

**EXHIBIT B**  
**PROCEDURES AND REQUIREMENTS**

**Tire-Derived Product Business Assistance Program**  
**FY 2010/11 (TBP4)**

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# 1. EXHIBIT B

## PROCEDURES AND REQUIREMENTS

### OVERVIEW

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#### INTRODUCTION

The Procedures and Requirements of the Department of Resources Recycling and Recovery's (CalRecycle) Tire-Derived Product Business Assistance Program (TBAP) describes program 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. The Procedures and Requirements are part of the Assistance Grant Agreement (Agreement) and are incorporated therein by this reference.

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.

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#### GRANT TERM

The Grant term is from the Notice to Proceed through April 15, 2013.

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#### GRANT ASSISTANCE

Four broad categories of technical and consultative services (general, technical, marketing, testing and certification) are available. The technical and consultative services to be provided to the Grantee are broadly described in the Work Plan and Budget ) and are detailed in the confidential Assessment Report and the confidential Activity Plan. All services provided by the Contractor to the Grantee are authorized by a Work Order (consistent with the Activity Plan) approved by the CalRecycle Grant Manager and paid directly to the Contractor by CalRecycle.

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#### PROGRAM REQUIREMENTS

TBAP requires certain conditions to be met and/or maintained. CalRecycle may reduce the grant funds awarded in this Agreement or require repayment of all or a portion of the grant funds if the following requirements are not met:

- The amount of waste tires used by the business must not be less than stated in the Application .
- One hundred percent (100%) California-generated waste tires must be used during Grant term. Feedstock conversion using 80 to 300 mesh or even smaller fine crumb rubber sourced out of California may be used for “testing and demonstration” purposes, subject to a CalRecycle staff determination that the needed materials are not currently available in California.

See the “Acknowledgements” and “Advertising/Public Education” provisions in the Terms and Conditions (Exhibit A) for specific requirement information.

CalRecycle may reduce the grant funds awarded in this Agreement and/or terminate the Agreement if the Grantee is uncooperative and/or unresponsive with CalRecycle and/or the Contractor. See the “Termination” provisions in the Terms and Conditions (Exhibit A) for additional details.

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**CALRECYCLE GRANT  
MANAGER CONTACT  
INFORMATION**

Don Peri  
TBAP CalRecycle Grant Manager  
Phone: (916) 323-3415  
Fax: (916) 319-7122  
Email: don.peri@calrecycle.ca.gov  
Mailing address: See Report section of this document

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## **REPORT REQUIREMENTS**

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**REPORT  
REQUIREMENTS**

Annual Reports, a Final Report, and Legacy Reports are required by this Agreement.

**Annual Reports:**

The Annual Reports must be prepared in accordance with the format specified in the Annual Report section of this document. The CalRecycle Grant Manager may request an interim report at any time during the Grant term.

**Final Report:**

The Final Report must be prepared in accordance with the format specified in the Final Report section of this document.

**Legacy Reports**

Legacy Reports are required for a period of five (5) years after the expiration of the Grant term. The purpose of these reports is to gather information for the market analysis reports and to evaluate the effectiveness of the TBAP Grant Program, and by executing the Assistance Grant Agreement, the Grantee agrees to participation in this continuing effort by submission of annual Legacy Reports for a period of five (5) years after the end of the Grant Term. The format and content of these reports will be developed during the Grant Term, and Grantees will be notified of the information required for submission.

*Note: All reports must be current and approved before Grant work orders can be processed. Failure to comply with the specified reporting requirements may result in the termination of this Agreement or suspension of any outstanding work orders. Any problems or delays must be reported immediately to the CalRecycle Grant Manager.*

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**REPORT DUE DATES**Annual and Legacy Reports:

The Annual Reports must be received by CalRecycle no later than April 15, 2012 and April 15, 2013. Legacy Reports must be received on April 15, 2014 and annually thereafter until and including April 15, 2018. (For any report due dates that fall on a Saturday, Sunday or holiday, the Annual Report is due the first business day following April 15.) The reporting period begins when the Agreement has been executed.

Grant Summary Report:

The Grantee must submit Grant Summary Reports to the CalRecycle Grant Manager the earlier of: within 60 days of conclusion of assistance provided by the Contractor, or April 15, 2013.

Report	Report Due	Reporting Period
Annual Reports	April 15, 2012 April 15, 2013	Notice to Proceed – December 31, 2011 January 1, 2012 – December 31, 2012
Draft Final Report	March 15, 2013	Notice to Proceed – April 15, 2013
Final Report	April 15, 2013	Notice to Proceed – April 15, 2013
Legacy Reports	April 15, 2014 April 15, 2015 April 15, 2016 April 15, 2017 April 15, 2018	January 1, 2013-December 31, 2013 January 1, 2014-December 31, 2014 January 1, 2015-December 31, 2015 January 1, 2016-December 31, 2016 January 1, 2017-December 31, 2017

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**REPORT SUBMITTAL**

Please submit all reports to:  
CalRecycle  
Tire Derived Product Business Assistance Program (TBAP)  
Materials Management and Local Assistance, MS# 9A  
Attn: Don Peri  
1001 I Street, P.O. Box 4025  
Sacramento, CA 95812-4025

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**ANNUAL REPORTS**

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Annual Reports are a requirement of this Agreement and must be prepared in the format specified below.

The Annual Report may describe details about a Grantee's business strategy, actions taken to improve operational performance, and sales/marketing strategies. If the Annual Report contains information that the Grantee considers confidential, **each page** of the report that contains confidential information should be clearly marked "**Confidential and Proprietary Information.**" Pages containing no confidential information should not be designated as "Confidential and/or Proprietary" and designating the entire report as confidential is not sufficient to identify the information considered by the Grantee to be confidential.

