

FISCAL YEAR 2017-2018

***SCRAP TIRE REGULATORY PROGRAM***

**Scrap Tire Market Development Grant  
Application for Funding**



**Rick Snyder, Governor  
C. Heidi Grether, Director**

**Waste Management and Radiological Protection Division  
Michigan Department of Environmental Quality**

**DEQ Website: <http://www.michigan.gov/deq>  
Application Deadline: November 17, 2017**

EQP5155 (Rev 09/2017)



**Michigan Department of Environmental Quality  
Waste Management and Radiological Protection Division**

Scrap Tire Market Development Grant Program

**CONTENTS**

INTRODUCTION ..... 1

APPLICATION PROCESS ..... 2

    ELIGIBILITY CRITERIA ..... 2

    EVALUATION CRITERIA..... 3

    REQUIRED APPLICATION COMPONENTS ..... 4

APPLICATION COMPONENT CHECKLIST ..... 4

    APPLICATION SUBMISSION INFORMATION ..... 5

    APPLICATION REVIEW PROCESS ..... 5

    AGREEMENT REQUIREMENTS FOR APPROVED APPLICANTS ..... 5

INSTRUCTIONS FOR GRANT APPLICATION ..... 7

FUNDING APPLICATION - FISCAL YEAR 2017-2018 ..... 8

    Required Application Components - All Applicants Must Complete ..... 9

    Required Application Components - Scrap Tires ..... 11

    Required Application Components - Equipment and/or Research and Development ... 12

ATTACHMENT A..... 14

The Department of Environmental Quality (DEQ) will not discriminate against any individual or group on the basis of race, sex, religion, age, national origin, color, marital status, disability, political beliefs, height, weight, genetic information, or sexual orientation. Questions or concerns should be directed to the DEQ, Office of Human Resources, P.O. Box 30473, Lansing, MI 48909-7973



**Michigan Department of Environmental Quality  
Waste Management and Radiological Protection Division  
SCRAP TIRE MARKET DEVELOPMENT GRANT PROGRAM**

---

**INTRODUCTION**

Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), Section 16908(2)(d), authorizes the Michigan Department of Environmental Quality (DEQ) to issue reimbursement grants for the following:

- For grants to reimburse the cost of purchasing scrap tires to support the development of increased markets for scrap tires. Only the cost of purchasing scrap tires from Michigan scrap tire processors or other generators of scrap tires in Michigan is eligible for reimbursement.
  - A “scrap tire” is defined as a tire that is no longer being used for its original intended purpose including, but not limited to, a used tire, a reusable tire casing, or portions of a tire.
  - Cost reimbursement grants are available for 50 percent of the cost of purchasing scrap tires. Reimbursement cannot exceed \$89.00 per ton.
- Cost reimbursement grants are available for up to 50 percent of the cost of purchasing equipment, or for research and development, to provide for a new or increased use for scrap tires.

The DEQ, Waste Management and Radiological Protection Division (WMRPD), is now accepting applications for funding scrap tire market development projects from eligible public and private entities. This packet is provided to satisfy the requirements in Section 16908(3) of Part 169, which states applications for grants shall be submitted on a form approved by the DEQ and contain the information required by the DEQ.

**Submission of a complete application does not guarantee that the applicant will receive a Scrap Tire Market Development Grant (Grant), as this process is highly competitive. Award of Grant funds is subject to legislative appropriation.**

