

**REQUEST FOR APPROVAL**

**To:** Howard Levenson  
Deputy Director, Materials Management and Local Assistance Division

**From:** Cara Morgan  
Branch Chief, Local Assistance and Market Development Branch

**Request Date:** June 27, 2013

**Decision Subject:** Award of contract for the Tire Outreach and Market Analysis Contract  
(Tire Recycling Management Fund, FYs 2013/14, 2014/15, and 2015/16)

**Action By:** July 24, 2013, but not before July 20, 2013

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**Summary of Request:**

The Tire Outreach and Market Analysis contract will provide an annual in-depth analysis of the tire market in California. The contract will also provide focused technical outreach, education, and research aimed at increasing demand for tire-derived products (TDPs), fostering new technologies, and expanding the use of waste tire-derived material into a variety of applications including higher value-added products.

The Request for Proposals for this contract was advertised on May 14, 2013; the proposal submission due date was June 25, 2013. Three proposals were received. A three member CalRecycle team reviewed all eligible proposals. From July 12, 2013 through July 19, 2013, CalRecycle will post a Notice of Intent to Award (NIA) to the highest scoring proposer. Staff recommends the contract be awarded to the highest scoring proposer, SAIC Energy, Environment & Infrastructure, LLC, pending completion of the NIA period. Until the NIA process is complete, this recommendation is subject to change and the award process may be delayed.

<b>Fund Source</b>	<b>Amount Available</b>	<b>Amount to Fund Item*</b>	<b>Amount Remaining</b>	<b>Line Item</b>
Tire Recycling Management Fund (FY 2013/14)	\$500,000	\$500,000	\$0	Tire Outreach and Market Analysis
Tire Recycling Management Fund (FY 2014/15)	\$500,000	\$500,000	\$0	Tire Outreach and Market Analysis
Tire Recycling Management Fund (FY 2015/16)	\$500,000	\$500,000	\$0	Tire Outreach and Market Analysis
<b>Total</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	<b>\$0</b>	

\*This is the maximum funding and does not necessarily reflect the final amount in the executed contract which is not to exceed the amount in the winning proposer's bid.

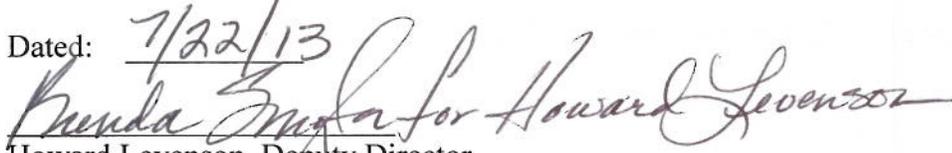
**Recommendation:**

Staff recommends the contract be awarded to the highest scoring proposer, SAIC Energy, Environment & Infrastructure, LLC, pending completion of the Notice of Intent to Award (NIA) process and review by CalRecycle Legal staff. Until such time, this recommendation is subject to change and/or the award process may be delayed.

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**Deputy Director Action:**

On the basis of the information and analysis in this Request for Approval and the findings set out above, I hereby approve contractor selection for the Tire Outreach and Market Analysis Contract and award the contract to SAIC Energy, Environment & Infrastructure, LLC.

Dated: 7/22/13  
  
Howard Levenson, Deputy Director

**Attachments:**

Scope of Work

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**Background Information, Analysis, and Findings:**

The prior Tire-Derived Product Business Assistance Program contracts had two main aspects. One component focused on industry-wide projects aimed at strengthening the overall waste tire recycling and tire-derived product (TDP) industry. The other component provided technical and consultative assistance to individual TDP businesses to assist them in improving the operational and cost efficiencies of their businesses, fostering tire-derived product market development, and conducting tire-derived product analysis and testing. Both initiatives have been successful in overcoming barriers and helping individual businesses and the industry as a whole better target tire-derived product markets through projects that have:

- assessed the management of scrap tires in California;
- conducted feedstock conversion research to determine TDP feasibility and further expand uses of waste tires;
- conducted supply and demand inventories;
- mapped the waste tire industry to better understand California's process and manufacturer infrastructure;
- conducted market penetration analyses and evaluation of California waste tire market development programs;

- facilitated government and green building sales support through compilation of a TDP catalog and its dissemination to state agency procurement officials, architects, and landscape designers;
- provided business quality control and process improvement training; and
- conducted workshops to assist and inform stakeholders about market development activities.

Through the technical and consultative support provided, individual businesses have been strengthened and other tire derived product market development programs should now take the lead. However, more work is needed to foster the waste tire and TDP industry as a whole. Thus, the focus of the TOMA contract is on initiatives that strengthen the overall waste tire recycling industry and support CalRecycle's other waste tire market development efforts.

This contract is intended to provide an annual in-depth analysis of the tire market in California as has been previously provided through the Tire-Derived Product Business Assistance Program (TBAP) contracts. Ongoing analysis of the California tire market will support CalRecycle's efforts by providing detailed information on the waste tire diversion rate, market trends, and supply/demand balance as well as identifying opportunities and barriers. The contract also seeks to build upon the initial success of the industry-wide market development efforts initiated under the TBAP contracts by providing focused technical outreach, education, and testing aimed at increasing demand for tire-derived products, fostering new technologies, and expanding the use of waste tire-derived material into a variety of applications including higher value-added products.

Funding for this contract is designated in the recent *Five-Year Plan for the Waste Tire Recycling Management Program (Seventh Edition Covering FY 2013/14 – 2014/18)* (Five Year Tire Plan). This contract is one of seven components of the Market Development and New Technology Activities for Waste and Used Tires section of the Five Year Tire Plan. Under the plan, funding for this contract is allocated at \$500,000 per fiscal year for a total of \$1.5 million (including administrative costs).

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