

**State of Michigan
Hazard Mitigation Assistance
Grant Agreement AMENDMENT #2 for 4195-DR-MI.
Hazard Mitigation Grant Program**

July 12, 2016 December 12, 2018 to June 21, 2019 2021

CFDA Number: 97.039 Project Number: P4195.16

Amendment: Added language is double underlined and deleted language is struck through.

This 4195-DR-MI Hazard Mitigation Grant Program (HMGP) grant agreement amendment is hereby entered between the Michigan Department of State Police, Emergency Management and Homeland Security Division (hereinafter called the Recipient), and the

CITY OF ANN ARBOR
(hereinafter called the Subrecipient)

I. Purpose

The purpose of this grant agreement is to assist the Subrecipient in the implementation of P4195.16 (hereinafter called the Project) -- a project to provide supplementary financial assistance for the implementation of cost-effective hazard mitigation measures that will permanently reduce or eliminate the long-term risk to human life and property from natural, technological, or human-caused disasters and their effects. HMGP program funding is awarded by the Federal Emergency Management Agency (FEMA) and is administered by the Grantee.

II. Objective

The principal objective of this grant agreement is to provide financial assistance to the Subrecipient. The Subrecipient must complete the approved measures detailed in the attached 4195 HMGP formal application submitted by the Subrecipient, and summarized as follows:

Project number P4195.16 is the second phase of a two phase project for the city of Ann Arbor.

The project is for the construction of a flood relief opening in a railroad berm at approximately 42.289451, - 83.745878 (latitude, longitude). The project will consist of the construction of: two approximately 200 feet by 12 feet by 7 feet hydraulic box culverts within an existing railroad berm (culvert bottom at approximately 12 feet below grade) with an ~~underground~~ outlet to the Huron River; a new concrete apron and headwalls with riprap; ~~a drainage swale in the berm~~; a hydraulic weir associated with the hydraulic culverts at approximately 7 feet deep, with bollards for protection; and 286 linear feet of 48-inch pipe storm sewer improvements at approximately 7 feet deep. ~~Further ground disturbance is anticipated at approximately 42.331818, - 83.815757 (latitude, longitude) for disposal of excavated spoils from the project site.~~ Temporary roads, staging areas, erosion control measures, and steel sheet piling will be used to prepare for construction.

No modifications to the approved scope of work can be implemented without prior FEMA approval. Failure to obtain FEMA approval prior to implementing a modified scope of work may result in cancellation of the grant and repayment of federal funds. Requests for modifications to the scope of work must be made to FEMA through the Recipient and supported by adequate justification in order to be processed. All expenses, including local match, must be appropriately documented and reasonable to be eligible for reimbursement. Expenses that are not related to the approved scope of work and budget are not eligible for reimbursement under the provisions of this grant agreement. Line items in the approved cost estimate (from the attached 4195 HMGP formal application submitted by the Subrecipient) may not fluctuate by more than 10% without prior approval from FEMA.

III. Statutory Authority

This grant agreement is made pursuant to the HMGP, Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 USC 5170c.

The Subrecipient agrees to comply with all HMGP Grant Program requirements in accordance with the Hazard Mitigation Assistance (HMA) FY 2013 Unified Guidance, located at: <http://www.fema.gov>. The Subrecipient also agrees to comply with regulations, including but not limited to the following, as applicable:

A. Administrative Requirements

1. 44 CFR, Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (OMB Circular A-102)
2. 2 CFR, Part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (OMB Circular A-110)
3. 44 CFR, Part 10, Environmental Considerations

B. Cost principals

1. 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)
2. 2 CFR, Part 220, Cost Principles for Educational Institutions (OMB Circular A-21)
3. 2 CFR, Part 230, Cost Principles for Non-Profit Organizations (OMB Circular A-122)
4. 48 CFR, Part 31.2 Federal Acquisition Regulations (FAR), Contract Cost Principles and Procedures, Contracts with Commercial Organizations

[The above referenced Code of Federal Regulations (CFR) documents are online at <http://www.ecfr.gov>]

C. Audit Requirements and Other Assessments

1. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, located at http://www.whitehouse.gov/omb/circulars_default
2. Public Law 107-300, Improper Payments Information Act (IPIA) of 2002 located at <http://www.dol.gov/ocfo/media/regs/IPIA.pdf>