## APPLICATION PROCESS

### ELIGIBILITY CRITERIA

1. The applicant must submit a **complete** application EQP5155 (Rev 09/2017) via email by the application deadline. A complete application is described below in the section titled "Required Application Components."
2. The applicant's project must demonstrate new or increased uses of scrap tires in manufactured products, such as modified asphalt, molded or extruded rubber products, or aggregate replacement materials, or be for the research and development of methods to increase the use of scrap tires.
3. Scrap tires must be purchased from a Michigan processor or other Michigan generator of scrap tires. Grants are available for up to 50 percent of the cost of purchasing equipment or for new research and development. The applicant must commit to at least 50 percent of the total project amount, in cash. In-kind services are not allowed as part of the match, but will be considered during the application evaluation process.
4. The applicant must submit documentation of the property owner's permission for the applicant to do business at that location and a scrap tire collection site registration application, fees, and bond, if applicable.
5. The applicant must not be in litigation with the state of Michigan or any other public entity concerning compliance with Part 169 or Part 115, Solid Waste Management, of the NREPA. If an applicant has been ordered to pay fines and/or penalties for previous violations of Part 169 or Part 115, all penalties/fines must have been paid in full.
6. Applicants requesting funding for scrap tires or equipment must submit documentation that the technology to be utilized in the proposed process is beyond the research stage and that a demonstration has indicated the proposed process is technically feasible for full-scale production. (Not applicable for applicants requesting funding for research and development.)
7. The project must be located in Michigan.
8. The applicant must be registered to do business in Michigan and provide a Corporate ID# or be a governmental entity.
9. When needed, grantees must use a Michigan scrap tire processor. A list of Michigan scrap tire processors is available on the DEQ Web site at [http://www.michigan.gov/documents/deq/deq-whm-stp-processorlist\\_240416\\_7.pdf](http://www.michigan.gov/documents/deq/deq-whm-stp-processorlist_240416_7.pdf). If the applicant is a county or other local unit of government, the Michigan-based scrap tire processor shall be selected through the local unit of government's competitive bid process to ensure the most cost-effective use of Grant funds. Prior to issuance of an agreement for Grant funds, the grantee will need to demonstrate to the DEQ that the selected scrap tire processor(s) meet the following conditions:
  - The processor is authorized to do business in and is located in the State of Michigan. The processor must possess all the required permits, registrations, and/or licenses required by law. Out of state haulers/processors may be considered and approved by the DEQ on a case by case basis for tires **located in the UP**, provided the applicant is unsuccessful in finding a Michigan hauler/processor able to operate in the UP or provide services in support of the proposed grant project.
  - The processor has agreed with the Grantee to process the tires and transport the processed tires to the approved end-user.
  - The processor has a contract(s) with the scrap tire material user(s) that will receive the processed tires.

- The processor will use and properly complete the Scrap Tire Transportation Record form (EQP 5128) when accepting and transporting the scrap tires.
- The processor will notify the Grantee of any changes that would make the processor unable to meet all conditions or those of the Grant agreement.

EVALUATION CRITERIA

The funding of scrap tire market development projects must be prioritized due to the limited amount of available funding under Part 169. This solicitation is anticipated to be extremely competitive. The evaluation criteria set forth in this application package have been developed to allow the WMRPD to identify those proposals that most completely demonstrate the applicant’s ability to successfully implement a scrap tire market development project. Since a variety of market development projects will be submitted, all eligible applications will be independently evaluated based on how well they address the evaluation criteria for their project.

Each application will be evaluated by a committee of WMRPD staff using criteria as follows. (**NOTE:** The descriptions following are brief and designed to provide a general explanation of the criteria that will be considered and the typical components of those criteria.) The order of the listed criteria is not intended to indicate relative weight placed on individual criteria.

- The amount of scrap tires, in passenger tire equivalents (PTEs) or tons (see page 7, #9), to be used in developing the project/product using Michigan tires.
- The project must demonstrate a **NEW** or increased use of scrap tires. Projects will be evaluated based on the total number of tires used compared to the cost of the project or the cost per tire.
- The Project must be feasible and market-oriented.
- The Project must demonstrate viable markets for the proposed product. For example, a signed contract or letter of expression of interest from a user of the product.
- Research and development Grant applicants must provide data or other documentation to show that the project is for new research and how the project will expand the market for scrap tires in Michigan (see page 14, Section 2, Item F). Salaries of individuals are not eligible for Grant funding, unless these are salaries of employees of public universities or colleges.
- Applicant must demonstrate commitment to the project by providing a complete business plan and by providing the amount the applicant has invested in the project.
- Applicant’s overall compliance with Michigan environmental laws, rules, and regulations.

Priority will be given to:

- Applications requesting capital expenditures for equipment over research and development.
- Projects that demonstrate the technology is transferable and could produce a broad benefit.
- Projects that utilize scrap tires rather than a commodity.
  - A commodity is defined as crumb rubber, tire chips, a ring or slab cut from a tire for use as a weight, or a product die cut or punched from a tire. These products are categorized in statute as a “commodity” because they already have markets and uses associated with them.
- Projects that demonstrate long-term sustainability.

