

## EXHIBIT B PROCEDURES AND REQUIREMENTS

### Local Government Waste Tire Cleanup Grant Program Fiscal Year 2010/11 (Cycle TCA8)

1. Introduction. These Procedures and Requirements for the 2010/11 Local Government Waste Tire Cleanup Grant Program (Grant Program) set forth the policies and procedures for administering the Grant awarded through the Department of Resources Recycling and Recovery's (CalRecycle) Tire Recycling Grant Program. This document, which is incorporated by reference into the Grant Agreement (Agreement), describes the reporting requirements, instructions for obtaining payment of grant funds, and fiscal control procedures to be followed in implementing CalRecycle-funded Grant Program.
2. Public Records. All documents submitted become the property of CalRecycle and are subject to disclosure under the Public Records Act. Do not submit confidential information.
3. Prior to Commencing Work

Reliable Contractor Declaration. The Grantee must provide a declaration signed under penalty of perjury by the Grantee's contractor(s), if any, stating that within the preceding three (3) years, none of the events listed in Section 17050 of Title 14, California Code of Regulations, Natural Resources, Division 7, have occurred with respect to the contractor(s). See "Contractors/Subcontractors" section in Exhibit A – Terms and Conditions for more information.

The declaration must be received and approved by CalRecycle Grant Manager (Grant Manager) prior to commencement of work. To obtain the Reliable Contractor Declaration form (CalRecycle 168), see <http://www.calrecycle.ca.gov/Grants/Forms>.

4. Publicity and Acknowledgement. The Grantee shall acknowledge CalRecycle's support each time projects funded, in whole or in part, by this Agreement are publicized in any medium, including, but not limited to, news media, brochures or other types of promotional material. The acknowledgement of CalRecycle's support must incorporate CalRecycle logo and state "Funded by a Grant from the Department of Resources Recycling and Recovery." Initials or abbreviations for CalRecycle are not allowable without prior written approval from the Grant Manager. If, subsequent to this Agreement, CalRecycle adopts updated or new logos or language (language), the Grant Manager may require the Grantee to include this language in newly printed or generated materials.
5. Grant Performance Period, Grant Term, and Report Preparation Period. The Grant Performance Period begins on the date indicated in the Notice to Proceed that the Grantee will receive from CalRecycle. Eligible Grant expenditures may start no earlier than the date indicated. In all cases, all eligible Grant Program costs must be incurred no later than June 30, 2012.

The Grant Term starts on the same date as the Grant Performance Period and ends on September 30, 2012, the date the Final Report and Final Payment Request are due to CalRecycle. The period between July 1, 2012, and September 30, 2012, is referred to as the Report Preparation Period. **Costs incurred to prepare the Final Report and Final Payment Request are the only costs that are eligible for reimbursement during the Report Preparation Period.**

6. Reports and Correspondence. Send Payment Requests, Final Reports, and other correspondence concerning your grant to your Grant Manager's attention at:

**Department of Resources Recycling and Recovery**  
**Attn: Carla Repucci, MS 9A**  
**Financial Resources Management Branch**  
**P.O. Box 4025**  
**Sacramento, CA 95812-4025**

7. Grant Payments.

a. General Requirements.

