

EXHIBIT B PROCEDURES AND REQUIREMENTS

Department of Resources Recycling and Recovery Local Government Waste Tire Amnesty Grant Program (TA1) FY 2013/14

Dates	Activity
Notice to Proceed (NTP) Date	Begin Implementation of Grant Projects
NTP Date – September 30, 2015	Grant Term
NTP Date – June 30, 2015	Grant Performance Period (Grantee may incur costs)
June 30, 2015	Last Day to Expend Grant Funds
July 1, 2015 - September 30, 2015	Report Preparation Period (Grantee may only incur costs to prepare Final Report and Payment Request)
September 30, 2015	Grant Term Ends - Final Report and Payment Request Due

Introduction

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

The forms referenced in this document include:

- Reliable Contractor Declaration (CalRecycle 168)
- Unregistered Hauler & Comprehensive Trip Log Substitution Form (CalRecycle 204)
- Expenditure Itemization Summary (CalRecycle 755)
- Personnel Expenditure Summary (CalRecycle 65)
- Grant Payment Request (CalRecycle 87)
- Payment Request Checklist/Progress Report Form (CalRecycle 753)
- Final Payment Request Checklist/ Final Report Form (CalRecycle 754)

All forms are available at: <http://www.calrecycle.ca.gov/Grants/Forms/>

Before Work Begins

After the Agreement is signed by CalRecycle, the Grant Manager will provide the Grantee with a copy of the fully executed Agreement and the Notice to Proceed. While receipt of the Notice to Proceed allows the Grantee to begin work on the project, be aware of the following requirements:

- a) Reliable Contractor Declaration (CalRecycle 168) If a contractor or subcontractor will be utilized in the implementation of the grant, **prior to commencement of work by the Grantee's contractor, the 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).

The Reliable Contractor Declaration Form must be uploaded in web based Grant Management System (GMSWeb). To upload the Form:

1. Go to the **Report and Other Grant Documents** section in the **Detail tab**.
2. Click on the **Upload a Document** button.
3. Type a title, i.e. Reliable Contractor Declaration Form, then click the **Browse** button to search and upload the document.
4. Click the **Save** button.

For further instructions regarding GMSWeb, including log-in directions, see the section below entitled “Grant Management System”.

- b) When planning for an amnesty event, 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) it intends to use 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.

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/used tire hauler that is registered with CalRecycle, unless it is 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.

Grant Term, Grant Performance Period, and Report Preparation Period

- *Grant Term:* The Grant Term encompasses the entire life of the grant from the date on the Notice to Proceed to September 30, 2015; which is the date the Final Report and Final Payment Request are due to CalRecycle. The Grant Term is divided into two sections – the Grant Performance Period and the Report Preparation Period.
- *Grant Performance Period:* Begins with the date on the Notice to Proceed and ends June 30, 2015. All work, with the exception of personnel time spent to prepare the Final Report and Final Payment Request, must be completed by June 30, 2015.
- *Report Preparation Period:* The period between July 1, 2015, and September 30, 2015. **Personnel costs incurred to prepare the Final Report and Final Payment Request are the only costs eligible for reimbursement during the Report Preparation Period.**

Publicity and Advertising

The cost to advertise amnesty events is allowed under the grant. Any publicity or advertising for amnesty events must clearly state that the amnesty provided by the event is limited to 9 tires, or 20 with the appropriate written authorization from the LEA. Each advertisement shall include:

- Statement that tires are accepted at no charge;
- Whether tires on rims are accepted,
- No tires from tire businesses will be accepted, and
- The number of tires allowed
 - Up to 9 tires without an exemption
 - Between 10 and 20 tires with an exemption
 - Explain exemption process or provide phone number

It is no longer necessary to have each advertisement pre-approved by the Grant Manager. However, Grantee shall maintain a copy of each advertisement in the grant file and submit a copy of each advertisement paid for with grant funds with the Final Payment Request. Upon review, if the advertisements do not include all of the above, the Payment Request may be reduced or rejected.

Amnesty events allow individuals to take waste tires to a convenient location for proper management up to twice per month per location (maximum of 40 tires per person per month per location). An amnesty event can be held in a local parking lot or can consist of a coupon program that allows individuals to take waste tires to a transfer station or landfill on specified days.

Amnesty Day Events are intended to be date-specific events for the public and are not intended for the disposal of waste tires from waste tire generating businesses or waste tire haulers [PRC §42954(7)]. Waste tires from vehicles used for business operations (such as tires from a tractor used on a farm) are eligible for collection at amnesty events.

Waste Tire Hauling Limits

The Grantee must comply with the hauling and manifest requirements set forth in Title 14, California Code of Regulations, sections 18461(b)(2) and (3). For purposes of amnesty events, these regulations provide that:

- The Grantee may accept up to 9 waste tires at amnesty events from individuals who are not registered waste tire haulers.
- The Grantee may accept 10-20 waste tires if the individual has a waiver from the Local Enforcement Agency (LEA).
 - If the individual does not have a waiver from the LEA to haul more than 9 tires, the Grantee may accept the tires, but must report this information on the Unregistered Hauler & Comprehensive Trip Log Substitution Form (CalRecycle 204) and submit the form to CalRecycle within 30 days of acceptance of the tires.
 - If the Grantee accepts more than 20 waste tires from individuals who are not registered waste tire haulers, the Grantee must report this information on the Unregistered Hauler & Comprehensive Trip Log Substitution Form (CalRecycle 204) and submit the form to CalRecycle within 30 days of acceptance of the tires.

