

<b>GRANT AGREEMENT</b>	<b>GRANT NUMBER</b>
State of Illinois Grant, Pursuant to the appropriation of state funds, Illinois Environmental Protection Agency, Bureau of Air, P.O. Box 19276, Springfield, Illinois 62794-9276.	

**PART I GENERAL INFORMATION**

1. GRANT ADMINISTRATION DATA

A. GRANT TYPE Clean Diesel Grant Program

**2. GRANTEE ORGANIZATION**

<p>A. NAME/ADDRESS/COUNTY</p> <p>Lake County Division of Transportation 600 West Winchester Road Libertyville, IL 60048</p> <p>Lake County</p>	<p>B. GRANTEE CONTACT (Name and Title) Kevin Kerrigan, Engineer of Maintenance</p> <p>C. AREA CODE/TELEPHONE NUMBER (847) 377-7498</p> <p>D. CONSULTANT (Firm Name and Telephone Number)</p>
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**PART II PROJECT DESCRIPTION**

The State shall reimburse the Lake County Division of Transportation \$70,216 (or the amount of the eligible project costs in the event the costs are less than what was indicated on the cost estimate) for the purchase and installation of diesel oxidation catalysts and closed crankcase ventilation systems on each of eighteen (18) vehicles described and listed in the enclosed application and vehicle information spreadsheet.

Grant Agreement attachments: Program Conditions, Terms and Conditions for ARRA and DERA Grant Agreements, four certifications, copy of application

The Lake County Division of Transportation agrees to not issue a press release or make any public announcements about this project without the coordination and consent of the Illinois EPA.

**PART III OFFER AND ACCEPTANCE**

**ON BEHALF OF THE GRANTEE**

I the undersigned, being duly authorized to take such action, as evidenced by the attached CERTIFIED COPY OF AUTHORIZATION BY GRANTEE'S GOVERNING BODY, do hereby accept this offer and agree to all terms and conditions including the Special Conditions, Assurances, and the terms specified in the Letter of Transmittal, attached hereto and included herein by references, and also agree that the Grant funds awarded will be used solely for the purposes of the project, as approved by the State of Illinois Environmental Protection Agency.

<i>Kevin Kerrigan</i>	2/2/2010
SIGNATURE OF REPRESENTATIVE	DATE

*Kevin Kerrigan*      *Engineer of Maintenance*

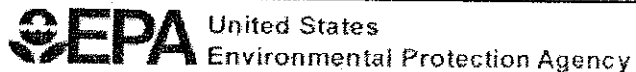
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE (Type or Print)

**FOR THE STATE OF ILLINOIS ENVIRONMENTAL PROTECTION AGENCY**

The Director (herein called the "Director") of the Illinois Environmental Protection Agency (herein called the "Agency"), in accordance with the authority given in the appropriation by the General Assembly made pursuant thereto, hereby offers to make a State of Illinois Grant to the Grantee, up to and not exceeding the above specified amount, for the support of the efforts contained in the Project Description above.

This Grant Offer is subject to all applicable State and local statutory provisions, the Special Conditions, Assurances, and the terms specified in the Letter of Transmittal, attached hereto and included herein by reference.

<i>Douglas Scotty Lisa Bonnett Acting Deputy Director</i>	2/10/10
DIRECTOR	DATE



N/A  
EPA Project Control Number

United States Environmental Protection Agency  
Washington, DC 20460

### Certification Regarding Debarment, Suspension, and Other Responsibility Matters

The prospective participant certifies to the best of its knowledge and belief that it and the principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three year period preceding this proposal 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: 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;
- (c) Are not presently indicted for otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
- (d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated or cause or default.

I understand that a false statement on this certification may be ground for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

**KEVIN KERRIGAN, ENGINEER OF MAINTENANCE**

Type Name & Title of Authorized Representative

Kevin Kerrigan                      2/3/10  
Signature of Authorized Representative      Date



I am unable to certify to the above statements. My explanation is attached.

## Illinois Clean Diesel Grant Program Conditions

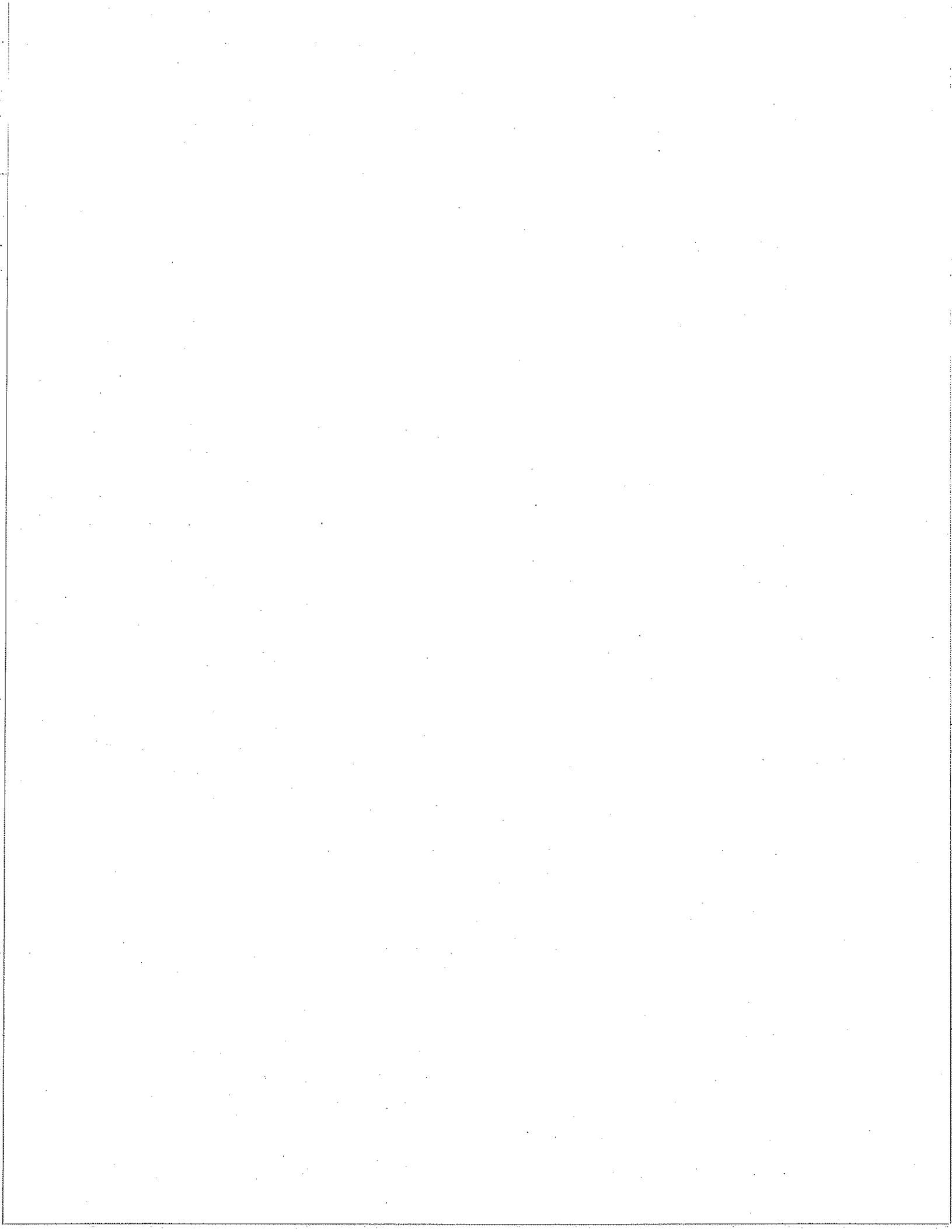
### 1. Scope of Work for the Lake County Division of Transportation ("Grantee")

