

REQUEST FOR APPROVAL

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

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

Request Date: January 11, 2016

Decision Subject: Awards for the Tire-Derived Product Grant Program (Tire Recycling Management Fund, Fiscal Year 2015–16)

Action By: January 26, 2016

Summary of Request

Staff requests approval of grant awards for the Tire-Derived Product Grant Program (Program) for fiscal year (FY) 2015–16. CalRecycle received 24 applications requesting \$2,032,100 for this competitive grant program.

Recommendation

Staff recommends approval of 16 grant awards listed below for \$1,338,679.

Table 1. Recommended Awards

Applicant	Total Award
Central Union Elementary School District	\$ 149,795
City of Arvin	149,974
City of Carson	150,000
City of Cloverdale	39,571
City of La Puente	74,657
City of Madera	150,000
City of Oroville	62,970
City of Poway	68,914
City of San Joaquin	149,865
Conejo Valley Unified School District	41,966
Hacienda La Puente Unified School District	21,686
Imperial County	15,548
McKinleyville Community Services District	50,220
Pine Ridge Elementary School District	23,936
Pit River Tribe	40,300
Temecula Valley Unified School District	149,277
Total	\$1,338,679

Funding

The *Five-Year Plan for Waste Tire Recycling Management Program – (Eight Edition covering Fiscal Years 2015–16 to 2019–20)* ([Five-Year Plan](#)) allocates \$4,125,000 for both the Tire-Derived Product Grant Program and the Tire Incentive Program for FY 2015–16. On [August 19, 2014](#), CalRecycle approved using \$450,000 of the FY 2015–16 allocation to fund a Feedstock Conversion Technical Assistance and Material Testing Services Contract. Staff recommends allocating \$1,338,679 to the FY 2015–16 Tire-Derived Product Grant Program, which will result in \$2,336,321 being available for the FY 2015-16 Tire Incentive Program.

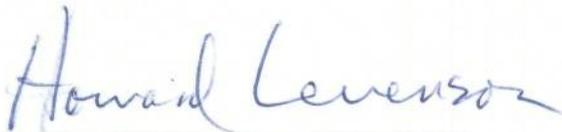
Table 2. Funding

Fund Source	Amount Available	Amount to Fund Item	Amount Remaining	Line Item
California Tire Recycling Management Fund (FY 2015–16)	\$1,338,679	\$1,338,679	\$0	State Ops/Grants
Total	\$1,338,679	\$1,338,679	\$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 Tire-Derived Product Grant Program as listed in Table 1. Each proposed grantee's award is conditional upon:

1. The full payment within 60 (sixty) days of the date of this grant award of all outstanding debt(s) or scheduled payment(s) owed by the proposed grantee to Department of Resources Recycling and Recovery (CalRecycle).
2. The return by the proposed grantee of a completed and executed Grant Agreement within 60 (sixty) days from the date that CalRecycle staff emails the Grant Agreement.



Howard Levenson
Deputy Director

1/15/16
Dated

Background and Findings

Statutory Authority

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

Additionally, [Assembly Bill \(AB\) 1179](#) (Bocanegra, Chapter 589, Statutes of 2014) added PRC 42872.6 requiring CalRecycle to provide funding priority for public works projects in a disadvantaged community for greenways or parklets. A disadvantaged community is defined as a community with an annual median household income less than 80 percent of the statewide median household income.

Program Background

The Program is designed to promote markets for recycled-content products derived from California-generated waste tires and to decrease the adverse environmental impacts created by unlawful disposal and stockpiling of waste tires. The Program provides competitive grants for the purchase of various tire-derived products including, but not limited to: landscaping mulch or bark, playgrounds, tracks, sidewalks, sport surfacing, and traffic products. Eligible applicants include public entities such as: California cities, counties, public school districts, public colleges and universities, special districts, park districts, public recreational facilities, state agencies (including offices, departments, bureaus, and boards), and Qualifying Indian Tribes.

Criteria and Process

The Criteria and Evaluation Process was discussed at the [July 21, 2015](#), CalRecycle Public Meeting and subsequently approved by the Deputy Director. The Notice of Funds Available was placed on the CalRecycle website on September 2, 2015, with an appropriate notice sent to stakeholders.

Applications were due October 15, 2015, with a secondary due date of November 17, 2015, for Resolution submission. CalRecycle received 24 applications requesting a total of \$2,032,100. Staff reviewed the applications in accordance with the approved evaluation and ranking process. Subsequently, staff disqualified six applications, two for incompleteness and four because they did not satisfy program eligibility requirements. Two applications were withdrawn by the applicant before consideration for award. The remaining 16 applications were evaluated by staff and determined to be eligible. The maximum grant award is \$150,000 per applicant.

The types of projects recommended for funding includes playgrounds, landscaping, and median landscaping. Some applications contain a combination of projects such as playgrounds and landscaping or median landscaping. There are eight applications that proposed loose-fill mulch playgrounds and one application that proposed a poured-in-place playground. Some applications include more than one proposed playground. There were no requests for synthetic turf infill. The grant project must be located in California and use a minimum of 2,500 Passenger Tire Equivalents from California-generated waste tires. Truck tire buffings are not eligible for reimbursement due to their relatively strong market demand.

