

**REQUEST FOR APPROVAL**

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

**From:**               **Michelle Martin**  
Acting Branch Chief, Financial Resources Management Branch

**Brenda Smyth**  
Branch Chief, Statewide Technical and Analytical Resources Branch

**Request Date:**     February 10, 2014

**Decision Subject:** Scope of Work for the Feedstock Conversion Technical Assistance and Material Testing Services Contract (Tire Recycling Management Fund, Fiscal Year 2013/14)

**Action By:**         February 18, 2014

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**Summary of Request:**

This request seeks approval for the Scope of Work for the Feedstock Conversion Technical Assistance and Material Testing Services Contract and authorization to proceed with the contractor selection process using the Request for Proposal-Secondary process.

**Recommendation:**

Staff recommends approval of the Scope of Work for the Feedstock Conversion Technical Assistance and Material Testing Services Contract in an amount not to exceed \$750,000 and authorization to proceed with the contractor selection process using the Request for Proposal-Secondary process.

Contract funding will come from the \$396,000 allocation for Fiscal Year (FY) 2013/14 for Research on Applications and Technologies for Waste Tires, which is included in the Research Section of the *Five-Year Plan for the Waste Tire Recycling Management Program (Seventh Edition Covering FY 2013/14 - 2017/18 (Five-Year Plan))*. The remaining \$354,000 funding is contingent on FY 2013/14 reallocation of the Tire Recycling Management Fund as summarized in the table below.

**Funding Information:**

<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)	\$396,000	\$396,000	\$0	Research on Applications and Technologies for Waste Tires (7730/T4400)
Reallocation of Tire Recycling Management Fund* (FY 2013/14)	\$354,000	\$354,000	\$0	Research on Applications and Technologies for Waste Tires (7730/T4400)

*\*Subject to approval of reallocation item*

**Deputy Director Action:**

On the basis of the information and analysis in this Request for Approval and the findings set out below, I hereby approve the Scope of Work for the Feedstock Conversion Technical Assistance and Material Testing Services Contract in an amount not to exceed seven hundred fifty thousand dollars (\$750,000), subject to availability of funds appropriated to this program, and authorize staff to proceed with the contractor selection process.

Dated: 2/18/14



**Howard Levenson**

Deputy Director, Materials Management and Local Assistance Division

**Background and Analysis:**Program Background

Over the years, CalRecycle has provided various market development programs for recycled waste tires. Some of the more notable programs have been: the Tire-Derived Product (TDP) Grant (and its predecessors), which has helped develop the market for TDPs; the Rubberized Pavement Grant (and its predecessors), which has been successful in developing a strong market for rubberized asphalt concrete and rubberized chip seal; the Tire-Derived Aggregate (TDA) Grant, which provides assistance to encourage the use of TDA in civil engineering applications; the Tire Product Commercialization and Applied Technologies Grant, which assisted businesses to purchase necessary equipment to process waste tires and produce new TDPs; and the Tire Business Assistance Program (TBAP) Grant which provided technical assistance to businesses to build capacity and improve cost-efficiencies.

A new market development program, the Tire Incentive Program (TIP), was discussed at the October 15, 2013, CalRecycle meeting. In addition to implementing TIP grants, part of the TIP discussion at that meeting included a general description of one or more contracts to encourage and support higher value-added feedstock conversion (substituting recycled crumb rubber for virgin rubber) and higher volume users of crumb rubber. This request proposes a Scope of Work for a contract to provide technical assistance necessary to support feedstock conversion and also to provide testing services to support the TIP grants. This request also proposes to use a Request for Proposal-Secondary process for the contractor selection process. This process is used for very complex and/or unique services in which professional expertise and methods may vary greatly and where creative or innovative approaches may be needed.

The Scope of Work includes the work and specific tasks necessary to provide feedstock conversion technical assistance including:

- Identifying prospective manufacturers and products suitable for feedstock conversion;
- Developing marketing information and conducting marketing outreach to prospective manufacturers;
- Securing interested manufacturers to participate in feedstock conversion activities, developing individual manufacturer activity plans and associated budgets for feedstock conversion, and qualifying processors to provide crumb rubber;
- Working with manufacturers and securing appropriate technical expertise to execute individual manufacturer activity plans for feedstock conversion and providing technical assistance and follow-up to ensure production and sale of the TDPs; and
- Providing appropriate monthly and final reports regarding the activities and results.

Also included are tasks necessary to support the TIP grant program including but not limited to on-site sampling and laboratory testing of crumb rubber to ensure appropriate mesh size and particle distribution; identifying contaminants; and performing appropriate quality assurance and quality control checks.

Attachment 1: Scope of Work