The Grantee agrees to the attached Terms & Conditions, and, in addition to performing the tasks contained therein, shall also perform the following scope of work tasks to fulfill the grant program conditions of this section:

- a. The State shall reimburse the Grantee \$70,216 (or the amount of the eligible project costs in the event the costs are less than what was indicated on the cost estimate) for the purchase and installation of diesel oxidation catalysts (DOC) and closed crankcase ventilation (CCV) systems on each of eighteen (18) vehicles described and listed in the enclosed application and vehicle information spreadsheet.
- b. The Grantee shall own and operate the vehicles equipped with the subject emissions control equipment for a minimum of five years from the time of product installation. If a vehicle equipped with the DOC/CCV system is retired from service or is no longer in operation prior to this five year timeframe, the Grantee is to notify the Illinois EPA.
- c. The Grantee shall supply the Illinois with documentation of the Grantee's Dun and Bradstreet Universal Numbering System (DUNS) number. If the Grantee does not already have a DUNS number, one can be obtained by registering at [www.dnb.com](http://www.dnb.com) or calling (866) 705-5711.
- d. The Grantee shall understand that your project information will be posted to the American Recovery & Reinvestment Act of 2009 (ARRA) website at [www.recovery.gov](http://www.recovery.gov) and the State of Illinois website at [www.illinois.recovery.gov](http://www.illinois.recovery.gov).
- e. The Grantee shall provide the Illinois EPA or its representative all project-related information required to be submitted to the U.S. EPA in quarterly reports before, during, and after the completion of the project. This information to be reported quarterly includes, but is not limited to, the full-time equivalent number of jobs (FTE, to the nearest tenth) created and retained within your organization or your subcontractors resulting from this project, the FTE created and retained by the retail diesel distributor that sold and installed the equipment for this project, the status of your project, any problems or changes to the project, and new timeframes for anticipated completion if the project is not on schedule.
- f. If a single audit is required, grantee must send a copy of the audit to the Illinois EPA within 30 days of receipt of an audit from the auditors.

### 2. Project Schedule

For the purposes of this Agreement, the start date will be the date that the applicant receives the Project Confirmation Letter. The project must be completed by June 30, 2010.



**Terms and Conditions for  
American Recovery and Reinvestment Act (ARRA), Diesel Emissions  
Reduction Act (DERA) Grant Agreements**

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**TERMS AND CONDITIONS**

1. **COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS, POLICIES, AND GUIDANCE:** Grantee agrees to be subject to and comply with any and all applicable federal, State of Illinois (hereinafter "State"), and local laws, regulations, requirements, policies, guidance, executive orders, federal award conditions, and federal circulars relating to performance of this Grant Agreement (hereinafter "Agreement") and the funds appropriated under this Agreement.
2. **SPECIFIC COMPLIANCE WITH LAWS, REGULATIONS, POLICIES, AND GUIDANCE:** Specifically, but in no way limiting Section 1 herein, Grantee agrees to be subject to and comply with applicable provisions of the following:
  - a. Illinois Grant Funds and Recovery Act (30 ILCS 705);
  - b. The Diesel Emissions Reduction Act (42 USC 16131-16139) and 73 Fed. Reg. 12728;
  - c. 40 CFR Part 31 (Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments);
  - d. Office of Management and Budget (hereinafter "OMB") Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations) and applicable regulations;
  - e. OMB Circular A-87 (Cost Principals for State, Local, and Indian Tribal Governments) and applicable regulations;
  - f. 2 CFR Parts 180 and 1532 (Government Wide Debarment and Suspension (Non-Procurement) and Environmental Protection Agency Non-Procurement Debarment and Suspension) and applicable Executive Orders pertaining thereto;
  - g. The American Recovery and Reinvestment Act of 2009 ("ARRA") (PL 111-5), including M-09-10 Initial Implementing Guidance for the ARRA (February 18, 2009), M-09-15 Updated Implementing Guidance for the ARRA of 2009 (April 3, 2009), M-09-16 Interim Guidance Regarding Communications with Registered Lobbyists About Recovery Act Funds (April 7, 2009), and M-09-18 Payments to State Grantees for Administrative Costs of Recovery Act Activities (May 11, 2009), M-09-21 Implementing Guidance for the Reports on Use of Funds Pursuant to the American Recovery and Reinvestment Act of 2009 (June 22, 2009), and any additional guidance applicable thereto;
  - h. 48 CFR Part 4, subpart 4.15 (American Recovery and Reinvestment Act – Reporting Requirements);
  - i. 2 CFR Part 176 (Requirements for Implementing Sections 1512, 1605, and 1606 of the American Recovery and Reinvestment Act of 2009 for Financial Assistance Awards);
  - j. Applicable Federal Acquisition Regulations at Title 48 of the Code of Federal Regulations;
  - k. 40 CFR Part 33 (Participation by Disadvantaged Business Enterprises in United States Environmental Protection Agency Programs);
  - l. 2 CFR Part 215 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations), 40 CFR Part 30 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations) (also applicable to for-profit organizations) and cost principals in accordance with either 2 CFR Part 220 (Educational Institutions), 2 CFR Part 230 (Non-Profit), Appendix E of 45 CFR Part 74 (Hospitals), or 48 CFR Part 31 (Commercial Organizations and other Non-Profit); and

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- m. 35 Illinois Administrative Code Part 261, Procedures for Providing Grants from the Illinois Clean Diesel Grant Program.
3. **CONFLICT WITH LAWS, REGULATIONS, POLICIES, AND GUIDANCE:** To the extent there is a conflict between any federal, State, or local laws, regulations, requirements, guidance, policies, executive orders, or federal circulars, Grantee is subject to the more detailed and restrictive laws, regulations, requirements, guidance, policies, executive orders, or federal circulars.
4. **STANDARD ASSURANCE:** Grantee recognizes that federal laws, regulations, guidance, policies, executive orders, circulars, award conditions, and administrative practices may be modified from time to time and those modifications may affect project implementation. Grantee agrees that the most recent federal requirement will apply to the project specified in the Project Scope of Work of this Agreement.
5. **REVISIONS TO REQUIREMENTS:** The federal government has not fully developed the implementing instructions of the ARRA, particularly concerning specific procedural requirements for the new reporting requirements. Grantee will be provided these details as they become available. Grantee acknowledges that this Agreement may be revised pursuant to ongoing guidance and award conditions from the federal government, the United States Environmental Protection Agency (hereinafter "USEPA"), or Grantor regarding requirements for funds under this Agreement. Grantee agrees to abide by any such revisions upon receipt of written notification from Grantor of the revisions, which will automatically become a material part of this Agreement, without the necessity of either party executing any further instrument.
6. **CLAIMS AGAINST THE STATE, SOVEREIGN IMMUNITY, AND BINDING ARBITRATION:** This Agreement shall be governed by and construed according to Illinois law. Any claim against the Grantor or State arising out of this Agreement must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State does not waive sovereign immunity by entering into this Agreement. The official text of cited statutes is incorporated by reference (An unofficial version can be viewed at <http://www.ilga.gov/legislation/ilcs/ilcs.asp>). The Grantor or State shall not enter into binding arbitration to resolve any Agreement dispute.
7. **PASS-THROUGH ENTITY OR SUBGRANTOR RESPONSIBILITIES:** If the Grantee provides any portion of this funding to another entity through a grant agreement or contract, the Grantee is considered to be a pass-through entity or subgrantor. If this does occur, the Grantee must adhere to the following for any awards or contracts entered into using the grant funds listed in this Agreement:
- a. Inform any subrecipient(s), contractor(s) or subcontractor(s) of the proper federal award identifying information (shown below) as required by federal regulations contained in OMB Circular A-133.

