



**SCRAP TIRE CLEANUP GRANT AGREEMENT  
BETWEEN THE  
MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY  
AND «Organization»**

This Grant Agreement ("Agreement") is made between the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Materials Management Division ("State"), and «Organization» ("Grantee").

The purpose of this Agreement is to provide funding in exchange for work to be performed for the project named below. The State is authorized to provide grant assistance pursuant to Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA). Legislative appropriation of Funds for grant assistance is set forth in Public Act No: 0166 of 2020. This Agreement is subject to the terms and conditions specified herein.

Project Name: «ProjectName»  
«PercentFed»

% of grant state «PercentState» / % of grant federal

Amount of grant: \$«CurrentAmtApproved»

Project Total: \$«ShallNotExceed»

Start Date (date executed by EGLE): \_\_\_\_\_

End Date: «EndDate»

**GRANTEE CONTACT:**

**STATE'S CONTACT:**

«FirstName» «LastName»

«StateContact»

Name/Title

Name/Title

«Organization»

«StateDivision»

Organization

Division/Bureau/Office

«MailAddrLine1»

«StateStreet»

Address

Address

«MailCity», «MailState» «MailZip»

«StateCity»

Address

Address

«Phone» Ext. «Ext»

«StatePhone»

Telephone number

Telephone number

\_\_\_\_\_

\_\_\_\_\_

«Email»

«StateEmail»

E-mail address

E-mail address

«TaxNumber»

Federal ID number – (Required for Federal Funding)

«DUNS Number»

Grantee DUNS number - (Required for Federal Funding)

The individuals signing below certify by their signatures that they are authorized to sign this Agreement on behalf of their agencies and that the parties will fulfill the terms of this Agreement, including any attached appendices, as set forth herein.

**FOR THE GRANTEE:**

\_\_\_\_\_  
Signature  
«FirstName» «LastName»  
Name/Title

\_\_\_\_\_  
Date

**FOR THE STATE:**

\_\_\_\_\_  
Signature  
Elizabeth M. Browne, Director, Materials Management Division  
Name/Title

\_\_\_\_\_  
Date

**I. PROJECT SCOPE**

This Agreement and its appendices constitute the entire Agreement between the State and the Grantee and may be modified only by written agreement between the State and the Grantee.

(A) The scope of this project is limited to the activities specified in Appendix A and such activities as are authorized by the State under this Agreement. Any change in project scope requires prior written approval in accordance with Section III, Changes, in this Agreement.

(B) By acceptance of this Agreement, the Grantee commits to complete the project identified in Appendix A within the time period allowed for in this Agreement and in accordance with the terms and conditions of this Agreement.

**II. AGREEMENT PERIOD**

Upon signature by the State, the Agreement shall be effective from the Start Date until the End Date on page 1. The State shall have no responsibility to provide funding to the Grantee for project work performed except between the Start Date and the End Date specified on page 1. Expenditures made by the Grantee prior to the Start Date or after the End Date of this Agreement are not eligible for payment under this Agreement.

**III. CHANGES**

Any changes to this Agreement shall be requested by the Grantee or the State in writing and implemented only upon approval in writing by the State. The State reserves the right to deny requests for changes to the Agreement or to the appendices. No changes can be implemented without approval by the State.

**IV. GRANTEE DELIVERABLES AND REPORTING REQUIREMENTS**

The Grantee shall submit deliverables and follow reporting requirements specified in Appendix A of this Agreement.

(A) The Grantee must complete and submit [quarterly] [financial and/or progress] reports according to a form and format prescribed by the State and must include supporting documentation of eligible project expenses. These reports shall be due according to the following:

<b>Reporting Period</b>	<b>Due Date</b>
January 1 – March 31	April 30
April 1 – June 30	July 31
July 1 – September 30	Before October 15*
October 1 – December 31	January 31

\*Due to the State’s year-end closing procedures, there will be an accelerated due date for the report covering July 1 – September 30. Advance notification regarding the due date for the quarter ending September 30 will be sent to the Grantee. If the Grantee is unable to submit a report in early October for the quarter ending September 30, an estimate of expenditures through September 30 must be submitted to allow the State to complete its accounting for that fiscal year.

