and batt not installed in fully enclosed air-tight cavities	20
8	Building Insulation	Wall insulation: dense pack insulation, rigid insulation and full-cavity batt insulation in fully enclosed air-tight cavities	30
9	Building Insulation	Wall insulation: all other types	20
10	Building Insulation	Knee-wall insulation: loose and batt types installed in fully enclosed air-tight cavities, and rigid insulation	30
11	Building Insulation	Knee-wall insulation: all other types including loose and batt types not installed in fully enclosed air-tight cavities	20
12	Building Insulation	Duct insulation	20
13	Building Insulation	Manufactured home skirting	10
14	Building Insulation	White roof coating	7
15	Building Insulation	Radiant barrier	15
16	Ducts/Infiltration	Whole house air sealing	10
17	Ducts/Infiltration	Duct sealing	10
18	Doors and Windows	Storm window	15
19	Doors and Windows	Window replacement	20
20	Doors and Windows	Door replacement	20
21	Doors and Windows	Storm door	10
22	Doors and Windows	Window shading: awning	10
23	Doors and Windows	Sun screen: fabric or screen	10
24	Doors and Windows	Sun screen: louvered	15
25	Doors and Windows	Window film	15
26	HVAC Systems	Thermal vent damper	10
27	HVAC Systems	Electric vent damper	10
28	HVAC Systems	Intermittent Ignition Device (IID)	10
29	HVAC Systems	Electric vent damper and IID	10
30	HVAC Systems	Flame retention burner	10
31	HVAC Systems	Heating system tune up	3
32	HVAC Systems	Heating system replacement: fossil fuel fired furnaces and boilers, standard and condensing	20
33	HVAC Systems	Heating system replacement: all other heating systems except heat pumps	18
34	HVAC Systems	Smart/programmable thermostat	15
35	HVAC Systems	Air conditioner tune up	3
36	HVAC Systems	Air conditioner replacement	15
37	HVAC Systems	Evaporative cooler	15
38	HVAC Systems	Heat pump replacement	15
39	Baseloads	Lighting retrofit: fluorescent and compact fluorescent	(Note 1)
40	Baseloads	Lighting retrofit: LED	(Note 2)
41	Baseloads	Lighting retrofit: halogen	(Note 3)
42	Baseloads	Refrigerator replacement	15
43	Baseloads	Water heater tank insulation	13
44	Baseloads	Water heater pipe insulation	13
45	Baseloads	Low flow showerhead	15
46	Baseloads	Water heater replacement	13
47	Baseloads	Water heater setpoint reduction	13
48	Solar	Solar PV installations	20

(Note 1: 10,000 hours)

(Note 2: 30,000 hours)

(Note 3: 4,000 hours)

GSA SUBPART 2: Special Terms and Conditions

The following are incorporated into this Award by reference:

- Ch. 62-17A et seq., NMSA 1978;
- 19.1.10 NMAC;
- The Entity's application/proposal as approved by ECAM;
- Procurement Code § 13-1-28, et seq. NMSA 1978 and § 13-1-191.1 NMSA 1978

1. **Flow Down Requirement:** The Entity agrees to apply the terms and conditions of this Award, as applicable, including the Intellectual Property Provisions, to all subcontractors (as appropriate), and to require their strict compliance therewith. Further, the Entity must apply the Award terms to all subcontractors (as appropriate), and to require their strict compliance therewith.
2. **Due Diligence Reviews:** During the life of the Award, EMNRD may conduct ongoing due diligence or monitoring reviews through Government resources, to identify potential programmatic risks. In the event a risk is identified, EMNRD may require mitigation measures.
3. **Allowable Costs:** ECAM determines the allowability of costs through reference to 2 CFR part 200 as amended by 2 CFR part 910, if applicable. The Entity is responsible for maintaining records adequate to demonstrate that costs claimed have been incurred, are reasonable, allowable and allocable, and comply with generally accepted accounting principles. The Entity must document and maintain records of all project costs, including, but not limited to, the costs paid by Federal funds, costs claimed by its subcontractors and project costs that the Entity claims as cost sharing, including in-kind contributions. Upon request, the Entity is required to provide such records to ECAM. Such records are subject to audit. Failure to provide ECAM adequate supporting documentation may result in a determination by ECAM that those costs are unallowable.
4. **Budget Amendments:** If any changes to the budget are required, the Entity shall request a budget amendment from ECAM and the request must be approved prior to implementation. Budget amendments shall be compatible with the terms of this Agreement and of such a nature as to qualify as an allowable cost. Budget amendments requested during the ninety (90) prior to the completion date will be approved on a limited basis.
5. **Subcontractor Change Notification:** Except for subcontractors specifically proposed as part of the Entity's Application for award, the Entity must notify ECAM in writing 30 days prior to the execution of new or modified subcontractor agreements, including naming any To Be Determined subcontractors
6. **Organizational Conflict of Interest:** Organizational conflicts of interest are those where, because of relationships with a parent company, affiliate, or subsidiary organization, the Entity is unable or appears to be unable to be impartial in conducting procurement action involving a related organization.
The Entity must disclose in writing any potential or actual organizational conflict of interest to ECAM. The Entity must provide the disclosure prior to engaging in a procurement or transaction using project funds with a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe.