- Applicants who are part of an established business as opposed to applicants who request funds for start-up costs.
- Applicants who are expanding a current product line as opposed to creating a completely new untried product.
- Financial capability and financial viability of the project.
- The value of the end use of the scrap tires (e.g., the scrap tires will be used to make a product as opposed to using scrap tires as alternative daily cover in a landfill).

**\*NOTE:** Rubber modified asphalt projects are eligible for funding. However, high traffic volume main roads will receive priority over low traffic local roads. Projects that focus solely on the paving of parking lots will not be considered for funding this year.

REQUIRED APPLICATION COMPONENTS

A separate application must be submitted for each proposed market development project. All information submitted in the application must be current.

To be considered complete, an application must include all of the components listed below. Incomplete responses may result in a determination that the application is not eligible for funding. **(The Grant application MUST be signed by applicant signatory on page 8.)**

- All applicants must complete the application on page 8 and the required application components on page 4.
- If funding is requested ONLY for scrap tires, pages 8 and 9-11 must be completed.
- If funding is requested ONLY for equipment and/or research and development, pages 8, 9-10, and 12-14 must be completed.
- If funding is requested for scrap tires AND equipment and/or research and development, pages 8 and 9-14 must be completed.

**APPLICATION COMPONENT CHECKLIST**

Component	Page Number in Application	Complete?
Grant Program Funding Application, EQP5155	Page 8	<input type="checkbox"/> Yes <input type="checkbox"/> No
Required Application Components	Page 4	<input type="checkbox"/> Yes <input type="checkbox"/> No
Executive Summary	Scrap Tires: Page 11 (Item 1)	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Equipment/R&D: Page 12 (Item 1)	<input type="checkbox"/> Yes <input type="checkbox"/> No
Project Description	Scrap Tires: Page 11 (Item 2)	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Equipment/R&D: Page 13 (Items 2-4)	<input type="checkbox"/> Yes <input type="checkbox"/> No
Budget Information (Including Attachment A - Page 14)	Scrap Tires: Page 11 (Item 3)	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Equipment/R&D: Page 13 (Item 5)	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Applications are due no later than 11:59 pm EST November 17, 2017.**

## APPLICATION SUBMISSION INFORMATION

The DEQ must receive all original signed applications along with the required narratives via email no later than **11:59 PM EST November 17, 2017**. Proposals received after this deadline will not be evaluated.

The application must be emailed to:

[DEQ-scraptire@michigan.gov](mailto:DEQ-scraptire@michigan.gov)

If you are unable to send the application via email or have any other questions related to the application's preparation or submission, please call the Scrap Tire Program Coordinator at 517-284-6588 for further instructions.

## APPLICATION REVIEW PROCESS

Applications for funding will be reviewed and prioritized by a review committee based on the evaluation criteria indicated above. The review committee will consist of WMRPD staff and other state agencies, when appropriate.

Applicants must email their application to the DEQ with all attachments no later than 11:59 PM EST November 17, 2017. There will be no discussion regarding the application between WMRPD staff and applicants during the application review process.

After staff completes their review of each application, they will develop a staff recommendation of applicants approved for funding. After a meeting to discuss these recommendations, a final WMRPD staff funding recommendation will be developed. The final prioritized listing will be approved by the Division Director of the WMRPD with recommendations presented to the DEQ Director. It is anticipated that the DEQ Director will make final funding recommendations no later than February 2018. The Grants that are over \$250,000 require review by the State Administrative Board (SAB) and once approved by the SAB, the list of awarded Grants will be announced in a press release and made available on the DEQ's Web site.

Applicants will be notified in writing of the decision regarding their applications. Evaluation information concerning an application will be available upon request. If eligible, unsuccessful applicants may reapply in future Grant cycles subject to legislative appropriation of funds.

The DEQ is not obligated to award a Grant or to pay any costs incurred by the applicant in the preparation and submission of their application.

