

EXHIBIT B PROCEDURES AND REQUIREMENTS

LOCAL GOVERNMENT TIRE CLEANUP GRANT PROGRAM TCU16 Cycle – Fiscal Year 2016–17 Revised August 2016

Copies of these Procedures and Requirements should be shared with BOTH the Finance Department AND the staff responsible for implementing the grant activities.

INTRODUCTION

The Local Government Tire Cleanup Grant Program is administered through the Department of Resources Recycling and Recovery (CalRecycle). These Procedures and Requirements describe project and reporting requirements, report due dates, report contents, grant payment conditions, eligible and ineligible project costs, project completion and closeout procedures, records and audit requirements.

This document is attached to, and incorporated by reference, into the Grant Agreement.

MILESTONES

NTP Date	Grant Term on date indicated on the Notice to Proceed (NTP)
With each Payment Request	Progress Report Due
September 28, 2018	Final Report and final Payment Request Due
September 28, 2018	Grant Term End

GRANT MANAGEMENT SYSTEM (GMS)

GMS is CalRecycle's web-based grant application and grant management system. Access to GMS 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 GMS. Establish or manage a WebPass at [CalRecycle's WebPass page](https://secure.calrecycle.ca.gov/WebPass) (<https://secure.calrecycle.ca.gov/WebPass/>).

Accessing the grant

Grantees must [log into GMS](https://secure.calrecycle.ca.gov/Grants) (<https://secure.calrecycle.ca.gov/Grants>) using their web pass. After login, locate the grant in the **My Awarded/Open Grants** table and select the **Grant Management** button. The **Grant Management Module** includes the following sections:

- **Summary tab** – shows approved budget, paid and remaining amounts. (This section is available to the grantee in read-only mode.)
- **Payment Request tab** - requests reimbursement.
- **Reports tab**- uploads required reports.

- **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 GMS.

Follow the instructions in GMS 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 of the **Application Module** with the access check box marked. A contact may be listed but not granted access by not checking the box. Please note, if a contact is granted access to a grant they will be able to edit contacts, submit payment requests, upload reports, and view all documents. Those with access may update contact information for all contact types except Signature Authority. Email the assigned Grant Manager regarding any changes to Signature Authority information.

PRIOR TO COMMENCING WORK

Prior to commencing work under this grant, the grantee's Grant Manager or primary contact and authorized grant Signature Authority should review the Terms and Conditions (Exhibit A) and the Procedures and Requirements (Exhibit B) to identify key grant administrative requirements. Evaluation of the grantee's compliance with these requirements is a major focus of grant audits.

Reliable Contractor Declaration

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](#) (www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5), California Code of Regulations, Natural Resources, Division 7, has occurred with respect to the contractor(s) and the subcontractor(s), respectively.

If a (sub) contractor is placed on the CalRecycle Unreliable List after award of this grant, the grantee may be required to terminate that contract. Obtain the Reliable Contractor Declaration form (CalRecycle 168) from [CalRecycle's form web page](#) (www.calrecycle.ca.gov/Funding/Forms).

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

1. Go to the **Reports** tab.
2. Click on **Reliable Contractor Declaration** under **Report Type**.
3. Click the **Add Document** button.
4. Select Reliable Contractor Declaration in the **Document Type** drop down box, enter a document title, click the **Browse** button to search and upload the document, and then **Save**.

5. Click on the **Submit Report** button.

For further instructions regarding GMS, including login directions, see the section above titled Grant Management System.

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. If the site was remediated prior to the approval of an Affidavit by the grantee to the Grant Manager, all costs incurred are ineligible for reimbursement.

Verification of Hauler and End-Use Facility

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 and end-use facility are in compliance with applicable laws and regulations. The name and address of the tire hauler and the end-use facility are necessary for verification. If you have any questions, contact your Grant Manager.

GRANT TERM

The Grant Term begins on the date indicated in the Notice to Proceed (NTP). The Grant Term ends on September 28, 2018. This is also the date the Final Report and final Payment Request are due to CalRecycle.

Grant-eligible program expenditures may start no earlier than the date indicated in the Notice to Proceed. Eligible program costs must be incurred no later than September 28, 2018.

CalRecycle recommends reserving the period from July 1, 2018 to September 27, 2018 exclusively for the preparation of the Final Report and final Payment Request, though they may be completed earlier. **Costs incurred to prepare the Final Report and final Payment Request are only eligible for reimbursement during the Grant Term.**

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.

The grantee should contact the CalRecycle Tire Management Program Hotline (Hotline) toll free at 866-896-0600 to verify that the used tire hauler and end use facility it intends to use are in compliance with applicable laws and regulations. The name and address of the tire hauler and the end use facility are necessary for verification.