The forms provided by the State shall be submitted to the State’s contact at the address on page 1. All required supporting documentation (invoices, proof of payment, etc.) for expenses must be included with the report.

(B) The Grantee shall provide a final project report in a format prescribed by the State

(C) The Grantee must provide copies of all products and deliverables in accordance with Appendix A.

(D) All products shall acknowledge that the project was supported in whole or in part by the Michigan Scrap Tire Program, EGLE, per the guidelines provided by the program.

(E) If 15 percent (15%) or more of the grant amount is expended in a single quarter, payment requests may be submitted.

## **V. GRANTEE RESPONSIBILITIES**

(A) The Grantee agrees to abide by all applicable local, state, and federal laws, rules, ordinances, and regulations in the performance of this grant.

(B) All local, state, and federal permits, if required, are the responsibility of the Grantee. Award of this grant is not a guarantee of permit approval by the State.

(C) The Grantee shall be solely responsible to pay all applicable taxes and fees, if any, that arise from the Grantee's receipt or execution of this grant.

(D) The Grantee is responsible for the professional quality, technical accuracy, timely completion, and coordination of all designs, drawings, specifications, reports, and other services submitted to the State under this Agreement. The Grantee shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in drawings, designs, specifications, reports, or other services.

(E) The State's approval of drawings, designs, specifications, reports, and incidental work or materials furnished hereunder shall not in any way relieve the Grantee of responsibility for the technical adequacy of the work. The State's review, approval, acceptance, or payment for any of the services shall not be construed as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

(F) 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.

## **VI. USE OF MATERIAL**

Unless otherwise specified in this Agreement, the Grantee may release information or material developed under this Agreement, provided it is acknowledged that the State funded all or a portion of its development.

The State, and federal awarding agency, if applicable, retains a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, and use in whole or in part, and authorize others to do so, any copyrightable material or research data submitted under this grant whether or not the material is copyrighted by the Grantee or another person. The Grantee will only submit materials that the State can use in accordance with this paragraph.

## **VII. ASSIGNABILITY**

The Grantee shall not assign this Agreement or assign or delegate any of its duties or obligations under this Agreement to any other party without the prior written consent of the State. The State does not assume responsibility regarding the contractual relationships between the Grantee and any subcontractor.

## **VIII. SUBCONTRACTS**

The State reserves the right to deny the use of any consultant, contractor, associate, or other personnel to perform any portion of the project. The Grantee is solely responsible for all contractual activities performed under this Agreement. Further, the State will consider the Grantee to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Grant. All subcontractors used by the Grantee in performing the project shall be subject to the provisions of this Agreement and shall be qualified to perform the duties required.

## **IX. NON-DISCRIMINATION**

The Grantee shall comply with the Elliott Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 *et seq.*, and all other federal, state, and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Grantee agrees to include in every subcontract entered into for the performance of this Agreement this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Agreement.

## **X. UNFAIR LABOR PRACTICES**

The Grantee shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL 423.321 *et seq.*

## **XI. LIABILITY**

(A) The Grantee, not the State, is responsible for all liabilities as a result of claims, judgments, or costs arising out of activities to be carried out by the Grantee under this Agreement, if the liability is caused by the Grantee, or any employee or agent of the Grantee acting within the scope of their employment or agency.

(B) Nothing in this Agreement should be construed as a waiver of any governmental immunity by the Grantee, the State, its agencies, or their employees as provided by statute or court decisions.

## **XII. 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.

## **XIII. ANTI-LOBBYING**

If all or a portion of this Agreement is funded with federal funds, then in accordance with 2CFR 200, as appropriate, the Grantee shall comply with the Anti-Lobbying Act, which prohibits the use of all project funds regardless of source, to engage in lobbying the state or federal government or in litigation against the State. Further, the Grantee shall require that the language of this assurance be included in the award documents of all subawards at all tiers.

If all or a portion of this Agreement is funded with state funds, then the Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of lobbying as defined in the State of Michigan's lobbying statute, MCL 4.415(2).

“Lobbying’ means communicating directly with an official of the executive branch of state government or an official in the legislative branch of state government for the purpose of influencing legislative or administrative action.” The Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of litigation against the State. Further, the Grantee shall require that language of this assurance be included in the award documents of all subawards at all tiers.