- i. Eligible Costs: CalRecycle shall reimburse the Grantee for eligible costs, which include only those services specified in the approved Work Plan at only those amounts specified in the approved Budget. Any deviation from the Work Plan and/or Budget must be approved in writing by the Grant Manager before expenditure for that item is made. In addition, the expenses must be reasonable and cost-effective. The following waste tire site cleanup activities are eligible for grant funding:
- Costs incurred between the date indicated in the Notice to Proceed and June 30, 2012, (i.e., the Grant Performance Period);
  - Costs incurred between the date indicated in the Notice to Proceed and September 30, 2012, to prepare the Final Report and Final Payment Request. (Note that the costs to prepare the Final Report and Final Payment Request will be reimbursed any time during the Grant Term. However, costs to prepare the Final Payment Request and Final Report are the *only* costs that are eligible for reimbursement during the Report Preparation Period [July 1, 2012 – September 30, 2012].);
  - The cost of collecting and loading waste tires into transporting vehicles for waste tire cleanup projects;
  - The cost of transporting waste tires by a waste tire hauler, registered or exempted by CalRecycle, to a permitted, excluded or exempted waste tire storage facility or other authorized solid waste facility;
  - The cost of transporting waste tires for a specific end use Waste tires must be transported to a facility that is approved by CalRecycle to accept waste tires;
  - The cost for disposing of waste tires at a permitted, excluded or exempted waste tire storage facility or other solid waste disposal site;
  - The reasonable cost (not greater than 5% of project costs reimbursed by CalRecycle) of fencing, gates, signs and other methods to secure the property from future illegal tire disposal; and
  - Salaries and benefits for personnel who are directly involved in waste tire cleanup activities.
- ii. Ineligible Costs: Ineligible project expenses include, but are not limited to, the following:
- Costs incurred prior to the date indicated in the Notice to Proceed or after June 30, 2012.
  - Costs incurred during the Report Preparation Period, (July 1, 2012 – September 30, 2012), except for the costs incurred to prepare the Final Payment Request and Final Report;
  - Costs currently covered by or incurred under another CalRecycle funded loan, grant, grant cycle or contract;
  - Purchasing or leasing of land;
  - Purchasing or leasing of vehicles;
  - Salaries and benefits for personnel not directly involved in the cleanup activities covered by the grant;
  - Costs not identified in the approved Work Plan or approved Budget, unless approved in writing by the Grant Manager prior to the costs being incurred;
  - Overhead (costs for accounting/budget/finance staff, rental/lease of space, utilities, copying, and office supplies, etc.);
  - The development and distribution of education material or advertising of the cleanup program;
  - Overtime costs (except for local government staffing during specially scheduled evening or weekend events that are pre-approved in writing by the CalRecycle Grant Manager when law or labor contracts require overtime compensation);
  - Costs for obtaining necessary permits and licenses;
  - Activities associated with the preparation of a waste tire cleanup and amnesty event grant application;

- Cleanup/removal of tires where an operating business is located or where the owner or operator of the property is actively stockpiling tires;
- Research costs for specific end-use projects associated with the site cleanup;
- Any costs that are not consistent with local, state and federal laws, guidelines and regulations;
- Fines or penalties due to violation of federal, state or local laws, ordinances or regulations;
- Personnel travel or per diem costs, unless approved in writing by the CalRecycle Grant Manager prior to the costs being incurred;
- Cameras, cell phones, electronic personal data devices and/or pagers, and other similar electronic devices;
- Costs connected with contractor claims against the grantee; and
- Any costs that are unrelated to the grant project or unreasonable as determined by the Grant Manager.

In addition, this grant is not intended to fund the cleanup or disposal of waste tires generated from businesses that are responsible for contracting with registered waste tire haulers for the removal of their waste tires. If it is determined that the Grantee has used grant funds for this purpose, costs incurred will be deemed ineligible and disbursed grant funds associated with these costs must be returned to CalRecycle. Grantees are expected to inform local or state waste tire inspectors if they suspect businesses of dumping waste tires in public rights of way.

- iii. To receive payment, the Grantee must submit a completed Grant Payment Request Form (CalRecycle 87) and supporting documentation as described below. To obtain the Grant Payment Request form (CalRecycle 168), see <http://www.calrecycle.ca.gov/Grants/Forms>.
  - iv. Payment will be made to the Grantee only. It will be the responsibility of the Grantee to pay all contractors and subcontractors for purchased goods and services.
  - v. The CalRecycle will withhold ten percent (10%) from each grant payment until all conditions stipulated in the Agreement have been satisfied.
- b. Submittal of Payment Requests.
- i. All Payment Requests must be submitted using a completed Grant Payment Request Form (CalRecycle 87) signed by the authorized individual as designated in the resolution submitted with the grant application. Payment Requests must be submitted with an original signature. Facsimile or E-mailed Payment Requests cannot be approved for payment.
  - ii. Payment Requests must include an itemization of all expenses by task and subtask, as described in and corresponding to the Work Plan and Budget, along with supporting documentation.
  - iii. The Grantee must submit an updated General Checklist of Business Permits, Licenses, and Filings Form (CalRecycle 669) with each Grant Payment Request Form (CalRecycle 87) if the previous form requires updating. If the status has not changed, complete section 8 on the Grant Payment Request Form. To obtain the forms listed in the above section, visit the forms website at: <http://www.calrecycle.ca.gov/Grants/Forms>.
- c. Supporting Documentation.
- Supporting documentation must be included with the Payment Request (e.g., legible copies of receipts, cancelled checks, Personnel Expenditures Summaries, and all waste tire manifests). Supporting documents must contain sufficient information to verify that purchases made or costs incurred are eligible for payment. Purchase orders and invoices will not be accepted as appropriate documentation of expenses.
- i. Personnel expenditures must be computed on actual time spent on grant-related activities and must be the actual amount paid to the employee. For calculating total personnel expense for each employee, the expenditures must be broken down by the classification(s) of the employee(s), the hourly wage, fringe benefit rate, and the

