

EXHIBIT B PROCEDURES AND REQUIREMENTS

Department of Resources Recycling & Recovery
Local Government Waste Tire Cleanup Grant Program
(TCU14) FY 2012/13

PROJECT COMPLETION SCHEDULE

<i>Date</i>	Task
<i>Receipt of Notice to Proceed (NTP)</i>	Begin Implementation of Grant Projects
Receipt of NTP – June 30, 2014	Grant Performance Period (Grantee may incur costs)
June 30, 2014	Last Day to Expend Grant Funds
Date on NTP – September 30, 2014	Grant Term
July 1, 2014 -September 30, 2014	Report Preparation Period (Grantee may only incur costs to prepare Final Report and Payment Request)
September 30, 2014	Grant Term Ends - Final Report and Payment Request Due

1. Introduction

The Local Government Waste Tire Cleanup Grant Program (Tire Cleanup Grant) is administered through the Department of Resources Recycling and Recovery (CalRecycle). These Procedures and Requirements describe the reporting requirements, instructions for obtaining payment of the grant, and fiscal control procedures to be followed in implementing the Grant. This document is incorporated by reference into the Grant Agreement (Agreement) as Exhibit B.

All forms referenced in this document are available at: <http://www.calrecycle.ca.gov/Grant/Forms/>

2. Before Work Begins After the Grant Agreement is signed by CalRecycle, the CalRecycle Grant Manager will forward to the Grantee a copy of the Agreement along with a Notice to Proceed. While the Notice to Proceed allows work on the project to start, be aware of the following requirements:

- a) **A Reliable Contractor Declaration (CalRecycle 168)** Prior to commencement of work by the Grantee’s contractor, the CalRecycle Grant Manager must receive a declaration signed under penalty of perjury by the Grantee’s contractor(s), 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 <http://www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5> for the grounds for list placement. Additional detail can be found in the “Contractors/Subcontractors” section of the Terms and Conditions (Exhibit A).

In addition, it is recommended that each contractor be verified through the Contractors State License Board, at www.cslb.ca.gov to make certain they hold the appropriate license for the work to be done.

- b) **Property Access Authorization and Non-Responsibility Affidavit for Private Property** (Affidavit) (CalRecycle 741) If a site is on private property and there are 500 tires or more, an Affidavit must be submitted and approved by the CalRecycle Grant Manager prior to site remediation. The Affidavit authorizes the Grantee and other applicable persons access to the property for purposes of site cleanup and attests to the property owners innocence in causing the waste tires to be deposited on the property.
- c) **Prior to removal of tires from a site, the Grantee shall contact the CalRecycle Tire Management Program Hotline (Hotline)** at (866)896-0600 (toll free) to verify that the used tire hauler (tire hauler) and end use facility (facility) are in compliance with applicable laws and regulations. The name and address of the tire hauler and the facility are necessary for verification. If you have any questions, contact your Grant Manager.

3. Waste & Used Tire Hauler and End Use and Disposal Facilities

CalRecycle has specific requirements for the tracking of used and waste tires remediated with grant funds. In order to be reimbursed for the costs of tire remediation, Grantees and their contractors **must** use a waste and used tire hauler that is registered with CalRecycle, unless exempt pursuant to Public Resources Code section 42954. Furthermore, the tires must be transported to a facility that is permitted, excluded, exempted or otherwise authorized by CalRecycle, by statute, or by regulation, to accept waste and used tires, or to a facility that lawfully accepts waste and used tires for reuse or disposal.