## AGREEMENT REQUIREMENTS FOR APPROVED APPLICANTS

Approved applicants will be required to enter into the standard DEQ Grant agreement. The application becomes part of the Grant agreement. The agreement will stipulate a project period during which the project must be completed and all expenditures must be made. Successful applicants (Grantees) must be prepared to agree to the following minimum agreement conditions:

- All projects funded must commence prior to September 30, 2018, and must proceed in a continuous manner. Typical projects must be completed within 18 months of the start date.
- All Grantees will submit documentation (i.e., cancelled check, ACH, or invoices) to the DEQ that their vendors have been paid PRIOR to receiving reimbursement from the Grant Program. Equipment must be installed and operating and will be subject to DEQ inspection.
- If an application is for scrap tires only, the applicant will be required to submit documentation that the selected scrap tire processor(s) meets all of the requirements listed in Item 9 on page 2 (Eligibility Criteria) of this application package, prior to entry of a Grant agreement.

- The Grantee and all contractors, subcontractors, processors, other scrap tire generators, etc., must operate in compliance with all applicable laws and the Grant agreement. Certain provisions contained in the Grant agreement may preclude various entities from receiving Grant funds.
- The DEQ will reimburse the cost of purchasing scrap tires but shall not exceed a reimbursed cost of \$89.00 per ton.
- The DEQ will reimburse Grantees for up to 50 percent of the cost of equipment and/or research and development.
- Facilities and Administrative costs are limited to 15%.
- Salaries of individuals are not eligible for grant funding unless these are salaries of employees of public universities or colleges.
- The Grantee acknowledges that it is a crime to knowingly and willingly file false information with the State for the purpose of obtaining this agreement or any payment under the agreement, and that any such filing may subject the Grantee, its agents, and/or employees to criminal and civil prosecution and/or termination of the Grant.

Conflict of Interest: No government employee, or member of the legislative, judicial, or executive branches, or member of the Grantee's Board of Directors, its employees, partner agencies, or their families shall benefit financially from any part of this agreement.

Debarment and Suspension: By signing this agreement, the Grantee certifies to the best of its knowledge and belief that it, its agents, and its subcontractors:

- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or the State of Michigan.
- (2) Have not within a three-year period preceding this agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, as defined in 45 CFR 1185; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- (3) Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in subsection (2).
- (4) Have not within a three-year period preceding this agreement had one or more public transactions (federal, state, or local) terminated for cause or default.
- (5) Will comply with all applicable requirements of all other state or federal laws, executive orders, regulations, and policies governing this program.

**MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY  
WASTE MANAGEMENT AND RADIOLOGICAL PROTECTION DIVISION  
SCRAP TIRE MARKET DEVELOPMENT  
GRANT PROGRAM FUNDING APPLICATION-FISCAL YEAR 2017-2018**

**INSTRUCTIONS FOR GRANT APPLICATION**

1. Enter the Applicant name.
2. Enter the Applicant mailing address.
3. Enter the City, State and Zip Code for the Applicant mailing address.
4. Enter the Project Location, if different than Applicant address.
5. Enter the Contact Person for the Grant, if different from the Applicant.
6. Enter the primary telephone number for the Contact Person.
7. Enter the Contact Person email.
8. Enter the Michigan Corporate ID number. Governmental entities do not need to include this information.

Grants are available to fund three areas of market development:

- Scrap tires used to make another product
- Up to 50 percent of the cost of equipment
- Up to 50 percent of the cost of new research and development

If you check the "Scrap Tires" box, please complete lines 9 and 10 and see page 11 for required application components. If the "Equipment" or "Research and Development" box is checked, please see pages 12-13 for required application components.

9. If you are requesting funding for scrap tires, please fill out this section and please read and complete the required application components listed on page 11. If you are not requesting funding for scrap tires, skip to line 11.
  - A. Enter the amount in Passenger Tire Equivalent (PTE) or tons of scrap tires to be used or purchased (please check PTE or tons).
    - i. PTE is a measure to take into account the various sizes and weights of tires.
      - 1 PTE = 22.5 lbs
      - Car tires = 1 PTE
      - Truck tires = 5 PTE
      - Oversize tires = 15 PTE
10. If you are requesting funding for scrap tires, enter the total amount required to purchase the scrap tires. The DEQ will reimburse for the cost of purchasing scrap tires but shall not exceed a reimbursed cost of \$89.00 per ton.
11. Enter the amount requested for either equipment or research and development. Please remember this funding is available for up to 50 percent of the cost of equipment or research and development and requires a 50 percent CASH match.
12. Enter the total amount of matching funds (should equal or exceed amount entered in line 9).
13. Enter the total amounts requested for scrap tires, equipment, and/or research and development. This is your total amount requested from the DEQ.