#### **XIV. DEBARMENT AND SUSPENSION**

By signing this Agreement, the Grantee certifies that it has checked the federal debarment/suspension list at [www.SAM.gov](http://www.SAM.gov) to verify that 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.
- (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.

#### **XV. AUDIT AND ACCESS TO RECORDS**

The State reserves the right to conduct a programmatic and financial audit of the project, and the State may withhold payment until the audit is satisfactorily completed. The Grantee will be required to maintain all pertinent records and evidence pertaining to this Agreement, including grant and any required matching funds, in accordance with generally accepted accounting principles and other procedures specified by the State. The State or any of its duly authorized representatives must have access, upon reasonable notice, to such books, records, documents, and other evidence for the purpose of inspection, audit, and copying. The Grantee will provide proper facilities for such access and inspection. All records must be maintained for a minimum of [five] years after the final payment has been issued to the Grantee by the State.

#### **XVI. INSURANCE**

(A) The Grantee must maintain insurance or self-insurance that will protect it from claims that may arise from the Grantee’s actions under this Agreement.

(B) The Grantee must comply with applicable workers’ compensation laws while engaging in activities authorized under this Agreement.

## **XVII. OTHER SOURCES OF FUNDING**

The Grantee guarantees that any claims for reimbursement made to the State under this Agreement must not be financed by any source other than the State under the terms of this Agreement. If funding is received through any other source, the Grantee agrees to delete from Grantee's billings, or to immediately refund to the State, the total amount representing such duplication of funding.

## **XVIII. COMPENSATION**

(A) A breakdown of costs allowed under this Agreement is identified in Appendix A. The State will pay the Grantee a total amount not to exceed the amount on page 1 of this Agreement, in accordance with Appendix A, and only for expenses incurred [and paid]. All other costs necessary to complete the project are the sole responsibility of the Grantee.

(B) Expenses incurred by the Grantee prior to the Start Date or after the End Date of this Agreement are not allowed under the Agreement, [unless otherwise specified in Appendix A].

(C) The State will approve payment requests after approval of reports and related documentation as required under this Agreement.

(D) The State reserves the right to request additional information necessary to substantiate payment requests.

(E) Payments under this Agreement may be processed by Electronic Funds Transfer (EFT). The Grantee may register to receive payments by EFT at the SIGMA Vendor Self Service web site (<https://sigma.michigan.gov/webapp/PRDVSS2X1/AltSelfService>).

## **XIX. CLOSEOUT**

(A) A determination of project completion, which may include a site inspection and an audit, shall be made by the State after the Grantee has met any match obligations, satisfactorily completed the activities, and provided products and deliverables described in Appendix A.

(B) Upon issuance of final payment from the State, the Grantee releases the State of all claims against the State arising under this Agreement. Unless otherwise provided in this Agreement or by State law, final payment under this Agreement shall not constitute a waiver of the State's claims against the Grantee.

(C) The Grantee shall immediately refund to the State any payments in excess of the costs allowed by this Agreement.

## **XX. CANCELLATION**

This Agreement may be canceled by the State, upon 30 days written notice, due to Executive Order, budgetary reduction, other lack of funding, upon request by the Grantee, or upon mutual agreement by the State and Grantee. The State may honor requests for just and equitable compensation to the Grantee for all satisfactory and eligible work completed under this Agreement up until 30 days after written notice, upon which time all outstanding reports and documents are due to the State and the State will no longer be liable to pay the grantee for any further charges to the grant.

## **XXI. TERMINATION**

(A) This Agreement may be terminated by the State as follows.

