

Attachment 2

Department of Resources Recycling and Recovery (CalRecycle)

SCOPE OF WORK

Tire-Derived Product Business Assistance Program: Industry-wide Support Activities

I. INTRODUCTION/OBJECTIVES

The Tire-Derived Product Business Assistance Program (TBAP or Program) is designed to increase demand for tire-derived products (TDP) by building the capacity and improving cost efficiencies of TDP businesses. To accomplish CalRecycle's market development goals, CalRecycle is using two TBAP contracts. In the second, the subject of this Scope of Work (SOW), the Contractor will provide technical and consultative support activities that benefit the industry as a whole.

TBAP Industry-wide support activities address broad issues and pose wide-ranging solutions across the industry. By working on industry-wide issues facing the California tire-derived products market, TBAP seeks to improve end-product quality, increase sales of TDPs to government and private entities, understand supply and demand challenges, understand cost and performance of TDPs, and increase feedstock conversion opportunities.

The high level of expertise required from various disciplines requires the Contractor to assemble a team of highly experienced and respected consultants to effectively provide the necessary assistance. Members of the Contractor's team must be highly knowledgeable regarding the industry and California and national markets for tire-derived products.

II. WORK TO BE PERFORMED

The Contractor is responsible for developing technical resources, research projects, outreach and marketing assistance activities that will help to strengthen the TDP industry in California and help support CalRecycle's tire market development programs. These activities will aim to benefit one or more industry sectors as opposed to individual assistance to one business. The following is a general overview of the work that the Contractor shall perform:

- Task 1. Develop Industry-wide Work Plans
- Task 2. Conduct Research on TDPs and Potential New Products and Technologies that Use Waste Tires (Feedstock Conversion)

Task 3. Conduct Outreach and Education to Promote TDPs to Government and Private Entities

Task 4. Continue to Develop and Establish Industry-wide Standards

Task 5. Conference

Task 6. Ad hoc Assistance

Task 7. Conduct Annual Tire-Derived Product Materials Market Analysis

Task 8. Contractor Coordination

Task 9: Reports

III. TASKS IDENTIFIED

Task 1: Develop Industry-wide Work Plans

- A. Work with the CalRecycle Contract Manager (Contract Manager) to prepare and schedule work plans for Tasks 2-7 to describe and provide a timeline for each individual task. Each work plan should be developed in collaboration with the TBAP grant contractor, the Contract Manager and any other applicable CalRecycle staff. No other work shall be conducted until each work plan is approved by the Contract Manager.
- B. Each work plan should address groups that will be partnered with, such as Recycling Market Development Zone Administrators trade organizations, (e.g., Rubber Manufacturers Association, the California Rubber Recycling Network), local recycling coordinators, etc.
- C. Should changes to an approved work plan be necessary, the Contractor will submit any such changes to the Contract Manager for approval before conducting other work.
- D. Each work plan will identify any materials to be posted or revised on the existing web and newsletter or list serve functions that will be done to ensure that information is being communicated regularly to stakeholders.
- E. Each work plan will identify all timelines and deliverables including presentations and/or dissemination of information to stakeholders and include a tentative schedule that the Contract Manager will use to coordinate with CalRecycle's Office of Public Affairs (OPA).
- F. Each work plan should identify reports needed and the timelines.

Task 2: Conduct Research on TDPs and Potential New Products and Technologies that Use Waste Tires (Feedstock Conversion)

- A. The Contractor will develop a work plan, to be approved by the Contract Manager, to research benefits of and barriers to feedstock conversion opportunities and define specific feedstock conversion research needed. Analysis of the research will be presented in a written report to be reviewed and approved by the Contract Manager.
 - 1. Building on information from the TBAP2 Contract (Contract # IWM07059) and from conferring with grantees and other stakeholders,

identify and conduct research to evaluate potential new technologies and products to enhance and diversify the TDP marketplace. This includes identifying and characterizing potential benefits and barriers experienced by established manufacturers that have the potential to expand and diversify use of ground rubber as a raw material, e.g., identify companies that pose feedstock conversion opportunities.