- A. If the effects of the potential or actual organizational conflict of interest cannot be avoided, neutralized, or mitigated, the Entity must procure goods and services from other sources when using project funds.
 - B. The Entity must flow down the requirements of the COI Policy to any subcontractor entities. The Entity is responsible for ensuring subcontractor compliance with this term. If the Entity has a parent, affiliate, or subsidiary organization, the Entity must maintain written standards of conduct covering organizational conflicts of interest.
7. **Financial Conflicts of Interest:** The Entity must disclose in writing any managed or unmanageable financial conflicts of interest involving a member of the project team and include sufficient information to enable EMNRD to understand the nature and extent of the financial conflict, and to assess the appropriateness of the non-Federal entity's management plan.
8. **Penalties:** Failure to follow any of the program guidelines or the provisions laid out in this Agreement can result in EMNRD imposing specific grant requirements or taking one or more of the following actions:
- A. temporary withholding of payments until Entity takes corrective action;
 - B. dis-allowance of costs for all or part of the activity associated with the noncompliance of the Entity;
 - C. suspension or termination of the grant in part or in its entirety;
 - D. debarment or suspension of the Entity;
 - E. withholding of further funds from EMNRD; or
 - F. any and all other legal remedies.
9. **Fraud, Waste and Abuse:** The Entity must disclose, in a timely manner, in writing to EMNRD all violations of Federal or state criminal law involving fraud, bribery, or gratuity violations potentially affecting the award. Failure to make required disclosures can result in any of the remedies described in Section 8, above.
10. **Prevailing Wage Requirements:** This award is funded as a Public Works program. All laborers and mechanics employed by the Entity, subcontractors, contractors or subcontractors in the performance of construction, alteration, or repair work in excess of \$60,000 on an award funded directly by or assisted in whole or in part by funds made available under this award shall be paid wages at rates not less than those prevailing on similar projects in the locality, as determined by NMDWS or the US Secretary of Labor.
- A. Recipients shall provide written assurance acknowledging the Prevailing Wage requirements for the award or project and confirming that all of the laborers and mechanics performing construction, alteration, or repair, through funding under the award are paid or will be paid wages at rates not less than those prevailing on projects of a character similar in the locality.
 - B. The Entity must comply with all of the Prevailing Wage requirements, including but not limited to:
 - i. ensuring that the wage determination(s) and appropriate Prevailing Wage clauses and requirements are flowed down to and incorporated into any applicable subcontracts or subcontractor awards.
 - ii. being responsible for compliance by any subcontractor or subcontractor with the Prevailing Wage labor standards.