number of hours worked on grant activities. This must be reflected on the attached Personnel Expenditure Summary form or a form pre-approved in writing by the Grant Manager, that:

- Records expenditures by classification(s) of the employee(s), source documents (e.g., dated timesheets), dates worked, hourly wage/rate including benefit(s), number of hours worked, and grant-related tasks performed;
  - Totals (hours multiplied by rate) the personnel expenses claimed for each task. [Please complete separate forms for each employee];
  - Has been signed by the appropriate supervisor. If the form is submitted for a contractor's personnel, it must be signed by both a supervisor of the contracted entity and the authorized signatory for the Grantee.
- ii. Waste Tire Hauler Requirements: In accordance with Public Resources Code 42954(a)(2), waste tires may be hauled in government exempt vehicles without being registered as a waste tire hauler.
- iii. Waste Tire Generator TPID Number: To comply with CalRecycle waste tire manifest requirements, grantees conducting roadside (i.e., public right-of-way) cleanups shall obtain a Tire Program Identification (TPID) number for that jurisdiction's roadways to be used as the generator TPID number. Grantee shall obtain a separate TPID number for each site (single location) at which the Grantee cleans up more than 500 waste tires.
- iv. Waste Tire Manifest Form Requirements: No waste tire manifest is required for loads of less than ten (10) tires. In accordance with Title 14, California Code of Regulations, Section 18459(c)(3), a comprehensive trip log (CTL) form (CalRecycle 203) is required when ten (10) or more tires are accumulated in any vehicle, regardless of being registered as a waste tire hauler or exempt. Grantee shall complete the CTL form as follows:
- At the time the 10th tire is picked up, the driver of the vehicle shall complete the waste tire manifest receipt and top portions of the CTL form for that trip; except for the amount of tires picked up. The total amount of tires collected for the trip can be completed at the end of the day/load so that the driver is not required to complete the CTL form at each stop for a single load or multiple loads of tires.
  - At the end of the day/load, the driver shall enter the total number of tires collected for that vehicle on that day/load and then complete another receipt with the required information as to the destination for the tires, whether it is a permitted end use facility or interim storage at their own corporation yard.
  - A separate completed CTL form is required for pickup of waste tires from an interim storage location and final delivery at the permitted end use facility.
- v. Location Documentation: Grantees shall maintain a written daily log of locations and amounts where waste tires are picked up. The purpose of the daily log is for CalRecycle and, if applicable, Local Waste Tire Enforcement Grantee to initiate surveillance and pursue enforcement against individuals or businesses that are illegally hauling and disposing of waste tires. The following are minimum requirements for the daily log:
- For total daily pickups of less than 10 waste tires, Grantee shall record the amount as "<10 tires" and include the general location including roads, alleys, or addresses surveyed.
  - For total daily pickups of 10 or more tires, Grantee shall record the total amount of tires per daily waste tire manifest(s) (see Section 7.c.iv.) and include the general locations including roads, alleys, or addresses surveyed.
  - Where 10 or more waste tires are picked up at a single location, Grantee shall record the amount of tires picked up separately for that location, provide notation if the pickup is on private property and not from the public right-of-way, and record the specific location using global positioning satellite (GPS) coordinates, a street address, longitude and latitude, odometer reading from reference point, milepost marker, or other method approved by the Grant Manager.
  - The daily log shall be available for review upon request by CalRecycle or Local Waste Tire Enforcement Grantee and compiled for submittal with each progress payment request and the Final Report.
- Grantee is encouraged to record additional information in the daily log as recommended by the Local Waste Tire Enforcement Grantee (if applicable) or local illegal dumping

abatement programs to facilitate potential additional surveillance, enforcement, and cleanup activities. Examples of additional information to consider include the identification and referral of any individuals committing acts of illegal dumping, the types of waste tires indicating sources such as truck tires, and the presence of significant illegally dumped wastes other than tires.

