

EXHIBIT B
PROCEDURES AND REQUIREMENTS
Tire-Derived Aggregate (TDA) Grant Program
Fiscal Year 2012/13

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 from your CalRecycle Grant Manager (Grant Manager). The Notice to Proceed will be sent after both the grantee and CalRecycle have signed the Agreement.

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 Agreement, 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 Natural Resources, Division 7, has occurred with respect to the contractor(s) and the subcontractor(s), respectively. See the [CalRecycle Regulations web page \(http://www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5\)](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 supplied, transported, and/or installed TDA materials or that provided engineering/design or testing services for the project. To obtain CalRecycle 168 form, see the General Grant Forms section of the [CalRecycle forms web page \(http://www.calrecycle.ca.gov/Grants/Forms\)](http://www.calrecycle.ca.gov/Grants/Forms).

The Reliable Contractor Declaration Form must be uploaded in GMSWeb. To upload the Form:

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

For further instructions on uploading the Reliable Contractor Declaration or for more information regarding GMSWeb, including log-in directions, see the section below entitled "Grant Management System".

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.

PROJECT
REQUIREMENTS

All projects are subject to the following requirements:

- One hundred percent (100%) 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% design at the time of application submission and 100% 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 Notice to Proceed and be completed by April 1, 2015.

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**" (VLP) 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 VLP.
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PROJECT
ACKNOWLEDGEMENT
REQUIREMENTS

By April 1, 2015, 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 grant project(s). See the “Acknowledgements” provision in Exhibit A – Terms and Conditions, for acknowledgement requirement information. The acknowledgement must include the following:

- Funded by grant from CalRecycle;
- CalRecycle Logo¹; and
- Number of California waste tires² diverted from the waste stream by this project.

¹CalRecycle Logos are available on the [CalRecycle Image Gallery web page \(http://www.calrecycle.ca.gov/Gallery/Logos/\)](http://www.calrecycle.ca.gov/Gallery/Logos/), or contact your Grant Manager.

²To 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.

If posting the acknowledgement to the grantee’s website is problematic due to grantee-specific issues, the grantee may substitute alternative forms of acknowledgement upon written pre-approval from the Grant Manager.

Alternatives to the website posting acknowledgement requirement 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. Project signage placed in a prominent location at the project site(s). A high resolution file for production purposes and sign specifications can be found on the [Tire Resources web site \(http://www.calrecycle.ca.gov/Tires/Grants/Resources/#Signage\)](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 the 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 (GMSWEB)

GMSWeb is CalRecycle’s web-based grant application and grant management system. Access to GMSWeb is secure; grantees must log in using a CalRecycle WebPass. CalRecycle 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 CalRecycle WebPass account to continue accessing

GMSWeb. Establish or manage a CalRecycle WebPass at the [CalRecycle WebPass site \(https://secure.calrecycle.ca.gov/WebPass/\)](https://secure.calrecycle.ca.gov/WebPass/).

Accessing the grant

Grantees must use their CalRecycle WebPass to log into the [GMSWeb system \(https://secure.calrecycle.ca.gov/Grants\)](https://secure.calrecycle.ca.gov/Grants/) . After log-in, locate the grant in the **Associated Grant Applications** table and select the **Grant Management** link. The **Grant Management** module includes the following sections:

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

Follow the instructions in 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**. Contact information is available to the grantee in read-only mode.

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

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. To upload a report:

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

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.

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, 2014 (for the period covering the Notice to Proceed Date to April 1, 2014). 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 payment request at the same time as your progress report, you must follow the report 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	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 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	<p>Provide a brief description of the progress of the TDA grant project(s) including:</p> <ul style="list-style-type: none"> • Completed design plans • Hired contractor(s) • Approved, completed, and in-process project(s) • The timeline for completion of project(s) • Results achieved • Problems encountered or anticipated • Provide a brief description of any changes to the project and/or schedule including: <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(s) is completed, but must be submitted no later than April 1, 2015. The reporting period covers from the Notice to Proceed to April 1, 2015, or completion of Project, whichever is sooner. **Failure to submit the Final Report and final Grant Payment Request with appropriate documentation by April 1, 2015, 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 of the requirements listed below. If requested, the grantee shall make an oral presentation to CalRecycle.

