



# Michigan Spark Grant Project Procedures

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## Introduction

The intent of this booklet is to assist grantees and their consultants in completing a development project approved for Michigan Spark Grant funding by the Michigan Department of Natural Resources. The instructions found in this booklet should be thoroughly reviewed by the grantee, their consultants, and any other individuals responsible for the preparation of construction plans and specifications as well as bid documents and reimbursement requests. These instructions do not replace requirements in the executed project agreement and are intended to provide supplemental information to help ensure project success.

The Michigan Spark Grant program is administered by the DNR Grants Management Section. Each Spark Grant project is assigned to a DNR grant coordinator to help ensure successful completion and long-term contribution to Michigan's public recreation opportunities. Please contact your regional grant coordinator with questions during any stage of the project (contact information can be found in Appendix A).

## Timing/planning

Spark Grant development projects must be completed following the below timeline.

Figure 1: Spark Grant project timeline

Action	Spark Round 1 Dates
Pre-award eligible expenses may be incurred (see project agreement for description of allowable expenses)	After Oct. 1, 2022
Step 1: Project agreement execution	Within 60 days of project agreement issued by DNR
Progress reports due	Every 90 days during the project period
Step 2: Plans, specifications and bid documents submission	Within 180 days of project agreement execution
Step 3: Contractor/vendor selection	Upon DNR approval of the contractor or vendor
Project funding obligated into third-party contracts	By Dec. 31, 2024
Step 4: Request grant reimbursement(s)	After project agreement is executed
Project completion and budget period end date; deadline for final reimbursement and final reporting documentation	Oct. 31, 2026

## General MiGrants Information

MiGrants is the online grant system used to manage DNR recreation grants. MiGrants can be accessed at <https://migrants.intelligrants.com>. Once logged in to the site, training materials are available via the book icon on the top right. MiGrants training materials include detailed system instructions for each required step mentioned in this booklet. More information about MiGrants, including registration instructions, is available on the [DNR's MiGrants webpage](#).

Do not reply to any email notifications from MiGrants. System messages will come from the email address [noreply-migrants@michigan.gov](mailto:noreply-migrants@michigan.gov). A MiGrants email will be sent if additional information is required.

## Preparing for the project agreement

While waiting for the DNR to issue the project agreement, there are several things the grantee can do to ensure timely completion of the project.

### Prepare a legal description and boundary map of the project area

As soon as the project is recommended for funding, begin preparing a legal description and boundary map for the project area. These two items define the area encumbered by the project agreement. Refer to the project agreement chapter for boundary map and legal description requirements. As a reminder, the grantee must operate the grant-funded project facilities within the project area for a minimum of 20 years.

### Retain the services of a prime professional

Grantees must competitively secure the services of a “prime professional” to design the project and oversee construction. See Step 2 for requirements on the prime professional.

### Lease, easement or use agreements

Complete this only if all or a portion of the project area is not owned by the grantee. The grantee must own or have sufficient control over the project area to construct and maintain grant-assisted facilities and operate the park area. The grantee may control the property through an easement, lease or use agreement, provided the terms of the lease, easement or use agreement do not hinder the grantee’s ability to comply with the terms of the project agreement. Leases and use agreements will only be allowed if they are a minimum 20 years in length.

All easements, leases or use agreements must be executed and uploaded with the project agreement in MiGrants before the DNR can execute the project agreement.

### Prepare plans, specifications and bid documents

Pre-award eligible expenditures are allowed in the areas of administration, planning, design and engineering if they are directly related to the project and were incurred after Oct. 1, 2022. Please note that pre-award expenses will be reviewed for eligibility by the DNR before authorizing approval.

### Begin securing required permits

Grantees are responsible for obtaining all required permits for the project. To avoid project delays, begin securing all required permits as soon as the project is recommended for funding. Costs associated with obtaining permits after Oct. 1, 2022, are eligible for reimbursement.

### DNR review of plans, specifications and bid documents

Once the project agreement is fully executed and permits are secured, all plans, specifications and bid documents must be submitted in MiGrants under a PSB document for review and approval by the grant coordinator prior to advertising for bids or quotes. Each contract requires a separate PSB document in MiGrants. Contracts cannot be awarded, and materials cannot be purchased until the grant coordinator has approved project plans, specifications and bid documents AND proposed contract awards or vendor purchases. Eligible expenses including project construction and equipment expenses must occur after the project agreement is executed to be considered eligible for reimbursement. See Step 2 for requirements on plans, specifications and bid documents.

## Progress reports

Once the grant agreement is fully executed, the grantee must submit a progress report as required in the project agreement through MiGrants. An email and MiGrants notification will be sent to the authorized official, agency staff and prime professional when the progress reports are due.

## DNR reporting of fiscal year expenditures

The DNR is required by law to report all expenditures within each fiscal year, from Oct. 1 to Sept. 30. The DNR will send an email and MiGrants notification in August requesting a progress report that includes an end of fiscal year financial estimate. Grantees must provide a summary of all expenses incurred since the previous progress report and estimate any expenses expected before Oct. 1 of that fiscal year.

## Single Audit Act

When a recipient expends more than \$750,000 in federal awards, it will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements.

## MiGrants progress report instructions

1. Authorized Official log into MiGrants.
2. Navigate to the ARPA grant. On the Dashboard, within the MyTasks dialogue box, click on your grant agreement number (e.g. ARPA-####).
3. Using the left-hand navigation pane, please click on Progress Reports.
4. If this is not the first progress report, please click on "Add" in the upper right-hand corner below your name.
5. A blank Progress Report form will appear, and a new Progress Report number should appear at the top of the page.
6. Complete the page and click on the Save button located at the top right.
7. Use the left-hand navigation pane to view status options and click on Progress Report Submitted to officially submit. Within 10-minutes you should receive an email confirming your report has been successfully submitted to DNR for review.

## Step 1: Project agreements

The project agreement details the responsibilities of the DNR and the grantee in completing the project and maintaining it over time. Upon its execution -- signed by both the grantee and the DNR -- it is a legally binding and enforceable contract. As noted previously, a grantee that has been recommended to receive a grant has not been made an official grant offer until a project agreement is issued. That grant offer is considered accepted when the agreement is executed by both the grantee and the DNR.

Project agreements are developed by the DNR and are nonnegotiable. Please review your project agreement in detail, as it covers items such as:

- Maximum grant amount and any match amount.
- Budget period and time period, or project period, allowed for project completion from the date the project agreement is executed by the DNR through Oct. 31, 2026.
- The time frame for project completion also known as the "project period" is Oct. 31, 2026.
- The "project facilities" or the scope of the development project based on the approved grant application.
- Project area, or the park or geographic area to be developed with grant assistance.
- Steps in project completion that require prior DNR approval, such as approval of plans and specifications and changes to project scope.
- Grantee's obligation to ensure the project meets all local, state and federal laws and regulations, including state and federal barrier-free accessibility requirements.
- Contracting and purchasing procedures.
- Financial, performance and compliance reporting requirements.
- Long-term obligations including:
  - The land included in the boundary of this project site must remain open to public outdoor recreation use for the useful life of the facilities being constructed, which is generally a 20-year minimum.
  - The grantee will not allow any encumbrance, lien, security interest, mortgage, or any evidence of

indebtedness to attach to or be perfected against the project area or project facilities within the 20- year useful life period.

- None of the project areas nor any of the project facilities constructed shall be wholly or partially conveyed during the 20-year useful life period, either in fee or otherwise or leased for a term of years or for any other period, nor shall there be any whole or partial transfer of the lease title ownership, or right of maintenance or control by the applicant.
- An entrance sign identifying the site as a public outdoor recreation site open to all users must be prominently displayed. The establishment of an entrance sign can be added to the grant scope of work.
- The recreation site must be open to all users – resident and nonresident. If a fee is charged, the nonresident fee shall be no greater than twice the resident fee.

### Issuance of project agreements

Project agreements are generally issued to grantees for signature via MiGrants within approximately 30 days of grant funding award announcements. Within 60 days of issuance of the project agreement, grantees must submit the signed project agreement in MiGrants. The project agreement can be downloaded on the project agreement page of the grant in the MiGrants system.