- vi. For each site at which the Grantee cleans up more than 500 waste tires, the property owner or the property owner's authorized agent must complete and execute a Property Access Authorization and Responsibility Affidavit for Private Property (Exhibit E to the Application). This Affidavit authorizes the Grantee and/or its contractor to access the property for purposes of performing the cleanup, and attests to the property owner's innocence in causing the waste tires to be on his or her property.
8. **Final Report.** Approval of the Final Report by the Grant Manager is mandatory in order for the Grantee to receive final payment of the grant award, which includes release of the ten percent (10%) withhold. This report is a work product and as such is a condition of the Agreement. The Final Report must be prepared in the format specified below:
    - a. Disclaimer: **"The statements and conclusions of this report are those of the Grantee and not necessarily those of the Department of Resources Recycling and Recovery, its employees, or the State of California. The State makes no warranty, express or implied, and assumes no liability for the information contained in the succeeding text."**;
    - b. Table of Contents;
    - c. A summary of the entire grant project, which states the grant objectives, the number of tires that have been removed with grant money, the success of the grant program in reducing the number of illegally disposed waste tires, and how these objectives were accomplished;
    - d. Any findings, conclusions, or recommendations for follow-up or on-going activities that might result from the successful completion of the program;
    - e. A Payment Request requesting final payment and payment of the ten percent (10%) withhold, and the required supporting documentation (see above);
    - f. An updated General Checklist of Business Permits, Licenses, and Filings Form (CalRecycle 669); and
    - g. Any referrals to CalRecycle and/or the Local Waste Tire Inspectors to request surveillance activities.

**The Final Report and Final Payment Request must be received by the Grant Manager by September 30, 2012. Failure to submit the Final Payment Request and Final Report, with appropriate documentation, by September 30, 2012, may result in rejection of the Payment Request and/or forfeiture by the Grantee of claims for costs incurred that might otherwise have been eligible for grant funding.**

9. **Failure to Comply.** Failure to comply with the reporting requirements specified above may result in termination of this Agreement or nonpayment of any or all outstanding Payment Requests until the Grantee has satisfactorily completed, by September 30, 2012, the reporting provisions.
10. **Release of Funds.** Payment Requests will be approved for payment upon determination by the Grant Manager that the request is complete, accurate, and submitted, as required. Grantee may expect payment within approximately forty-five (45) calendar days from the date a Payment Request is approved by the Grant Manager. The Final Report must be approved before the Final Payment Request is approved for payment. The ten percent (10%) withhold will be released when all conditions stipulated in this Agreement have been satisfied.
11. **Grant Closure.** The Grant Manager will close out the grant when 1) the Final Report and Payment Request are submitted and she/he determines that all applicable administrative actions and all required tasks of the grant have been completed; or 2) the termination of this Agreement, whichever comes first.
12. **Audit/Records Access.** The Grantee agrees that CalRecycle, the Department of Finance, the Bureau of State Audits, or their designated representative(s) shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Grantee agrees to maintain such records for possible audit for a minimum of three (3) years after final payment

or the end of the grant term, whichever is later, unless a longer period of records retention is stipulated, or until completion of any action and resolution of all issues which may arise as a result of any litigation, dispute or audit. The Grantee agrees to allow the designated representative(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Grantee agrees to include a similar right of the State to audit records and interview staff in any contract or subcontract related to performance of this Agreement.

If an audit reveals that CalRecycle funds are not being expended, or have not been expended in accordance with this Agreement, the Executive Director, at his/her sole discretion, may take appropriate action under this Agreement, at law or in equity, including, but not limited to, requiring the Grantee to forfeit the unexpended portion of the grant funds and/or to repay CalRecycle any funds improperly expended.