This federally funded award will be identified by the following:

- Federal Award #
  - Catalog of Federal Domestic Assistance (hereinafter "CFDA") #
  - Federal Awarding Agency
  - Amount of Funds
- b. Advise any subrecipient(s), contractor(s) or subcontractor(s) of requirements imposed on them by federal, State, or local laws, regulations, requirements, guidance, policies,

# Terms and Conditions for American Recovery and Reinvestment Act (ARRA), Diesel Emissions Reduction Act (DERA) Grant Agreements

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executive orders, federal award conditions, federal circulars, and the provisions of contracts or grant agreements which provided this funding.

- c. Advise subrecipient(s), contractor(s) or subcontractor(s) of any supplemental requirements imposed by the pass-through entity or subgrantor (your organization);
  - d. Ensure that all subgrant or contractual awards of grant funds are made by written agreement or contract and are subject to the terms and conditions of this Agreement; and
  - e. Ensure subrecipient(s), contractor(s) or subcontractor(s) is aware of the terms and conditions of this Agreement and abides by them.
8. **USE OF GRANT FUNDS:** The funds allocated under this Agreement shall be used solely for performance of the work specified in Project Scope of Work of this Agreement. Unless otherwise agreed to by the Grantor, after successful completion of the final inspection and submission by Grantee of invoices or a final invoice to Grantor, the funds allocated under this Agreement shall be reimbursed to Grantee for actual costs incurred which are necessary, reasonable and allocable under this Agreement and are limited to the amount of funds allocated under this Agreement. Grantee is responsible for ensuring that the projects funded and work performed under this Agreement avoid unnecessary delays and are completed within the approved budget and the grant period set forth under this Agreement. Grantee agrees to obtain the prior approval of Grantor for any revision in the Project Scope of Work or need to extend the period of availability of funds.
9. **PROGRAM INCOME:** If program income is generated during the course of the work performed under this Agreement, program income requirements apply. Program income is defined as gross income received by the Grantee directly generated by a grant supported activity, or earned only as a result of this Agreement during the grant period. "During the grant period" is the time between the effective date of this Agreement and the ending date of this Agreement reflected in the final financial report. An example of program income may be income derived from scrapping a vehicle and/or engine in a vehicle replacement or engine repower project. Program income earned during the grant period shall be retained by the Grantee and, in accordance with 40 CFR 31.25 or 40 CFR 30.24, as applicable, Grantor is authorized to allow use of program income as follows:
- a. Program income may be added to funds committed to the work by Grantor and used to further eligible project or program objectives. The program income shall be used for the purposes and under the conditions of this Agreement.
  - b. Program income may be used to finance the non-federal share of the project or program, including any mandatory or voluntary cost-share. The amount of the award under this Agreement remains the same.
  - c. Deducted from the total work or allowable cost in determining the net allowable costs on which the federal share of costs is based. This means that the Grantee shall spend program income on project activities before spending/requesting funds under this Agreement for project activities. This may result in unspent funds at the end of the grant period.
- Grantee will maintain records adequate to document the extent to which transactions generate program income and the disposition of program income.
10. **ILLINOIS GRANT FUNDS RECOVERY ACT:** Unless a shorter period is specified, any Grant funds not expended or legally obligated at the expiration or termination of the grant period must be returned to the Grantor within 45 days following said expiration or termination. (30 ILCS 705/4).

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11. **AVAILABILITY OF APPROPRIATION:** Grantor shall use its best efforts to secure sufficient appropriations to fund this Agreement. However, the Grantor, at its sole option, may terminate or suspend this Agreement, in whole or in part, without penalty or further payment being required, if the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason.
12. **DELAYS/DEVELOPMENTS:** Grantee shall notify Grantor of any problems, delays, or adverse conditions which may materially impair its ability to complete the Project Scope of Work. This notice shall include a statement of the action taken, or contemplated to be taken, to resolve the situation. This in no way implies that any such action or delay is accepted by Grantor or relieves Grantee of its obligations under this Agreement. If Grantee fails to make sufficient progress under this Agreement, Grantor may terminate this Agreement in accordance with Section 53 (Termination) herein. Grantee shall notify Grantor of any favorable developments which may enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more beneficial results than originally planned.
13. **TIME EXTENSION:** If a no cost time extension is necessary to extend the availability of funds (budget period), the Grantee must submit a written request, including a justification as to why additional time is needed and an estimated date of completion to Grantor prior to expiration of the grant period. Approval of a no cost time extension is within the sole discretion of Grantor.
14. **SEPARATE TRACKING AND REPORTING OF ARRA FUNDS:** Grantee agrees that ARRA funds may be used in conjunction with other funding as necessary to complete the work under this Agreement, but tracking and reporting must be separate to meet the reporting requirements of ARRA and related guidance. For work or projects funded by other sources in addition to ARRA funds, Grantee must keep separate records for ARRA funds and must ensure those records comply with the requirements of the ARRA. No ARRA funds may be used for a purpose other than that of making payments for costs allowable under ARRA.
15. **REPORTING REQUIREMENTS:** Pursuant to Section 1512 of the ARRA, Grantor must submit a report to the federal government no later than ten (10) calendar days after the end of each calendar quarter. This report must contain the information outlined below. Accordingly, Grantee agrees that not later than 3 calendar days after the end of each calendar quarter, or more frequently as directed by Grantor, the Grantee shall submit a report to the Grantor that contains:
  - a. The total amount of ARRA funds received by Grantee during the quarterly reporting period;
  - b. The amount of ARRA funds that were expended or obligated by Grantee during the quarterly reporting period;
  - c. A detailed list of all projects or activities for which ARRA funds were expended or obligated, including:
    1. The name of the project or activity;
    2. A description of the project or activity;
    3. An evaluation of the completion status of the project or activity;
    4. An estimate of the number of jobs created and the number of jobs retained by the project or activity;
    5. Names and total compensation of each of the five most highly compensated officers of the Grantee for the calendar year in which this Agreement is awarded if—



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- A. In the Grantee's preceding fiscal year, the Grantee received—
    - i. 80 percent or more of its annual gross revenues from federal contracts (and subcontracts), loans, grants (and subgrants), and cooperative agreements; and
    - ii. \$25,000,000 or more in annual gross revenues from federal contracts (and subcontracts), loans, grants (and subgrants), and cooperative agreements.
  - d. For any agreements/contracts/subcontracts equal to or greater than \$25,000:
    - 1. The name of the entity/contractor/subcontractor receiving the award;
    - 2. The amount of the agreement/contract/subcontract;
    - 3. The transaction type;
    - 4. The North American Industry Classification System (NAICS) code or CFDA number;
    - 5. Federal program source;
    - 6. An award title descriptive of the purpose of each funding action;
    - 7. The location of the entity receiving the agreement/contract/subcontract;
    - 8. The primary performance location of the agreement/contract/subcontract, including the city, state, congressional district, and country;
    - 9. A unique identifier (Dunn and Bradstreet Universal Numbering System (hereinafter "DUNS") number) of the entity receiving the agreement/contract/subcontract and the parent entity of entity/contractor/subcontractor, should the entity be owned by another; and
    - 10. The names and total compensation of the five most highly compensated officers of the contractor/subcontractor if it received: 1) 80% or more of its annual gross revenues in federal awards; and 2) \$25M or more in annual gross revenue from federal awards.
  - e. For any agreements/contracts/subcontracts of less than \$25,000, the information required in Subsection (d) above may be reported in the aggregate and requires the certification of an authorized officer of Grantee that the information contained in the report is accurate.
  - f. Any other information reasonably requested by the Grantor or required by Grantor or federal law, regulation, guidance, or award conditions.
16. **SINGLE AUDIT ACT:** If applicable, Grantee agrees to comply in all respects with the Single Audit Act and inspections and investigations pertaining thereto. Further, Grantee agrees to separately identify the expenditures for this Agreement on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by OMB Circular A-133. This shall be accomplished by identifying expenditures for this Agreement separately on the SEFA, and as separate rows under Item 9 of Part III on the SF-SAC by CFDA number, and inclusion of the prefix "ARRA-" in identifying the name of the federal program on the SEFA and as the first characters in Item 9d of Part III on the SF-SAC.
17. **GRANTEE REGISTRATION:** Grantee must maintain active and current profiles in the Central Contractor Registration (CCR) ([www.ccr.gov](http://www.ccr.gov)) and must obtain a DUNS number ([www.dmb.com](http://www.dmb.com)). Grantee agrees to abide by any other OMB designated registration requirements.
18. **ARRA LOGO:** This Agreement receives funding under the ARRA. Grantee shall display the ARRA logo in a manner that informs the public that the project is an ARRA investment. The ARRA logo may be obtained from the USEPA grants office. If the USEPA logo is displayed along with the