### Executing a project agreement

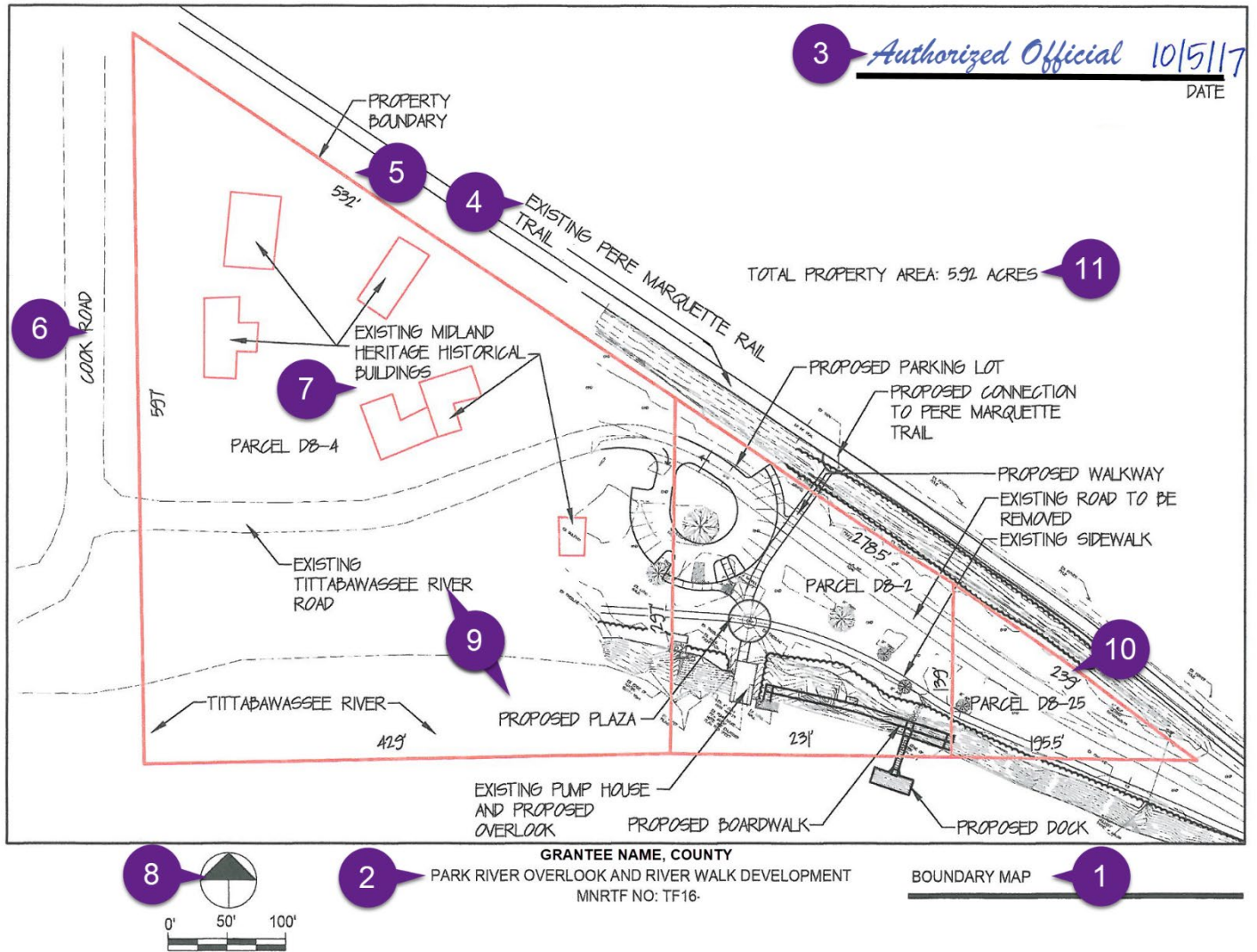
Supporting documents are submitted in MiGrants. The following sections describe the supporting documentation.

#### Boundary map of the project area

The project area is usually the entire park in which the development is to occur. However, there are times when uses other than public outdoor recreation exist or are planned for a portion of the park. Examples include cell towers, fire stations and community halls. Areas of existing or planned uses other than public outdoor recreation must be excluded from the legal description and from the project area. If the project area is proposed to be less than the entire park, the project area must be sufficient in size to support the facilities constructed, buffer those facilities from nonrecreational uses that may negatively affect their use and enjoyment, and include adequate access and parking. If the project area is less than the entire park or different from that proposed in the application, DNR approval is needed prior to execution of the project agreement. Boundary maps must match the legal description and clearly define the boundary of the area to be encumbered. The following must be included on the boundary map. See Figure 2 for an example.

1. Clearly labeled “Boundary Map”.
2. A north arrow.
3. Grantee name, project name, grant number and name of county.
4. Signed and dated by the legally authorized representative of the grantee.
5. Adjacent land uses.
6. The project boundary area must be **outlined in red** and easements must be outlined in green.
7. Permanent landmarks such as streets and bodies of water.
8. The location of any environmental intrusions and easements on or adjacent to the park site. Examples include road rights of way, overhead wires, railroad tracks and utility substations. Intrusions and easements may be shown on a separate map from the boundary map if this provides for a more legible end product.
9. Facilities clearly labeled as either existing or proposed (as part of this grant).
10. Dimensions of the boundary lines, or lots lines if those are included within the legal description.
11. Total acreage.

Figure 2: Example Boundary Map





## Legal description of the project area

The legal description defines the park or geographic area to be developed with grant assistance. The legal description can be an excerpt from the original deed to purchase the property or a formal survey, but in either case must match the boundary map. If any portions of the project area are to be excluded due to nonrecreational uses, the legal description must reflect these deletions and describe only the actual project boundary. Label the legal description page with the grantee's name, county name, project name and grant number. Additional site control documentation that may be required includes:

- Road rights of way – For trail projects located within a road right of way, the grantee must secure a written correspondence from the Michigan Department of Transportation or the road commission/city/village that has control of the road approving of the development in their right of way.
- Lease, easement or use agreement – Ensure that the grantee has a document noting the 20-year obligation.

## Resolution

The local governing body must pass a resolution accepting the terms of the project agreement and, if applicable, commit to the match noted in the application. An example template for the resolution is provided with the project agreement and included in this booklet in Appendix B. The resolution must include the name of the project and the grant number. The resolution must be certified to verify its authenticity.

## Grantee's representative

On the MiGrants project agreement, the organization will need to designate a grantee's representative. This person should be available to handle the day-to-day authority for the project and routinely interact with the grant coordinator. They do not need to be the same person who signs the agreement; however, they should be authorized to handle all routine correspondence pertaining to project completion. They must be registered in MiGrants and added to the grant document.

## Submitting a project agreement

The project agreement and supporting documents must be submitted in MiGrants. The training manual in MiGrants includes steps for submitting the project agreement.

The authorized official must change the status of the grant document to submit for DNR review. Agreements are generally executed by the DNR within two weeks of the DNR receiving all the required materials. A MiGrants email will be sent when the DNR has approved the project agreement.

## Step 2: Plans, specifications and bid documents

Plans, specifications and bid documents are required for all grant projects and are required to be reviewed and approved by DNR before advertising for bids or seeking quotes. The development of these items must comply with the project agreement executed by the state of Michigan and the grantee and with all applicable federal, state and local laws and rules. Requirements of the American Rescue Plan Public Law 117-2 or the Uniform Administrative Requirements for grants and cooperative agreements to state and local governments (43 CFR Subtitle A, Subpart C) supersede state and local laws and rules when in conflict. The plans, specifications and bid documents package must be submitted in MiGrants within 180 days of project agreement execution and at least 90 days before construction begins to allow adequate time for review and advertising for bids. The PSB package must be approved by the DNR prior to bidding the project and the beginning of construction. Sealed plans, specifications and bid documents must be prepared by a prime professional.

## Prime professional

The only professions which can act in the prime professional role are a licensed architect, licensed engineer or licensed landscape architect. This professional must have an active license in the state of Michigan and an active profile in MiGrants under their firm's organization. The process used for selection of a prime professional does not require approval from the DNR but must be (or have

been) a competitive process, with documentation furnished upon request. Grantees may use their own staff for these tasks if they have qualified state of Michigan licensed professional staff available. A construction manager is not considered a prime professional. Prime professionals cannot be contractors or vendors who bid on the construction contract or provide materials or products for the project.

The prime professional will provide all planning services necessary for the design and construction of the project and will be required to certify that all work was completed satisfactorily according to the approved plans and specifications. Their responsibilities include, but are not restricted to, site surveys and analysis, design and design calculations, plans and technical specifications, contract documents, construction stakeout, construction oversight and inspection, contract administration, payment approvals and reimbursement review submission, and final on-site inspection. Engineering and architectural costs may make up no more than 25% of total project cost.

The Prime Professional Services Certification page will be completed by the grantee and the prime professional for submittal of plans, specifications and bid documents in MiGrants.

### Development of plans, specifications and bid documents

The prime professional prepares the plans, specifications, and bidding documents. The form these documents take depends on the scope items included in the project, their cost, whether they are constructed or purchased, and, if constructed, whether through contract, by force account labor or by volunteers. The prime professional is also responsible for overseeing construction through completion of the project and must conduct a final inspection to certify that all aspects of the project were constructed according to approved plans and specifications.

Please note that the Davis–Bacon Act, as amended (40 U.S.C. 3141–3148) and Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708) will be required. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the U.S. Secretary of Labor.

If the contract includes the purchasing of some items, the specifications may reference a specific company’s product; however, a phrase such as “or approved equal” must be inserted into the specifications by each product reference to allow for the purchase of similar items from other companies. The plans must indicate where the purchased items are to be installed and include the support facilities needed to make them usable, such as access routes and surfacing for play equipment, or abutments and approaches for bridges. All purchases from vendors and awards of work to contractors must be approved by the grant coordinator, regardless of cost.

