

EXHIBIT B
PROCEDURES AND REQUIREMENTS
Rubberized Asphalt Concrete Grant Programs
Targeted Rubberized Asphalt Concrete Incentive
Rubberized Asphalt Concrete Use
Rubberized Asphalt Concrete Chip Seal
FY 2009/10

INTRODUCTION

The Procedures and Requirements of the California Integrated Waste Management Board's (CIWMB) Rubberized Asphalt Concrete (RAC) Grant Programs Grant Agreement (Agreement) describes 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.

PRIOR TO
COMMENCING WORK

GRANT SELF ASSESSMENT CHECKLIST FORM

Prior to commencing work under this Grant the Grantee's Grant Manager and authorized Signature Authority should review the Grant Self Assessment Checklist Form so as to identify key administrative requirements. Evaluation of the Grantee's compliance with these requirements is a major part of all grant audit reviews.

As set forth more fully in the Terms and Conditions (Exhibit A), the Grantee shall submit with its Final Report a completed and signed Form. To obtain the Grant Self Assessment Checklist Form (CIWMB 641) see <http://www.ciwmb.ca.gov/Tires/Grants/Forms.htm/> or contact your Grant Manager.

RELIABLE CONTRACTOR DECLARATION

Prior to authorizing a contractor(s) to commence work under this Grant, the Grantee shall submit to the CIWMB 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 Natural Resources, Division 7, has occurred with respect to the contractor(s) and the subcontractor(s), respectively. See <http://www.ciwmb.ca.gov/Regulations/Title14/ch1.htm#ch1a5>

If a (sub)contractor is placed on the CIWMB Unreliable List after award of this Grant, the Grantee may be required to terminate that contract. To obtain the Reliable Contractor Declaration Form (CIWMB 168) see <http://www.ciwmb.ca.gov/Tires/Grants/Forms.htm>.

PROJECT
REQUIREMENTS

All projects are subject to the following requirements:

- One hundred percent (100%) California waste tires must be used in the rubber portion of the project(s).
- Reimbursement will not exceed the amount stated on the grant agreement cover page.

- Construction of the RAC portion of any project must commence on or after receipt of Notice to Proceed and be completed by April 2, 2012.

Additionally, the following project requirements specific to the individual RAC programs indicated:

Targeted Rubberized Asphalt Concrete Incentive (Targeted) Grant Program

- RAC material must meet American Society for Testing and Materials (ASTM) D 6114-97 (2002) “Standard Specification for Asphalt-Rubber Binder.”
- Project(s) must use a minimum of 3,500 tons of RAC.
- Grantee’s staff involved in the proposed RAC project(s) must attend a CIWMB-sponsored training before beginning the project. Topics for the training are typically in one hour modules and may include a general introduction or more detailed discussion regarding the RAC manufacturing and construction processes and procedures. At the discretion of the CIWMB Grant Manager, the training will be tailored to address the specific needs of each Grantee.
- Reimbursement will be based on the following, as stated in the grant application for each project/phase:

Number of RAC Grants Received in the Past	Differential Between RAC and Conventional Asphalt Concrete
0	100%
1	70%
2-3	40%

Rubberized Asphalt Concrete Use (Use) Grant Program

- Project(s) must use a minimum of 20 pounds of crumb rubber per ton of hot mix.
- Project(s) must use at least 1,250 tons of RAC hot mix.
- The grant reimbursement will be calculated at the rate of five dollars (\$5.00) per ton of RAC hot mix, as stated in the grant application for each project/phase.

Rubberized Asphalt Concrete Chip Seal (Chip Seal) Grant Program

- RAC chip seal material must contain a minimum of 300 pounds (equivalent to 15% by weight) of tire-derived crumb rubber per ton of rubberized binder.
- Project(s) must use a minimum area of 35,000 square yards of RAC chip seal material.

- Reimbursement will be based on the following, as stated in the grant application for each project/phase:

Number of RAC Chip Seal Grants Received in the Past	Reimbursement Rate
0-2	\$1.00 per square yard
3 or more	\$.20 per square yard

SIGNAGE/
ACKNOWLEDGEMENT
REQUIREMENTS

The grantee must either install/publish/deliver appropriate signage/acknowledgement of CIWMB funding and waste tire diversion by April 4, 2012. See the “Acknowledgements” and “Advertising/Public Education” provisions in Exhibit A – Terms and Conditions, for acknowledgement requirement information. In addition, see Attachments to the Grant Agreement – Signage for an example and sign specifications. The signage/acknowledgement must include the following:

1. Funded by a grant from the California Integrated Waste Management Board;
2. CIWMB Logo; and
3. Number of California waste tires diverted from the waste stream by this project.