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ARRA logo and logos of other participating entities, the USEPA logo must not be displayed in a manner that implies that USEPA itself is conducting the project. Instead, the USEPA logo must be accompanied with a statement indicating that the Grantee received financial assistance from USEPA for the project.

19. **NONAGENT(S):** Grantee, its personnel, contractor(s) or subcontractor(s), shall not be construed to be an agent or employee of, or joint venturer with, Grantor or the State.
20. **ENVIRONMENTAL LAWS:** Grantee must comply with any and all applicable federal and State environmental laws and regulations. Further, Grantee agrees that it has not committed a willful or knowing violation of the federal or State Environmental Protection Act or regulations within the last five years, and is therefore not barred from being awarded a grant agreement. If the Grantor later determines that this is false, the Grantee acknowledges that the Grantor may declare this Agreement void. Specifically, but in no way a limitation to the preceding, Grantee will comply with all federal and State environmental standards applicable to the project, including, but not limited to, the following;
- a. Institution of environmental quality control measures under the National Environmental Policy Act of 1969 and Executive Order 11514;
  - b. Notification of violating facilities pursuant to Executive Order 11738;
  - c. Protection of wetlands pursuant to Executive Order 11990;
  - d. Evaluation of flood hazards in floodplains in accordance with Executive Order 11988;
  - e. Assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972, 16 U.S.C. 1451 *et seq.*;
  - f. Conformity of federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended, 42 U.S.C. 7401 *et seq.*;
  - g. Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended;
  - h. Protection of endangered species under the Endangered Species Act of 1973, as amended;
  - i. The Wild and Scenic Rivers Act of 1968, 16 U.S.C. 1271 *et seq.*, which relates to protecting components or potential components of the national wild scenic rivers system;
  - j. Regulations issued under the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962) Section 6002 apply to any acquisition of an item where the purchase price exceeds \$10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by USEPA. These guidelines are listed in 40 CFR 247; and
  - k. Illinois Environmental Protection Act (415 ILCS 5) and regulations.
21. **EQUIPMENT DISPOSITION/RECOUPMENT:** Grantee agrees that at the end of the Agreement term the equipment acquired under this Agreement will be subject to the property disposition regulations at 40 CFR 31.32 or 40 CFR 30.34, as applicable. Equipment is defined as tangible non-expendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Certified or verified technologies, vehicles, engines, and nonroad equipment are considered to be equipment to the extent they fall within this definition. Grantee must continue to use the equipment purchased under this Agreement in the project or program for which it was acquired for the remainder of its useful life, whether or not the project or program continues to be supported by federal funds and shall not encumber the equipment without the approval of

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- Grantor and USEPA. If a vehicle, engine, or nonroad equipment on which a verified or certified technology meeting the definition of equipment is installed reaches the end of its useful life, and the verified or certified technology has a remaining useful life of more than one year, the Grantee must use the verified or certified technology on another eligible vehicle, engine, or nonroad equipment equivalent to the vehicle, engine, or nonroad equipment on which it was originally installed and must continue to use the verified or certified technology for its original purpose until the end of its useful life. Subject to the foregoing, if at any time the vehicle or equipment outlined in the Project Scope of Work is not being used for its intended purpose by Grantee, Grantee may be required to reimburse Grantor for such vehicle, equipment, and/or technology cost plus installation in accordance with a straight-line month-to-month amortization over a 5 year period.
22. **STATE INDEBTENESS:** Grantee and its affiliates shall not be delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Grantee and its affiliates acknowledge the Grantor may declare this Agreement void if this is false or if Grantee or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt.
23. **COMMUNICATION AND COOPERATION:** Grantee agrees to communicate and cooperate with the Grantor in the performance of its obligations under federal, State, and local laws, regulations, requirements, guidance, policies, executive orders, federal award conditions, and federal circulars relating to the funds appropriated under this Agreement, including, but not limited to, providing any and all information in the time specified by Grantor relating to recordkeeping and submission of required reports.
24. **AUDIT/RETENTION OF RECORDS:** Grantee, its contractors and subcontractors as applicable, shall maintain books, records, documents, reports, papers, agreements, contracts, subcontracts, and other evidentiary material and accounting procedures and practices (hereinafter "records") in accordance with generally accepted accounting standards and any applicable law or regulation. Records shall include, but not be limited to, documentation of the receipt and disposition by Grantee of all grant funds received for the project, including both grant funds and any matching share or cost share, and documentation of the costs charged to the grant project, including all direct and indirect costs of whatever nature incurred for the performance of the Project Scope of Work for which the grant has been provided. Grantee's facilities, or any facilities engaged in the performance of the grant project, and the Grantee's records, including any contractor or subcontractor's records as applicable, shall be subject to inspection and audit by any entity with grant oversight authority, and any representative of such entity, during normal business hours. Grantee, its contractors and subcontractors as applicable, shall preserve and make its records available to any entity with grant oversight authority, and any representative of such entity, for a period of five years from the date of final payment under the grant or submission of final expenditure under the grant, whichever is later, or any longer period required by law or this Section. If the grant is completely or partially terminated, the records relating to the terminated work shall be preserved and made available for the applicable time period specified by this Section after any resulting final termination settlement. If any dispute, litigation, claim, negotiation, audit, or other action involving the records has been started before expiration of the applicable time period specified by this Section, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the applicable time period specified by this Section, whichever is later. Failure of the Grantee, or its contractors or subcontractors as applicable, to make records available as required by this

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Section after three business days written notice from Grantor may be cause for termination of this Agreement and refund to Grantor of any unexpended funds. The rights of access under this Section are not limited to the applicable time period specified in this Section, but shall last as long as the records are retained. Grantee, its contractors and subcontractors as applicable, shall comply with any investigations and interviews relating to the grant project and records relating thereto.