- iii. receiving and reviewing certified weekly payrolls submitted by all subcontractors and subcontractors for accuracy and to identify potential compliance issues.
- iv. maintaining original certified weekly payrolls for 3 years after the completion of the project and must make those payrolls available to the State, EMNRD or the Department of Labor upon request.
- v. conducting payroll and job-site reviews for construction work, including interviews with employees, with such frequency as may be necessary to assure compliance by its subcontractors and subcontractors and as requested or directed by the State or EMNRD.
- vi. cooperating with any authorized representative of the Department of Labor in their inspection of records, interviews with employees, and other actions undertaken as part of a Department of Labor investigation.
- vii. posting in a prominent and accessible place the wage determination(s) and Department of Labor Publication: WH-1321, Notice to Employees Working on Federal or Federally Assisted Construction Projects.
- viii. notifying ECAM of all labor standards issues, including all complaints regarding incorrect payment of prevailing wages and/or fringe benefits, received from the Entity, subcontractor, contractor, or subcontractor employees; significant labor standards violations; disputes concerning labor standards; disputed labor standards determinations; Department of Labor investigations; or legal or judicial proceedings related to the labor standards under this GSA, a subcontract, or subcontractor award.
- ix. preparing and submitting to ECAM, the Prevailing Wage Semi-Annual Labor Compliance information in Quarterly Reports, by April 20 and October 20 of each year. [Federal funding: Davis Bacon Act]

ATTACHMENT 2

STATEMENT OF ASSURANCES FORM

Each Applicant MUST complete this form and submit it with the application, otherwise EMNRD will deem the application as non-responsive.

By signing this form below, Applicant acknowledges and agrees to the following:

This RFA does not commit the State of New Mexico (State) to pay any costs incurred in the in the preparation or submission of this application. Any cost incurred by the Applicant in developing an application response shall be borne solely by the Applicant. Applicant understands that that Applicant's application shall become part of the official file on this matter without obligation to the State. Issuance of this RFA does not constitute an award commitment on the part of the State.

Applicant shall examine all contract documents, noting particularly all stipulations that in any way affect contract work. Failure of an Applicant to acquaint itself fully with the amount and nature of the work required to fulfill all terms of the contract documents shall not be considered a basis for extra compensation after a contract has been awarded.

Applicant represents and warrants to the state that Applicant has the staff, facilities, and competence to furnish the required services. The state may investigate Applicant's adequacy of the staff, facilities, and competence. For this purpose, representatives of the State may inspect Applicant's facilities, equipment, etc., and interview staff.

To receive consideration, Applicant's application must be signed by an officer having the authority to bind Applicant.

Applicant agrees to comply with all relevant federal and state laws and regulations or rules.

New Mexico Employees Health Coverage:

If Applicant has, or grows to, six or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six-month period during the term of any Agreement which may result from this RFA, Applicant agrees, by submitting an application, to have in place, and agrees to maintain for the Agreement's term, health insurance for those employees and offer that health insurance to those employees if the expected annual value in the aggregate of any and all contracts between Applicant and the state exceed \$250,000.

Applicant agrees to maintain a record of the number of employees who have:

- 1) accepted health insurance;
- 2) declined health insurance due to other health insurance coverage already in place; or
- 3) declined health insurance for other reasons.

These records are subject to review and audit by a representative of the State.

Applicant agrees to advise all employees of the availability of state publicly financed health care coverage programs.

Applicant Signature

Date

Applicant's Printed Name and Title

ATTACHMENT 3

Community Benefits Plan Template

This template was designed for CEED Program applicants pursuant to the 2025 Community Benefit Fund Act NMSA 1978, Section 6-4-37, and existing program requirements. Applicants are required to complete all of sections I-III. Responses should be between 300 and 500 words.

I. Identification of overburdened communities¹

(Please provide the location of the community served by this project at the finest scale possible, e.g., county, city/town, neighborhood scale or latitude/longitude coordinates.)

II. Community input and negotiation

(Please describe the proposed project and how community input contributed to the development of both the project proposal and this community benefits plan.)

III. Community Benefits

(Please describe the negotiated community benefits plan.)

A. Social Benefits

(Please describe how the proposed community benefits plan aims to positively impact community health and safety, access to services, resilience or adaptation to climate change and/or education).

B. Economic Benefits

(Please describe how the proposed community benefits plan will improve the economic conditions of the community and/or positively impact workforce development.)

C. Environmental Benefits

(Please describe how the proposed community benefits plan aims to increase air or water quality in the community and/or help clean up legacy pollution.)

D. Additional Benefits

(Use this space to describe any additional benefits of the community benefits plan or the project itself not already discussed.)

¹ Overburdened communities are defined, per NMSA 1978, Section 6-4-37 as “communities experiencing disproportionate burdens in climate change, energy, health, housing, legacy pollution, transportation, water and wastewater and workforce development.”