Where signage requirement for one or more RAC projects is problematic due to issues which include, but may not be limited to, potential road right-of-way hazards; multiple location sign posting issues; or local ordinances or Covenants, Conditions & Restrictions limiting street signage; the grantee may substitute alternative forms of acknowledgement.

Alternatives to the signage requirement must include one or more of the following:

1. Utility bill inserts
2. Newspaper ads/stories
3. Local radio
4. Television public service announcement (PSA)
5. And/or list on grantee’s website for a minimum of one year.

WORK PLAN AND
CHANGES/
MODIFICATIONS

The grantee will construct one or more RAC project(s) at the location(s) specified in the approved grant application. Changes or modifications to the original project must be submitted in writing to the CIWMB Grant Manager by the Grantee. Only non-substantive changes will be considered. The total amount of RAC or chip seal material used for the grant must be equal or greater than the amount in the approved application. **The CIWMB Grant Manager must approve the proposed changes in writing prior to the Grantee performing the changed work.**

RECYCLED-CONTENT
CERTIFICATION

The certification required in the “Recycled Content Certification” provision of the Terms and Conditions (Exhibit A) shall be provided on the Crumb Rubber Modifier Certification Form (CIWMB 74G-RAC) available at <http://www.ciwmb.ca.gov/Tires/Grants/Forms.htm>.

REPORTING
REQUIREMENTS

A Progress Report and a Final Report are required by this Agreement. All reports must be current, including all required sections/documents, and must be approved by the CIWMB Grant Manager before Grant Payment Requests can be processed. Failure to comply with the specified reporting requirements or the approved work plan may result in the termination of this Agreement or suspension of any outstanding Grant Payment Requests. Any problems or delays must be reported immediately to the CIWMB Grant Manager.

PROGRESS REPORT
REQUIREMENTS

All documents submitted must be printed double-sided on recycled-content paper containing one hundred percent (100%) post consumer fiber. Specific pages containing full-color photographs or other ink-intensive graphics may be printed on photographic paper.

The Grantee must submit a Progress Report to the CIWMB Grant Manager by December 31, 2010. The reporting period begins from the date of the Notice to Proceed issued by CIWMB notifying the grantee to begin the grant project and continues through October 29, 2010.

The Progress Report must be prepared in the format specified below.

Report Component	Description
Cover Page	<ul style="list-style-type: none">• 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 California Integrated Waste Management Board, 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	<p>Provide a brief description of the progress of the RAC grant project(s) including</p> <ul style="list-style-type: none">• Approved, completed and in-process project(s)• The timeline for completion of remaining project(s)• Results Achieved• Problems encountered or anticipated <p>Provide a brief description of any changes to the project and/or schedule including:</p> <ul style="list-style-type: none">• 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 2, 2012. The reporting period covers from the Notice to Proceed to April 2, 2012. **Failure to submit the Final Report and final Grant Payment Request with appropriate documentation by April 2, 2012 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. If requested, the Grantee shall make an oral presentation to the Market Development and Sustainability Committee and/or the full Board.

Report Component	Description
Cover Page	<ul style="list-style-type: none"> • 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 California Integrated Waste Management Board, 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 Information	<p>Provide a concise Executive Summary of the project(s). Within the narrative of the report, include the following information:</p> <ul style="list-style-type: none"> • Locations of Paving (List of Street); limits of paving (Point A to Point B) • Amount (tons) of RAC; amount of rubberized binder (tons) and square yardage of chip seal used • General Information (thickness of paving, type of hot mix – e.g. asphalt-rubber, type G, gap graded, open graded, etc.) • Binder information (asphalt cement type, percent crumb rubber, percent binder in hot mix) • Pounds of rubber per ton of hot mix (20 lbs. per ton, minimum for Use) or chip seal binder (300 lbs. per ton, minimum for Chip Seal) and total