To be considered complete, an application must include all of the components listed. Incomplete responses may result in a determination that the application is not eligible for funding. **(The Grant application MUST be signed by applicant signatory on page 8.)**



Michigan Department of Environmental Quality  
Waste Management and Radiological Protection Division  
**SCRAP TIRE MARKET DEVELOPMENT GRANT PROGRAM**  
**FUNDING APPLICATION - FISCAL YEAR 2017-2018**

Completion of this application is required for funding under the Scrap Tire Cleanup Grant Program, Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.

For additional information or assistance, contact the MDEQ-WMRPD Solid Waste Section at 517-284-6588.

PROJECT INFORMATION APPLICANT INFORMATION		
1. Applicant Name:	5. Contact Person:	
2. Applicant Mailing Address:	6. Contact Person Telephone Number:	
3. City, State, Zip Code:	7. Contact Person Email:	
4. Project Location (if different from address):	8. Michigan Corporate ID:	
<b>FUNDING REQUESTED FOR:</b> <input type="checkbox"/> Scrap Tires* <input type="checkbox"/> Equipment <input type="checkbox"/> Research & Development		
<i>*If funding is requested for scrap tires, please complete Lines 9 and 10 of the Project Description Summary. If no funding for scrap tires is requested, please skip Lines 9 and 10.</i>		
ELIGIBILITY CRITERIA		
<i>Responses to the following questions will determine eligibility as outlined on Page 2 of the grant application packet. The following questions must be answered "yes" to be further considered for funding.</i>		
<b>Yes</b>	<b>No</b>	<i>Please check yes or no for each of the following questions. All questions must be answered.</i>
<input type="checkbox"/>	<input type="checkbox"/>	Project is located in Michigan.
<input type="checkbox"/>	<input type="checkbox"/>	Scrap tires are from Michigan and will be purchased or obtained from a Michigan processor or other Michigan generator.9.
<input type="checkbox"/>	<input type="checkbox"/>	Applicant is registered to do business in Michigan.
<input type="checkbox"/>	<input type="checkbox"/>	Applicant is not currently in litigation with the State or any other public entity concerning compliance with Part 169, Scrap Tires, or Part 115, Solid Waste Management, of the NREPA, 1994 PA 451, as amended.
<input type="checkbox"/>	<input type="checkbox"/>	Applicant has reviewed all eligibility criteria and evaluation criteria contained in the grant application packet.
<input type="checkbox"/>	<input type="checkbox"/>	The project will result in new or increased uses of scrap tires in manufactured products.
NARRATIVE DESCRIPTION		
<b>Please attach no more than two pages describing the following:</b>		
<b>Scrap Tire Funding:</b> Describe the method used to process scrap tires and the end use of the processed scrap tires.		
<b>Equipment and/or Research and Development:</b> Please include a detailed sketch or diagram illustrating the existing process or related equipment, the new process, and modifications and/or equipment proposed as part of your project, a proposed project timeline and:		
<ul style="list-style-type: none"> <li style="display: inline-block; width: 45%;">• A brief summary of the project.</li> <li style="display: inline-block; width: 45%;">• Projected quantity of scrap tires to be used in the project.</li> <li style="display: inline-block; width: 45%;">• Reasons why the project should be funded.</li> <li style="display: inline-block; width: 45%;">• Where the scrap tires will come from.</li> </ul>		
PROJECT DESCRIPTION SUMMARY		
9. TOTAL SCRAP TIRES REQUESTED UNDER GRANT:	<input type="checkbox"/> Tons or <input type="checkbox"/> PTEs	_____
10. Amount of Funding Requested For Scrap Tires Under the Grant ( <i>The DEQ will reimburse 50 percent of the cost of purchasing scrap tires. Reimbursement cannot exceed \$89.00 per ton.</i> ):		\$ _____
11. Amount of Funding Requested ( <i>equipment and/or research and development only</i> ):		\$ _____
12. Amount of Matching Funds Committed ( <i>equipment and/or research and development only</i> ):		\$ _____
13. Total Amount of Funding Requested (= sum lines 10 + 11):		\$ _____
14. Total Project Cost (= sum lines 12 + 13):		\$ _____
APPLICANT SIGNATORY		
I, the undersigned applicant, swear and affirm, UNDER PENALTY OF LAW, that the statements contained herein are true and correct and that the removal, transportation, storage, and disposal of scrap tires will be performed in accordance with the requirements of Part 169. I certify under penalty of law that the information contained on this form, to the best of my knowledge and belief, is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of a fine and imprisonment for knowing violations.		
PRINT NAME _____	SIGNATURE _____	DATE _____
RETURN THIS COMPLETED ORIGINAL APPLICATION AND ALL ATTACHMENTS TO:		
<b>Email Address:</b> <a href="mailto:Deg-scraptire@michigan.gov">Deg-scraptire@michigan.gov</a>		<i>If you are unable to send the application via email, please call the Solid Waste Section of the WMRPD at 517-284-6588 for further instructions.</i>