2. Information may be disseminated to targeted manufacturers via workshops, outreach materials, website, etc.
3. Analysis should include information that could be used for Tire loan program criteria

Task 3: Conduct Outreach and Education to Promote TDPs to Government and Private Entities

- A. Evaluate opportunities and develop a targeted plan for outreach to customers in the green building and government purchasing arenas. Monitor and measure the amount of TDPs purchased through these efforts.
- B. Conduct meetings, training sessions, and webinars to targeted stakeholders.
- C. Compile marketing materials from TDP companies and prepare materials, both electronically and web-based, to assist in marketing and selling TDPs to targeted customers such as government, the green building industry, and other customers determined in consultation with the Contract Manager (e.g., molded or extruded products in automobiles, TDA in septic tanks). Where applicable and in consultation with the Contract Manager, incorporate relevant new research information (e.g., on turf health effects, CEC study on tire/fuel efficiency) into marketing materials.
- D. Maintain and update the TDP Architect's Guide and expand educational and outreach efforts to promote the use of the guide.
- E. Provide training to TDP businesses through workshops, etc., to promote selling TDPs to targeted stakeholders.
- F. Develop case studies that include measurements such as product performance or cost savings that demonstrate the successes and uses of the products made by various grantees.
- G. Confer with stakeholders to develop partnerships and determine market strengthening activities to promote TDPs such as, but not limited to, bark and mulch. Take this information and apply it to further expand demand by convincing major retailers to have their supply chains use recycled rubber, where applicable.

Task 4: Continue to Develop and Establish Industry-wide Standards

- A. Periodically conduct trainings, such as workshops, webinars, on quality control, quality standards and process improvement for targeted TDP industries and/or products, such as playgrounds.

- B. Address the need for widely accepted quality standards for tire-derived rubber feedstock and/or select TDPs by exploring opportunities with industry for establishing new standards and/or promoting existing standards.

Task 5: Conference

- A. In coordination with the Contract Manager, assist with any specialized needs in development and implementation of the CalRecycle tire conference(s), including soliciting stakeholder input on topics, developing educational activity plans/priorities, and identifying potential presenters. Assist the Contract Manager with surveying stakeholders to determine topics, and organize or conduct any presentations focused on targeted market support/assistance to TDP manufacturers.
- B. Participate and present at the conference(s).

Task 6: Ad hoc Assistance

Upon request from the Contract Manager, assist in vetting prospective tire recycling ventures. This might include researching the recycling venture, conducting follow-up conference call(s), providing technical assistance information, etc.

Task 7: Conduct Annual Tire-Derived Product Materials Market Analysis

Conduct two annual TDP markets surveys and analyses with, at the request of Contract Manager, a designated CalRecycle staff “trainee”

- A. The Contractor will administer the survey per established protocols (per previous TBAP contracts), to be provided to the Contractor by the Contract Manager. The survey will be designed to gather information, including but not limited to, capacity, throughput, types and amounts of input (by specification) and outputs (by product type), types of customers, perceptions of market drivers, barriers and opportunities for market expansion.
- B. The Contractor will provide an update on the current supply/demand balance and capacity for use in evaluating equipment loan applications, evaluating grant criteria, and in other CalRecycle programs. The update will describe recent or expected expansions or contractions in general processing and ground rubber production capacity, TDP production capacity and overall market demand. The analysis will identify regional infrastructure needs.
- C. The Contractor will analyze and summarize the market trends for targeted TDPs. This will include a periodic update regarding opportunities and market development mechanisms to address barriers. Detailed cost and performance data on targeted TDPs will be compiled. (Note: some lifecycle and performance information is already available in existing RAC and TDA projects, including

contract on RAC lifecycle costs, and specific info on TDA is gathered from individual projects.)

1. Provide input to CalRecycle grant staff regarding any refinement of grant survey questions to collect data. Coordinate with CalRecycle grant staff on identifying types of \$/tire information to be included in future grant cycles.
 2. Conduct a number of case studies annually that highlight key cost and performance data in a common format and make recommendations on how case study information could be used, e.g., signage for posting at grantee project sites, to promote the benefits and product availability.
 3. Consolidate this information and present the information in a concise, effective way that is suitable for a range of different audiences and uses.
 4. Coordinate closely with the Contract Manager to ensure that CalRecycle staff has the latest data for promotion, outreach, education and training activities.
- D. The Contractor will make recommendations regarding additional market development activities to address TDP performance regional supply and demand barriers and suggest a strategy for improving TDP product markets as a result of this analysis and other necessary research.
- E. The Contractor will prepare a report that includes all of the research and findings and contains a guidance document presenting a protocol and templates to enable CalRecycle staff to update the supply and demand analysis in future years.