IV. Hazard Mitigation Grant Program Award Amount and Restrictions

Phase 1 estimated project total	\$ 398,310.00	
Phase 1 estimated local share	\$ 99,577.00	
Phase 1 federal share approved (May 2016)	\$ 298,733.00	
Phase 1 actual completed project total	\$ 588,796.00	
Phase 1 federal share shortfall for cost overrun	\$ 142,864.00	
Phase I local share contributed	\$ 147,199.00	
Phase 2 Amended estimated project total	\$4,360,980.00	<u>\$4,835,542.32</u>
Phase 2 Amended estimated local share	\$1,090,245.00	<u>\$1,208,885.32</u>
Phase 2 Amended federal share approved	<u>\$3,270,735.00</u>	<u>\$3,626,657.00</u>
Phase 1 additional federal share approved for overrun	\$ 142,864.00	
Total federal share approval for both phases	\$3,712,332.00	<u>\$4,068,254.00</u>

Federal assistance is made available within the limits of funds available from Congressional appropriations for such purposes in accordance with the Stafford Act, Executive Orders 12148 and 12673, appropriate regulations found in Title 44 of the Code of Federal Regulations (CFR), as amended and currently applicable handbooks. Federal funds provided under the Stafford Act for the Hazard Mitigation Grant Program are limited to a maximum of 75% of the total eligible costs. If there is a cost under-run for the project, final reimbursement for the federal share of the project costs will be adjusted based on actual costs of the project. **The Subrecipient shall provide the required nonfederal matching funds.**

Adjustments may be made among cost line items in the approved budget (from the 4195 HMGP formal application submitted by the Subrecipient) up to a cumulative threshold of 10% of the total budget without seeking formal approval from FEMA. Adjustments exceeding this threshold must be approved in advance by FEMA. Requests for a budget revision must be made to FEMA through the Recipient and supported by adequate justification in order to be processed. The federal share will not be increased.

Any costs incurred prior to the December 12, 2018 closeout date of the first phase for this project September 25, 2014 (the date 4195-DR-MI was declared a disaster), are not allowable costs for the grant. Eligible costs incurred prior to the award but on or after September 25, 2014 are allowable if identified as separate (pre-award) line items in the application cost estimate and approved by FEMA.

V. Responsibilities of the Subrecipient

4195 HMGP funds must supplement, not supplant, state or local funds. Federal funds will be used to supplement existing funds and will not replace (supplant) funds that have been appropriated for the same purpose. Potential supplanting will be carefully reviewed in the application review, in subsequent monitoring, and in the audit. The Subrecipient may be required to supply documentation certifying that it did not reduce non-federal funds because of receiving federal funds. Federal funds cannot be used to replace a reduction in non-federal funds or solve budget shortfalls in general fund programs.

The Subrecipient agrees to follow all responsibilities set forth in this grant agreement. Section V includes a list of these responsibilities with further detail provided in following sections. If the Subrecipient becomes unable to fulfill the responsibilities of Section V, refer to Section XI for instructions on how to terminate this agreement. The Subrecipient agrees to comply with all applicable federal and state regulations and program requirements, including the following:

- A. In addition to this 4195 HMGP grant agreement, Subrecipients shall complete, sign, and submit to the Recipient the following documents, which are incorporated by reference into this grant agreement:
 1. Standard Assurances
 2. Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirement
 3. State of Michigan Audit Certification (EMD-053)
 4. Request for Taxpayer Identification Number and Certification (W-9)
 5. Other documents that may be required by federal or state officials
- B. The 4195 HMGP Grant covers eligible costs from ~~September 25, 2014~~ December 12, 2018 until June 21, ~~2019~~ 2021. Allowable costs are only those specifically detailed in the attached 4195 HMGP formal application submitted by the Subrecipient. ~~For costs incurred between September 25, 2014 and July 12, 2016, only those that are specifically identified in the attached 4195 HMGP formal application submitted by the Subrecipient as "pre-award" costs are eligible for reimbursement.~~
- C. The Subrecipient shall provide at least 25% matching funds from nonfederal sources. Approval of in-kind match is at the sole discretion of the Recipient; the Recipient reserves the right to deny or adjust in-kind match, if necessary. (Community Development Block Grant funds, though federal in origin, lose their federal identity and are an acceptable matching source.)
- D. Make all purchases and/or procure services in accordance with grant guidance and local purchasing/procurement policies.
- E. Implement the project in conformance with 44 CFR, Part 80, Property Acquisition and Relocation for Open Space located at <http://www.ecfr.gov>.
- F. The Subrecipient shall maintain good standing with the National Flood Insurance Program (NFIP) and comply with local regulations pertaining to the NFIP. **If the Subrecipient fails to maintain good standing in the NFIP and to enforce NFIP requirements for all development in identified flood hazard areas, the Subrecipient shall repay to Recipient the 4195 HMGP funds related to the Project.**
- G. The Subrecipient shall comply with all applicable codes, standards, and permitting requirements that pertain to this project and shall **provide maintenance as appropriate and required for the life of the Project.**