	<p>pounds of crumb rubber used in project(s)</p> <ul style="list-style-type: none"> • Results of quality assurance, quality control testing performed, if any • Cost of material (\$/ton-RAC, \$/yd²-chip seal) • Problems encountered
Waste Tires Diverted	Total number of California waste tires diverted from the waste stream as a result of the project's completion. You must provide verification that 100% of the tire rubber purchased and used in the project was from California by signing the Crumb Rubber Modifier Certification Form (CIWMB 74G-RAC).
Photographs	<ul style="list-style-type: none"> • Two digital photographs of the completed project on disk. Pre-construction photographs are highly recommended, however, not mandatory. • Two digital photographs of required signage or other project acknowledgement. (Refer to page 1 of this Exhibit for details).
Contractor Summary	<p>List of all contractors and subcontractors that supplied rubberized asphalt materials for the project. For each contractor and subcontractor include the following information:</p> <ul style="list-style-type: none"> • Name of Firm • Contact person • Address • Concise statement of work completed • Time period in which the work was completed • Amount paid <p>Reliable Contractor Declaration (CIWMB 168) required by Exhibit A – Terms and Conditions (Unreliable List).</p>

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 Grantee must submit the required Progress Report/Final Report, and the CIWMB 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 "Grant 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.
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5. Ten percent (10%) of each approved Grant Payment Request will be withheld and retained until all conditions stipulated in the Grant Agreement, including submission and CIWMB 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. CIWMB will make payments to the Grantee as promptly as fiscal procedures permit. The Grantee can typically expect payment approximately forty-five (45) days from the date a Grant Payment Request is approved by the CIWMB Grant Manager.
 7. The Grantee must provide a Reliable Contractor Declaration (CIWMB 168) (see <http://www.ciwmb.ca.gov/Tires/Grants/Forms.htm>) 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 CIWMB 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 are expenditures incurred during the term of the grant project (beginning after receipt from the CIWMB of a Notice to Proceed through April 2, 2012), directly related to the installation and/or quality assurance, quality control testing of the RAC or chip seal material and approved by the CIWMB Grant Manager.

INELIGIBLE PROJECT COSTS

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- Ineligible costs include, but are not limited to, the following:
- Costs incurred for projects that start construction of the RAC paving prior to the Notice to Proceed date, or end construction after April 2, 2012;
 - Projects utilizing tire rubber material that is not made from 100% California waste tires;
 - Truck tire buffing material;
 - Projects using less than the amount of crumb rubber, tonnage of RAC or yardage of chip seal material, as specified in Project Requirements;
 - In the case of the Targeted Grant Program, not meeting ASTM D6114-97 (2002) specifications; and
 - Any other costs deemed unreasonable or unrelated to the purpose of the grant by the CIWMB Grant Manager.

GRANT PAYMENT REQUEST AND DOCUMENTATION

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1. Submit a Grant Payment Request (CIWMB 87) with an original signature of the individual or his/her designee, as authorized in the resolution. Copies of or faxed Grant Payment Request forms will not be approved for payment. To obtain the Grant Payment Request (CIWMB 87), see <http://www.ciwmb.ca.gov/Tires/Grants/Forms.htm>.

Include supporting 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 and receipts)
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- Amount of RAC or chip seal material produced for the project
 - For reimbursement based on differential cost, provide proof of: actual RAC cost (\$/ton) and conventional AC cost (#/ton) {e.g., an alternate bid from the RAC project or other recent, comparable size AC project.}

Note: All supporting documentation must be maintained in accordance with the “Audit/Records Access” section of Exhibit A – Terms and Conditions.

2. Submit a Crumb Rubber Modifier Certification Form (CIWMB 74G-RAC) completed by the manufacturer(s) with each payment request. The Crumb Rubber Modifier Certification Form can be found at <http://www.ciwmb.ca.gov/Tires/Grants/Forms.htm>.
3. For the final Grant Payment Request only include a completed and signed Self-Assessment Checklist Form (CIWMB 641). The Self-Assessment Checklist Form can be found at: <http://www.ciwmb.ca.gov/Tires/Grants/Forms.htm>. This form is designated to aid the Grantee and CIWMB in measuring compliance with grant administrative requirements.
4. Please submit all reports and payment requests to:
California Integrated Waste Management Board
ATTN: RAC Grant Programs
Financial Assistance Division, 9th Floor
P.O. Box 4025
Sacramento, CA 95812-4025

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.