In preparing the plans, specifications and bid documents, the entire project may be within a single contract or split into multiple contracts. Each proposed contract should have its own PSB document in MiGrants. In most cases an entire scope item must be included in a single contract and, for most projects, no more contracts than the number of scope items will be allowed. Exceptions will be made if adherence to these guidelines would impede the ability to take all necessary affirmative steps to ensure that disadvantaged business enterprises such as minority firms, women’s business enterprises and labor surplus area firms are used (see the additional contract/purchasing requirements listed below).

If combining scope items from more than one grant project in a single contract or including items that are not part of the grant-assisted project, the PSB documents must clearly specify which costs are associated with which grant, and/or which costs are not part of a grant-funded project in the bid documents and when submitting reimbursement requests.

It is the sole responsibility of the grantee to determine what permits are required for the project, secure the needed permits and remain in compliance with such permits. The DNR recommends against advertising bids before all permits are in place. Costs associated with obtaining permits for construction activities must be incurred during the project period to be eligible for reimbursement.

The grantee is responsible for completing construction to all applicable local, state and federal codes, as amended. Each scope item should be designed to, at a minimum, meet the Americans with Disabilities Act of 2010, as amended, the Architectural Barriers Act, or the 2013 Access Board's Final Guidelines for Outdoor Developed Areas.

A typical PSB document would, at a minimum, include the following items:

#### Plans

- Project name and grant number on, at minimum, the cover sheet.
- Address of site (required) and location map (recommended) on, at minimum, the cover sheet.
- Grantee's name and contact information on, at minimum, the cover sheet.
- Name and contact information of prime professional on, at minimum, the cover sheet, and identifying the scope of work they are responsible for where more than one prime professional is working on a project.
- Seal of prime professional on the cover page, signed.
- Table of contents on, at minimum, the cover sheet.
- North arrow, legend, graphic and written scale on every plan sheet.
- Miss DIG (811) and contact information for utilities.
- Information about permits or special requirements specific to the site and/or project.
- All plan sheets should clearly delineate and identify existing features in the project area versus proposed features, construction boundaries and delineation of work such as force account versus construction by contract.
- The organization that is responsible for purchasing/installing scope items should be identified on the plans (e.g., if the grantee intends to purchase and install benches that should be labeled on the appropriate plan).
- Typical drawing sheets may include some or all the following sheets as separate sheets or a single sheet depending on the complexity of the project:
  - Cover sheet.
  - Existing conditions.
  - Demolition.
  - Grading plan and soil erosion and sedimentation control.
  - Site and layout plan.
  - Floor plan (buildings).
  - Building elevations (buildings).
  - Utility plans (water, storm, sewer, electrical, lighting and photometrics, mechanical, plumbing).
  - Landscaping and irrigation.
  - Construction details.

#### Specifications

- Table of contents.
- General and supplemental conditions.
- Technical specifications relevant to project scope items. Specifications must not be written as a means to exclude competition.
- Where specific products are called out, there must be an "or approved equal" clause.

#### Bid document

- Project name and grant number.
- Site address.
- Grantee's name and contact information.
- Name(s) and contact information of prime professional(s), and identifying the scope of work they are responsible for where more than one prime professional is working on a project.
- Seal of prime professional on the cover page, signed.
- Table of contents.
- Advertisement for bids including:

- Description of project.
- Statement that says which grant funding source is being used for the project and relevant state or federal requirements apply.
- Statement that the contractor and all subcontractors must comply with all requirements of 1976 PA 453 (Elliott-Larsen Civil Rights Act), the 1976 PA 220 (Persons with Disabilities Civil Rights Act) and Executive Directive 2019-09, as amended. In accordance with these laws, all contracts the grantee enters into must contain a covenant by the contractor and any subcontractors not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, partisan considerations, or a disability or genetic information that is unrelated to the individual's ability to perform the duties of a particular job or position.
- Statement that the Davis–Bacon Act, as amended (40 U.S.C. 3141–3148) and Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708) will be required. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the U.S. Secretary of Labor.
- Contact information.
- Where to view bid documents.
- When and where bids are due.
- Instruction to bidders.
- Bonds and insurance requirements.
- Bid form.

#### Itemized cost estimate

This estimate should be detailed, based on current construction cost estimates, and reference the scope items as they appear in the project agreement. If the grant project will be combined with other projects, make sure to **separate the estimate into grant eligible and ineligible items**. If the project will be separated into several bid packages, the cost estimates should still include the entire project cost. List all costs associated with each scope with that scope item as called out in the project agreement.

#### Project implementation schedule

The schedule should list the major steps the grantee will take toward completing each scope item and the projected completion date for each step. The common steps that should be included in all schedules include the following; however, additional steps unique to the specific project can also be included in the schedule:

- Complete plans, specifications and bid documents and submit to DNR for approval.
- Secure permits.
- Advertise for bids/quotes award.
- Award of construction and purchase contracts and notify DNR of contractor/vendor selection.
- Begin construction/procurement.
- Complete construction/procurement.
- Submit reimbursement request to DNR.

This schedule must demonstrate that the project will be completed within the project completion period included in the project agreement. An example implementation schedule is included in Figure 3. The example is in table form; however, charts, graphic timelines or narratives are acceptable.

Figure 3: Example implementation schedule

<b>Project #:</b> _____		<b>Project Title:</b> _____					
<b>Grantee:</b> _____		<b>Date schedule was prepared/updated:</b> _____					
<b>Project Completion Period (from project agreement):</b> _____							
<b>Final Reimbursement Request Deadline (from project agreement):</b> _____							
SCOPE ITEM	Complete Plans and Specifications and Submit to DNR for Approval	Secure Permits	Advertise for Bids/Quotes	Award Construction and Purchase Contracts and Notify DNR of Contractor or Vendor	Begin Construction and Procurement	Complete Construction or Procurement	Submit Reimbursement Request to DNR
<b>PHASE 1</b>							
Picnic Shelter	October 2022		November 2022	February 2023	March 2023	June 2023	October 2023  (First Request)
Picnic Tables	October 2022		April 2022	May 2023	June 2023	June 2023	
Walkways	October 2022		November 2022	February 2023	June 2023	August 2023	
Fishing Dock	October 2022	November 2022	November 2022	February 2023	June 2023	August 2023	
<b>PHASE 2</b>							
Landscaping	January 2023		February 2023	Spring 2023	Early Fall 2023	Spring 2024	July 2024  (Second and Final Request)
Restroom Building	January 2023	February 2023	February 2023	Spring 2023	Early Fall 2023	Spring 2024	

## Purchasing requirements

### Construction by force account or volunteer labor

For projects that will be constructed by the grantee's own staff (force account) or with volunteer labor, plans and specifications are still required and they must be completed by a prime professional. The plans, specifications and bid documents package must be submitted in MiGrants and approved by the DNR prior to advertising for bids or quotes or beginning any construction.

### Purchasing materials and labor

Sometimes the grantee may wish to purchase items for the project directly rather than through a contractor. The procedures the grantee must follow in making direct purchases depend on the dollar amount of the purchase. Items that would normally be purchased together, such as multiple identical items (six grills) or items typically made by the same manufacturer (tables and benches), under most circumstances must be purchased together. Requirements to bidding or obtaining quotes are still required for materials purchased in this manner.

### State requirements for direct purchase, quote and bids

The total cost of a purchase or contract determines whether state purchasing requirements allow it to be purchased directly, by quote or through a public bid. The project can be broken down into multiple packages or items such as amenities can be directly purchased by the grantee. However, the grantee should keep in mind they will be taking on additional responsibility to manage

more contractors/vendors. Also, if the grantee makes multiple direct purchases from the same vendor the total must stay under \$5,000; otherwise, the grantee must secure three quotes.

**Under \$5,000.** When a direct purchase price/contract award has a total cost under \$5,000, submit manufacturer's specification sheets for DNR approval prior to making the purchase. When applicable, manufacturer's specification information may be taken from a catalog.

**\$5,000 to \$50,000.** If the total purchase price/contract award is between \$5,000 and \$50,000, the grantee must submit to the DNR (prior to purchase) the contractor/vendor selection and quotes from at least three different companies. **Construction or materials contracts must be awarded to the company or contractor offering the lowest price.** If soliciting quotes, submit the plans, specifications and bid documents to the DNR for approval prior to solicitation. Bid documents containing manufacturer's specifications sheets must include the phrase "or approved equal" to allow for the purchase of similar items from other companies. At least three written quotes must be solicited, and the award must be made from the lowest qualified bidder. Award or purchase requests must be submitted and approved by the DNR prior to award or purchase in MiGrants.

**Over \$50,000.** If the item(s) or work to be purchased costs over \$50,000, the grantee must conduct open, publicly advertised competitive bidding. Bid requests should be advertised in a public location for at least 14 calendar days. Advertisements should be placed in locations typically reviewed by contractors or vendors and include plan rooms or similar venues such as Construction Association of Michigan, Dodge Reports, or the Michigan Intergovernmental Trade Network. The DNR may request documentation of advertisement efforts. Specifications based on a specific company's product **must include a phrase such as "or approved equal"** to allow for the purchase of similar items from another company. Plans that include the purchased item(s) and/or their support facilities, specifications and bidding documents must be approved by the DNR prior to advertising the bid. The award must go to the lowest qualified bidder and be submitted for DNR approval prior to award.