In addition, Senate Bill 230 (Cogdill, Chapter 41, Statutes of 2009) sets forth the following additional requirements:

- Any person transporting waste or used tires that were illegally dumped onto their property to an amnesty event, or to a location that meets the conditions specified in PRC § 42951(b), must have written authorization from the LEA. The LEA authorization must include specific information, as specified by the LEA, dates and documentation that a police report has been filed for the illegally dumped tires. The LEA is responsible for providing a copy of any written authorizations to CalRecycle within 30 days of issuance.

Eligible Costs

Eligible costs include expenses directly related to the approved project and all expenditures must be included in the approved Budget. Eligible costs include, but are not limited to:

- The cost of loading tires into transporting vehicles at the waste tire amnesty events;
- 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 transporting waste tires for a specific end-use to a CalRecycle approved end-use facility. Waste tires must be transported by a CalRecycle approved waste tire hauler to a CalRecycle approved end-use facility;
- The cost of disposing of waste tires at a permitted, excluded or exempted waste tire storage facility or disposal site;

- Any salaries and benefits for personnel who are directly involved in the administration of amnesty events, including the preparation of payment requests and the final report, organization and supervision, not to exceed fifteen percent of the total amount of the approved Budget;
- Any salaries and benefits for personnel directly involved at the amnesty events, including setting up the site, directing traffic, logging entries and handling tires; and
- The costs associated with the creation of educational materials and advertisements in support of the amnesty events, including supplies and personnel time, not to exceed ten percent of the approved Budget.

Ineligible Costs

Ineligible costs include, but are not limited to:

- Costs incurred prior to the date on the Notice to Proceed letter, or after June 30, 2015 (with the exception of costs incurred between July 1, 2015, and September 30, 2015, to prepare the Final Payment Request and Final Report);
- Personnel time for the preparation of a Waste Tire Amnesty Grant Application;
- Any costs that are not consistent with local, state, and federal laws, guidelines and regulations;
- Personnel costs incurred while an employee assigned to the 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;
- Overhead (costs for accounting/budget/finance staff, rental/lease of space, utilities, copying, and office supplies, etc.);
- Costs for obtaining necessary permits and licenses;
- 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 Grant Manager prior to the costs being incurred;
- Cameras, cell phones, electronic personal data devices, pagers and other similar electronic devices;
- Costs connected with contractor claims against the Grantee;
- Overtime costs (except for local government staffing during specially scheduled evening or weekend events that are pre-approved in writing by the Grant Manager when law or labor contracts require overtime compensation);
- Costs of collecting waste tires from waste tire generating businesses and/or waste tire haulers;
- Costs of collecting waste tires 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, and
- Any costs that are unrelated to the grant project or unreasonable as determined by the Grant Manager.

Budget Changes

Changes to the approved Budget are allowed when the change will not materially alter the scope of the project or include ineligible costs. When the Budget change involves expenditures that total ten percent or less of the total approved Budget, prior Grant Manager approval is *not* needed. However a revised Budget must be submitted to the Grant Manager as soon as possible or the Grantee will be unable to enter a payment request transaction in GMSWeb. Grantee will be responsible for any unilateral changes to the Budget that results in ineligible expenditures. Contact the Grant Manager for assistance.

Budget change requests that involve more than ten percent of the total grant must be pre-approved in writing by the Grant Manager prior to the expenditures being incurred. The request must include a proposed revised budget.

Grant Management System (GMSWeb)

GMSWeb is CalRecycle's web-based grant application and grant management system. Access to GMSWeb is secure; Grantees must log in using a WebPass. WebPass accounts are tied to a specific email address. If an

email address changes, or if it becomes inactive, the Grantee must create a new WebPass account to continue accessing GSMWeb. Establish or manage a CalRecycle WebPass at; <https://secure.calrecycle.ca.gov/WebPass/>.

Accessing the Grant

Grantees must log into GSMWeb using their web pass at; <https://secure.calrecycle.ca.gov/Grants>. After log-in, locate the grant in the **Associated Grant Applications** table and select the **Grant Management** link. The **Grant Management** module includes the following sections:

- **Budget Summary** - shows approved budget, paid and remaining amounts. (This section is available to the Grantee in Read-only mode.)
- **Payment Request Transactions** - requests reimbursement.
- **Report and Other Grant Documents** – uploads required reports and other grant documents that are not considered supporting documents to a payment request.

Follow the instructions in GSMWeb to work in the system. Use the information in the following sections to determine what reports, transactions, and supporting documents are required.

Contact Updates

- Access to the grant is limited to those listed in the **Contacts** tab in the **Application Module**. Contact information is available to the Grantee in read-only mode.

Email the assigned Grant Manager regarding any changes to contact information to ensure continued access.