- H. Submit quarterly progress reports to the Recipient on the status of this approved project. Quarterly progress reports must be submitted on form EMD-16 no later than 15 days following the end of the fiscal quarter. Quarterly reports shall be submitted each quarter until the project is complete and all grant requirements have been met (starting with the quarter in which this grant agreement was issued). The due dates for quarterly reports are identified in Section VII of this agreement.
- I. Comply with applicable financial and administrative requirements set forth in the current edition of 44 CFR, Part 13 including the following provisions:
1. Account for receipts and expenditures, maintain adequate financial records, and refund expenditures disallowed by federal or state audit.
 2. Retain all financial records, supporting documents, statistical records, and all other records pertinent to the 4195 HMGP for at least three years after the financial close-out date of this grant program by FEMA for purposes of federal and/or state examination and audit.
 3. Perform the required financial and compliance audits in accordance with the Single Audit Act of 1984, as amended and OMB Circular A-133 "*Audits of States, Local Governments, and Non-Profit Organizations*" as further described in 44 CFR, Part 13. Random audits shall be performed to ensure compliance with applicable provisions.
 4. Recipient and the Subrecipient 4195 HMGP information constitute records subject to the Michigan Freedom of Information Act (FOIA), MCL 15.231 et seq. See section XV for more information.
- J. Environmental and Historic Preservation Program (EHP): The federal government is required to consider the potential impacts to the human and natural environment of projects proposed for federal funding. The EHP engages in a review process to ensure that federally funded activities comply with various federal laws. The goal of these compliance requirements is to protect our nation's water, air, coastal, wildlife, agricultural, historical, and cultural resources, as well as to minimize potential adverse effects to children and low-income and minority populations. The Subrecipient shall not undertake any project having the potential to impact EHP resources without prior approval.

Any activities that have been initiated without the necessary EHP review and approval will result in a non-compliance finding and will not be eligible for federal funding.

All necessary permits must be obtained for the project and are the responsibility of the Subrecipient. The project must be implemented in conformance with 44 CFR, Part 9, *Floodplain Management and Protection of Wetlands*, 44 CFR, Part 10 *Environmental Considerations*, and the environmental conditions that have been identified through the *National Environmental Policy Act* review. These conditions can be found in one or more of the following FEMA documents:

- Record of Environmental Consideration
- Categorical Exclusion ("CATEX") Letter/Memo
- Environmental Assessment
- Finding of No Significant Impact

VI. Responsibilities of Recipient

The Recipient, in accordance with the general purposes and objectives of this grant agreement, will:

- A. Administer the 4195 HMGP in accordance with all applicable federal and state regulations and guidelines and provide quarterly reports to FEMA documenting this administration.
- B. Provide direction and technical assistance to the Subrecipient.
- C. Provide to the Subrecipient any special report forms and reporting formats (templates) required for operation of the program.
- D. Reimburse the Subrecipient, within the limits of funds available from Congressional appropriations for such purposes and in accordance with this grant agreement and subject to legislative authorization, for the federal share of allowable project expenses based upon the Project Application approved by FEMA.
- E. At its discretion, independently or in conjunction with FEMA, may conduct random on-site reviews with Subrecipient(s).

VII. Reporting Procedures

Submit quarterly progress reports to the Recipient on the status of all funding using the Hazard Mitigation Grant Program Quarterly Progress Report form (EMHSD-16). Quarterly progress reports are required whether or not expenditures are incurred.

Failure by the Subrecipient to fulfill quarterly reporting requirements as required by the grant may result in the suspension of grant activities until reports are received.