## Required Application Components - All Applicants Must Complete

### 1. Project Timetable

- A. Projects must commence before September 30, 2018. Typically, projects must be completed within 18 months of start date.
- B. Outline all the tasks needed to implement the project. Submission of quarterly and final progress reports and submission of reimbursement requests to the DEQ should be included as a task.
  - i. For each task, provide the following information (Attach additional pages as necessary):
    - 1. Name of the task.
    - 2. Beginning date.
    - 3. End date.
    - 4. Group or person responsible for completion of the task.
    - 5. Location of the task.
- C. Describe how you will show your product/process is successful. Include benchmark goals.

### 2. Economic Feasibility

- A. Provide a feasibility study or sufficient information supporting the proposed project's economic viability.
- B. Provide a description of the business and accounting plans for the proposed project. This must identify the methods used to track the funding and other business aspects of the proposed project.
- C. Provide a discussion on the benefit of State funding to carry out the proposed project. As part of this discussion, identify what other sources of funding the applicant may have available to fund this project and discuss what efforts would be taken to implement this project if State funds are not awarded.
- D. Provide the final "cost per tire" by dividing the total Grant amount requested by the number of scrap tires that will be used in the process.

### 3. Financial Information

- A. All private for-profit applicants must submit the following:
  - i. History and description of the applicant, including all of the following:
    - 1. Ownership of the company.
    - 2. Any affiliate, parent, or subsidiary relationships.
    - 3. A description of the product manufactured by the applicant.
  - ii. An organization chart for the applicant's management team and résumés of key management personnel.
  - iii. Audited historical financial statements for the applicant, including balance sheets and income statements for the three most recent complete years of operations. If audited financial statements are not available, explain why and provide historical financial statements certified as true and accurate by an authorized representative of the applicant.
  - iv. Current financial statements for the applicant, including balance sheets and income statements, dated within 90 days of application submission and certified as true and accurate by an authorized representative of the applicant.

- v. The name and address of the bank handling the applicant's business accounts. The name and telephone number of the bank officer handling the applicant's accounts should also be provided.
- vi. If the applicant has been in operation for less than one year OR if the applicant is requesting Grant funding for the manufacture of a product new to the company, the following information must also be submitted:
  - 1. Two-year projected balance sheets and income statements. The information must include a description of, and the basis for, all assumptions made in creating the statements. Sales projections must be substantiated with bids, purchase orders, purchase order quotes, sales contracts, or other similar types of evidence.
- vii. The business plan for the company.

## Required Application Components - Scrap Tires

### 1. Executive Summary

- A. Include an overview of the project including the following:
- i. Name and location of scrap tire processor or other generator of scrap tires.
  - ii. The end use of the scrap tires.
  - iii. How the project will increase the market for scrap tires.

### 2. Project Description

- A. Provide a Project Description that identifies the project goals and what the project will accomplish (describe in measurable terms and give specific tonnages or PTEs). Clearly indicate how scrap tire use will increase as a result of the Grant. Include a detailed discussion of the methods and technology to be used to implement the project.
- B. Provide information on the applicant's background that demonstrates the applicant's ability to carry out the project in terms of the history of the applicant's involvement with the scrap tire industry.
- C. Describe the process to be used for measuring and reviewing the progress and success of the project. Include the specific types of data collection or project measurement methods that will be used to determine and track project accomplishments. Successful applicants will be required to provide these project measures in quarterly reports and a final report to the DEQ.
- D. Provide a detailed narrative response that demonstrates the benefit of the proposed project to increasing market demand for scrap tires. This narrative should include a discussion of existing similar products and how use of scrap tires will help reduce the need or use of virgin materials or, at a minimum, help to create sustainable markets for scrap tires.
- E. Certify the applicant's commitment to:
- i. Comply with all applicable federal, state, and local laws, rules, ordinances, and regulations and obtain all applicable permits and licenses.
  - ii. Fund project costs exceeding the Grant budget and cost overruns necessary to carry out the project.
  - iii. Ensure that the applicant's solid waste, including all residues generated by the project will be disposed of pursuant to the provisions of Part 169 and Part 115, Solid Waste Management, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, and all other applicable federal, state, and local laws.