Task 8: Contractor Coordination

The Contractor will formally collaborate with the Contractor of the concurrent TBAP grants contract, as well as with other CalRecycle waste tire market development-related projects as deemed appropriate by the Contract Manager. Collaboration includes the development of coordinated work plans and participation in meetings and other activities at the request of the Contract Manager.

Task 9: Reporting

- A. The Contractor will provide monthly reports to the Contract Manager covering activities completed, in progress, any issues, etc.
- B. All documents and/or reports drafted for publication by or for CalRecycle in accordance with this contract shall adhere to CalRecycle's Contractor Publications Guide at www.CalRecycle.ca.gov/Publications/PubGuide/ and, must be reviewed by a technical editor of the Contractor's choosing to assure that the reports comply with CalRecycle's publication guidelines, after which they shall be submitted to and reviewed by the Contract Manager in consultation with the CalRecycle editor.

(The Contractor is encouraged to consult with the CalRecycle project management and editorial staff early in the development process to ensure deliverable requirements are clearly understood and to minimize the need for revisions.)

- C. Contractor shall submit a draft final report to the CalRecycle Contract Manager six weeks prior to the due date for the Final Report. The draft, like the final report, must be reviewed by a technical editor of the Contractor's choosing to assure that the reports comply with CalRecycle's publication guidelines. The draft will be reviewed by CalRecycle staff who will provide comments or questions that should be addressed or incorporated into the subsequent draft of the report. Any requested changes must be completed by the Contractor and resubmitted to the Contract Manager for final approval. Only when all revisions are made and approved by the Contract Manager will the report be deemed final.
- D. The Contractor will provide a final report on the grant cycle, including an evaluation of its effectiveness, on or before April 30, 2013.
- E. The final report shall adhere to the CalRecycle Publications Guidelines and shall be reviewed by a technical editor of the Contractor's choosing. Contractor will not receive final payment until the final report has been approved by the CalRecycle Contract Manager. The final report shall be printed double-sided, on 100 percent recycled-content paper.
- F. Contractor shall be aware that if the final report contains copyrighted work in print (tables, graphics, or photographs), or other materials taken from copyrighted sources, the Contractor shall cite the copyrighted material in the final report and obtain permission to use the copyrighted material. Contractor shall secure express written permission from the copyright holder or the holder's licensing representative. Contractor will include letters of permission to use copyright material as an appendix in the final report. If Contractor does not secure permission to use copyrighted material, said material will not be used in the final report.

V. CONTRACT/TASK TIME FRAME

The contract is estimated to begin May 15, 2011 and end May 15, 2013. The timeframe below reflects the task/time frame of the contract from date of award:

Task	Deliverable	Estimated Timeframe
1) Develop Industry-wide Work Plans	A work plan for each stated task including timeline, schedule	June, 2011
2) Conduct Research on TDPs and Potential New Products and Technologies that Use	Report	Ongoing through April 30, 2013

Waste Tires (Feedstock Conversion)		
3) Conduct Outreach and Education to Promote TDPs to Government and Private Entities	Assistance and applicable materials and reports	Ongoing through April 30, 2013
4) Continue to Develop and Establish Industry-wide Standards	Standards Guidance Report	Ongoing through April 30, 2013
5) Conference	Assistance	2012 and 2013
6) Ad/hoc Assistance	Assistance	Ongoing through April 30, 2013
7) Conduct Annual (2011 & 2012) Tire-Derived Product Materials Market Analysis	Draft and Web-ready reports.	Spring 2012 and Spring 2013
8) Contractor Coordination	N/A	Ongoing through April 30, 2013
9) Industry-wide Activities Administration and Reporting	Final web-ready report.	Final Report for all activities due April, 2013.

The following provisions will be included in the Terms and Conditions or Special Terms and Conditions of the Contract:

V. COPYRIGHT PROVISION

The Contractor shall assign to the Department of Resources Recycling and Recovery (CalRecycle) any and all rights, title and interests to any copyrightable material or trademarkable material created or developed in whole or in any part as a result of this Agreement, including the right to register for copyright or trademark of such materials. The Contractor shall require that its subcontractors agree that all such materials shall be the property of the CalRecycle. Such title will include exclusive copyrights and trademarks in the name of the CalRecycle.