At the completion of the project, the prime professional will be required to certify that purchased/constructed items are acceptable for their intended use, and that they have been assembled and installed correctly, whether by a contractor, force account labor or volunteers and meet accessibility requirements.

#### Additional contract/purchasing requirements for all projects

- The grantee must maintain written records of the contracting process and, upon request of the DNR, submit documentation that the guidelines set forth in this document were followed.
- Contract or subcontract awards cannot be made to an employer whose name appears in the Michigan Debarred Vendor List or Federal Debarred Vendor List compiled by the Michigan Department of Technology, Management and Budget pursuant to Sections 261 and 264, MCL 18.261 and 18.264, 1980 PA 278 (State Contracts with Certain Employers Prohibited). Contract or subcontract awards cannot be made to a supplier who appears on the Unfair Labor Practice Register.
- Sometimes bid documents are prepared containing alternates. In preparing bid documents, prioritize alternate work carefully. This requirement is meant to minimize manipulation of the bid to award to a specific bidder.
- Occasionally situations arise in which it is necessary or highly desirable to purchase an item from a specific vendor or hire a particular contractor without going through the competitive bid or quote solicitation process. While the DNR does not generally approve using sole source providers, there may be situations in which their use is acceptable. For example, a distinct type of bench was previously purchased for a park and the grantee wishes to add additional identical benches. The grantee must obtain written approval from the DNR prior to contracting with a sole source provider by submitting a written request to the grant coordinator. Include cost estimates and a justification for using this procedure with the request.
- Vendors cannot act as the prime professional and also bid on a project or supply materials for it.
- Joint buyer programs that allow for units of government to secure contractors without bidding are not allowed.

- Existing local contracts such as county road commission aggregate material contracts which were competitively bid may be used with DNR advance permission. The state of Michigan's extended purchasing program, [MiDeal](#), may not be used.
- Local contractor/vendor preferences are generally not allowed. Award must be based on state purchasing requirements.
- State and federal wage rate requirements:
  - Davis–Bacon Act, as amended (40 U.S.C. 3141–3148) and Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708) will be required. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the U.S. Secretary of Labor.
- The grantee must take all necessary affirmative steps to assure that disadvantaged business enterprises, such as minority firms, women's business enterprises and labor surplus area firms are used when possible. Affirmative steps must include:
  - Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
  - Ensuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources.
  - Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises.
  - Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business and women's business enterprises.
  - Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce.
  - Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.

### Submitting plans, specifications and bid documents

After the project agreement has been executed the authorized official may initiate a project construction document, or PSB document, for their grant in MiGrants. The training manual in MiGrants includes steps for initiating and submitting the PSB document. Plans, specifications and bid documents must be approved by the grant coordinator **prior to advertising for bids or quotes**. The grant coordinator must authorize all awards or purchases in advance. Costs associated with the construction of the project must occur **after** the project agreement is executed, the PSB is approved, and the contractor/vendor award is authorized by the DNR to be considered eligible for reimbursement.

Grantees should submit the PSB documents to the DNR within 180 days of project agreement execution, and at least 90 days before construction begins to allow adequate time for review and advertising for bids. Plans and specifications for all items in the approved project scope must be submitted in MiGrants, in a single packet or multiple packets. Allow a minimum of 30 to 60 days for review and approval from the grant coordinator in the project timeline.

The DNR's review of the PSB documents will be limited to verification by the grant coordinator that the work to be performed conforms to the approved list of project items as defined in the signed project agreement and to verify that accessibility requirements were used in designing facilities. The DNR's approval of the PSB documents does not indicate that the plans meet engineering or architectural standards or barrier-free accessibility requirements. The grantee is solely responsible for ensuring the plans and the final project meet engineering standards and all appropriate federal, state and local requirements, including compliance with state and federal barrier-free accessibility requirements.

Follow the steps for submitting the PSB documents in MiGrants. Some items of special note for uploads and pages in MiGrants are discussed below.



### Checklist for submission page

Answer the questions on the page and fill out the scope item chart indicating the accessibility guidelines, construction by force account or contract, and if there is a change from the application. If the proposed project has changed since the application, provide a justification. The changes may need to be approved by the grant coordinator or the grant program manager prior to approval of the PSB documents. The changes may require a project agreement amendment request.

**Required uploads** include sealed plans, sealed specifications, bid documents, a cost estimate and an implementation schedule.

**Grantee and prime professional certification.** Both the authorized official and the prime professional who sealed the plans need to certify this page. After checking the certification check box and saving the page, the authorized official or prime professional's name will appear with the date of certification. By certifying this page, the grantee is certifying that the prime professional and other professional services contractors (such as a playground equipment vendor) will supervise the construction, assembly and/or installation of equipment to ensure adherence to the plans and specifications and all applicable engineering standards.

### Professional services certification page

The project title, DNR project number, project county and total project cost will automatically populate. Under Prime Professional Information, the name, title, and firm will automatically generate if the prime professional has selected and saved their selection of their firm on the checklist for submission page. To complete this page, the prime professional completes the "portion of project" and "registration # and state" boxes on the page. The portion of project may be the entire project, or a list of scope items. Both the authorized official and the prime professional who sealed the plans need to certify this page. After checking the certification check box and saving the page, the authorized official or prime professional's name will appear with the date of certification.

### DNR approval of PSB documents

The authorized official must change the status of the plans, specifications and bid document to submit for DNR review. Upon DNR approval of the PSB documents, the grantee and prime professional may advertise bids or solicit for quotes. Force account or volunteer labor may begin. A MiGrants email confirmation will be sent when the DNR has approved the plans, specifications and bid documents. If the PSB is not approved, a MiGrants email will be sent, and a list of missing items will be noted on the checklist for submission page. The local agency is then responsible for making the changes to the PSB so it can be approved for advertisement according to the grant coordinator review.

## Step 3: Contractor or vendor selection

The DNR must approve the choice of contractor or vendor for any contract or purchase of \$5,000 or more. The award must go to the lowest qualified bidder. Complete the contractor/vendor selection & bid tabulation page in MiGrants and upload the bid tabulation, bid proposal and any other relevant documents to request DNR approval of the contractor or vendor selection. Multiple contractors or vendors can be awarded under one bid package only when the single bid package is clearly written and broken down to allow for awards to multiple contractors. In most cases, each contract award or vendor selection will require its own separate PSB document. A bid that is written as if for one contractor cannot be split between multiple bidders in an a la carte manner. If more than one contractor or vendor is being awarded under one bid package, use the ADD button on the contractor/vendor selection & bid tabulation page in MiGrants to create a new page. Submit one page per contractor or vendor.

### Submitting a contractor or vendor selection request

#### Contractor selection page

**Contractor/vendor.** Provide the name of the contractor or vendor being chosen.

**Contract amount.** Provide the amount of the contract. The contract amount must match the bid tabulation and bid proposal for that contractor. Any discrepancies should be noted and justified. If more than one grant is included under the same contract or if non-grant items are included in the contract, only provide the amount of the contract which is being awarded for this grant. If the



contract includes nonparticipating work not supported by the grant, only the subtotal amount for work which is participating, or grant supported should be entered.

**Project scope item.** Check all the scope items included in this contract.

#### Bid information

**Bid tabulation.** Upload a copy of the bid tabulation which includes the names of all bidders, itemized product costs (if provided) and total project cost for each of the bidders. If quotes were obtained, upload an itemized summary of all product costs for each of the vendors. At least three bids or quotes are required.

**Bid proposal.** Upload a copy of the bid proposal or quote for the contractor or vendor being chosen.

**Other documents.** This is an optional upload area, which may include a prime professional recommendation letter.

#### Bid justification

**Qualified low bid.** Provide justification for rejecting a bid or disqualifying a bidder. Approval from the DNR is required prior to awarding the contract.

**Bid proposal costs exceed estimates.** Negotiations with just one contractor or vendor are not allowed. There are a number of options to pursue when the bid proposals come in higher than the estimated costs. **Notify the grant coordinator for approval of the proposed actions and which of the options below are being pursued.**

- Alter the plans and/or specifications (see the “Project changes and amendments” chapter) and either readvertise for bids or issue a post-bid addendum to all bidders.
- Divide the contract into smaller contracts and re-advertise for bids. Remember that no more contracts than the number of scope items are generally allowed.
- If sufficient time remains in the project period, wait until market conditions are more favorable and readvertise the bid.
- If the bids are based on unit pricing, determine the low bidder following alteration of the plans and/or specifications (see the “Project changes and amendments” chapter). Using this method to manipulate the bid with the goal of awarding the contract to a specific bidder is unacceptable and will not be approved.

#### Low response

At times, a very low number of bids or quotes are received. In this situation, the grantee should rebid the contract or solicit more quotes. If there are circumstances that will prevent the grantee from receiving better results, submit justification for awarding the contract, including a description of the efforts you took to advertise for bids or solicit quotes. Approval from the DNR is required prior to awarding the contract.