(1) Upon 30 days written notice to the Grantee:

- a. If the Grantee fails to comply with the terms and conditions of the Agreement, or with the requirements of the authorizing legislation cited on page 1, or the rules promulgated thereunder, or other applicable law or rules.
- b. If the Grantee knowingly and willingly presents false information to the State for the purpose of obtaining this Agreement or any payment under this Agreement.
- c. If the State finds that the Grantee, or any of the Grantee's agents or representatives, offered or gave gratuities, favors, or gifts of monetary value to any official, employee, or agent of the State in an attempt to secure a subcontract or favorable treatment in awarding, amending, or making any determinations related to the performance of this Agreement.
- d. If the Grantee or any subcontractor, manufacturer, or supplier of the Grantee appears in the register of persons engaging in unfair labor practices that is compiled by the Michigan Department of Licensing and Regulatory Affairs or its successor.
- e. During the 30-day written notice period, the State shall withhold payment for any findings under subparagraphs a through d, above and the Grantee will immediately cease charging to the grant and stop earning match for the project (if applicable).

(2) Immediately and without further liability to the State if the Grantee, or any agent of the Grantee, or any agent of any subcontract is:

- a. Convicted of a criminal offense incident to the application for or performance of a State, public, or private contract or subcontract;
- b. Convicted of a criminal offense, including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification, or destruction of records, receiving stolen property, or attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees;
- c. Convicted under State or federal antitrust statutes; or
- d. Convicted of any other criminal offense that, in the sole discretion of the State, reflects on the Grantee's business integrity.
- e. Added to the federal or state Suspension and Debarment list.

(B) If a grant is terminated, the State reserves the right to require the Grantee to repay all or a portion of funds received under this Agreement.

## **XXII. IRAN SANCTIONS ACT**

By signing this Agreement, the Grantee is certifying that it is not an Iran linked business, and that its contractors are not Iran linked businesses, as defined in MCL 129.312.

## PROJECT SPECIFIC REQUIREMENTS – APPENDIX A

### PROJECT LOCATION AND SCOPE

The project must be located in Michigan and the scope of the project is outlined in the Grantee's approved Fiscal Year 2020-2021 Scrap Tire Cleanup Program Grant Application.

### GRANTEE REIMBURSEMENT

The Grant Amount shall not exceed \$«~~ShallNotExceed~~», and the Grantee will be reimbursed as specified below, NOT TO EXCEED ACTUAL COSTS INCURRED BY THE GRANTEE. **All other costs associated with the removal of scrap tires, including labor costs, and additional charges for roll-off boxes and dump trailers, etc. are the responsibility of the Grantee.**

The State shall reimburse the Grantee the actual cost, up to \$1,000.00 for an enclosed semi-trailer with less than 500 passenger tire equivalents (PTE), \$2.00 per additional PTE in excess of 500 PTE, not to exceed \$2,000.00 for a full semi-trailer with over 1,000 PTE. ***It should be noted that empty semi-trailers are not eligible for reimbursement under the grant program.*** This payment is for providing acceptable scrap tire collection vehicles at the site of collection, and for the cost of processing and delivering the scrap tires to the End-User.

The State shall also reimburse actual scrap tire transportation costs not to exceed \$1.00 per mile if the collection location is over 100 miles from the processor's location for sites that applied for transportation costs and were approved. The first 100 miles of transportation are covered under the existing semi-trailer reimbursement rate. The combined cost of reimbursement for scrap tire and transportation shall not exceed the approved grant amount.

***Tires generated by a business or a commercial farm are not eligible to received funding under this program and will not be reimbursed. If business or farming tires are accepted at the community cleanup or collection event, the cost for disposal/recycling will be the responsibility of the grantee. Use of grant funding to pay for ineligible activities (i.e., disposal of business or commercial agricultural tires) may result in non-reimbursement of grant funding and may also restrict the grantee from receiving future funding.***

### GRANT REIMBURSEMENT PROCESS AND GRANTEE REPORTING REQUIREMENTS

The Grantee must first pay the Processor for work completed and then seek reimbursement from the State. If the Grantee is not financially able to pay the Processor prior to seeking reimbursement from the State, then the Grantee may assign its grant payment(s) to the Processor pursuant to Section VII, Assignability, of this Agreement. If the Grantee assigns payment(s) to the Processor, and any payment is intercepted by the Michigan Department of Treasury due to Grantee's outstanding debt to the State of Michigan, then the Grantee is responsible for paying the Processor directly for the outstanding balance due the Processor.

