

EXHIBIT B

PROCEDURES AND REQUIREMENTS

Tire-Derived Product (TDP) Grant Program
Fiscal Year 2013/14

INTRODUCTION

These Procedures and Requirements of the Department of Resources Recycling and Recovery's (CalRecycle) Tire-Derived Product (TDP) Program Grant Agreement (Agreement) describe, among other things, project, reporting, payment requirements and due dates.

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 the conditions for award have been met as stated at the top of page 1 of the Terms and Conditions, Exhibit A, and both the Grantee and CalRecycle have signed the Agreement.

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**. Grantees may update contact information for all contact types except Signature Authority.
- Email the assigned Grant Manager of any changes to Signature Authority information.

PROJECT REQUIREMENTS

- Products must be installed at the location(s) specified in the approved Grant Application.
- Project(s) must be completed by April 1, 2016, to ensure full reimbursement.
- Products must be made from only California-generated waste tires.
- The waste tire material must be processed in California and the final product must be manufactured in California.

- Applications must use a minimum of 2,500 California-generated waste tires. Multiple products/projects may be combined to achieve this minimum.
- Project(s) must not have previously received CalRecycle grant funds.

Project Modification Request(s)

Proposed modifications or revisions to the approved project must be requested in writing to the Grant Manager on official department letterhead. The Grant Manager must approve the proposed changes in writing **prior** to the Grantee performing any changes or incurring any related costs. The request must be uploaded in GMSWeb and must include:

1. The reason for the change or modification, a summary of the new project and location information for each project site;
2. The new work plan and cost changes, if applicable (identify the modification or revision by number, e.g., Revision #1; and
3. A new, updated and complete Tire-Derived Product Certification form (CalRecycle 227).

To upload a Project Modification Request in GMSWeb:

1. In the **Documents** tab, go to the **Other Grant Documents** section;
2. Click on the **Upload a Document** button;
3. Type a title, i.e., Revision #1 Project Modification Request, then click the **Browse** button to search and upload the document; and
4. Click the **Save** button.

Playground* Compliance

Projects involving playgrounds are subject to various local, state and federal requirements. It is the Grantee's responsibility to comply with all requirements.

The following information identifies some of the state and federal requirements associated with playground construction and modifications.

Note: this list is not all inclusive.

For information regarding playground safety and standards, please go to the [California Department of Public Health website](http://www.cdph.ca.gov/HealthInfo/injviosaf/Pages/PlaygroundSafety.aspx) (<http://www.cdph.ca.gov/HealthInfo/injviosaf/Pages/PlaygroundSafety.aspx>) In addition to other requirements, California law requires that a Playground Inspector, certified by the National Playground Safety Institute (NPSI), conduct an inspection for compliance with standards set forth by the American Society for Testing and Materials (ASTM) and the playground-related guidelines set forth by the United States Consumer Product Safety Commission (CPSC).

Examples of playground inspection documents are provided on the [California Park & Recreation Society \(CPRS\) website](http://www.cprs.org/) (<http://www.cprs.org/>). Scroll down to the Resources link and go to Information and Referral, click on Playground to access the Safety Inspector Worksheets. For playground surfacing projects, see the Surfacing Worksheet.

The Department of Justice recently promulgated new Americans with Disabilities Act (ADA) standards for playground surfacing, specifically, § 1008.2.6 provides requirements for access routes, clear floor or ground spaces and turning requirements. The section incorporates the American Society for Testing and Materials (ASTM) standards, specifically, ASTM F 1292 - 09 Standard Specification for Impact Attenuation of Surfacing Materials within the Use Zone of Playground Equipment, and ASTM F 1951 for compliance with inspection and maintenance

activities. The 2010 ADA Standards are available at [2010 ADA Standards for Accessible Design \(http://www.ada.gov/regs2010/2010ADASTandards/2010ADASTandards.htm\)](http://www.ada.gov/regs2010/2010ADASTandards/2010ADASTandards.htm)

Submittal of the final Payment Request constitutes certification by the Grantee that all local, state and federal playground requirements have been met including, but not limited to, certification by a NPSI certified Playground Inspector. Submittal of compliance documents is not required. Expenses associated with inspections and certifications are not reimbursable under the Grant.

*Playground is defined as an improved outdoor area designed, equipped, and set aside for children's play that is not intended for use as an athletic playing field or athletic court, and shall include any playground equipment, fall zones, surface materials, access ramps, and all areas within and including the designated enclosure and barriers.