Reporting periods and due dates for each year are as follows:

1st Quarter:	October 1st through December 31st	Due January 15th
2nd Quarter:	January 1st through March 31st	Due April 15th
3rd Quarter:	April 1st through June 30th	Due July 15th
4th Quarter:	July 1st through September 30th	Due October 15th

Quarterly progress reports are to be submitted by the 15th of the month following the end of each quarter. Quarterly progress reports should be submitted via email (to: MSP-EMHSD-Hazard-Mitigation-Grants@Michigan.gov) unless the Subrecipient is otherwise notified by the Recipient. Reimbursement requests are not required to be submitted with quarterly progress reports. At the end of each fiscal year, the subrecipient will be required to report an estimate of grant expenses incurred in the ending fiscal year that will be reimbursed in the up-coming fiscal year.

VIII. Payment Procedures

The Subrecipient agrees to prepare the **Request for Reimbursement of Mitigation Project Expenses** form and all required attached documentation, including all required authorized signatures, and submit these to Recipient.

The Recipient's timely receipt and verification of all required documentation is a condition of payment. The Recipient may pursue all available remedies for the recoupment of any advance payments that have been inadequately documented or determined by the Recipient to have been improperly made or expended for any reason.

Subject to the exercise of Recipient's sole discretion, three types of payments may be made to the Subrecipient for this Project:

- A. If the Subrecipient provides the Recipient with a letter indicating the amount of reimbursement requested along with completed reimbursement request forms, as well as supporting documentation demonstrating the total expenditures to date for eligible Project activities, the Subrecipient may, at the Recipient's sole discretion receive reimbursement of eligible expenditures of up to 75% of the **federal share** of the grant. The Recipient will review the expenditures and make payment of no more than 75% of total eligible expenditures to date. **Prior to Project completion, the Recipient will pay to the Subrecipient no more than a total (including all advance and reimbursement payments) of 75% of the federal share of the grant.**
- B. Upon the Subrecipient's completion of the Project, the Recipient will inspect the Project and review all expenditures for eligibility prior to making final payment to the Subrecipient. To receive final payment, the Subrecipient shall provide the Recipient with a letter indicating the project is complete. Along with the letter, the Subrecipient must provide completed reimbursement request forms that include the total expenditures for the project and separate documentation supporting each expenditure category.
- C. In rare circumstances only, if the Subrecipient provides the Recipient with a letter outlining the immediate need for an advance payment and the amount of the requested advance, the Subrecipient may (at the Recipient's sole discretion) receive an initial advance payment of up to 50% of the Subrecipient's federal share of the grant. Pursuant to federal regulations, the Subrecipient shall minimize the time between the receipt of advance funds and disbursement of those funds for eligible expenditures. Any interest is earned over \$100 must promptly, but at least quarterly, be remitted to: MSP/EMHSD, Grants and Financial Management Section, PO Box 30634, Lansing, Michigan 48909. The Subrecipient may keep interest amounts up to \$100 per year for administrative expenses.

No payment will be made unless all quarterly reports have been submitted and are up to date.

IX. Employment Matters

Subrecipient shall comply with Title VI of the *Civil Rights Act of 1964*, as amended; Title VIII of the *Civil Rights Act of 1968*; Title IX of the *Education Amendments of 1972 (Equal Opportunity in Education Act)*; the Age Discrimination Act of 1975; Titles I, II and III of the *Americans with Disabilities Act of 1990*; 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. The Subrecipient shall not discriminate against any employee or applicant for employment, to be employed in the performance of this grant 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, limited English proficiency, or handicap that is unrelated to the individual's ability to perform the duties of a particular job or position. The Subrecipient agrees to include in every subcontract entered into for the performance of this grant agreement this covenant not to discriminate in employment. A breach of this covenant is a material breach of the grant agreement.

The Subrecipient shall ensure that no subcontractor, manufacturer, or supplier of the Subrecipient for projects related to this grant agreement appears on the Federal Excluded Parties List System located at <https://www.sam.gov>.

X. Limitation of Liability

The Recipient and the Subrecipient to this grant agreement agree that each must seek its own legal representative and bear its own costs, including judgments, in any litigation that may arise from performance of this contract. It is specifically understood and agreed that neither party will indemnify the other party in such litigation.

This is not to be construed as a waiver of governmental immunity.

XI. Third Parties

This grant agreement is not intended to make any person or entity not a party to this grant agreement a third-party beneficiary hereof, or to confer on a third party any rights or obligations enforceable in their favor.