25. **TIME IS OF THE ESSENCE:** Time is of the essence with respect to Grantee's performance of this Agreement. Except as specifically waived in writing, failure by either Party to exercise or enforce a right shall not affect any subsequent ability to exercise or enforce a right.
26. **FORCE MAJEURE:** Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring party may cancel the Agreement without penalty if performance does not resume within 30 days of the declaration.
27. **LOBBYING AND LITIGATION:** Grantee shall ensure that no funds awarded under this Agreement are used to engage in lobbying of the federal government or in litigation against the United States unless authorized under existing law. Grantee shall comply with and abide by 40 CFR Part 34 (New Restrictions on Lobbying) and OMB Circular A-21, A-87, or A-122, as applicable. Grantee must submit certification forms and disclosure forms as specified by 40 CFR Part 34. In accordance with the Byrd Anti-Lobbying Amendment, any grantee, contractor or subcontractor who makes a prohibited expenditure under 40 CFR Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.
28. **SUSPENSION AND DEBARMENT:** In addition to Section 2(f) herein, Grantee acknowledges that failing to disclose the information as required at 2 CFR 180.335 may result in the delay or negation of this Agreement, or pursuance of legal remedies, including suspension and debarment.
29. **TRAFFICKING VICTIM PROTECTION ACT OF 2000:** If you are a private entity, you as the Grantee, your employees, your contractor(s), including contractor employees, or any subcontractor(s), including subcontractor employees, may not engage in severe forms of trafficking in persons during the period of time that this Agreement is in effect; procure a commercial sex act during the period of time that this Agreement is in effect; or use forced labor in the performance of the work under this Agreement. Grantee must inform Grantor immediately of any information received from any source alleging a violation of this Section. Grantor may terminate this Agreement, without penalty, if Grantor determines that this Section has been violated or if the USEPA terminates Grantor's Grant Agreement for such violation.
30. **PROTECTION OF WHISTLEBLOWERS:** In accordance with Section 1553 of the ARRA, Grantee agrees that employees of a non-federal employer receiving grant funds under this Agreement may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing, including a disclosure made in the ordinary course of an employee's duties, to the Recovery Accountability and Transparency Board, an inspector general, the Comptroller General, a member of Congress, a State or federal regulatory or law enforcement agency, a person with supervisory authority over the employee, a court or grand jury, the head of a federal agency, or their representatives, information that the employee reasonably believes is evidence of (1) gross mismanagement of a contract or grant relating to grant funds; (2) a gross waste of grant funds; (3) a substantial and specific danger to public health or safety related to implementation or use

# Terms and Conditions for American Recovery and Reinvestment Act (ARRA), Diesel Emissions Reduction Act (DERA) Grant Agreements

Illinois EPA October 8, 2009

of grant funds; (4) an abuse of authority related to implementation or use of grant funds; or (5) a violation of law, rule, or regulation related to a grant awarded or issued relating to grant funds. Grantee shall post notice of employee rights and remedies for whistleblower protections provided under Section 1553 of the ARRA.

31. **FALSE CLAIMS:** Grantee shall promptly refer to Grantor and USEPA's Inspector General any credible evidence that a principal, employee, agent, contractor, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this Agreement or any agreements or contracts entered into by Grantee flowing from this Agreement.
32. **CIVIL RIGHTS LAWS:** Grantee shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and a variety of program-specific statutes with nondiscrimination requirements. Other civil rights laws may impose additional requirements. These laws include, but are not limited to, Title VII of the Civil Rights Act of 1964 (prohibiting race, color, national origin, religion, and sex discrimination in employment), the Americans with Disabilities Act (prohibiting disability discrimination in employment and in services provided by State and local governments, businesses, and non-profit agencies), and the Fair Housing Act (prohibiting race, color, national origin, age, family status, and disability discrimination in housing), as well as any other applicable civil rights laws.
33. **STATE WAGE RATE REQUIREMENTS:** Grantee shall comply with the Prevailing Wage Act (820 ILCS 130) and the Equal Pay Act (820 ILCS 112), as applicable, in performance of the work specified in this Agreement.
34. **FRAUD; WASTE; ABUSE:** Grantee shall refrain from engaging in fraud, waste, neglect or abuse in the performance of work and use of funds appropriated under this Agreement.
35. **CONTRACTING OPPORTUNITIES:** Grantee shall comply with the requirements of USEPA's program for utilization of small, minority and women's business enterprises, contained at 40 CFR Part 33, including, but not limited to, 40 CFR 33.301, 33.302, and 33.501, and shall maintain records relating thereto. In addition, Grantee shall cooperate with Grantor in meeting Grantor's recordkeeping and reporting requirements under 40 CFR Part 33. Grantor has agreed to MBE/WBE Fair Share objectives/goals as follows:
- Combined Rate:            MBE – 5%            WBE – 12%
- In signing this Agreement, Grantee accepts these MBE/WBE Fair Share objectives/goals and agrees to use its best efforts to meet these requirements.
36. **ELIGIBILITY FOR EMPLOYMENT IN THE UNITED STATES:** Grantee shall complete and keep on file, as appropriate, Immigration and Naturalization Service Employment Eligibility Forms (I-9). These forms shall be used by the Grantee to verify that persons employed by the Grantee are eligible to work in the United States.
37. **COMPETITIVE PROCESS:** Grantee shall provide for open and free competition, and shall use procurement procedures which reflect applicable local and State laws and regulations, provided the procurements conform to applicable federal law, in obtaining agreements or contracts for work performed relating to this Agreement.
38. **OPEN ACCESS TO WORK:** Any entity with grant oversight authority, and any representative of such entity, shall have access, during normal business hours and at any other time during which

# Terms and Conditions for American Recovery and Reinvestment Act (ARRA), Diesel Emissions Reduction Act (DERA) Grant Agreements

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project work is being performed, to the premises where any project work is being performed. After completion of the grant project, any entity with grant oversight authority, and any representative of such entity, shall have access to the resulting grant project work for five years, during normal business hours. During any such access, interviews of persons may be conducted. Failure by the Grantee or any of its contractors or subcontractors, as applicable, to provide access after 3 business days written notice from Grantor, may be cause for termination of this Agreement in accordance with Section 53 (Termination) and refund to Grantor of any unexpended grant funds.

39. **LOAN DEFAULT:** Grantee shall not be in default on an educational loan (5 ILCS 385/3).
40. **ANTI-BRIBERY:** Grantee agrees that it has not been convicted of bribing or attempting to bribe an officer or employee of the State, any other state, or the federal government, nor has Grantee made an admission of guilt of such conduct that is a matter of record.
41. **CONVICTIONS:** If Grantee has been convicted of a felony, at least five years must have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business.
42. **SARBANES-OXLEY:** If Grantee, or any officer, director, partner, or other managerial agent of Grantee, has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, at least five years must have passed since the date of the conviction. Grantee agrees that it is not barred from being awarded a contract or agreement and acknowledges that Grantor shall declare this Agreement void if this is false.
43. **DRUG FREE WORKPLACE:** Grantee must make an ongoing, good faith effort to maintain a drug-free workplace pursuant to the specific requirements set forth in 40 CFR 36.200 – 36.230. Additionally, in accordance with these regulations, Grantee must identify all known workplaces under this Agreement, and keep this information on file during the performance of this Agreement. Individual Grantees must comply with the drug-free provisions set forth in 40 CFR 36.300.
44. **INTERNATIONAL BOYCOTT:** Neither Grantee nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This applies to agreements that exceed \$10,000 (30 ILCS 582).
45. **HUMAN RIGHTS ACT:** Grantee shall comply with all applicable provisions of the Illinois Department of Human Rights Act and rules applicable to public contracts and agreements, including equal employment opportunity, refrain from unlawful discrimination, and have written sexual harassment policies (775 ILCS 5/2-105).
46. **DISCRIMINATORY CLUB:** Grantee shall not pay dues to, or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club" (775 ILCS 25/2).
47. **FORCED LABOR:** Grantee must comply with the State Prohibition of Goods from Forced Labor Act, and no foreign-made equipment, materials, or supplies relating to the performance of the work under this Agreement has been or will be produced in whole or in part by forced labor, or indentured labor under penal sanction (30 ILCS 583).
48. **CHILD LABOR:** No foreign-made equipment, materials, or supplies furnished in performance of the work under this Agreement have been produced in whole or in part by the labor of any child under the age of 12 (30 ILCS 584).

