

EXHIBIT B
PROCEDURES AND REQUIREMENTS
Tire-Derived Aggregate (TDA) Grant Program
Fiscal Year 2013/14

INTRODUCTION

The Procedures and Requirements of the Department of Resources Recycling and Recovery’s (CalRecycle) Tire-Derived Aggregate (TDA) Grant Program Grant Agreement (Agreement) describes among other things, project and reporting requirements, report due dates, report contents, grant payment conditions, eligible and ineligible project costs, project completion and close-out procedures, records and audit requirements

Important Notice: Do not start the grant project or incur costs until you receive a Notice to Proceed (NTP) from your CalRecycle Grant Manager (Grant Manager). The NTP will be sent after both the grantee and CalRecycle have signed the Agreement.

MILESTONES

April 2014	Grant Term begins on the date indicated on the NTP
April 1, 2015	Progress Report due (covering activities from NTP date to April 1, 2015)
April 1, 2016	Grant Term Ends. Final Report and final Payment Request due. All costs must be incurred by April 1, 2016.

No extensions will be granted for submittal of the Final Report and final Payment Request. Failure to submit the Final Report and final Payment Request with appropriate documentation by April 1, 2016, may result in the 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.

QUESTIONS

All communication regarding this grant should be directed to the assigned Grant Manager. To find the email address and telephone number of your Grant Manager, refer to your grant in Grant Management System Web (GMSWeb). Contact information is located in the upper left-hand side. The grantee may also contact the Financial Resources Management (FiRM) Branch at (916) 341-5062 or grants@calrecycle.ca.gov.

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

PRIOR TO COMMENCING WORK

Prior to commencing work under this grant, the grantee’s Primary Contact and authorized grant Signature Authority should review the Terms and Conditions (Exhibit A) and these Procedures and Requirements (Exhibit B) to identify key grant administration requirements. Evaluation of a grantee’s compliance with these requirements is a focus of grant audits.

RELIABLE CONTRACTOR DECLARATION

This requirement is applicable to grantees that use a contractor on the project. Prior to authorizing a contractor(s) to commence work under this grant, the grantee shall submit to the Grant Manager a declaration from the contractor(s), signed under penalty of perjury, stating that within the preceding three (3) years, none of the events listed in Section 17050 of Title 14, California Code of Regulations, Division 7, has occurred with respect to the contractor(s) and the subcontractor(s). See <http://www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5>. If any of the listed events has occurred with respect to a contractor or subcontractor, please follow the instructions on the Reliable Contractor Declaration Form referenced below. If a contractor or subcontractor is placed on the CalRecycle Unreliable List after award of this grant, the grantee may be required to terminate the contract.

The grantee must provide the Reliable Contractor Declaration Form (CalRecycle 168) for all contractors and subcontractors that will supply rubberized asphalt materials for the project. To obtain the CalRecycle 168 form, see the General Grant Forms section of the CalRecycle forms web page: <http://www.calrecycle.ca.gov/Grants/Forms>.

A scanned copy of the signed Reliable Contractor Declaration Form must be uploaded in GMSWeb. To upload the Form:

1. Go to the **Reports** tab.
2. Click on **Reliable Contractor Declaration** link.
3. Click on the **Add Document** button.
4. Type a title, i.e., Reliable Contractor Declaration, then click the **Browse** button to search, select the document, and then **Save**.
5. Click the **Back** button to return to the previous page and then click on the **Submit** button.

For further instructions regarding GMSWeb, including log-in directions, see the section below titled "Grant Management System Web".

If a contractor or subcontractor is placed on the [CalRecycle Unreliable List](http://www.calrecycle.ca.gov/Grants/Unreliability/List.htm) (<http://www.calrecycle.ca.gov/Grants/Unreliability/List.htm>) after award of this grant, the grantee may be required to terminate that contract.

PERMITTING

The grantee is responsible for ensuring that the entire project, not just the portion reimbursed by this grant, is in compliance with all federal, state, and local laws and permitting requirements. The grantee is also responsible for ensuring that project contractors and subcontractors have all necessary permits and licenses to perform the work for which they are hired, including, but not limited to, permitting by the appropriate Air Pollution Control District, Air Quality Management District, or other local air quality agency when required. Failure to comply with permitting requirements may result in denial of payment under this grant.

PROJECT REQUIREMENTS

All projects are subject to the following requirements:

- Only California-generated waste tires must be used in the TDA portion of the project(s).
- The project(s) must be located in California.
- A combined minimum of 500 tons of TDA must be used in the project(s).