VI. CALIFORNIA WASTE TIRES

Unless otherwise provided for in this Scope of Work, in the event the contractor and/or subcontractor(s) purchases waste tires or waste-tire derived products for the performance of this Scope of Work, only California waste tires and California waste tire-derived products shall be used. As a condition of payment under the agreement, the contractor shall be required to provide documentation substantiating the source of the tire materials used during the performance of this Scope of Work to the contract manager.

VII. WASTE REDUCTION AND RECYCLED-CONTENT PRODUCT PROCUREMENT

In the performance of this Agreement, Contractor shall use recycled content, used or reusable products, and practice other waste reduction measures where feasible and appropriate.

Recycled Content Products: All products purchased and charged/billed to the CalRecycle to fulfill the requirements of this contract shall be Recycled Content Products (RCPs), or used (reused, remanufactured, refurbished) products. All RCPs purchased or charged/billed to the CalRecycle to fulfill the requirements of the contract shall have both the total recycled-content (TRC) and the postconsumer content (PC) clearly identified on the products. Specific requirements for the aforementioned purchases and identification are discussed in the Terms and Conditions of the Contractual Agreement under Recycled-Content Product Purchasing and Certification.

The Contractor should, at a minimum, ensure that the following issues are addressed, as applicable to the services provided:

A. WRITTEN DOCUMENT PROVISION

All documents and/or reports drafted for publication by or for the Board in accordance with this contract shall adhere to the CalRecycle's *Guidelines For Preparing CalRecycle Reports (available upon request)* and shall be reviewed by the CalRecycle's Contract Manager in consultation with one of the Board's editors.

In addition, these documents and/or reports shall be printed double-sided on one hundred percent (100%) recycled-content paper. Specific pages containing full-color photographs or other ink-intensive graphics may be printed on photographic paper. The paper should identify the postconsumer recycled content of the paper (i.e., "printed on 100% postconsumer paper"). When applicable, the contractor shall provide the contract manager with an electronic copy of the document and/or report for the Board's uses.

To the greatest extent possible, soy ink instead of petroleum-based inks should be used to print all documents

Reporting Requirements

G. The Contractor will provide quarterly reports at minimum and more frequent if necessary to cover Industry-wide support activities. A draft and final report regarding each activity shall be provided for CalRecycle's review.

- H. The Contractor will provide annual reports and/or periodic presentations to CalRecycle as requested. These reports will identify the types and results of industry-wide activities. Presentations may include or involve the TBAP grants contractor in coordination of the two contracts under TBAP.
- I. All documents and/or reports drafted for publication by or for CalRecycle in accordance with this contract shall adhere to CalRecycle's Contractor Publications Guide at www.CalRecycle.ca.gov/Publications/PubGuide and shall be reviewed by the designated CalRecycle staff in consultation with the CalRecycle editor. The Contractor shall prepare all documents in accordance with CalRecycle's website requirements (ADA, compatible, guide specifications, etc.).

(The Contractor is encouraged to consult with the CalRecycle's project management and editorial staff early in the development process to ensure deliverable requirements are clearly understood and to minimize the need for revisions.)

Draft reports must be submitted for review and approval by the CalRecycle contract manager. Any requested changes must be completed by the contractor and resubmitted to the contract manager for final approval. Only when all revisions are made and approved by the contract manager will the report be deemed final.

B. CONFERCING PROVISION :

The contractor shall take any and all steps necessary to make sure that the event is a model for future recycling, waste prevention, diversion, buy recycled, and waste management events.

Paper Products: All paper products used to fulfill the requirements of this contract (nametags, badges, letters, envelopes, brochures, etc) must contain at least 30% post-consumer recycled content fiber.

Re-usable Cups, Plates & Utensils: To the greatest extent possible, use re-usable/washable utensils, dishes, tableware, etc., rather than single-use disposable products.

Leftover Food/Beverages: All leftover food and/or beverages associated with the event will be donated to an established food donation outlet. Arrangements for the donation must be made prior to the date of the event. CIWMB staff will assist the contractor in identifying these donation outlets, if needed.

Recycling/Composting: Arrangements must be made with the venue, sponsor, or by contract, to provide adequate collection bins for recyclables, organics (food waste) or biodegradable materials, and trash (non-recyclables). The bins should

contain at least 30% post-consumer plastic. In addition, the contractor shall work with the venue and/or sponsors to maximize diversion of the discarded materials.

Soy-based Printing Ink: To the greatest extent possible, soy ink instead of petroleum-based inks should be used to print all documents needed for the event.