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 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 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"> • 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,

	<p>including any deviation from the CalRecycle initially approved design. Uploaded files cannot exceed 10 megabytes. If necessary, split documents/files and designate them with the document/file name and the extension “a,” “b,” etc.</p> <ul style="list-style-type: none"> • 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
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Waste Tires Diverted	<p>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 100% of the 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 on the Grant Forms web page (http://www.calrecycle.ca.gov/Grants/Forms), in the Tire Recycling, Cleanup, and Enforcement Grants section.</p>
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Photographs/Project Acknowledgement	<ul style="list-style-type: none"> • 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.
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Contractor Summary	<p>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:</p> <ul style="list-style-type: none"> • Name of Firm • Contact person • Address • Concise statement of work completed
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- Time period in which the work was completed
 - Amount paid
 - Reliable Contractor Declaration (CalRecycle 168) required by Exhibit A – Terms and Conditions (Unreliable List).
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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. 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 (10%) of each approved Grant Payment Request will be withheld and retained until all conditions stipulated in the Grant Agreement, including submission and 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.
 7. CalRecycle 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 Grant Manager.
 8. The grantee must provide a Reliable Contractor Declaration (CalRecycle 168), located on the [Grant Forms web page \(http://www.calrecycle.ca.gov/Grants/Forms\)](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.
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ELIGIBLE PROJECT
COSTS

Eligible costs include:
Approved expenditures incurred during the Grant Term (beginning after receipt of the Notice to Proceed through April 1, 2015) 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% of the combined total cost of material, installation, and testing, not to exceed \$45,000. For a single VLP (see “Project Requirements” for definition), engineering/design and testing costs are subject to a maximum of 13% of the combined total cost of material and installation, not to exceed \$86,283, the maximum allowed for a \$750,000 grant.

INELIGIBLE PROJECT COSTS

Ineligible costs include, but are not limited to, the following:

- Costs incurred prior to the Notice to Proceed date or after April 1, 2015;
 - Projects utilizing TDA material that is not made from 100% 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 (ADC) or alternative intermediate cover (AIC) 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; and
 - Any other costs deemed unreasonable or unrelated to the purpose of the grant by the Grant Manager.
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GRANT PAYMENT REQUEST AND DOCUMENTATION

To submit a Grant Payment Request:

1. Go to the **Payment Request Transactions** section in the Detail tab.
2. Click on the **Create a Reimburse/Advance Reconciliation** button.
 - a. Choose **Reimburse** for the Transaction Type and enter the amount spent in each budget sub category.
3. When the transaction is complete, click the **Save** button.
4. After the transaction is saved, the **Upload Supporting Documentation** button will appear in the lower right corner. Upload all required supporting documents as listed below.
 - a. A scanned copy of signed **Grant Payment Request form** (CalRecycle 87).

The grantee is also required to mail 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 TDA Grant Program FiRM Branch, 9 th Floor P.O. Box 4025 Sacramento, CA 95812-4025	Department of Resources Recycling and Recovery 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

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 Exhibit D - Application Guidelines and Instructions.
- d. **For PFP grantees only**, an updated General Checklist of Business Permits, Licenses and Filings form (CalRecycle 669), available at [Grant Forms web page \(http://www.calrecycle.ca.gov/Grants/Forms\)](http://www.calrecycle.ca.gov/Grants/Forms), in the General Grant Forms section.

RECORDS AND AUDIT REQUIREMENTS

Grantees are required to use Generally Accepted Accounting Principles in documenting expenditures. This grant is subject to a desk or field audit, as more fully set forth in the Terms and Conditions. (See Exhibit A, Audit/Records Access, for more information.)

The best way to ensure an “audit-proof” grant is to share the Grant Agreement with your Finance and/or Accounting Department and any contractors or subcontractors. It is also recommended that all documents related to this grant be kept together in one file.

ANNUAL SURVEY

Post-grant term Annual Surveys are required 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 (5) years after the grant is closed based upon the schedule below.

Survey Due Date	Survey Period
June 30, 2016	Completion of Project – June 30, 2016
June 30, 2017	July 1, 2016 – 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

You will be notified via email once the annual online survey is available. The annual online survey may be accessed online at the [TDA web page \(http://www.calrecycle.ca.gov/Tires/Grants/TDA/default.htm\)](http://www.calrecycle.ca.gov/Tires/Grants/TDA/default.htm).