- The project(s) represent a new category of activity at the project(s) facility/location. Projects that are currently underway or that have been completed at the same facility/location within three years of application are not eligible. However, projects in a different category or different use within a category at the same facility/location may be eligible.
- Plans and specifications must be reviewed by CalRecycle staff and/or its contractor(s) prior to commencement of work. The project design plans must be at a minimum 50 percent design at the time of application submission and 100 percent design prior to the start of the project. The design plans must include: project costs (preliminary costs submitted with the application), the location of TDA placement, the type and quantity of TDA (initial estimate submitted with the application), and any analysis necessary to validate the design.
- Each project must incorporate technical assistance/training that will be provided by CalRecycle contractors and/or staff.
- If grantee's ownership of the property on which the project(s) is located does not provide complete and clear access to the project site(s), then prior to incurring any grant-eligible costs, grantee must obtain any and all access rights (e.g., easements) necessary to complete the project(s) within the grant term and shall ensure that such access extends to CalRecycle staff and/or its designated contractors for the purpose of observing the project, providing technical assistance and/or training during the grant term. Such access must be from the legal owner or his/her authorized representative.
- Reimbursement will not exceed the amount stated on the Grant Agreement Cover Sheet (CalRecycle 110).
- Construction of the TDA portion of any project must commence on or after the date indicated in CalRecycle's written NTP and be completed by April 1, 2016.

Additionally, each of the following project requirements is specific to the individual types of projects as indicated:

- **Landfill projects** must not use more than 0.75 cubic yards (0.5 tons) of TDA per lineal foot of landfill gas collection or leachate injection line.
- For purposes of this Agreement, a "**Very Large Project**" is defined as using more than 400,000 passenger tire equivalents or 4,000 tons of TDA material. Landfill applications are not eligible for consideration as a Very Large Project.

PROJECT ACKNOWLEDGEMENT REQUIREMENTS

By April 1, 2016, the grantee must list on their website, for a minimum period of one year, an acknowledgement of CalRecycle's funding and the waste tire diversion amounts for the project(s). See the "Acknowledgements" provision in the Terms and Conditions – Exhibit A, for acknowledgement requirement information. The acknowledgement must include the following:

1. Funded by grant from CalRecycle
2. CalRecycle Logo¹
3. Number of California waste tires² diverted from the waste stream by this project

¹ CalRecycle Logos are available in the Image Gallery web site at: <http://www.calrecycle.ca.gov/Gallery/Logos/>; or contact your Grant Manager.

² To determine the number of tires diverted, refer to the Tire-Derived Aggregate (TDA) Certification Form (CalRecycle 740-TDA) for the calculation formula. This is typically calculated after construction.

When the web site acknowledgement posting is problematic due to grantee-specific issues, the grantee may substitute alternative forms of acknowledgement requirements upon written pre-approval from the Grant Manager.

Alternatives to the web site posting acknowledgement requirement must include one or more of the following:

- Utility bill inserts
- Newspaper ads/stories
- Local radio
- Television public service announcement (PSA)
- Project signage placed in a prominent location at the project site(s). A high resolution file for production purposes can be found on the tire resources web site at:
<http://www.calrecycle.ca.gov/Tires/Grants/Resources/#Signage>

WORK PLAN AND CHANGES/MODIFICATIONS

Proposed changes or modifications to the approved project(s) must be requested in writing to the Grant Manager. The request must include the reason for change and a revised Project Summary and Calculation. **The Grant Manager must approve the proposed changes in writing prior to the grantee performing any changes or incurring any related costs.**

GRANT MANAGEMENT SYSTEM Web (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 GMSWeb. Establish or manage a CalRecycle WebPass at;
<https://secure.calrecycle.ca.gov/WebPass/>.

Accessing the grant

Grantees must log into GMSWeb 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:

- **Summary tab** – contains a budget summary that shows approved budget, paid and remaining amounts (this section is available to the grantee in read-only mode) and resource links and documents.
- **Payment Request tab** – requests reimbursement.
- **Reports tab** – uploads required reports and forms.
- **Documents tab** – uploads other grant documents that are not considered supporting documents to a payment request or a report. This section also provides access to documents that were uploaded within other sections of GMSWeb.

Follow the instructions in GMSWeb 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**. Existing contacts may update contact information for all contact types except Signature Authority.
- Email the assigned Grant Manager of any changes to Signature Authority information.