Grant Payment Requests and Documentation

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.**

To submit a Grant Payment Request:

1. Go to the **Payment Request Transactions** section in the Detail tab.
2. Click on the **Create a Reimburse/Advance Reconciliation** button.
 - Choose **Reimburse** for the Transaction Type and enter the amount spent in each budget sub category.
3. When the transaction is complete, click the **Save** button.
4. After the transaction is saved, the **Upload Supporting Documentation** button will appear in the lower right corner. Upload all required supporting documents as listed below.

A. A scanned copy of the signed Grant Payment Request form.

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:

Via standard mail:	Via courier/personal delivery:
Department of Resources Recycling and Recovery Tire Amnesty Grant Program FiRM Branch, 9 th Floor P.O. Box 4025 Sacramento, CA 95812-4025	Department of Resources Recycling and Recovery Tire Amnesty Grant Program FiRM Branch, 9 th Floor 1001 I Street Sacramento, CA 95814

*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 Grant Manager.

- B. **Expenditure Itemization** (CalRecycle 755): Use this form to document grant expenses, arranged in the same budget categories as the approved Budget. Include only those expenditures authorized in the grant budget. Include subtotals.
- C. **Personal Expenditure Summary** (CalRecycle 65): Use this form for all Grantee claimed personnel expenses. A grantee may use their own personnel expenditure summary form as long as it includes all the same components. Personnel hours and costs on the Personnel Expenditure Summary must be summarized and totaled by task and staff. It is not necessary to submit timesheets, however, they must be readily available should the Grant Manager request them. Time must be computed on actual time spent on grant related activities and must be the actual amount paid to the employee. If the Summary shows time spent on additional projects, highlight the entries applicable to the grant. It is not necessary to submit CalRecycle 65 for contractors.
- D. **Expense Documentation:** Include a receipt for each expense on the Expenditure Itemization form documenting that expenditures have been paid for. All expenses must be dated, or initiated, after the Notice to Proceed and prior to June 30, 2015.
- E. **Waste Tire Manifests:** Grantee must provide waste tire manifest documentation showing the transportation of all waste tires to an eligible facility.
- F. **Public Education/Advertising Artwork:** Include a copy of all artwork paid for with grant funding with the Final Payment Request only.

All payment requests must be submitted with a progress report. See Reporting Requirements below.

Payment Requests will be reviewed for accuracy and cost eligibility. The Grant Manager may request additional documentation and will make adjustments as necessary.

Grant Payment Information

1. Payment to the grantee for eligible grant expenses are made on a reimbursement basis only and for only those materials and services specified in the approved Grant Application.
2. The Grant Manager must approve the Progress Report/Final Report prior to, or concurrent with, submission of the Grant Payment Request.
3. The grantee must submit a completed Grant Payment Request and provide supporting documentation as described in the Grant Payment Request and Documentation section.
4. Grant payments will only be made to the grantee. It is the grantee's responsibility to pay all contractors and subcontractors for purchased goods and services.
5. Ten percent (10%) of each approved Grant Payment Request will be withheld and retained until all conditions stipulated in the Grant Agreement, including Grant Manager approval of the Progress and/or Final Report, have been satisfied. Reimbursement of the 10% retention must be requested in the final Grant Payment Request.
6. CalRecycle will make payments to the grantee as promptly as fiscal procedures. Payment is made in approximately forty-five (45) days from the date the Payment Request is approved by the Grant Manager.

Reporting Requirements

A Progress Report (required with each payment request) and a Final Report are required by this Agreement; however, the Grant Manager may request a Progress Report at any time during the grant term.

All reports must be uploaded in GMSWeb. To upload a report:

1. Go to the **Report and Other Grant Documents** section in the **Detail tab**.
2. Click on the **Upload a Document** button.
3. Type a title, e.g., Progress Report 1, then click the **Browse** button to search and upload the document.
4. Click the **Save** button.

Progress Report

A Progress Report is required with each payment request. The Progress Report must be completed on the **Payment Request Checklist/Progress Report Form** (CalRecycle 753).

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 include a summary of the entire grant project, which states the grant objectives, the number of tires that have been removed with grant funds, the success of the grant program in reducing the number of illegally disposed waste tires and how these objectives were accomplished. The Final Report must be prepared using the Final Payment Request Checklist/Final Report Form (CalRecycle 754).

The Final Report and Final Payment Request must be uploaded to GMSWeb by September 30, 2015 and the Payment Request Form must be received by CalRecycle by that same date. Failure to submit the Payment Request Form, Final Payment Request and Final Report, with appropriate documentation, by this date 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.

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, 2015, the reporting provisions.

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.

Records and Audit Requirements

This grant is subject to a desk or field audit. For more information, see the "Audit/Records Access" provision section in the Terms and Conditions, Exhibit A to the Agreement.

If an audit reveals that CalRecycle funds are not being expended, or have not been expended in accordance with this Agreement, in addition to any other rights of CalRecycle, the Grantee may be required to forfeit the unexpended portion of the funds, and/or repay CalRecycle for any improperly expended monies. Additionally, future grant awards to the Grantee may be jeopardized.