

**REQUEST FOR APPROVAL**

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

**From:** **Shirley Willd-Wagner**  
Branch Chief, Financial Resources Management

**Request Date:** April 12, 2011

**Decision Subject:** Awards for the Rubberized Asphalt Concrete Grant Program (Tire Recycling Management Fund, FY 2010/11)

**Action By:** April 19, 2011

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**Summary of Request:** This request is for approval of grant awards for Targeted Rubberized Asphalt Concrete Incentive (Targeted) Grants and Rubberized Asphalt Concrete Chip Seal (Chip Seal) Grants, which are collectively referred to as the Rubberized Asphalt Concrete (RAC) Grant Program.

Staff received 64 applications requesting a total of \$11,654,730.88 of which 48 totaling \$8,146,953 are eligible. The total applications consist of: Targeted Grants - 36 applications for \$6,517,496 with 28 eligible totaling \$4,897,097; and Chip Seal Grants - 28 applications for \$5,137,234.88 with 20 eligible totaling \$3,249,856.

*The Five Year Plan for Waste Tire Recycling Management Program – (5<sup>th</sup> Edition Covering Fiscal Years 2009/10-2013/14)* allocates \$3,509,334 and \$2,000,000 in Fiscal Year (FY) 2010/11 for Targeted Grants and Chip Seal Grants, respectively. Staff has ranked all eligible applications consistent with the approved process and has summarized those applications in Attachment 1. Applications for which there are sufficient monies currently allocated to fund (fully or partially) are reflected on List A. Those eligible applications which were partially funded or for which there are not sufficient funds currently allocated are reflected on List B.

**Recommendation:** Staff recommends approval of grant awards identified in Attachment 1, List A:

- 17 Targeted Grants (16 fully funded and one partially funded) totaling \$3,509,334 and
- 9 Chip Seal Grants (8 fully funded and one partially funded) totaling \$2,000,000.

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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 herein, I hereby conditionally approve the grant awards for the RAC Grant Program for FY 2010/11 as described in Attachment 1, List A. If additional funds for this grant offering become available or if grant funds are not fully utilized by funded Grantees, then the funds will be provided to the eligible Applicants identified on Attachment 1, List B (in rank order) until those funds are exhausted. Each proposed Grantee's award is condition upon:

1. The full payment within 90 (ninety) days of the date of this grant award of all outstanding debt(s) or scheduled payment(s) owed by the proposed Grantee to CalRecycle; and
2. The return by the proposed Grantee of a completed and executed Grant Agreement within 90 (ninety) days from the date that CalRecycle staff mails the Grant Agreement.

Dated: 4/12/11

Howard Levenson

Howard Levenson  
Deputy Director

**Attachments:** 1. Proposed FY 2010/11 Targeted Grant and Chip Seal Grant Awards.

## **Background and Findings:**

### Statutory Authority

Public Resources Code (PRC) Section 42872 allows for the awarding of grants for activities and applications that result in reduced landfill disposal or stockpiling of waste tires. The Department of Resources Recycling and Recovery (CalRecycle) receives an annual appropriation from the California Tire Recycling Management Fund (Tire Fund) to administer the California Tire Recycling Act, Senate Bill 937, (Vuich, Statutes of 1990, Chapter 35) (Public Resources Code (PRC) Sections 42860 et seq.). The Rubberized Asphalt Concrete (RAC) Grant Program (Program) operates within the authority of PRC 42872.

### Criteria and Process

Program Applicant eligibility, project eligibility, grant award categories and evaluation process was discussed at the October 13, 2010, CalRecycle Meeting and subsequently approved by the Deputy Director. The Program offers two grants for cities, counties and Qualifying Indian Tribes to fund public works projects that use RAC material and/or rubberized chip seal material:

- Targeted Rubberized Asphalt Concrete Incentive (Targeted) Grant aimed at assisting eligible Applicants with little or no experience with RAC projects.
- Rubberized Asphalt Concrete Chip Seal (Chip Seal) Grant aimed at new and repeat users of rubberized chip seal material.

The Notice of Funds Availability was placed on the CalRecycle web site in mid December 2010, with an appropriate notice sent to subscribers of the RAC Listserv. Applications were due February 16, 2011, with a "secondary due date" of March 18, 2011, for Resolutions and Environmentally Preferable Purchasing Policy submissions.

Staff received 64 applications totaling \$11,654,730.88 which are detailed below:

RAC Grant Program	Applications Received / Eligible	Amount Requested / Eligible	Recommended Funding
Targeted Grant	36 / 28	\$6,517,496 / \$4,897,097	\$3,509,334
Chip Seal Grant	28 / 20	\$5,137,234.88 / \$3,249,856	\$2,000,000

Sixteen applications were disqualified due to not satisfying Program requirements. Some requested amounts were reduced consistent with Program requirements and maximum grant amount. Because CalRecycle received more eligible requests than available funding, eligible applications were ranked consistent with the following tiebreakers within each grant category:

- a) Applicants who did not receive funding in FY 2008/09.
- b) The greatest number of pounds of crumb rubber proposed to be used in its project(s).
- c) The date of the completed grant application.
- d) The fewest total Program grants.

### Funding

Applications for which there are sufficient monies currently allocated to fund (fully or partially) are reflected on List A. Those eligible applications which are recommended for partial funding or for which there are not sufficient funds currently allocated are reflected on List B for future consideration, should additional monies become available.