The Grantee shall maintain an accurate count of the number of scrap car tires and scrap truck tires, and oversized tires removed from the site. **The Grantee is responsible for submittal of a COMPLETE Scrap Tire Transportation Record (EQP 5128).** Submittal of incomplete transportation records will delay reimbursement.

A request for payment shall be submitted by the Grantee on a form provided by the State and shall include proof of payment to the Processor or End-User, as applicable, a copy of the Processor invoice(s) and all scrap tire manifests signed by the Grantee, the Processor, and the End-User. Payment reimbursement requests shall be sent to: [EGLE-ScrapTire@Michigan.gov](mailto:EGLE-ScrapTire@Michigan.gov).

Within 30 days of the date that the last scrap tire covered by this Agreement was removed from the site, the Grantee shall submit the final request for payment accompanied by a Final Project Report, which summarizes the project.

### **PROCESSOR AND END-USER REQUIREMENTS**

Any tire processor utilized by the Grantee shall be a Michigan-based Scrap Tire Processor (Processor). Refer to Section VIII, Subcontracts, for requirements regarding subcontractors.

The State may approve a written request from the Grantee to change the approved Processor(s) and/or approved Scrap Tire Material End-User (End-User) or End-Users identified in this Agreement.

### **UNUSABLE TIRES**

The State may approve a request from the Grantee to replace an approved End-User with a sanitary landfill, licensed under Part 115, Solid Waste Management, of the NREPA. Such a request may be approved if certain scrap tires covered under this Agreement are in such a condition that the approved Processor would not be able to process the scrap tires into a form acceptable to the approved End-User or if due to decreased end-use market availability another viable end-use market cannot be located. Any Grantee wishing to deliver scrap tires to a landfill after proper size reduction, must contact EGLE for approval. Whole motor vehicle tires are prohibited from being disposed of in a landfill. Reimbursement for landfilling of unusable tires shall not exceed the per tire amount authorized by this Agreement.

### **NOTIFICATION OF DELAYS**

The Grantee shall inform the State's Contact of any delays in the start-up of the project and any delays in progress toward completion of the project.

### **PROJECT COMPLETION**

The State will make final payment after the project is complete. Project completion means all of the following:

(A) All scrap tires covered by this Agreement have been removed from the site and delivered to the End-User identified in this Agreement by the Processor identified in this Agreement.

(B) The Grantee has submitted the final Request for Payment form, including all supporting financial documentation, all complete scrap tire transportation records signed by the Grantee, the Processor, and the End-User, indicating the total number of scrap car tires, scrap truck tires and oversized tires removed from the site.

(C) The Grantee has notified the State that the site is clear of all scrap tires and rims covered under this Agreement.

(D) The Grantee has provided a Final Project Report that summarizes the project including pertinent dates of events, number of participants, tires collected, pictures (if available), and any other information showing how your project was successful.

The State shall make a determination of project completion based on all of the following:

(A) A review of the project file, including all Request for Payment forms, all supporting financial documentation, all scrap tire manifests, and all reports submitted by Grantee, Processor and End-User, to verify that the requirements of this Agreement have been met and that the reimbursement amounts are correct.

(B) A site inspection to determine the number of tires, if any, remaining on the site and to verify that the requirements of this Agreement have been met.

### **COMMUNITY CLEANUP ADDITIONAL REQUIREMENTS**

Grants awarded to communities for the purpose of conducting community clean up days must adhere to the following requirements as outlined in the Application:

(A) The Grantee must have the scrap tires disposed of as soon as possible, preferably the same day as the cleanup day or next business day, unless collecting tires to coordinate a regional pickup by the hauler. The maximum time tires can be at a collection point is one week.

(B) If the Grantee is coordinating with other Grantees in the region, each Grantee can store for up to one week all the collected scrap tires at a collection point to coordinate a regional pickup by the hauler.

(C) The Grantee must notify the Scrap Tire Program Coordinator (via [EGLE-ScrapTire@Michigan.gov](mailto:EGLE-ScrapTire@Michigan.gov)) of each upcoming collection/cleanup event scheduled under the grant. This can include newsletters, flyers, web, or any other utilized media.

(D) The Grantee is required to provide recognition of the Scrap Tire Cleanup Grant funding as it relates to their individual project (sample language and logos are available upon request).

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