#### DNR approval of contractor or vendor

The authorized official must change the status of the plans, specifications and bid document to submit for DNR review. Upon DNR approval of the contractor or vendor, the grantee may enter a contract or order products from the vendor. A MiGrants email will be sent when the DNR has approved the contractor or vendor.

#### Contractor or vendor changes

After initial DNR approval of a contractor, the authorized official may change the status of the plans, specifications and bid document to submit additional contractors or a contractor change. Once the status is changed, the ADD button will reappear on the contractor/vendor selection & bid tabulation page. Complete a page for each additional contractor or vendor. Use the notes section to describe the reason a previously approved contractor or vendor is no longer being used. The authorized official must change the status of the PSB document to submit for DNR review. A MiGrants notification will be sent when the DNR has approved the contractor or vendor change.

## Contract change orders

The grantee is required to notify their regional grant coordinator for changes to the approved plans and specifications. All contract change orders require **prior** DNR approval to ensure that proper procedures are being followed and that the project has not changed significantly from that originally proposed. Change orders should be submitted before execution and accompanied by a written description of the change.

When a contract change order along with an “as constructed” plan does not adequately describe the alteration of the project for the purposes of a final inspection, revised plans and specifications, sealed by the prime professional must also be submitted.

## Step 4: Financial requests

Spark Grant awards are made on a reimbursement basis. This means that the grantee incurs the costs and then requests reimbursement for those costs. Grantees may request advances, but those will be approved at the discretion of DNR on a case-by-case basis.

- If your project does not have any match, you will be reimbursed at 100% on each reimbursement (not to exceed the full grant amount). If the project does have match, the reimbursement amount is based on the percentage stated in the project agreement up to the amount of the grant award. For example, if the grant was awarded based on 75% of the total cost of the project, the reimbursement rate would be 75% of the eligible expenditures. If the expenditures are in excess of what is required to earn the full grant, the grantee will only earn the grant amount. The grantee is solely responsible for all cost overruns. Grant amounts cannot be increased.
- Payments are processed up to a maximum of 90% of the total eligible expenditures or 90% of the grant amount, whichever is less. Release of the final 10% is dependent upon satisfactory completion of a Final Compliance Onsite Inspection Report and an audit of the financial information by the DNR Finance and Operations Division.

### Eligible expenses

- Contractual awards that have been approved by DNR.
- Staff time and fringe benefits for direct labor:
  - Internal activities necessary to support the oversight and implementation of the project. This category is capped at 5% of the project subtotal.
  - Project permitting, plan designs and prime professional oversight is capped at 25% of the project subtotal.
- Equipment purchases \$5,000 and under:
  - Equipment must be unique and directly related to activities supporting the construction improvements of the project; maintenance equipment is not eligible.
  - If equipment for purchase is over \$5,000, please contact your grant coordinator.
- Equipment usage.
- Donated labor, materials and equipment.
- Indirect:
  - If applicable, the applicant may choose to cover indirect costs. If a recipient has a current Negotiated Indirect Costs Rate Agreement established with a federal cognizant agency responsible for reviewing, negotiating and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10% of the modified total direct costs pursuant to 2 CFR 200.414(f).

### Ineligible expenses

- Costs incurred outside of the project period specified in the project agreement or amendment.
- Salaries/fringes of individuals not working directly on the project.
- Maintenance.

- Indirect/overhead greater than 10% of the total project costs without an approved NICRA.
- Tuition and fees, conferences, travel, lodging, meals, group meals and mileage.
- Sales tax for exempt agencies.

#### Advance request

The grantee may request up to 50% of the approved grant amount as an advance prior to incurring costs of eligible expenses, up to 90% of the maximum reimbursement allowable under the grant. Advance amount request must be reasonable and necessary for the success of the project and only include what will be spent in the current fiscal year. The entire advance amount must be earned and documented on a reimbursement request before additional payments will be made to the grantee. Once an advance is fully earned, an additional advance may be requested.

Requests for advances should only be made in the rarest of circumstances due to the risk and liability involved. Decisions on advances will be made by the DNR on a case-by-case basis using the following information provided in writing by the grantee:

- Description of the timeline for the advance funds to be used.
- Description of how advanced funds will be spent, including justification for why there is a lack of capital to pay for the project scope item(s).
- Acknowledgment of willingness to maintain both written procedures that minimize the time elapsing between the transfer of advance funds and disbursement and financial management systems that meet the standards for fund control and accountability.
- Acknowledgement that the timing and amount of advance payments will be as close as is administratively feasible to the actual disbursements for the approved scope item(s).
- Description of when advanced funds will be spent, with the understanding that any request for advance funds must be for the current fiscal year and spent within the current fiscal year. Fiscal years run Oct. 1 to Sept. 30.
- Acknowledgement that the DNR reserves right to request return of unexpended funds.

#### Preparing a reimbursement request

A complete request for reimbursement must include the following:

- Copies of the front and back of canceled checks for all expenditures. The copies must document that the check has cleared the bank. If canceled checks are no longer provided by the bank, include a copy of the nonnegotiable check and a copy of the bank statement which indicates the check cleared the bank.
- Copies of invoices (not purchase orders or statements). The invoices must include a precise description of the items or services provided. It must be clear from the description how the items or services relate to completion of one or more of the project scope items.
- Copies of Contractor Application for Payment form, including all continuation sheets. See example in Appendix C.
- All applicable contract change orders.
- Documentation of force account labor and equipment (see below).
- Documentation verifying the amount and value of donated labor and/or materials (see example in Figure 4).

#### Documentation of force account labor and equipment

##### Salaries and wages

This information must be submitted with the request for reimbursement when a local unit of government is using its own employees to construct all, or part of a project funded by a recreation grant (force account labor):

- A list that includes (see Figure 1):
  - The name(s) of the employee(s).
  - The dates worked.
  - The hourly pay rate.
  - Number of hours worked.

- Total amount paid.
- The employees' classification/titles and annual salaries.
- Copies of time sheets for the pay periods indicated.
- The rate used to determine any fringe benefit for each employee (for example, Social Security rate equals 7.65 percent of gross salary). Fringe benefits include only what is paid by the local unit on behalf of the employee (see example in Figure 2).

**Figure 1**

<b>Example Report of Force Account Payroll</b>				
Salaries for Payroll ending 8/5/2022:				
<b>Name</b>	<b>Classification</b>	<b>Annual Salary</b>	<b>Hours Worked on Project x Hourly Rate</b>	<b>Salary Costs Charged to Project</b>
<i>Blair, John</i>	<i>Laborer</i>	<i>\$19,800/yr</i>	<i>8 hrs. @ \$ 9.54 =</i>	<i>\$ 76.32</i>
<i>Bratonia, Steve</i>	<i>Laborer</i>	<i>\$19,800/yr</i>	<i>8 hrs. @ \$ 9.54 =</i>	<i>\$ 76.32</i>
<i>Kennedy, Mike</i>	<i>Apprentice Lineman</i>	<i>\$19,600/yr</i>	<i>5 hrs. @ \$ 9.46 =</i>	<i>\$ 47.30</i>
<b>TOTAL SALARIES</b>				<b>\$199.94</b>

**Figure 2**

<b>Benefit</b>	<b>Rate Used to Determine Benefit</b>	<b>Total Amount Charged to Project</b>
<i>Social Security</i>	<i>7.65% of gross pay</i>	<i>\$XXXX</i>
<i>Retirement</i>	<i>XXXX</i>	<i>\$XXXX</i>
<i>Health Insurance</i>	<i>XXXX</i>	<i>\$XXXX</i>
<b>TOTAL FRINGE BENEFITS</b>		<b>\$XXXX</b>

### Equipment purchasing

Equipment purchases are limited to \$5,000. Equipment must be unique and directly related to activities supporting the construction improvements of the project; maintenance equipment is not eligible. If the equipment needed exceeds \$5,000, please contact your grant coordinator.

### Equipment usage

If the grantee is using their own equipment, submit the following information (see example in Figure 3):

- Date(s) of use.
- Grantee equipment number, if applicable.
- Type of equipment.
- The Michigan Department of Transportation equipment number. The MDOT equipment number can be obtained from the MDOT Equipment Rental Rates, Schedule C, Report 375 booklet for the year in which the equipment was used.
- The rate charged for the equipment. Reimbursement for equipment usage will not exceed the rates published in the MDOT Equipment Rental Rates booklet.
- The number of hours used.
- The total cost for the equipment.