REPORTING REQUIREMENTS

A Progress Report 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. *For further instructions regarding GMSWeb, including login directions, see the section above titled, Grant Management System Web.*

To upload a report:

1. Go to the **Reports** tab.
2. Click on the appropriate event name.
3. Click on the **Add Document** button.
4. Type a title, i.e., Progress Report, then click the **Browse** button to search, select the document, and then **Save**.
 - You may upload multiple documents to complete reporting requirements.
 - The maximum allowable file size for each document is 50MB.
5. Click the **Back** button to return to the previous page.
6. Click the **Submit** button when the report upload is complete.

The reports must be current, include all required sections and documents, and must be approved by the Grant Manager before any Payment Request can be processed. Failure to comply with the specified reporting requirements may be considered a breach of this Agreement and may result in the termination of this Agreement, 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.

Any problems or delays must be reported immediately to the Grant Manager.

PROGRESS REPORT REQUIREMENTS

The grantee may submit the Progress Report to the Grant Manager any time prior to but no later than **April 1, 2015** (for the period covering the NTP Date to April 1, 2015). The Progress Report must address the work completed during the Reporting Period and be accompanied by all required supporting documentation, including pre-construction photographs.

The Progress Report must be submitted even if the work has not yet begun on the project. **If you are submitting a Grant Payment Request at the same time as your Progress Report, you must follow the guidelines under the Final Report Requirements.**

The Progress Report must be prepared in the format specified below and uploaded into the GMSWeb system, see *Reporting Requirements* section for instructions.

REPORT COMPONENT

Cover Page

- Name of the grantee
- Grant number
- Amount of grant award
- Dates of report coverage
- Report preparation date
- Disclaimer statement, as follows:

“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.”

Project Summary and Status

Provide a brief description of the progress of the TDA grant project(s) including:

- Completed design plans
- Hired contractor(s)
- Approved, completed, and in-process project(s)
- The timeline for completion of remaining project(s)
- Results Achieved
- Problems encountered or anticipated
- Provide a brief description of any changes to the project and/or schedule including:
 - ✓ Changes in grantee contact information
 - ✓ Changes or modifications to the original project

FINAL REPORT REQUIREMENTS

The Final Report and final Grant Payment Request may be submitted at any time after the project is completed, but must be submitted no later than **April 1, 2016**. The reporting period covers from the NTP to April 1, 2016, or completion of Project, whichever is sooner. **Failure to submit the Final Report and final Grant Payment Request with appropriate documentation by April 1, 2016, may result in rejection of the final Grant Payment Request and/or forfeiture by the grantee of any claims for reimbursement of otherwise eligible costs.**

The Final Report must be prepared in the format specified below and must be uploaded into the GMSWeb system, see *Reporting Requirements* section for instructions; you may need to upload multiple documents to complete all the requirements listed below. If requested, the grantee shall make an oral presentation to CalRecycle.

REPORT COMPONENT

Cover Page

- Name of the grantee
- Grant number
- Amount of grant award
- Dates of report coverage
- Report preparation date
- Disclaimer statement, as follows:

“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.”

Table of Contents

Identify report contents and corresponding page numbers.

Project Summary and Status

Provide a concise Executive Summary of the project(s). Within the narrative of the report, include the following information:

- Project(s) location
- Amount (tons) of TDA used in the project
- General information (type of project, duration to construct, etc.)
- Cost of TDA material (\$/ton)
- As-built drawing(s), certified by a Registered Civil Engineer, of the completed project, including any deviation from the CalRecycle initially approved design. Uploaded files cannot exceed 50 megabytes. If necessary, split documents/files and designate them with the document/file name and the extension “a,” “b,” etc.
- Final project site survey using a pre-established benchmark outside of the project boundaries
- TDA material quality assurance logs
- Laboratory analysis of all soil materials placed on site
- Specification sheet for the Geosynthetic fabric wrap used to enclose the TDA cell
- Lessons learned and any problems encountered

Waste Tires Diverted

Include the total number of California waste tires diverted from the waste stream as a result of the project’s completion. You must provide verification that the only tire rubber purchased and used in the project was from California by signing and uploading the completed Tire-Derived Aggregate (TDA) Certification Forms (CalRecycle 740-TDA) via GMSWeb. The form is available at <http://www.calrecycle.ca.gov/Grants/Forms>, in the Tire Recycling, Cleanup, and Enforcement Grants section.