A Tire Program Identification (TPID) Number will need to be obtained, by calling the Hotline number listed above.

WASTE TIRE GENERATOR TPID NUMBER

To comply with CalRecycle's waste tire manifest requirements, grantees conducting roadside (i.e., public right-of-way) cleanups need to obtain a 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 the 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 addresses surveyed.
- *Total daily pickups of 10 or more waste tires:* grantee shall record the total amount of tires per daily waste tires 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 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 compiled and be available for review upon request by CalRecycle or the Local Waste Tire Enforcement grantee. 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.

ELIGIBLE COSTS

All grant expenditures must be for activities, products, and costs specifically included in the approved Work Plan and approved Budget. To be eligible for reimbursement, costs must be incurred after receiving a NTP and before the end of the Grant Term. All services must be provided and goods received during this period in order to be eligible costs. Invoices for goods and services must be paid by the grantee prior to the inclusion of those goods or services on a payment request.

Any proposed revision(s) to the Work Plan and/or Budget must be submitted in writing and pre-approved in writing by the Grant Manager prior to grantee incurring the proposed expenditure. The approval document should be retained by the grantee for audit purposes. See Audit Record/Access section of the Terms and Conditions (Exhibit A).

Eligible costs are limited to the following:

- 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 authorized solid waste facility.
- The cost of transporting waste tires for a specific end-use to a CalRecycle approved end-use facility. The waste tires must be transported by a CalRecycle approved waste tire hauler to a CalRecycle approved end-use facility.
- The cost for disposing of waste tires at a CalRecycle permitted, excluded or exempted waste tire storage facility or disposal site.
- Equipment rental.
- Mileage of up to 57.5 cents per mile (or the rate identified on the Department of Personnel Administration website at the time the cost was incurred) for tire cleanup related activities.
- The reasonable cost for labor and materials (not greater than 5 percent of project costs reimbursed by CalRecycle) for fencing, gates, signs, and other methods to secure the property where illegal dumping has occurred.
- Any salaries and benefits for personnel directly involved in waste tire cleanup activities including the preparation of payment requests and final reports incurred prior to the grant term end date.

INELIGIBLE COSTS

Any costs not specifically included in the approved Budget and not directly related to TCU16 and the approved grant project are ineligible for reimbursement. Contact the Grant Manager if clarification is needed. Ineligible costs include, but are not limited to:

- Costs incurred prior to the date of the NTP letter or after June 29, 2018.
- Ineligible costs include, but are not limited to:
- Costs incurred prior to receipt of the NTP email or after June 29, 2018.
- Personnel time for preparation of a Waste Tire Cleanup Grant Application.

- Cleanup of a site on private property with 5,000 or more tires.
- Any costs that are not consistent 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 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 from an operating business where the owner or operator of the property is actively stockpiling tires.
- Costs of collecting waste tires from waste tire generating 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.
- 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 costs.
- Cameras, cell phones, electronic personal data devices, pagers, and other similar personal electronic devices.
- Costs connected with contractor claims against the grantee.
- Any costs that are unrelated to the grant project or unreasonable as determined by the Grant Manager.

BUDGET CHANGES

The Budget in GMS describes the approved Grant activities and costs and become part of the Agreement.

Changes to the approved Budget are allowed when the change will not materially alter the scope of the cleanup project or include ineligible costs. Any proposed revision(s) to the Budget must be submitted in writing and pre-approved in writing by the Grant Manager prior to grantee incurring the proposed expenditure. However, the grantee should provide Budget change information to the Grant Manager as soon as possible so that appropriate changes can be made to the Budget tab in GMS, or the grantee will be unable to enter a payment request transaction. 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 costs being incurred.

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. Failure to submit the Final Report with appropriate documentation by the due 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.

All reports must be uploaded in GMS. For further instructions regarding GMS, including login directions, see the section above entitled, Grant Management System.

To upload a report:

1. Go to the **Reports** tab.
2. Click on the appropriate Report Type.
3. Click on the **Add Document** button.
4. Choose the Document Type, enter a document title, click the **Browse** button to search and upload the document, and then **Save**.
 - You may upload multiple documents to complete reporting requirements.
 - The maximum allowable file size is 35MB.
5. Click the **Submit** button when the report 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 or 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

The grantee must submit a **Progress Report** with each Payment Request. This report must be completed on the **Payment Request Checklist/Progress Report Form** (CalRecycle 768). The report should cover grant activities that occurred from the NTP date through **June 29, 2018**.

FINAL REPORT

The Final Report is due **September 28, 2018**. This report should cover grant activities **from the NTP through June 29, 2018**. The following items must be included:

1. The Grant Number, Grantee's name and Grant Term. The following disclaimer statement on the cover page:
"The statements and conclusions of this report are those of the grantee and not necessarily those of the Department of Resources Recycling and Recovery (CalRecycle), 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."