XII. Grant Agreement Period

This grant agreement is in full force and effect from ~~July 12, 2016~~ December 12, 2018 through June 21, ~~2019~~ 2021. No costs eligible under this grant agreement shall be incurred before the starting date of this grant agreement except with prior written approval. This grant agreement consists of two identical sets simultaneously executed; each is considered an original having identical legal effect. This grant agreement may be terminated by either party by giving 30 days written notice to the other party stating reasons for termination and the effective date, or upon the failure of either party to carry out the terms of the grant agreement. Upon any such termination, the Subrecipient agrees to return to the Recipient any funds not authorized for use, and the Subrecipient shall have no further obligation to reimburse the Subrecipient.

XIII. Entire Grant Agreement

This grant agreement is governed by the laws of the state of Michigan and supersedes all prior agreements, documents, and representations between Recipient and the Subrecipient, whether expressed, implied, or oral. This grant agreement constitutes the entire agreement between the parties and may not be amended except by written instrument executed by both parties prior to the termination date set forth in Section XII above. No party to this grant agreement may assign this grant agreement or any of his/her/its rights, interest, or obligations hereunder without the prior consent of the other party. The Subrecipient agrees to inform Recipient in writing immediately of any proposed changes of dates, budget, or services indicated in this grant agreement, as well as changes of address or personnel affecting this grant agreement. Changes in dates, budget, or services are subject to prior written approval of Recipient. If any provision of this grant agreement shall be deemed void or unenforceable, the remainder of the grant agreement shall remain valid.

The Recipient may suspend or terminate subgrant funding, in whole or in part, or other measures may be imposed for any of the following reasons:

- Failure of the Subrecipient to expend funds in a timely manner consistent with the grant milestones, guidance, and assurances.
- Failure of the Subrecipient to comply with the requirements or statutory objectives of federal or state law.
- Failure of the Subrecipient to make satisfactory progress toward the goals or objectives set forth in the subgrant application.
- Failure of the Subrecipient to follow grant agreement requirements or special conditions.
- Proposal or implementation by the Subrecipient of substantial plan changes to the extent that, if originally submitted, the project would not have been approved for funding.
- Failure of the Subrecipient to submit required reports.
- Filing of a false certification by the Subrecipient in the application or other report or document.
- Failure of the Subrecipient to adequately manage, monitor or direct the grant funding activities of their Subrecipients.

Before taking action, the Recipient will provide the Subrecipient reasonable notice of intent to impose corrective measures and will make every effort to resolve the problem informally.

XIV. Business Integrity Clause

The Recipient may immediately cancel the grant without further liability to the Recipient or its employees if the Subrecipient, an officer of the Subrecipient, or an owner of a 25% or greater share of the Subrecipient is convicted of a criminal offense incident to the application for or performance of a state, public, or private grant or subcontract; or 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, attempting to influence a public employee to breach the ethical conduct standards for state of Michigan employees; convicted under state or federal antitrust statutes; or convicted of any other criminal offense which, in the sole discretion of the Recipient, reflects on the Subrecipient's business integrity.

XV. Freedom of Information Act (FOIA)

Much of the information submitted in the course of applying for funding under this program, or provided in the course of grant management activities, may be considered law enforcement-sensitive or otherwise critical to national security interests. This may include threat, risk, and needs assessment information; and discussions of demographics, transportation, public works, and industrial and public health infrastructures. Therefore, each Subrecipient agency Freedom of Information Officer will need to determine what information is to be withheld on a case-by-case basis. The Subrecipient should be familiar with the regulations governing Protected Critical Infrastructure Information (6 CFR Part 29) and Sensitive Security Information (49 CFR Part 1520), as these designations may provide additional protection to certain classes of homeland security information.

XVI. Official Certification

For the Subrecipient

The individual or officer signing this grant agreement certifies by his or her signature that he or she is authorized to sign this grant agreement on behalf of the organization he or she represents. The Subrecipient agrees to complete all requirements specified in this grant agreement.

City of Ann Arbor

Name of Subrecipient

Printed Name

Title

Signature

Date

For the Recipient

Michigan State Police, Emergency Management and Homeland Security Division

Capt. Kevin Sweeney

Printed Name

Commander, Emergency

Management and Homeland Security Division

Title



Signature

April 23, 2021

Date