Figure 3

<b><u>Example Report of Equipment Usage</u></b>						
<b>Date</b>	<b>Grantee's Equipment Number</b>	<b>Equipment Type</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Total Charged to Project</b>	<b>MDOT#</b>
<i>June 3, 2024</i>	<i>3</i>	<i>Dodge Pickup</i>	<i>\$7.49</i>	<i>2</i>	<i>\$ 14.98</i>	<i>12.300</i>
<i>June 3, 2024</i>	<i>18</i>	<i>Hough Front End Loader</i>	<i>\$41.90</i>	<i>4</i>	<i>\$167.60</i>	<i>47.405</i>
<i>June 3-5, 2024</i>	<i>20</i>	<i>International Backhoe</i>	<i>\$36.96</i>	<i>5</i>	<i>\$184.80</i>	<i>70.103</i>
<i>June 3-5, 2024</i>	<i>31</i>	<i>Hough Front End Loader</i>	<i>\$41.90</i>	<i>8</i>	<i>\$335.20</i>	<i>47.405</i>
<i>June 3-5, 2024</i>	<i>36</i>	<i>Ford Dump Truck</i>	<i>\$17.88</i>	<i>4</i>	<i>\$71.52</i>	<i>12.304</i>
<b>TOTAL EQUIPMENT</b>						<b>\$774.10</b>

#### Documentation of donated labor or materials

Specific procedures for placing the value on donations from private organizations and individuals are set forth below:

##### Valuation of volunteer services

Volunteer services may be furnished by professional and technical personnel, consultants, and other skilled and unskilled labor. Each hour of volunteered service may be counted as match if the service is an integral and necessary part of the project. Records of volunteer services submitted with a reimbursement request must include time sheets containing the signatures of the person whose time is contributed and of the supervisor verifying that the record is accurate.

Volunteer time must be valued at minimum wage unless the person is professionally skilled in the work being performed on the project, such as a plumber doing work on pipes or a mason constructing a brick building. When a professional is volunteering professional services, the wage rates this individual is normally paid for performing this service may be charged to the project as long as documentation is provided.

##### Valuation of materials

Prices assessed to donated materials should be reasonable and should not exceed current market prices at the time they are charged to the project. Records of material donations included with a reimbursement request must indicate the fair market value by listing comparable prices and vendors. The value of the donated materials must be verified by the prime professional, not the donor.

##### Valuation of donated equipment

The hourly rate for donated equipment used on a project shall not exceed its fair rental value. Hourly rates in the annual edition of the "Rental Compilation, Rental Rate Guide" or similar publications that provide the national or regional average rates for construction equipment may be used. Such publications are usually available from contractor associations. Records of equipment donations included with a reimbursement request must include schedules showing the hours and dates of use and the signature of the operator of the equipment, similar to Figure 3.

#### Submitting a reimbursement request

The authorized official may initiate a local financial request to begin submitting the reimbursement request. The training manual in MiGrants includes steps for initiating and submitting a reimbursement request.

## Reimbursement request type selection

The reimbursement type must be selected, and then the page must be saved for the rest of the reimbursement pages to populate. There are four reimbursement types:

**Advance request.** Select this option to request an advance. Advances are approved by DNR on a case-by-case basis.

- Advance request:
  - Select the dates covered. Advances need to be earned in the current state of Michigan fiscal year (Oct. 1 to Sept. 30).
  - Answers all questions on the page.
  - Provide documentation, if applicable.
  - Enter request amount – a maximum of 50% of the grant award may be requested.

**Partial reimbursement.** Select this option to submit expenses. More than one partial reimbursement request may be submitted for a grant. Complete the required fields on each of the pages that generate after the partial reimbursement option is selected.

- Labor, equipment, and additional expenses:
  - None of these sections are required; however, if you start a section, MiGrants will require it to be completed. If you started a row by mistake, delete all data entered in the row.
  - Force account/volunteer labor:
    - Enter the name, classification/title, hours worked and rate of pay (you can lump an employee into one line; timesheets are required to be uploaded).
    - The total will automatically calculate.
    - The name will pull into the fringe table. Enter the fringe rate. If the person doesn't have any fringes, you may leave the box blank.
    - Upload time sheets.
  - Equipment:
    - Enter the date, equipment type, MDOT number, MDOT hourly rate and hours.
    - The total will automatically calculate.
    - Upload equipment documentation.
  - Additional eligible expenses:
    - Enter the date, vendor, description (how it relates to the project scope) and the amount of the expense.
    - This should be an expense that doesn't fit in labor, equipment or contractual.
- Contractual expenses:
  - Vendor name: Enter in the name of the vendor.
  - Date of service/invoice: Select the invoice date or the date work occurred.
  - Expense amount: Type in the amount of expenses incurred toward this grant. If a check was written for multiple grant projects or for other items not participating in this grant, only type in the amount of the check which went toward the grant project costs.
  - Is this a contractual expense?
    - Select 'Yes' for expenses to an approved contractor or vendor. The system will pull in previously approved contractors. Check the box under 'Selected Contractor' for the appropriate contractor or vendor.
    - Select 'No' for expenses to a contractor or vendor for invoices under \$5,000.
  - Invoiced scope item(s): List all project scope items this expense is related to.
  - Invoice/receipt documentation: Upload documents to support the expense.
  - Proof of payment documentation: This may include a copy of the front and back of a canceled check, copy of the invoice, copy of the contractor application for payment, or AIA form, change orders, documentation of force account labor and/or equipment, or documentation of donated labor and/or materials. Before uploading, **remove any sensitive information such as routing numbers or credit card numbers from the documents.**

- Once the page has been successfully saved without any system errors, use the 'Add' button to generate a new, blank development reimbursement request details page. Complete one page per expense. Once all expenses are added, click on the development reimbursement request details page in the left navigation pane to navigate between expense pages by clicking on the service/invoice date.
- Reimbursement summary page: This page will auto save once it has been loaded. The project reimbursement amount is the amount that may be reimbursed. Expense eligibility, advance balance and audit withholds could affect this amount.
- Authorized official certification: Once the pages above have been completed, the authorized official can check the box on this page and save it to certify the reimbursement.
- Prime professional certification: This page can be completed by your prime professional (should have a consultant or engineer role in MiGrants).

**Final reimbursement.** Select this option once all construction is completed and all payments to contractors and suppliers are made and documented. The final reimbursement request should be made no later than the date specified in the project agreement (90 days after end of the project period). By submitting the final reimbursement request, the grantee is signaling to the DNR that the project is complete. If submitting a final reimbursement request, a final payment request is not needed. No more than one final reimbursement will be needed for a grant. This is the final step to close out the project. Complete the required fields on each of the pages that generate after the final reimbursement option is selected.

- Labor, equipment, and additional expenses:
  - None of these sections are required; however, if you start a section, MiGrants will require it to be completed. If you started a row by mistake, delete all data entered in the row.
  - Force account/volunteer labor:
    - Enter then name, classification/title, hours worked and rate of pay (you can lump an employee into one line; time sheets are required to be uploaded).
    - The total will automatically calculate.
    - The name will pull into the fringe table. Enter the fringe rate. If the person doesn't have any fringes, you may leave the box blank.
    - Upload time sheets.
  - Equipment:
    - Enter the date, equipment type, MDOT number, MDOT hourly rate and hours.
    - The total will automatically calculate.
    - Upload equipment documentation.
  - Additional eligible expenses:
    - Enter the date, vendor, description (how it relates to the project scope) and the amount of the expense.
    - This should be an expense that doesn't fit in labor, equipment or contractual.
- Contractual expenses:
  - Vendor name: Enter in the name of the vendor.
  - Date of service/invoice: Select the invoice date or the date work occurred.
  - Expense amount: Type in the amount of expenses incurred toward this grant. If a check was written for multiple grant projects or for other items not participating in this grant, only type in the amount of the check which went toward the grant project costs.
  - Is this a contractual expense?
    - Select 'Yes' for expenses to an approved contractor or vendor. The system will pull in previously approved contractors. Check the box under 'Selected Contractor' for the appropriate contractor or vendor.
    - Select 'No' for expenses to a contractor or vendor for invoices under \$5,000.
  - Invoiced scope item(s): List all project scope items this expense is related to.
  - Invoice/receipt documentation: Upload documents to support the expense.
  - Proof of payment documentation: This may include a copy of the front and back of a canceled check, copy of the invoice, copy of the contractor application for payment, or AIA form, change orders, documentation of force

account labor and/or equipment, or documentation of donated labor and/or materials. Before uploading, **remove any sensitive information such as routing numbers or credit card numbers from the documents.**

- Once the page has been successfully saved without any system errors, use the 'Add' button to generate a new, blank development reimbursement request details page. Complete one page per expense. Once all expenses are added, click on the development reimbursement request details page in the left navigation pane to navigate between expense pages by clicking on the service/invoice date.
- Reimbursement summary page: This page will auto save once it has been loaded. The project reimbursement amount is the amount that may be reimbursed. Expense eligibility, advance balance and audit withholds could affect this amount.
- Project closeout questions:
  - All questions are required to be answered. Depending on the answer selected, a text box may appear and require a response.
- Project closeout documents:
  - A one-page "as constructed" site plan no larger than 11 inches by 17 inches. This site plan should include the location of each completed scope item as well as the location of the park (see example in Appendix D).
  - Any required local/regional approvals, e.g., final electrical, plumbing inspections, certificate of occupancy.
  - Scope item photos and details – Each scope item will pull in. Pictures of the scope item will need to be uploaded. Check 'yes' or 'no' for satisfactorily completed, quantity of that scope item and a brief description of the scope item.
- Authorized official certification: Once the pages above have been completed, the authorized official can check the box on this page and save it to certify the reimbursement.
- Prime professional certification: This page can be completed by your prime professional (should have a consultant or engineer role in MiGrants).