**Terms and Conditions for  
American Recovery and Reinvestment Act (ARRA), Diesel Emissions  
Reduction Act (DERA) Grant Agreements**

Illinois EPA October 8, 2009

49. **LEAD POISONING:** Grantee must not commit a willful or knowing violation of the Lead Poisoning Prevention Act (410 ILCS 45). Such violation shall prohibit Grantee from doing business with the Grantor until the violation is mitigated.
50. **PATENTS AND INVENTIONS:** Rights to inventions under this Agreement are subject to federal patent and licensing regulations at 37 CFR 401. Pursuant to the Bayh-Dole Act (35 USC 200-212), USEPA retains the right to a worldwide, nonexclusive, irrevocable, paid license to practice the invention elected by the managing and operating contractor, as defined in the Bayh-Dole Act. In accordance with Federal Executive Order 12618, government owned and operated laboratories can enter into cooperative research and development agreements with other federal laboratories, state and local governments, universities, and the private sector; and license, assign, or waive rights to intellectual property developed by the laboratory either under such cooperative research or development agreements and from within individual laboratories.
51. **DISCLOSURE OF INTERESTS:** Grantee shall disclose if required, on forms provided by the Grantor, and agrees it is under a continuing obligation to disclose to the Grantor, financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest or which would prohibit Grantee from having or continuing this Agreement. This includes, but is not limited to conflicts under the "Infrastructure Task Force Fee Prohibition" section of the State Finance Act (30 ILCS 105/8.40) or those which may conflict in any manner with the Grantee's obligation under this Agreement. Grantee shall not employ any person with a conflict to perform under this Agreement. If any elected or appointed State officer or employee, or the spouse or minor child of same has any ownership or financial interest in the Grantee or this Agreement, Grantee shall disclose that information to the Grantor if required, on forms provided by the Grantor, and any waiver of the conflict must be issued in accordance with applicable law and rule. A waiver is required if:
- a. The person intending to enter into agreement with the State, their spouse or child: (i) holds an elective office in Illinois; (ii) holds a seat in the Illinois General Assembly; (iii) is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority; or holds an appointed position or is employed in any of the offices or agencies of the State government and who receives compensation for such employment in excess of 60% of the salary of the Governor. (The conflict of interest threshold of 60% of the Governor's salary does not apply to elective office holders, legislators, and officers or employees of the Capital Development Board or the Illinois Toll Highway Authority).
  - b. The agreement or contract is with a firm, partnership, association or corporation in which a person referenced in (a) above receives more than 7.5% of the total distributable income or an amount in excess of the salary of the Governor.
  - c. The agreement or contract is with a firm, partnership, association or corporation in which a person referenced in (b) above, together with their spouse or minor child, receives more than 15% in the aggregate of the total distributable income or an amount in excess of 2 times the salary of the Governor from the firm, partnership, association or corporation.
52. **CONFIDENTIAL INFORMATION:** Each Party, including its agents, contractors and subcontractors, to this Agreement may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this Agreement. The receiving Party shall presume all information received or to which it gains access pursuant to this Agreement is confidential unless otherwise designated by the disclosing Party. No confidential data collected, maintained, or used in the course of performance of this Agreement shall be disseminated except as authorized by law and with the written consent of

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the disclosing Party, either during the grant period or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of this Agreement, in whatever form it is maintained, promptly at the end of the grant period, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third-party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.

53. **TERMINATION; SUSPENSION:**

a. **TERMINATION.** This Agreement may be terminated as follows:

1. **TERMINATION FOR CAUSE:** The Grantor may terminate this Agreement, in whole or in part, immediately upon notice to the Grantee if it is determined that the actions, or failure to act, of the Grantee, its agents, employees, contractors or subcontractors have caused, or reasonably could cause jeopardy to health, safety, or property. If Grantee fails to perform to the Grantor's satisfaction any material requirement of this Agreement, fails to make sufficient progress under this Agreement, or is in violation of a material provision of this Agreement, the Grantor shall provide written notice to the Grantee requesting that the breach or noncompliance be remedied within the period of time specified in the Grantor's written notice. If the breach or noncompliance is not remedied by that date the Grantor may either: (a) immediately terminate this Agreement; or (b) enforce the terms and conditions of this Agreement, and in either event seek any available legal or equitable remedies and damages. In the event of termination, Grantee shall be paid for allowable costs incurred in the performance of authorized work under this Agreement prior to the effective date of termination which shall be the date stated in the written termination notice provided to Grantee. Within 30 days after grant termination, Grantee shall provide invoices and written proof of claim for work performed. Any refunds due the Grantor shall be submitted in accordance with the provisions of the Illinois Grant Funds Recovery Act (30 ILCS 705).
2. **TERMINATION FOR CONVENIENCE:** Following thirty (30) days written notice, the Grantor may terminate this Agreement in whole or in part without the payment of any penalty or incurring any further obligation to the Grantee. Following any such termination for convenience, the Grantee shall be entitled to compensation for allowable costs upon submission of invoices and written proof of claim for the work performed under this Agreement up to and including the date of termination which shall be the date stated in the written termination notice provided to Grantee. Within 30 days after grant termination, Grantee shall provide invoices and written proof of claim for work performed. Any refunds due the Grantor shall be submitted in accordance with the provisions of the Illinois Grant Funds and Recovery Act (30 ILCS 705).
3. **FAILURE TO COOPERATE WITH GRANTOR:** Failure to cooperate with Grantor in its obligations under federal, State, and local laws, regulations, requirements, guidance, policies, executive orders, federal award conditions, and federal



# Terms and Conditions for American Recovery and Reinvestment Act (ARRA), Diesel Emissions Reduction Act (DERA) Grant Agreements

Illinois EPA October 8, 2009

circulares shall be grounds for termination upon written notice to Grantee. Upon submission of invoices and proof of claim for work performed, Grantee shall be paid for allowable costs incurred in the performance of authorized work under this Agreement prior to the effective date of termination which shall be the date stated in the written termination notice provided to Grantee. Within 30 days after grant termination, Grantee shall provide invoices and written proof of claim for work performed. Any refunds due the Grantor shall be submitted in accordance with the provisions of the Illinois Grant Funds and Recovery Act (30 ILCS 705).

- b. **SUSPENSION.** If the Grantee fails to comply with this Agreement and/or the terms and conditions of this Agreement, the Grantor may, upon written notice and order to the Grantee, suspend this Agreement for a period of not more than 30 days after the date of the order and for any further period to which the Parties may agree, withhold further payments and prohibit the Grantee from incurring additional obligations of grant funds, pending corrective action by the Grantee or a decision to terminate this Agreement. The Grantor may determine to allow such necessary and proper costs, which the Grantee could not reasonably avoid during the period of suspension provided that the Grantor agrees that such costs were necessary and reasonable and incurred in accordance with the provisions of this Agreement.
54. **DEFAULT AND REMEDIES:** The occurrence of any of the following events, during the grant period, shall constitute a default:
- a. Grantee shall fail to observe any term or condition or perform any agreement contained in this Agreement, including any exhibits, attachments, or certifications hereto.
  - b. Any representation or agreement made by the Grantee in this Agreement, including these terms and conditions, any exhibits, attachments, or certifications hereto, or in any certificate, report, financial statement or other document delivered pursuant to this Agreement shall prove to have been incorrect when made in any material respect.
  - c. Grantee shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing.
  - d. An involuntary case or other proceeding shall be commenced against the Grantee seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceedings shall remain undismised and unstayed for a period of 60 days; or an order for relief shall be entered against the Grantee under the federal bankruptcy laws as now or hereby after in effect.
  - e. Grantee defaults on a loan from a third party. Grantee shall provide the Grantor with immediate notice upon making a determination that it will default on a loan.