### 3. Budget Information (See Attachment A - Grant Budget Form)

- A. All costs identified must be eligible costs. Expenditures must be made during the project period as identified in the Project Timetable. All figures should be rounded to the nearest dollar.
- B. List the amount of scrap tires to be purchased in tons or PTEs and the processor(s) or generator from whom the scrap tires will be purchased.
- C. Expenditures must be made during the project period as identified in the Project Timetable.
- D. The only eligible costs are for scrap tires. List the tonnage of scrap tires to be purchased at applicant's expense, the amount of the DEQ Grant that will be reimbursed to the applicant, and the processor(s) or generator(s) from whom the scrap tires will be purchased.

## Required Application Components - Equipment and/or Research and Development

### 1. Executive Summary

A. Provide an overview of the proposal including:

- i. A brief statement about how the project works.
- ii. Why the project should be funded.
- iii. Any benchmarks that are in place to determine if the project is successful.
- iv. An overview of the 50 percent match funding sources.

### 2. Project Description

A. Provide a Project Description that identifies the project goals and what the project will accomplish. Provide a detailed discussion of the methods and technology to be used to implement the project. The discussion should include the following:

- i. A complete description of the entire operations related to implementing the project. The discussion should not be limited to only that part of the operations to be funded by the Grant. For example, describe the entire market development operation, including all aspects of collection, processing, and marketing. Include any in-kind services that may be used.
- ii. If the proposed project is an expansion or an addition to the applicant's current operations/activities, include a description of the current operations/activities and how the proposed project will fit into the current operations/activities.
- iii. Provide a detailed sketch or diagram that illustrates existing processes or related equipment, the new process, and process modifications and/or equipment proposed as part of your project.

B. Certify the applicant's commitment to:

- i. Comply with all applicable federal, state, and local laws, rules, ordinances, and regulations and to obtain all applicable permits and licenses.
- ii. Fund the match required for the project (must be cash).
- iii. Fund project costs exceeding the Grant budget for the project and cost overruns necessary to carry out the project.
- iv. Ensure that the applicant's solid waste, including all residues generated by the project will be disposed of pursuant to the provisions of Part 169 and Part 115, Solid Waste Management, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, and all other applicable federal, state, and local laws.

C. Demonstrate the applicant's ability to carry out the project and discuss the history of the applicant's involvement with the scrap tire industry.

D. Describe the process to be used for measuring the progress and success of the project. Include the specific types of data collection or project measurement methods that will be used to determine and track project accomplishments. Successful applicants will be required to provide these project measures in quarterly reports and a final report.

E. Provide a detailed narrative response that demonstrates the benefit of the proposed project to increasing market demand for scrap tires. This narrative should include a discussion of existing similar products and how use of scrap tires will help reduce the need or use of virgin materials or, at a minimum, help to create sustainable markets for scrap tires.

F. Discuss the potential for this project to be replicated in other areas or serve as a model to others. Identify target groups that could implement your project results. Include an estimate of the quantity of materials that could be utilized by these target groups and a detailed discussion of the rationale behind the estimate.

G. Provide information on the number of jobs to be created by the proposed project.

3. Equipment funding requests must also include the following:

- A. Document that the technology to be utilized is beyond the research stage, or what previous research has been completed, and that a demonstration has indicated the proposed project is technically feasible. Indicate where and when these demonstrations have occurred and include appropriate descriptive information.
- B. Provide estimates of the annual amount of finished end product to be manufactured. Indicate the method and complete calculations used to estimate the amount of finished end products produced.
- C. Provide a comprehensive marketing plan that includes all of the following information and documents:
  - i. Market position statement. Identify the market segment that will use the product.
  - ii. Description of marketing channels.
  - iii. Price schedule of the product line to be marketed.
  - iv. Sales forecast based on the marketing plan.
  - v. Mechanism to determine and track sales performance.
  - vi. Description of marketing budget, including advertising and promotional cost, written sales program, compensation, incentives, and terms to the sales force.
  - vii. List of competitors selling the same or similar product to market segment.
  - viii. Analysis of the competitors' products compared to proposed project.
- D. Provide documentation that the applicant has viable markets for the proposed product produced as a result of the Grant.