**Final payment.** Select this option if all grant expenses have already been reported and the final project closeout documents need to be submitted for the final 10% audit release. A final payment can be submitted after one or more partial reimbursements. If submitting a final payment request, a final reimbursement request is not needed. No more than one final payment will be needed for a grant. This is the final step to close out the project. Complete the required fields on each of the pages that generate after the final payment option is selected.

- Project closeout questions:
  - All questions are required to be answered. Depending on the answer selected, a text box may appear and require a response.
- Project closeout documents:
  - A one-page "as constructed" site plan no larger than 11 inches by 17 inches. This site plan should include the location of each completed scope item as well as the location of the park (see example in Appendix D).
  - Any required local/regional approvals, e.g., final electrical, plumbing inspections, certificate of occupancy.
  - Scope item photos and details – Each scope item will pull in. Pictures of the scope item will need to be uploaded. Check 'yes' or 'no' for satisfactorily completed, quantity of that scope item and a brief description of the scope item.
- Authorized official certification: Once the pages above have been completed, the authorized official can check the box on this page and save it to certify the reimbursement.
- Prime professional certification: This page can be completed by your prime professional (should have a consultant or engineer role in MiGrants).



## Project changes and amendments

A project change is an alteration of the project as it was proposed in the approved Spark Grant application or as it was executed in the project agreement. Please email your grant coordinator with details regarding the proposed changes.

### Change to scope items

Any changes that significantly affect scope items, as defined in the project agreement, and further delineated in the approved grant application require **prior** approval by the DNR. These include adding or deleting scope items and making significant changes to the specifications of a scope item, such as reducing the size of a nature center building. These types of changes usually result in a project agreement amendment. Discuss this type of change with your grant coordinator.

When contacting your grant coordinator, make certain to include a description of the proposed scope change, the reason for the change, any expected impacts on the project and, when appropriate, a set of revised plans and specifications sealed by the prime professional. Changes that involve a deletion or significant reduction to a scope item should include a discussion on the review and rejection of alternatives to this course of action. Scope changes require DNR approval before advertising the bid or soliciting quotes.

Significant changes to scope items requested after the commencement of construction also require **prior** DNR approval.

### Changes to the project area

The project area is defined by the legal description and boundary map incorporated into the project agreement. All scope items constructed or purchased as part of the grant-funded project must be located within the project area. The project agreement requires the grantee to maintain the project area for public outdoor recreation uses only, and for the 20-year life of the facilities. Any change to the project area will require an amendment to the project agreement. Requests for project area changes should be emailed to your grant coordinator, including a map showing the proposed change, the reason and justification for the change, and a discussion of the expected impacts of the change on the project as originally proposed.

### Grant withdrawal requests

If a grant must be withdrawn, please contact your grant coordinator.

## Post-project completion obligation and program recognition

Grant obligations do not end with final reimbursement and closeout of the financial portion of the grant. The grantee must operate the project facilities for a minimum of 20 years, regulate the use thereof to the satisfaction of the DNR, and appropriate such monies and/or provide such services as shall be necessary to provide such adequate maintenance. These long-term obligations include, but are not limited to:

- The land included in the boundary of this project site must remain open to public outdoor recreation use for the useful life of the facilities being constructed, which is generally a 20-year minimum.
- The grantee will not allow any encumbrance, lien, security interest, mortgage, or any evidence of indebtedness to attach to or be perfected against the project area or project facilities within the 20-year useful life period.
- None of the project area nor any of the project facilities constructed shall be wholly or partially conveyed during the 20-year useful life period, either in fee or otherwise or leased for a term of years or for any other period, nor shall there be any whole or partial transfer of the lease title ownership, or right of maintenance or control by the applicant.
- An entrance sign identifying the site as a public outdoor recreation site open to all users must be prominently displayed. The establishment of an entrance sign can be added to the grant scope of work.
- The recreation site must be open to all users – resident and nonresident. If a fee is charged, the nonresident fee shall be no greater than twice the resident fee.

The DNR may perform periodic formal and informal inspections of the project area and facilities to determine compliance with the grantee's long-term obligations. The grantee will be notified of any problems identified and will be asked to address them within a reasonable time frame. The grantee is obligated to comply with long-term obligations even in the absence of a DNR post-completion inspection process. Failure to comply with long-term obligations is a violation of the terms of the project agreement and will require mitigation. In addition, failure to comply with post-completion obligations will negatively affect the grantee's ability to compete for future recreation grants. Post-completion self-certification reports are required to be updated starting 2031 and every five years or with the submittal of a community's five-year recreation plan.

It is not uncommon for recreation sites to receive DNR grant assistance under several grant programs including Land and Water Conservation Fund, Michigan Natural Resources Trust Fund, Recreation Passport, the 1988 Recreation Bond Fund program and the CMI-Recreation Bond Fund program; therefore, the grantee's long-term obligations at the site may be governed by more than one project agreement. Grantees should make sure they are aware of all grant obligations before implementing new projects. Any questions regarding post-completion obligations should be directed to the grant coordinator.

### Program recognition

Providing recognition for the program that funded the project is essential to the future success of the program. With that in mind, grantees are encouraged to conduct a dedication/ribbon-cutting ceremony as soon as possible after the project has been completed. Notification to the local news media (newspapers, television and radio) and residents should be completed prior to the ceremony. The grantee must notify DNR Grants Management in writing at least 30 days prior to any ceremony, indicating date, time and location of the ceremony.

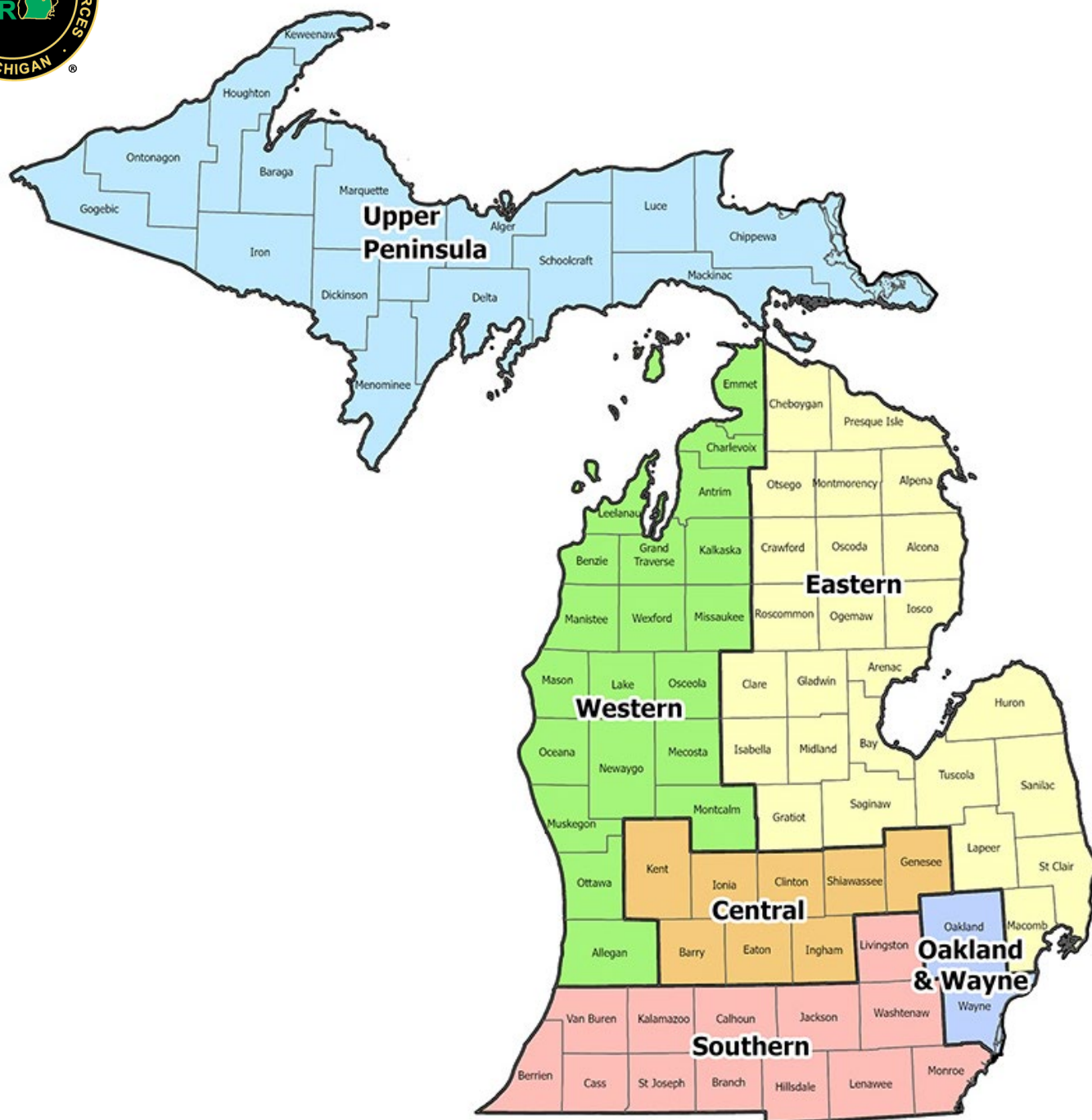
Grantees are encouraged to acknowledge the role of the appropriate recreation grant program in written materials and electronic documents published throughout the life of the project. Program recognition language can be included in materials such as park brochures and maps, press releases, grand opening announcements, park posters, interpretative signs, displays and annual reports. Correspondence with the public or state or local officials, including legislators, should recognize the contribution of the Michigan Spark Grants program when the primary focus of the letter is to provide information about the park/project site. Please send copies of written material acknowledging Michigan Spark Grants project contribution to your grant coordinator for inclusion in the project file.