# Terms and Conditions for American Recovery and Reinvestment Act (ARRA), Diesel Emissions Reduction Act (DERA) Grant Agreements

Illinois EPA October 8, 2009

Grantee shall have 30 days from the date Grantor notifies it of the occurrence of a default to cure the default to Grantor's satisfaction. Grantee's failure to cure, or to initiate a cure which is satisfactory to the Grantor, shall be a sufficient basis for the Grantor to terminate this Agreement and to direct Grantee to refund all funds disbursed to it by the Grantor within thirty (30) days of receipt of the notice of termination.

55. **FINES AND PENALTIES:** Grantee is advised that providing false, fictitious or misleading information with respect to the receipt and disbursement of funds under this Agreement may result in criminal, civil or administrative fines and/or penalties.
56. **INDEMNIFICATION AND LIABILITY:** The Grantee agrees to defend, indemnify and hold harmless the State, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, caused by, arising out of, or occurring in connection with (a) this Agreement or execution of any work or agreements, contracts, or subcontracts arising out of this Agreement, (b) any actual or alleged death or injury to any person, damage to any property, or any other damage or loss by whomsoever suffered, claimed to result in whole or in part from this Agreement or execution of any work or agreement, contract, or subcontract arising out of this Agreement, or (c) any act, activity or omission of Grantee or any of its employees, representatives, contractors, subcontractors, or agents.
57. **ASSIGNMENT AND SUBCONTRACTING:** This Agreement may not be assigned, transferred, contracted or subcontracted in whole or in part by the Grantee without the prior written consent of the Grantor. Grantee shall describe, as a supplemental provision to this Agreement, the names and addresses of all authorized contractors or subcontractors utilized by Grantee in the performance of this Agreement, together with a description of the work to be performed by the contractor or subcontractor and the anticipated amount of money that each contractor or subcontractor is expected to receive pursuant to this Agreement. For purposes of this Section, contractors or subcontractors are those specifically hired to perform all or part of the work or to provide the supplies covered by this Agreement.
58. **COMPLIANCE WITH TAX REQUIREMENTS:** The Grantee shall be in compliance with applicable tax requirements and shall be current in payment of such taxes.
59. **AUTHORIZATION:** Each Party to this Agreement represents and warrants to the other that: (a) it has the right, power and authority to enter into and perform its obligations under this Agreement and (b) it has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of this Agreement, and (c) this Agreement constitutes a legal, valid and binding obligation upon itself in accordance with its terms. Further, Grantee represents and warrants that it has the institutional, managerial, and financial capability (including funds sufficient to pay any non-federal share of project costs) to ensure proper planning, management, and completion of the project specified in the Project Scope of Work of this Agreement.
60. **NOTICES:** Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the individuals who signed this Agreement using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.

**Terms and Conditions for  
American Recovery and Reinvestment Act (ARRA), Diesel Emissions  
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61. **GRANTOR RESERVATION OF RIGHTS:** Grantor hereby reserves any and all rights it may have in law or equity against Grantee for breach of this Agreement including these terms and conditions, and in addition thereto, including, but not limited to, fraud, waste, abuse, malfeasance, and mismanagement of funds.
62. **ENTIRE AGREEMENT:** This Agreement, consisting of the signature page, all sections, terms and conditions, and any exhibits, attachments, and certifications included, constitutes the entire Agreement between the Parties concerning the subject matter of this Agreement, and supersedes all prior proposals, agreements and understandings between the Parties concerning the subject matter of this Agreement. Unless otherwise specified herein, amendments, minor Project Scope of Work changes, modifications and waivers must be in writing and signed by authorized representatives of the Parties. This Agreement can be signed in multiple counterparts. Any provision of this Agreement officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the Grantor's and the Grantee's terms, conditions, exhibits, and attachments, the Grantor's terms, conditions, exhibits, and attachments shall prevail.

RECEIVED

MAY 21 2009

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

Illinois Clean Diesel Grant Program Application Form



BUREAU OF AIR

Be sure to read all program application materials, instructions, and announcements posted at [www.illinoisgreenfleets.org](http://www.illinoisgreenfleets.org) before completing this application

Applicant Information

Name of Fleet Lake County Division of Transportation

Contact Name Kevin Kerrigan Phone (847) 362-3960 E-mail kkerrigan@co.lake.il.us

Address 600 West Winchester Road Libertyville 60048 Lake

(Street) (City) (Zip Code) (County)

Federal Employer Identification Number (FEIN) 36-6006600

Total Number of On-Road Diesel Vehicles in Fleet (in IL) 64

Number of Vehicles Involved in this "Clean Diesel" Project 26

Proposed Clean Diesel Project

Number		Cost	Subtotals
18	Diesel Oxidation Catalysts	x \$ 3,124.83	/ per unit = \$ 56,246.94
	Diesel Particulate Filters	x \$ _____	/ per unit = \$ 0.00
18	Closed Crankcase Ventilation	x \$ 776.04	/ per unit = \$ 13,968.72
	Diesel Multi-Stage Filters	x \$ _____	/ per unit = \$ 0.00
	Direct-Fired Heaters (idling equipment)	x \$ _____	/ per unit = \$ 0.00
	*Auxiliary Power Units-APU (idling equipment)	x \$ _____	/ per unit = \$ 0.00
	*Diesel Hybrid Vehicles	x \$ _____	/ per unit = \$ 0.00
	Other/Combinations _____	x \$ _____	/ per unit = \$ 0.00
Total Project Cost			\$ 70,215.66
*Total Cash Match			\$ 0.00
Total Amount of Requested Funding (not including match)			\$ 70,215.66

Authorization

Signature of Applicant Kevin Kerrigan

Print Name Kevin Kerrigan Title Engineer of Maintenance Date 5/18/09

Mail this application form, "additional project information" as outlined in section III of the instructions, vehicle information spreadsheet, W-9 form, and vendor's quote of equipment and installation cost estimates.

Illinois Environmental Protection Agency  
Clean Diesel Program #6  
P.O. Box 19276  
Springfield, Illinois 62794-9276

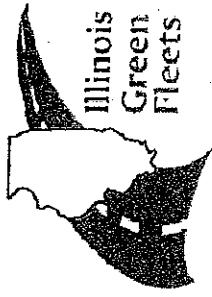
**EPA Office Use Only**

Approved  Denied  Hold

Review Date 1/5/10

Fund ARRA-CMP

**Illinois Environmental Protection Agency**  
**Illinois Clean Diesel Program Application**  
**Vehicle Information Spreadsheet**