4. Research and Development funding requests must also include the following:

- A. Describe and document the willingness and commitment of entities within the target groups and others to implement the full or pilot scale project, based upon the anticipated outcome of the proposed project.
- B. Describe how you will promote full or pilot-scale implementation of this project among the target groups or others. Because research and development results must be widely available to others, activities and tasks demonstrating effective technology transfer activities will influence the evolution of the project.

5. Budget Information (See Attachment A - Grant Budget Form)

- A. All costs identified must be eligible costs (either for equipment or research and development). Expenditures must be made during the project period as identified in the Project Timetable. All figures should be rounded to the nearest dollar.
- B. All Grants to fund equipment and/or research and development require an applicant match equal to 50 percent of the total project budget in cash. The only eligible costs are for equipment and/or research and development. In-kind services are not allowed as part of the match.
- C. Expenditures must be made during the project period as identified in the Project Timetable.

**ATTACHMENT A**  
**SCRAP TIRE MARKET DEVELOPMENT GRANT PROGRAM**  
**GRANT BUDGET - FISCAL YEAR 2017-2018**

					
<b>MICHIGAN DEPARTMENT of ENVIRONMENTAL QUALITY</b> <b>WASTE MANAGEMENT AND RADIOLOGICAL PROTECTION DIVISION</b> <b>SCRAP TIRE PROGRAM</b> <b>PROJECT BUDGET FORM</b>					
<b>Grantee Name:</b>					
<b>Project Name:</b>					
<b>Tracking Code Number:</b>					
		<b>GRANT AMOUNT</b>	<b>LOCAL MATCH AMOUNT</b>	<b>TOTAL</b>	
Staffing		\$ -	\$ -	\$ -	\$ -
Fringes (not to exceed 40%)		\$ -	\$ -	\$ -	\$ -
<b>STAFFING AND FRINGE BENEFITS Subtotal</b>		\$ -	\$ -	\$ -	\$ -
		<b>HOURS or UNITS</b>	<b>RATE or TOTAL</b>		
<b>CONTRACTUAL SERVICES</b>					
		\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -
<b>CONTRACTUAL SERVICES Subtotal</b>		\$ -	\$ -	\$ -	\$ -
<b>SUPPLIES, MATERIALS AND EQUIPMENT</b>					
<b>SUPPLIES &amp; MATERIALS (itemize)</b>		<b>QUANTITY</b>	<b>COST</b>		
			\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -
<b>SUPPLIES AND MATERIALS Subtotal</b>			\$ -	\$ -	\$ -
<b>EQUIPMENT (any item over \$1000)</b>					
			\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -
<b>EQUIPMENT Subtotal</b>			\$ -	\$ -	\$ -
<b>SUPPLIES, MATERIALS AND EQUIPMENT Subtotal</b>			\$ -	\$ -	\$ -
<b>TRAVEL</b>					
MILEAGE			\$ -	\$ -	\$ -
LODGING			\$ -	\$ -	\$ -
MEALS			\$ -	\$ -	\$ -
<b>OTHER TRAVEL (itemize)</b>					
			\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -
<b>TRAVEL Subtotal</b>			\$ -	\$ -	\$ -
<b>PROJECT Subtotal</b>			\$ -	\$ -	\$ -
<b>INDIRECT RATE (11.5% Staffing and Fringe Benefits)</b>		11.50%	<b>RATE</b>		
<b>INDIRECT COSTS (Summarize Below)</b>			\$ -	\$ -	\$ -
<b>TOTAL GRANT AND MATCH BUDGET</b>			\$ -	\$ -	\$ -
<b>Project Percentage Split</b>					
<b>SUMMARY OF INDIRECT CHARGES:</b>					

**NOTE: INCLUDE ONLY ELIGIBLE ITEMS IN THE BUDGET**