

REQUEST FOR APPROVAL

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

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

Request Date: February 26, 2013

Decision Subject: Awards for the Rubberized Pavement Grant Program (Tire Recycling Management Fund, FY 2012/13)

Action By: March 5, 2013

Summary of Request: Staff requests approval of grant awards for the Rubberized Pavement (Pavement) Grant Program, Fiscal Year (FY) 2012/13. CalRecycle received 63 applications for this competitive grant, requesting a total of \$10,915,830 of which 58 totaling \$9,725,107 are eligible.

Staff has ranked all eligible applications consistent with the approved process and has summarized those applications in the table below. Applications for which there are sufficient monies allocated in FY 2012/13 to fund (fully or partially) are reflected in rank order (for each material) on Table 1, List A. Those eligible applications which were partially funded or for which there are not sufficient funds currently allocated are also reflected in ranked order on Table 2, List B.

Recommendation: Staff recommends approval of 17 grant awards (16 fully and one partially), as listed in Table 1, List A below, for \$3,300,000. This represents an allocation of approximately 67 percent (\$2,208,309) of total funding for rubberized asphalt concrete (RAC) projects and 33 percent (\$1,091,691) for chip seal projects, consistent with proposed allocation of monies approved by the Deputy Director on July 19, 2011.

Table 1. Rubberized Pavement Grant Program Recommended Awards - List A

Applicant	Material	Total Award
Orange County	RAC	\$250,000
City of Paramount	RAC	\$250,000
City of La Puente	RAC	\$250,000
Fresno County	RAC	\$250,000
Lake County	RAC	\$244,000
City of Placentia	RAC	\$250,000
City of Bell	RAC	\$250,000
City of Menifee	RAC	\$250,000
City of Newport Beach	RAC	\$192,000
City of Rolling Hills Estates - partial	RAC	\$22,309
Placer County	Chip Seal	\$250,000
City of Modesto	Chip Seal	\$250,000
City of Redwood City	Chip Seal	\$247,312
Town of Moraga	Chip Seal	\$126,000
City of Antioch	Chip Seal	\$79,303
City of Yuba City	Chip Seal	\$75,000
City of San Dimas	Chip Seal	\$64,076
Total		\$3,300,000

Table 2. Rubberized Pavement Grant Program Not Currently Recommended - List B

Applicant	Projects	Total Award
City of Rolling Hills Estates - partial	RAC	\$176,191
City of Cupertino	RAC	\$249,200
Kings County	RAC	\$248,500
City of Victorville	RAC	\$198,300
City of Aliso Viejo	RAC	\$102,000
City of Marina	RAC	\$138,000
City of Perris	RAC	\$100,000
San Benito County	RAC	\$175,500
City of Albany	RAC	\$113,550
City of Ontario	RAC	\$250,000
City of Oceanside	RAC	\$234,640
City of Fountain Valley	RAC	\$175,000
City of Villa Park	RAC	\$107,625
City of Brawley	RAC	\$150,454
City of Calipatria	RAC	\$157,548
City of Laguna Woods	RAC	\$100,205
City of Laguna Niguel	RAC	\$49,140
City of Lindsay	RAC	\$129,500
City of Redlands	RAC	\$246,057
City of Highland	RAC	\$250,000
Yuba County	RAC	\$250,000
City of La Canada Flintridge	RAC	\$76,038
City of Torrance	RAC	\$250,000
City of Moreno Valley	RAC	\$75,400
City of Tracy	RAC	\$160,050
City of Agoura Hills	RAC	\$44,885
City of Pleasant Hill	RAC	\$249,989
City of San Jacinto	RAC	\$240,000
City of Pittsburg	Chip Seal	\$60,176
City of Lafayette	Chip Seal	\$45,400
City of Chowchilla	Chip Seal	\$42,023
City of Suisun City	Chip Seal	\$36,038
City of Chula Vista	Chip Seal	\$250,000
City of Palmdale	Chip Seal	\$250,000
City of San Leandro	Chip Seal	\$206,398
City of Watsonville	Chip Seal	\$192,232
City of Pico Rivera	Chip Seal	\$130,557
City of Grass Valley	Chip Seal	\$120,000
City of Oxnard	Chip Seal	\$249,880
City of Clovis	Chip Seal	\$50,311
City of Fort Bragg	Chip Seal	\$46,820
City of Mountain View	Chip Seal	\$47,500
Total		\$6,425,107