### Conversions

Conversions are changes to the project area that are contrary to the terms of the project agreement. Grantees contemplating any project area change should contact your grant coordinator as soon as possible to determine if it is a conversion that requires mitigation. The primary form of mitigation for a conversion is replacement of the converted property with property of at least equal monetary (current market value), recreational and resource protection value.



## Appendix A: Map of grant coordinators' regional assignments



### Grant coordinators by region

**Upper Peninsula and Oakland and Wayne counties:** Merrie Carlock, 248-410-5892 or [CarlockM@Michigan.gov](mailto:CarlockM@Michigan.gov)

**Eastern Region:** Samantha Davis, 517-599-4450 or [DavisS46@Michigan.gov](mailto:DavisS46@Michigan.gov)

**Western Region:** Alexandria Galloway, 517-242-3007 or [GallowayA@Michigan.gov](mailto:GallowayA@Michigan.gov)

**Central Region:** Riley Millard, 517-927-4037 or [MillardR2@michigan.gov](mailto:MillardR2@michigan.gov)

**Southern Region:** Charamy Cleary, 517-599-4565 or [ClearyC1@Michigan.gov](mailto:ClearyC1@Michigan.gov)

#### Additional grants contacts

Clay Summers, Grants Section manager:

Jon Mayes, Recreation Grants Unit manager and Michigan Natural Resources Trust Fund program manager:

517-284-5954 or [MayesJ@Michigan.gov](mailto:MayesJ@Michigan.gov)

Christie Bayus, Land and Water Conservation Fund, Marine Safety Grants and Recreation Passport Grant programs manager:

517-242-8737 or [BayusC@Michigan.gov](mailto:BayusC@Michigan.gov)

Erin Campbell, Invasive Species Grant Program manager and conversion officer:

269-300-9698 or [CampbellE6@Michigan.gov](mailto:CampbellE6@Michigan.gov)

Chip Kosloski, Wildlife Habitat Grant, Fisheries Habitat Grant and Michigan Boating Pumpout Grant programs manager:

517-284-5965 or [KosloskiC3@Michigan.gov](mailto:KosloskiC3@Michigan.gov)

Michael Chuff, Michigan Natural Resources Trust Fund financial specialist:

517-284-5951 or [ChuffM@Michigan.gov](mailto:ChuffM@Michigan.gov)

Krista Dickerson, Wildlife Habitat Grant, Fisheries Habitat Grant and Marine Safety Grants programs payment officer:

517-284-5816 or [DickersonK1@Michigan.gov](mailto:DickersonK1@Michigan.gov)

Michelle Ballard, Land and Water Conservation Fund and Invasive Species Grant Program payment officer:

517-284-5974 or [BallardM3@Michigan.gov](mailto:BallardM3@Michigan.gov)

Dawn Miller, Recreation Passport, Invasive Species and SPARK Grant Program payment officer:

517-284-7268 or [MillerD71@Michigan.gov](mailto:MillerD71@Michigan.gov)

## Appendix B: Example resolution from local governing body accepting a grant

Upon motion made by \_\_\_\_\_, seconded by \_\_\_\_\_, the following Resolution was adopted:

RESOLVED, that \_\_\_\_\_, Michigan, does hereby accept the terms of the Agreement for (project name and grant number) \_\_\_\_\_ as received from the Michigan Department of Natural Resources (DEPARTMENT), and that the \_\_\_\_\_ does hereby specifically agree, but not by way of limitation, as follows:

1. To appropriate all funds necessary to complete the project during the project period and to provide local match funds totaling (\$\_\_\_\_\_) dollars to match the grant authorized by the DEPARTMENT.

WHEREAS, the applicant commits said local match from its own resources and additional confirmed funds from the following sources:

\_\_\_\_\_ (list agency/organization/donor) \$\_\_\_\_\_ (amount)

\_\_\_\_\_ (list agency/organization/donor) \$\_\_\_\_\_ (amount)

2. To maintain satisfactory financial accounts, documents, and records to make them available to the DEPARTMENT for auditing at reasonable times.
3. To construct the project and provide such funds, services and materials as may be necessary to satisfy the terms of said Agreement.
4. To regulate the use of the facility constructed and reserved under this Agreement to assure the use thereof by the public on equal and reasonable terms.
5. To comply with any and all terms of said Agreement including all terms not specifically set forth in the foregoing portions of this Resolution."

The following aye votes were recorded: \_\_\_\_\_

The following nay votes were recorded: \_\_\_\_\_

STATE OF MICHIGAN )

) ss

COUNTY OF \_\_\_\_\_ )

I, \_\_\_\_\_, Clerk of the \_\_\_\_\_, Michigan, do hereby certify that the above is a true and correct copy of the Resolution relative to the Agreement with the Michigan Department of Natural Resources, which Resolution was adopted by the \_\_\_\_\_ at a meeting held \_\_\_\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Dated

# Appendix C: Example of contractor's application and certificate for payment

## APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G702 (Instructions on reverse side) PAGE ONE OF PAGES

TO OWNER:

PROJECT:  
Balance Tank & Recirculation Pump  
Replacement

APPLICATION NO.: 1

PERIOD TO:

PROJECT NOS.:

CONTRACT DATE:

Distribution to:

- ☐ OWNER  
☐ ARCHITECT  
☐ CONTRACTOR  
☐

FROM CONTRACTOR:

VIA ARCHITECT:

CONTRACT FOR:

### CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM ..... \$ 58,045.00
2. Net change by Change Orders ..... \$ 12,980.00
3. CONTRACT SUM TO DATE (Line 1 + 2) ..... \$ 45,065.00
4. TOTAL COMPLETED & STORED TO DATE ..... \$ 45,065.00  
(Column G on G703)
5. RETAINAGE:
  - a. 10 % of Completed Work ..... \$ 4,506.50  
(Columns D + E on G703)
  - b. \_\_\_\_\_ % of Stored Material ..... \$ \_\_\_\_\_  
(Column F on G703)
  - Total Retainage (Line 5a + 5b or  
Total in Column I of G703) ..... \$ 4,506.50
6. TOTAL EARNED LESS RETAINAGE ..... \$ 40,558.50  
(Line 4 less Line 5 Total)
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT  
(Line 6 from prior Certificate) ..... \$ -0-
8. CURRENT PAYMENT DUE ..... \$ 40,558.50
9. BALANCE TO FINISH, INCLUDING RETAINAGE  
(Line 3 less Line 6) ..... \$ 4,506.50

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
Total approved this Month		
TOTALS		
NET CHANGES by Change Order		

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR:

By:

State of: MICHIGAN

County of: OAKLAND

Subscribed and sworn to before

me this 31 day of May, 1994

Date:

5/31/94

Notary Public:

My Commission expires:

3-25-95

### ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED

(Attach explanation if amount certified differs from the amount applied for. Initial all figures on this Application and on the Continuation Sheet that are changed to conform to the amount certified.)

ARCHITECT:

By:

Date:

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.



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G702-1992

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# CONTINUATION SHEET

AIA DOCUMENT G703 (Instructions on reverse side)

PAGE OF PAGES

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing Contractor's signed Certification, is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

2

APPLICATION NO.: 2

APPLICATION DATE: 05/31/94

PERIOD TO:

ARCHITECT'S PROJECT NO.: P0

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE) RATE
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G ÷ C)		
1	Removal of existing balance tank; install new	34,800.00	34,800.00	-----	-----	34,800.00	100%	-----	3,480.00
2	Automatic Water Level Controller	1,850.00	1,850.00	-----	-----	1,850.00	100%	-----	185.00
3	Surge Weirs	4,950.00	4,950.00	-----	-----	4,950.00	100%	-----	495.00
	ADDITIONAL TO CONTRACT								
	Additional Weir	3,465.00	3,465.00	-----	-----	3,465.00	100%	-----	346.50
	Pre cast concrete balance tank	N/C	N/C	-----	-----	N/C	100%	-----	N/C
		45,065.00	-----	45,065.00	-----	45,065.00	100%	-----	4,506.50

Example of Contractors Application and Certificate for Payment (page 2)



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## Appendix D: Example of “as constructed” site plan