Photographs/Project Acknowledgement

- Provide two digital photographs each of the preconstruction and completed project(s).
- Include a copy of your internet web page (or alternative) project acknowledgement, including web address. See Project Acknowledgement Requirements section for more alternatives.

Contractor Summary

List of all contractors and subcontractors that supplied, transported, and/or installed TDA materials or that provided engineering/design or testing services for the project. For each contractor and subcontractor include the following information:

- Name of Firm
- Contact person
- Address
- Concise statement of work completed
- Time period in which the work was completed
- Amount paid

- A copy of the Reliable Contractor Declaration (CalRecycle 168) required by Exhibit A – Terms and Conditions (Unreliable List) and filed for each contractor and subcontractor at the beginning of the project

GRANT PAYMENT INFORMATION

1. Payment to the grantee for eligible grant expenses is made on a reimbursement basis only and for only those materials and services specified in the approved Grant Application.
2. Reimbursement may be requested only twice during the grant term. In conjunction with (or after) submission of the Progress Report and in conjunction with the Final Report.
3. The grantee must submit the required Progress Report/Final Report, and the Grant Manager must approve the report prior to, or concurrent with, submission of the Grant Payment Request.
4. The grantee must submit a completed Grant Payment Request and provide supporting documentation as described in the “Grant Payment Request and Documentation” section for completed project(s) only.
5. 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.
6. Ten percent of each approved Grant Payment Request will be withheld and retained until all conditions stipulated in the Agreement, including submission and Grant Manager approval of the Progress and/or Final Report, have been satisfied. Reimbursement of the ten percent retention must be requested in the final Grant Payment Request.
7. CalRecycle will make payments to the grantee as promptly as fiscal procedures permit. The grantee can typically expect payment approximately 45 days from the date a Grant Payment Request is approved by the Grant Manager.
8. The grantee must provide a Reliable Contractor Declaration (CalRecycle 168) (see <http://www.calrecycle.ca.gov/Grants/Forms>) signed under penalty of perjury by the grantee’s contractor(s) and subcontractor(s) in accordance with the “Unreliable List” provision of the Terms and Conditions. The declaration must be received and approved by the Grant Manager prior to commencement of work. See “Unreliable List” provision in Exhibit A – Terms and Conditions for more information.

ELIGIBLE PROJECT COSTS

Eligible costs include expenditures incurred during the Grant Term (beginning after receipt of the NTP through April 1, 2016) directly related to the purchase and transportation of the TDA material, and the installation, testing, and engineering/design work for the project.

One or more projects may be combined into a single grant. Testing costs are subject to a maximum of \$5,000 per project category. Engineering/design costs are subject to a maximum of 13 percent of the combined total cost of material, installation, and testing, not to exceed \$40,265. For a single Very Large Project (see “Project Requirements” for definition), engineering/design and testing costs are subject to a maximum of 13 percent of the combined total cost of material and installation, not to exceed \$86,283, the maximum allowed for a \$750,000 grant.

Installation cost may be incurred by the grantee and/or the contractor. Eligible costs include trenching/preparation, placement and covering of the TDA material. Requirements for documentation supporting Installation cost can be found in the “Cost and payment documentation” subsection under the Grant Payment Request and Documentation section.

INELIGIBLE PROJECT COSTS

Ineligible costs include, but are not limited to:

- Costs incurred prior to the Notice to Proceed date or after April 1, 2016.
- Costs incurred for projects that start construction of the TDA portion of the project prior to the Notice to Proceed date, or end construction of the TDA portion of the project after April 1, 2016.
- Projects using TDA material that is not made from only California-generated waste tires.
- Projects using less than the minimum required total amount of TDA material as specified in Project Requirements.
- Projects that are currently underway or that have been completed at the same facility/location within three years of application.
- Use of shredded waste tires as alternative daily cover or alternative intermediate cover in landfill applications.
- Other project-related costs, including, but not limited to, planning, permitting, environmental studies, and site preparation.
- Personnel costs, including fringe benefits.
- Overhead and/or indirect costs.
- Any other costs deemed unreasonable or unrelated to the purpose of the grant by the Grant Manager.