Signage Requirements

Expenses associated with these requirements are not reimbursable under the Grant.

The Grantee must install a permanent sign at the Project site upon completion of the Project, no later than April 1, 2016. See the "Acknowledgements" provision in Exhibit A – *Terms and Conditions*, for more information. A high resolution file for production purposes, along with examples, are located at the Tire Resources web site (<http://www.calrecycle.ca.gov/Tires/Grants/Resources/#Signage>).

The sign must include the following:

1. "Funded by a Grant from the Department of Resources Recycling and Recovery (CalRecycle)";
2. CalRecycle logo, and
3. Number of CA waste tires diverted from the waste stream.

PRIOR TO COMMENCING WORK

Contractor Reliability Requirement

This requirement is applicable to Grantees who use a contractor on the project. Prior to commencing work or incurring costs, the Grant Manager must approve in writing a declaration(s) signed under penalty of perjury by the Grantee's contractor and subcontractor(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, has occurred with respect to the contractor and the subcontractor(s), respectively. See <http://www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5>.

The grantee must provide the Reliable Contractor Declaration Form (CalRecycle 168) for all contractors and subcontractors that will supply and ship TDP materials for the project. To obtain 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, click the **Browse** button to search and 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 more information regarding GMSWeb, including log-in directions, see the section below entitled "Grant Management System Web".

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.

Photo Requirement

Prior to commencing work or incurring costs, the Grantee is required to submit to the Grant Manager at least one pre-construction digital photograph of the project site.

Tire-Derived Product Update Requirement

Prior to commencing work or incurring costs, the Grant Manager must approve in writing any proposed changes of the product manufacturer, supplier/vendor, and/or (sub) contractor from the one identified in the Grantee's Grant Application. If approved, the Grantee must submit a new, updated and complete Tire-Derived Product Certification Form (CalRecycle 227).

To obtain a form visit <http://www.calrecycle.ca.gov/Grants/Forms/>

The Tire-Derived Product Certification Form (CalRecycle 227) must be uploaded in GMSWeb. To upload the Form:

1. In the **Documents** tab, go to the **Other Grant Documents** section;
2. Click on the **Upload a Document** button;
3. Type a title, i.e. Revision #1 Tire-Derived Product Certification Form, then click the **Browse** button to search and upload the document; and
4. Click the **Save** button.

REPORTING REQUIREMENTS

One 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.

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 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.

All reports must be uploaded in GMSWeb. 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 and upload the document, and then **Save**.
 - You may upload multiple documents to complete reporting requirements.
 - The maximum allowable file size is 40MB.
5. Click the **Back** button to return to the previous page.
6. Click the **Submit** button when the report upload is complete.

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

PROGRESS REPORT DUE DATE: APRIL 1, 2015

The Grantee may upload the Progress Report into the GMSWeb system any time prior to but no later than April 1, 2015 (for the period covering the Notice to Proceed 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.

PROGRESS REPORT FORMAT

A Progress Report template will be provided prior to the Progress Report Due Date. The Progress Report must be uploaded into the GMSWeb system. *See the Reporting Requirements section for specific instructions.*

FINAL REPORT DUE DATE: APRIL 1, 2016

The Grantee may upload the Final Report into the GMSWeb system any time after the Project is completed, but no later than April 1, 2016. The Final Report must address the work completed during the entire grant term (from receipt of the Notice to Proceed to April 1, 2016, or completion of Project, whichever is sooner). The Final Report must be accompanied by the Final Payment Request and all required supporting documentation. *See the Reporting Requirements section for specific instructions.*

FINAL REPORT FORMAT

A Final Report template will be provided prior to the Final Report Due Date. The Final Report must be uploaded into the GMSWeb system. *See the Reporting Requirements section for specific instructions.*