Fleet Name: **LAKE COUNTY DIVISION OF TRANSPORTATION**

Contact Name: **KEVIN KERRIGAN**

**Vehicle Information: (List the vehicles involved in this Clean Diesel Project)**

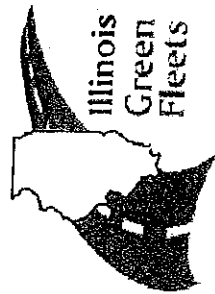
Make	Model	Model Year	VIN #	Vehicle Class	Engine Type	Engine Horse Power	Clean Diesel Option	Fuel Type	Estimated gallons consumed annually	Estimated Annual Miles	Estimated # Idling hrs./day	Average # days per year vehicle is in use	Anticipated Remaining Years of Service
International	2674	1998	1HTGKAHTOW507181	8	Cummins M11	280	DOC/CCV	ULSD	1530	6200	1.5	150	5
International	2674	1998	1HTGLAHT9WH507180	8	Cummins M11	280	DOC/CCV	ULSD	1675	6700	1.5	150	5
International	2674	1999	1HTGLAHT7XH651330	8	Cummins M11	280	DOC/CCV	ULSD	1450	5900	1.5	125	6
International	2554	2000	1HTGBADROYH244075	8	DT530	275	DOC/CCV	ULSD	1650	6500	1.5	150	7
International	2674	2000	1HTGLAHT1YH247845	8	ISM305	305	DOC/CCV	ULSD	1800	6500	1.5	150	7
International	2674	2000	1HTGLAHTXYH247844	8	ISM305	305	DOC/CCV	ULSD	1700	72510	1.5	150	7
International	2674	2002	1HTGLAHT92H512275	8	ISM350V	335	DOC/CCV	ULSD	1760	8250	1.5	150	9
International	2674	2002	1HTGLAHT72H512274	8	ISM350V	335	DOC/CCV	ULSD	2240	8900	1.5	150	9
International	2674	2002	1HTGLAHT02H512276	8	ISM350V	335	DOC/CCV	ULSD	2200	8000	1.5	150	9
1675	7600	2003	1HTWYATT43J061805	8	CAT C10	335	DOC/CCV	ULSD	1700	5200	1	150	10
570	LTS9000	1995	1FDZY90L0SVA16215	8	Cummins L10	260	DOC/CCV	ULSD	840	3300	1	75	5
International	2674	1999	1HTGLAHT0XH651329	8	Cummins M11	280	DOC/CCV	ULSD	570	2000	1	75	6
International	S-1954	1996	1HTGCADT8TH412126	8	DT530E	275	DOC/CCV	ULSD	1640	5000	1	150	5
International	7400	2004	1HTWCADR24J082171	8	DT530E	275	DOC/CCV	ULSD	700	2600	1	125	11

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**Fuel Type Key:**  
 D = Diesel  
 B = Biodiesel (i.e. B5, B11, B20)

**Clean Diesel Option Key:**  
 DOC = Diesel Oxidation Catalyst  
 DPF = Diesel Particulate Filter  
 CCV = Closed Crankcase Ventilation  
 DMF = Diesel Multi-Stage Filter  
 DFH = Direct Fired Heater  
 APU = Auxiliary Power Unit  
 HYB = Diesel Hybrid Vehicle  
 PHVB = Diesel Plug-In Hybrid Vehicle

**Illinois Environmental Protection Agency**  
**Illinois Clean Diesel Program Application**  
**Vehicle Information Spreadsheet**



Fleet Name: **LAKE COUNTY DIVISION OF TRANSPORTATION**

Contact Name: **KEVIN KERRIGAN**

**Vehicle Information: (List the vehicles involved in this Clean Diesel Project)**

Make	Model	Model Year	VIN #	Vehicle Class	Engine Type	Engine Horse Power	Clean Diesel Option	Fuel Type	Estimated gallons consumed annually	Estimated Annual Miles	Estimated # Idling hrs./day	Average # days per year vehicle is in use	Anticipated Remaining Years of Service
1450	MT45	2001	4UZAAPBW61CH88048	8	Cummins 5.9	190	DOC/CCV	ULSD	2600	3000	1	75	8
Sterling	UNK	2002	2FZHATAK42AJ65853	8	CAT3126	300	DOC/CCV	ULSD	400	1200	1	200	9
International	4700LP-4	2001	1HTSLAAM61H378403	8	DT466E	215	DOC/CCV	ULSD	550	4000	1	100	8
International	4400	2003	1HTMKAANX3H570799	8	DT466E	215	DOC/CCV	ULSD	500	2900	1	100	10
Case	85XT	1999	JAF0273412	8	4-309	69	DOC	ULSD	750	250 HRS	1	60	6
New Holland	LS 180	2003	IG290845 011642	8	332/TF	67	DOC	ULSD	600	200 HRS	1	50	10
Case	1845C	1994	JAF0135857	8	4-390	57	DOC	ULSD	120	220 HRS	1	60	5
Case	85XT	1999	JAF273416	8	4-390	69	DOC	ULSD	800	110 HRS	1	40	6
Atlas-Bobcat	743	1999	5019M25033	8	Kubota V2303-EB	46	DOC	ULSD	200	100 HRS	1	40	6
Deere	644H	1998	DW644HX569421	8	6081H	200	DOC	ULSD	1700	500 HRS	1	100	5
Deere	310SE	2000	T0310SE885882	8	4045T	89	DOC	ULSD	250	125 HRS	1	40	7
Volvo	EC55	2003	21346	8	4TNE94-5M	51.2	DOC	ULSD	2400	1000 HRS	1	150	10

**Fuel Type Key:**  
D = Diesel  
B = Biodiesel (i.e. B5, B11, B20)

**Clean Diesel Option Key:**  
DOC = Diesel Oxidation Catalyst  
DPF = Diesel Particulate Filter  
CCV = Closed Crankcase Ventilation  
DMF = Diesel Multi-Stage Filter  
DFH = Direct Fired Heater  
APU = Auxiliary Power Unit  
HYB = Diesel Hybrid Vehicle  
PHYB = Diesel Plug-In Hybrid Vehicle



# ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276 • (217) 782-2829  
James R. Thompson Center, 100 West Randolph, Suite 11-300, Chicago, IL 60601 • (312) 814-6026

PAT QUINN, GOVERNOR

DOUGLAS P. SCOTT, DIRECTOR

217/557-1441

June 18, 2010



Kevin Kerrigan  
Lake County Division of Transportation  
600 W. Winchester Rd.  
Libertyville, IL 60048

Re: Project Confirmation Letter for Amendment 1

Dear Mr. Kerrigan:

This letter is to confirm that the Amendment to the Grant Agreement is now in effect and that you may proceed with your project as outlined in the agreement, Amendment 1 to the agreement, and scope of work. Enclosed is a signed final copy of Amendment 1 to the grant agreement.

Upon project completion, please mail your cover letter and paid final invoice to my attention at the following address:

Illinois Environmental Protection Agency  
Illinois Clean Diesel Grant Program #6  
P.O. Box 19276  
Springfield, IL 62794-9276

If you have any questions, please call me at (217) 557-1441 or email  
[Darwin.Burkhart@illinois.gov](mailto:Darwin.Burkhart@illinois.gov).

Sincerely,

Darwin J. Burkhart, Manager  
Clean Air Programs  
Bureau of Air

Rockford • 4302 N. Main St., Rockford, IL 61103 • (815) 987-7760

Elgin • 595 S. State, Elgin, IL 60123 • (847) 608-3131

Bureau of Land — Peoria • 7620 N. University St., Peoria, IL 61614 • (309) 693-5462

Collinsville • 2009 Mall Street, Collinsville, IL 62234 • (618) 346-5120

Des Plaines • 9511 W. Harrison St., Des Plaines, IL 60016 • (847) 294-4000

Peoria • 5415 N. University St., Peoria, IL 61614 • (309) 693-5463

Champaign • 2125 S. First St., Champaign, IL 61820 • (217) 278-5800

Marion • 2309 W. Main St., Suite 116, Marion, IL 62959 • (618) 993-7200

Illinois Environmental Protection Agency  
Illinois Clean Diesel Grant Program

AMENDMENT TO GRANT AGREEMENT

Grant Number: ARNAT21

Grant Effective Date: February 10, 2010

Grant Recipient: Lake County Division of Transportation (Grantee)

Amendment Number: 1

Reason(s) for Amendment: Extension of Completion Date

Description of Amendment:

Per the request of the Grantee, this amendment modifies Section 2 "Project Schedule" of the Illinois Clean Diesel Grant Program Conditions. The completion date of this project is extended to September 30, 2010. Any future extensions of the project completion date will be at the sole discretion of the Illinois EPA.

All other provisions of the Grant Agreement, subsequent amendments, and associated Program Conditions or Terms and Conditions, not modified herein, remain in full force and effect.

Approval Signatures:

For the Lake County  
Division of Transportation

Kevin Kerrigan

Date: 6/4/2010

For the Illinois EPA

Douglas P. Scotty  
Debra Bonnett  
Acting Deputy Director

Date: 6/16/10