GRANT PAYMENT REQUEST AND DOCUMENTATION

Payment requests must be submitted in GMSWeb. *For further instructions regarding GMSWeb, including login directions, see the section above titled Grant Management System Web.* To submit a Grant Payment Request:

1. Go to the **Payment Request** tab.
2. Click on the **Create a Payment Request** button.
 - a. Choose **Reimburse** for the Transaction Type and enter the amount spent in each budget subcategory.
 - b. When the transaction is complete, click the **Save** button.
 - c. After the transaction is saved, the **Upload Supporting Documentation** button will appear in the lower right corner.
3. Click on the **Upload Supporting Documentation** button.
 - a. Type a title, e.g., Payment Request #1, Invoice #1, Cancelled Check, then click the **Browse** button to search and upload the document, and then **Save**.
 - b. Select **Back** to upload additional documents and continue this process until all required supporting documents as listed below are uploaded.
 - c. The maximum allowable file size for each document is 50MB.
4. Click the **Submit** Transaction button, located on the transaction page, to complete your payment request (including uploading all required supporting documents as listed below).

Supporting Documentation

- a. A scanned copy of the signed **Grant Payment Request form** (CalRecycle 87).
The grantee is also required to mail the **original** Grant Payment Request form with an 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:
CalRecycle TDA Grant Program FiRM Branch, 9 th Floor P.O. Box 4025 Sacramento, CA 95812-4025	CalRecycle TDA 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. **Cost and payment documentation**, such as invoices; receipts, weigh tickets or approved progress payment authorizations containing:
- ✓ Vendor name, phone number or address, purchase amount and date
 - ✓ Description of goods or services
 - ✓ Proof of payment (e.g., copies of cancelled checks, bank statements, invoice marked as paid with corresponding receipts or cancelled checks)
 - ✓ Amount of TDA material produced for the project
 - ✓ Documents supporting Installation Cost containing:
 - For grantees:
 - A Personnel Expenditure Itemization Summary (CalRecycle 165) (PES) form must be submitted for grantee staff directly involved in TDA installation. PES forms are available at Grant Forms web page (<http://www.calrecycle.ca.gov/Grants/Forms>), in the General Grant Forms section.
 - A letter or an e-mail correspondence, indicating the total linear footage and the percentage representing installation cost.
 - Grantee must retain payroll journal/registers and personnel time logs/timesheets for audit purposes, but do not need to submit them with a Payment Request.
 - For contractors:
 - A Construction Progress Payment (or equivalent), indicating unit (linear foot/yard, etc.) price and total number of units of installation activity work performed.
 - If the above cannot be provided, grantee can submit a PES (CalRecycle 165) form as an alternative. PES forms are available at Grant Forms web page (<http://www.calrecycle.ca.gov/Grants/Forms>), in the General Grant Forms section.
 - A letter or an e-mail correspondence, indicating the percentage representing installation cost.
 - Contractor must retain payroll journal/registers and personnel time logs/timesheets for audit purposes, but do not need to submit them with a Payment Request.
- Note: *All supporting documentation must be maintained by the grantee in its files, in accordance with the “Audit/Records Access” section of Exhibit A – Terms and Conditions.*
- c. A completed and final calculation page that provides information showing how the requested payment amount is calculated. For format, refer to the calculation tool provided in Exhibit C – Grantee’s Approved Application, and the Project Summary & Calculation, which is incorporated therein; or the calculation samples from Tables 1 through 6 in the Application Guidelines and Instructions.

- d. **For private, for-profit grantees only**, an updated General Checklist of Business Permits, Licenses and Filings form (CalRecycle 669), available at Grant Forms web page (<http://www.calrecycle.ca.gov/Grants/Forms>), in the General Grant Forms section.

RECORDS AND AUDIT REQUIREMENTS

This grant is subject to a desk or field audit. See the “Audit/Records Access” provision in Exhibit A – Terms and Conditions for more information.

ANNUAL SURVEY

Post-grant term annual surveys are encouraged by this Agreement to help assess your long-term satisfaction with the TDA projects funded by this Agreement. The grantee must complete and submit an annual survey for the TDA Grant Program every year for five years after the grant is closed based upon the schedule below.

Survey Due Date	Survey Period
June 30, 2017	Completion of Project – June 30, 2017
June 30, 2018	July 1, 2017 – June 30, 2018
June 30, 2019	July 1, 2018 – June 30, 2019
June 30, 2020	July 1, 2019 – June 30, 2020
June 30, 2021	July 1, 2020 – June 30, 2021

Grantees will be notified via email once the annual online survey is available. The annual online survey may be accessed online at: <http://www.calrecycle.ca.gov/Tires/Grants/TDA/default.htm>.

Note: A link to the survey is only active during the survey period.