Funding: The *Five-Year Plan for Waste Tire Recycling Management Program – (6th Edition covering Fiscal Years 2011/12-2015/16) (Five-Year Plan)* allocates \$3,300,000 for the Pavement Grant Program for FY 2012/13.

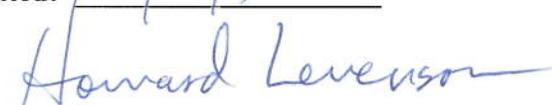
Fund Source	Amount Available	Amount to Fund Item	Amount Remaining	Line Item
Tire Recycling Management Fund (FY 2012/13)	\$3,300,000	\$3,300,000	\$0	Local Assistance/Grants
Total	\$3,300,000	\$3,300,000	\$0	

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 Rubberized Pavement Grant Program as listed in Table 1, List A. Each proposed grantee’s award is conditional 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 emails the Grant Agreement; and

Condition Subsequent

After the Grant Agreement has been executed by both parties, the Grant will be subject to the following condition subsequent: The Grantee may not file for protection under Chapter 9 of the U.S. Bankruptcy Code or declare a fiscal emergency any time within the Grant Performance Period.

Dated: 2/28/13


 Howard Levenson
 Deputy Director

Background and Findings:

Statutory Authority

Public Resources Code § 42872, 42872.5, and 42873 authorize CalRecycle to award grants for activities and applications that result in reduced landfill disposal or stockpiling of waste tires. The Rubberized Pavement (Pavement) Grant Program operates within that authority, using a portion of the annual appropriation from the California Tire Recycling Management Fund (Tire Fund).

In May 2011, CalRecycle adopted the draft *Five-Year Plan for the Waste Tire Recycling Management Program (Sixth Edition Covering Fiscal Years 2011/12 – 2015/16) Report to the Legislature (Draft Five-Year Plan)*. The Draft Five-Year Plan allocates \$3,300,000 to the Pavement Grant Program for FY 2012/13.

Program Background

The Pavement Grant Program is designed to promote the use of rubberized pavement while encouraging the recycling of California-generated waste tires. The program provides competitive grants for public works projects that use RAC or rubberized chip seal materials derived from 100 percent California-generated waste tires.

Criteria and Process

Eligible applicants include "Local Government" (cities, counties or cities and counties) as defined in Public Resources Code Section 30109 and qualifying Indian Tribes. The grant project must be located in California and use a minimum of 300 pounds (equivalent to 15 percent by weight) of California-generated crumb rubber per ton of rubberized binder. The maximum grant award for both RAC and chip seal project(s) is \$250,000.

The application process, applicant eligibility, project eligibility, grant award categories, and evaluation process was discussed at the July 19, 2011, CalRecycle meeting and subsequently approved by the Deputy Director. The approved criteria covered both fiscal year 2012/13 and 2013/14. The Notice of Funds Availability was posted on the CalRecycle web site on September 26, 2012, with an appropriate notice sent to stakeholders.

CalRecycle received 63 applications requesting a total of \$10,915,830. Staff disqualified three applicants: two did not satisfy program requirements and one applicant did not provide required documents by the deadline. Additionally, two applicants withdrew during the application period. The remaining 58 eligible applications were evaluated by staff. Seventeen can be funded (16 fully and one partially) with FY 2012/13 allocated monies.

Because of stakeholder demand for the program and local economic conditions, staff recommends that eligible applications which cannot be funded with FY 2012/13 initially allocated monies, be considered if monies become available later this fiscal year. Eligible applications which cannot be funded with FY 2012/13 initially allocated plus reallocated Tire Fund monies may apply during the FY 2013/14 Pavement Grant Program solicitation.