4. Eligible Costs

Grant monies only fund expenses directly related to the approved project and all expenditures must be included in the approved Budget. CalRecycle Grant Manager approval is necessary prior to making any changes to the total approved amount for any budget category. Eligible costs include:

- The cost of collecting less than 5,000 waste tires on private property where the owner is not responsible;
- 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 solid waste facility;
- The cost of disposing of waste tires at a permitted, excluded or exempted waste tire storage facility or disposal site;
- Overtime costs for local government staffing (when law or labor contracts require overtime compensation) during specially scheduled evening or weekend events, when preapproved in writing by the CalRecycle Grant Manager;
- Equipment rental;
- Mileage of up to 55.5 cents per mile for tire cleanup related activities;
- The reasonable cost (not greater than 5% of project costs reimbursed by CalRecycle) of fencing, gates, signs and other methods to secure the property where illegal dumping has occurred; and
- Salaries and benefits for personnel who are directly involved in waste tire cleanup project activities.

5. Ineligible Costs

Ineligible costs include:

- Costs incurred prior to the date on the Notice to Proceed letter;
- Personnel time for preparation of a Waste Tire Cleanup Grant Application;
- Total grant project costs exceeding \$8.00 per tire;
- Any costs that are inconsistent with local, state and federal laws, guidelines and regulations;
- Personnel costs incurred while an employee assigned to the Waste Tire Cleanup Grant project is not working on the grant (e.g., use of accrued time such as sick leave, vacation, etc.);
- 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;
- Overhead (costs for accounting/budget/finance staff, rental/lease of space, utilities, copying, office supplies, etc.);
- Costs for obtaining permits and licenses;
- Cleanup/removal of waste tires where an operating business is located or where the owner or operator of the property is actively stockpiling tires;
- Costs of collecting waste tires from waste tire generating businesses and/or waste tire haulers;
 - If it is determined that the Grantee has used grant funds for this purpose, costs incurred must be returned to CalRecycle.
- Research costs for specific end use projects associated with the site cleanup;
- Fines or penalties due to violation of federal, state or local laws, ordinances or regulations;
- Personnel travel or per diem;
- Cameras, cell phones, electronic personal data devices, pagers and other similar personal 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 CalRecycle 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

6. Publicity and Acknowledgement The Grantee may 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 may incorporate the 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.

7. Grant Performance Period, Grant Term, and Report Preparation Period

- *Grant Performance Period:* Begins with the date on the Notice to Proceed and ends June 30, 2014. All work done on the grant, with the exception of personnel time spent to prepare the final report and payment request, must be completed by June 30, 2014.
- *Grant Term:* Begins with the date on the Notice to Proceed and ends on September 30, 2014, the date the Final Report and Payment Request are due to CalRecycle.
- *Report Preparation Period:* The period between July 1, 2014 and September 30, 2014. **Personnel 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.**

8. Grant Payments

Grant funds are paid on a reimbursement basis. **The Grantee must incur and pay for expenditures, including payments to contractors and subcontractors, prior to submitting a Payment Request for reimbursement.** Payment Requests will be reviewed for accuracy and cost eligibility. The CalRecycle Grant Manager may request additional documentation and will make adjustments as necessary. Each Payment Request must include:

a) Grant Payment Request Form (CalRecycle 87)

Upload and Mail a Grant Payment Request form via *GMSWeb - Grant Management Module*. Persons requesting payments must be a contact associated to the grant and must have a CalRecycle WebPass. New contacts must email the assigned CalRecycle Grant Manager for access. To request payment, log into GMSWeb using a CalRecycle WebPass at: <https://secure.calrecycle.ca.gov/Grants/>. After log in, the grant will be listed in the Associated Grant Applications table. Click on the appropriate cycle's Grant Management link and to request payment click the "Create a Payment Request" button in the Payment Request Transactions section of the Detail tab.

Mail only the **original** Grant Payment Request form (CalRecycle 87), with the original signature of the signatory or his/her designee*, as authorized by grantee's Resolution or Letter of Commitment to:

CalRecycle
Tire Cleanup Grant Program
FiRM Branch, 9th Floor
1001 I Street, P.O. Box 4025
Sacramento, CA 95812-4025

- * A designee may sign on behalf of the grantee if a) authorized by the Resolution or Letter of Commitment, and b) a Letter of Designation has been provided to the CalRecycle Grant Manager.

b) Supporting Documentation

Itemization: This is a summary of expenses, arranged in the same budget categories as the Budget submitted with the Grant Application. Include only those expenditures authorized in the grant budget. Include subtotals.