GRANT PAYMENT INFORMATION

- Payments to the Grantee for eligible grant expenses are made on a **reimbursement basis only** and for only those costs identified in the approved Grant Application.
- With the exception of Playground Projects, reimbursement may be requested twice during the grant term. In conjunction with (or after) submission of the Progress Report and in conjunction with (or after) submission of the Progress Report and in conjunction with the Final Report.
- Playground Projects may request reimbursement only with submittal of the Final Report. Submittal of the Final Report Request constitutes certification by the Grantee that all local, state, and federal playground requirements have been met including, but not limited to, certification by a NPSI certified Playground Inspector. Submittal of compliance documents is not required.
- Reimbursement is conditioned on the Grant Manager's approval of the Progress Report and/or Final Report and approval of costs.
- Grant payments will only be made to the Grantee. It is the Grantee's responsibility to pay all product manufacturers, suppliers/vendors, contractors and subcontractors for services and/or materials purchased.
- Ten percent (10%) of each Payment Request will be withheld and retained until all conditions stipulated in the Agreement have been satisfied. Reimbursement of the 10% retention will be released once the Final Report is approved by the Grant Manager.
- Payment Requests will be processed as promptly as fiscal procedures permit. The Grantee can typically expect payment within four weeks from the date a Payment Request is approved by the Grant Manager.

ELIGIBLE COSTS

Eligible costs are limited to the approved, actual cost of the California-generated TDP, tax, and shipping up to a total maximum of five dollars (\$5) per passenger tire equivalent (PTE), not to exceed the grant award. This cost is exclusive of truck tire buffings. The waste tires must have been processed and manufactured into a final product in California.

These costs must be incurred and paid for during the Grant Term which starts when the Grantee receives a Notice to Proceed (NTP) from CalRecycle and ends on April 1, 2016.

INELIGIBLE COSTS

Ineligible costs include, but are not limited to:

- Any cost other than the actual cost of the tire-derived material product (exclusive of truck tire buffings), tax, and shipping up to a maximum of five dollars (\$5) per PTE.
- Costs that exceed the cap of \$5 per PTE.
- Any costs incurred prior to the receipt by the Grantee of the NTP or after April 1, 2016.
- Materials made from non-California-generated waste tires or from truck tire buffings.
- Materials which were not processed in California or the final TDP not produced in California.
- Equipment, installation, signage, playground inspection costs, and labor costs.

GRANT PAYMENT REQUEST PROCESS & REQUIRED DOCUMENTATION

Payment requests must be submitted in GMSWeb. *For further instructions regarding GMSWeb, including login directions, see the section below above entitled, 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.
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.
 - 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 40MB.
5. Click the **Submit** Transaction button to complete your payment request (including uploading all supporting documentation as required 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 Tire-Derived Product Grant Program FiRM Branch, 9th Floor P.O. Box 4025 Sacramento, CA 95812-4025	CalRecycle Tire-Derived Product Grant Program FiRM Branch, 9th 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** with the Payment Request:
 - ✓ Acceptable cost documentation must include at least one of the following: Invoices, receipts or purchase orders containing the product manufacturer, supplier/vendor, and/or contractor name, phone number, address, purchase amount, date and description of goods/services; **and**
 - ✓ Acceptable proof of payment **must include at least one** of the following:

Invoice(s) marked as paid; receipts; and accounting reports if they contain check number, date, product manufacturer, supplier/vendor, and/or contractor name and amount; and copies of cancelled check(s)

- c. An updated, final Tire-Derived Product Certification form (CalRecycle 227) completed by the product manufacturer, supplier/vendor and/or contractor.
- d. Acceptable documentation, verifying that the TDP was made from only California-generated waste tires and that the waste tires were processed and manufactured into a final product in California. Documentation must verify the flow of the California-generated waste tire material from the California processor to the final product manufacturer (if different) to the supplier/vendor or contractor (if different) to the grantee and include: 1) a Certificate of Origin (completed by the processor) or Bill of Lading(s) and 2) invoices, as applicable.
Note: To ensure grant payment, it is recommended that Grantee obtain this documentation from its supplier/vendor/ or contractor prior to payment of supplier/vendor/ or contractor, as applicable.
- e. Post-construction, no less than five digital and color photographs, of the Project site(s) showing the completed Project with signage.

For all required forms visit the CalRecycle Grants Forms web site:
<http://www.calrecycle.ca.gov/Grants/Forms/>.

RECORDS AND AUDIT REQUIREMENTS

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

ANNUAL SURVEY

Post-grant term Annual Surveys are required by this Agreement to help assess your long-term satisfaction with the TDP funded by this Grant. The Grantee must complete and submit an Annual Survey for the TDP Grant Program every year for five (5) years after the grant closes based on the schedule below.

Survey Due	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

You 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/Product/default.htm>

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