The Final Payment Request Checklist/Final Report Form must be uploaded in GMS by September 28, 2018 and the Payment Request Form (CalRecycle 87) with

the original signature of the signature authority must be received by CalRecycle by the same date. Failure to submit the Payment Request Form and completed Payment Request Checklist/Final Report Form, 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.

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. 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.
3. The grantee must submit a completed Grant Payment Request and provide supporting documentation as described in the “Payment Request and Documentation” section for completed project(s) only.
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 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.
6. 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.
7. The grantee must provide a [Reliable Contractor Declaration \(CalRecycle 168\)](http://www.calrecycle.ca.gov/Funding/forms/) (<http://www.calrecycle.ca.gov/Funding/forms/>) signed under penalty of perjury by the grantee’s contractor(s) and subcontractor(s) in accordance with the “Reliable Contractor Declaration” provision of the Terms and Conditions (Exhibit A). The declaration must be received and approved by the Grant Manager prior to commencement of work. See “Reliable Contractor Declaration” provision in Terms and Conditions (Exhibit A) for more information.

PAYMENT REQUEST AND DOCUMENTATION

Failure to submit the final Payment Request with appropriate documentation by the due 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.

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

1. Go to the **Payment Request** tab.
2. Click on the **Create a Payment Request** button.

- Choose **Reimburse** for the Transaction Type and enter the amount spent in each budget sub category.
 - When the transaction is complete, click the **Save** button.
 - After the transaction is saved, the **Upload Supporting Documentation** button will appear in the lower right corner.
3. Click the **Upload Supporting Documentation** button.
 - Choose the Document Type, enter a document title, click the **Browse** button to search and upload the document, and then **Save**.
 - Select the **Back** button to upload another document and continue this process until all required supporting documents as listed below are uploaded.
 - The maximum allowable file size for each document is 35MB.
 4. Click the **Submit Transaction** button, located on the transaction page, to complete your payment request (including uploading all the documents listed below).

Supporting Documentation

- A. A scanned copy of the **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 Cleanup Grant Program FiRM Branch, 9 th Floor P.O. Box 4025 Sacramento, CA 95812-4025	Department of Resources Recycling and Recovery Tire Cleanup 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 Summary (CalRecycle 745-EIS-TCU): 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. Provide sufficient detail to allow the Grant Manager to match supporting documentation for each expenditure. Include subtotals.

C. Personnel Expenditure Summary (CalRecycle 165): 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,

or an auditor, 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 a Personnel Expenditure Summary for contractors.

D. Cost and Payment Documentation: Include a receipt for each expense on the Expenditure Itemization Summary form documenting that expenditures have been paid for. All expenses must be dated, or initiated, after the Notice to Proceed and prior to June 29, 2018.

E. Waste Tire Manifests: Grantee must provide documentation showing the transportation of all waste tires to an eligible facility. This can be in the form of waste tire manifest copies, or a spreadsheet approved by the Grant Manager.

All forms listed above can be downloaded from the [CalRecycle Grant Forms website](http://www.calrecycle.ca.gov/Funding/Forms) (<http://www.calrecycle.ca.gov/Funding/Forms>).

Payment Requests will be reviewed for accuracy and cost eligibility. The Grant Manager may request additional documentations and will make adjustments as necessary. Payments will be approved when the Grant Manager determines that the request is accurate, complete, eligible, and accompanied by all required documentations. All costs and activities claimed for reimbursement must be approved in the Budget. If the Grant Manager determines that an activity or cost is ineligible, inappropriate, excessive, unreasonable, or not related to the Grant, reimbursement will be adjusted accordingly.

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.

A ten percent withhold, or retention, will be deducted from each grant payment and will be released at the final payment request when the Grant Manager determines that all conditions stipulated in the Agreement have been satisfied.

Affidavit: For each site on private property at which the grantee cleans up 500-4,999 tires, the property owner must complete and execute a Property Access Authorization and Non-Responsibility Affidavit for Private Property (CalRecycle 741). The 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 deposited on his/her property.

AUDIT CONSIDERATIONS

The grantee agrees to maintain records and supporting documentation pertaining to the performance of this grant subject to possible audit for a minimum of three (3) years after final payment date or Grant Term end date, whichever is later. A longer period of records retention may be stipulated in order to complete any action and/or resolution of

all issues which may arise as a result of any litigation, dispute, or audit, whichever is later.

Examples of audit documentation include, but are not limited to, expenditure ledger, payroll register entries, time sheets, personnel expenditure summary form, travel expense log, paid warrants, contracts and change orders, samples of items and materials developed with grant funds, invoices and/or cancelled checks. Please refer to the Terms and Conditions (Exhibit A) for more information.