Personnel Expenditure Summary: Use CalRecycle 65 for all Grantee claimed personnel expenses. It is not necessary to submit timesheets. Time must be computed on actual time spent on grant related activities and must be the actual amount paid to the employee. Expenditures must be broken down by the employee's classification, hourly wage and the number of hours worked. If the Summary shows time spent on additional projects, highlight the applicable entries. Summary must be signed by the employee's supervisor.

Expense Documentation: Include receipts documenting your expenditures have been paid for. All expenditures must be dated after the Notice to Proceed and prior to June 30, 2014.

Waste Tire Hauler Requirements: Grantee must provide waste tire manifest documentation showing the transportation of all waste tires to an eligible facility.

Manifest Form Requirements: A waste tire manifest is *not* required for loads of less than ten (10) tires. In accordance with Title 14, California Code of Regulations, §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:

- When 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 of the tires, whether it is a permitted end use facility or interim storage at their 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.

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.

Waste Tire Generator TPID Number: To comply with CalRecycle waste tire manifest requirements, grantees conducting roadside (i.e., public right-of-way) cleanups need to obtain a Tire Program Identification (TPID) number (for *that* jurisdiction's roadways) which will 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.

Daily Log: Grantees shall maintain a written daily log of amounts and locations where waste tires are picked up. The purpose of the daily log is for CalRecycle and, if applicable, Local Waste Tire Enforcement Grantees to initiate surveillance and pursue enforcement against individuals or businesses that are illegally hauling and disposing of waste tires. The following are minimum requirement for the daily log:

- *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 address surveyed.
- *Total daily pickups of 10 or more waste tires:* Grantee shall record the total amount of tires per daily waste tire manifest(s) and include the general locations including roads, alleys or addresses surveyed.
- *Ten + tires 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 right-of-way, and record the specific location using global positioning satellite (GPS) coordinates, a street address, latitude and longitude, 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 the Local Waste Tire Enforcement Grantee and compiled for submittal with each 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.

Note: An *Affidavit required site* (see “Before the Work Begins” (b) on page one) is ineligible for reimbursement if the site was remediated prior to the approval of an Affidavit by the Grantee to the CalRecycle Grant Manager.

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.

The CalRecycle Grant Manager will withhold ten percent (10%) from each grant payment, with the exception of the final payment request, until all conditions stipulated in the Agreement have been satisfied.

- 9. 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. 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;
 - c. Any findings, conclusions, or recommendations for follow-up or on-going activities that might result from the successful completion of the program;
 - d. A Payment Request requesting final payment and payment of the ten percent (10%) withhold, and the required supporting documentation (see above);
 - e. Any referrals to CalRecycle and/or the Local Waste Tire Inspectors to request surveillance activities.

Failure to submit the Final Payment Request and Final Report, with appropriate documentation, by September 30, 2014, 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.

The Final Report must be submitted in the Grant Management module of the Grants Management System Web (GMSWeb). Persons submitting reports must be a contact associated to the grant and must have a CalRecycle WebPass. A new grant contact must email the assigned CalRecycle Grant Manager for access. To submit a final report, log into GMSWeb using a CalRecycle WebPass at: <https://secure.calrecycle.ca.gov/Grants/SignIn.aspx>. After log in, the grant will be listed in the Associated Grant Application table and then click on the Grant Management link. Reports must be uploaded in the Report Documents section on the Detail tab.

Note: During the term of the grant, CalRecycle program staff may request a written progress report and/or conduct a site visit with the grantee to assess progress being made on the grant project.

- 10. 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, 2014, the reporting provisions.
- 11. 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.
- 12. 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.
- 13. Grant Closure** The Grant Manager will close out the grant when 1) the Final Report and Payment Request are submitted and all applicable administrative actions and all required tasks of the grant have been completed; or 2) the termination of this Agreement, whichever comes first.
- 14. 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.