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If the Annual Report contains information that the Grantee designates as “**Confidential and Proprietary**” the report must be submitted in a sealed envelope marked: “TIRE-DERIVED PRODUCT BUSINESS ASSISTANCE PROGRAM ANNUAL REPORT – CONFIDENTIAL/PROPRIETARY INFORMATION SUBMITTAL – AUTHORIZED PERSONNEL ONLY” On the outside of the sealed envelope in which the Confidential/Proprietary Information is submitted, provide the Name, Address, Telephone Number and E-mail address of the individual who should be contacted in the event CalRecycle receives a request under the Public Records Act (Govt. Code §§ 6250, et seq.) for disclosure of any of the documents you have identified as “Confidential and Proprietary Information”

**Note:** Documents submitted to CalRecycle that are clearly marked “trade secret” or “confidential/proprietary information” will be handled by CalRecycle pursuant to the procedures set forth in Title 14 of the California Code of Regulations, sections 17041-17046. The mere marking of documents (such as sales brochures, promotional literature and other general non-financial documents) as “confidential/proprietary information” will not result in their being treated as confidential if they do not fall within the categories of protected financial documents listed in 14 Cal. Code Regs., section 17046. CalRecycle and all documents submitted to it are subject to the California Public Records Act (Govt. Code §§ 6250, et seq.).

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Report Component	Description
<b>COVER PAGE</b>	<p>Include the following:</p> <ul style="list-style-type: none"> <li>• Name of the grantee</li> <li>• Grant number</li> <li>• Amount of grant award</li> <li>• Dates of report coverage</li> <li>• Report preparation date</li> <li>• Disclaimer statement, as follows:</li> </ul> <p>"The statements and conclusions of this report are those of the Grantee and not necessarily those of 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."</p>
<b>TABLE OF CONTENTS</b>	Identify report contents and corresponding page numbers.
<b>EXECUTIVE SUMMARY</b>	Provide a <u>concise summary</u> of the assistance provided, its effectiveness and the impact the assistance is anticipated to have on the business. Quantify the amount of Passenger Tire Equivalents (PTE) used as a result of the TBAP assistance.
<b>ASSISTANCE SUMMARY AND STAUS</b>	<p>Provide a summary of the assistance being provided. Describe any proposed changes to the planned assistance and/or schedule including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Assistance proposed and provided by the Consultant</li> <li>• Results achieved</li> <li>• Problems encountered and how it/they were resolved</li> </ul> <p>Also provide:</p> <ul style="list-style-type: none"> <li>• Copies of year-end financial statements</li> <li>• Appropriate business tax return information to document: sales, expenses (including, but not limited to: cost of goods sold; sales, general and administrative expenses, depreciation and amortization expense, officer's compensation, etc.)</li> <li>• The number of pounds of crumb rubber used or PTE processed and sold</li> <li>• Certification (in a document to be developed) from a California producer of crumb rubber documenting the amount of crumb rubber purchased and certifying that 100 percent of the crumb rubber is from California-generated waste tires. Feedstock conversion using 80 to 300 mesh or even smaller fine crumb rubber sourced out of California may be used for "testing and demonstration" purposes, subject to a CalRecycle staff determination that the needed materials are not currently available in California.</li> <li>• The average number of employees and their full-time equivalents (based on a 40 hour week)</li> <li>• Any other business or operational information that may be necessary to evaluate the effectiveness of TBAP</li> </ul>

## GRANT FINAL REPORT

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The Final Report is a requirement of this Agreement and must be prepared in the format specified below. The Final Report is due to the CalRecycle Grant Manager no later than April 15, 2013.

The Final Report may describe details about a Grantee's business strategy, actions taken to improve operational performance, and sales/marketing strategies. If the Final Report contains information that the Grantee considers confidential, **each page** of the report that contains confidential information should be clearly marked “**Confidential and Proprietary Information.**” Pages containing no confidential information should not be designated as “Confidential and/or Proprietary” and designating the entire report as confidential is not sufficient to identify the information considered by the Grantee to be confidential.

If the Final Report contains information that the Grantee designates as “**Confidential and Proprietary**” the report must be submitted in a sealed envelope marked: “TIRE-DERIVED PRODUCT BUSINESS ASSISTANCE PROGRAM FINAL REPORT – CONFIDENTIAL/PROPRIETARY INFORMATION SUBMITTAL – AUTHORIZED PERSONNEL ONLY.” On the outside of the sealed envelope in which the Confidential/Proprietary Information is submitted, provide the Name, Address, Telephone Number and E-mail address of the individual who should be contacted in the event CalRecycle receives a request under the Public Records Act (Govt. Code §§ 6250, et seq.) for disclosure of any of the documents you have identified as “Confidential and Proprietary Information”

**Note:** Documents submitted with to CalRecycle that are clearly marked “trade secret” or “confidential/proprietary information” will be handled by CalRecycle pursuant to the procedures set forth in Title 14 of the California Code of Regulations, sections 17041-17046. The mere marking of documents (such as sales brochures, promotional literature and other general non-financial documents) as “confidential/proprietary information” will not result in their being treated as confidential if they do not fall within the categories of protected financial documents listed in 14 Cal. Code Regs., section 17046. CalRecycle and all documents submitted to it are subject to the California Public Records Act (Govt. Code §§ 6250, et seq.).

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Report Component	Description
<b>Cover Page</b>	Include the following: <ul style="list-style-type: none"> <li>• Name of the grantee</li> <li>• Grant number</li> <li>• Amount of grant award</li> <li>• Dates of report coverage</li> <li>• Report preparation date</li> <li>• Disclaimer statement, as follows:                "The statements and conclusions of this report are those of the Grantee and not necessarily those of 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."</li> </ul>
<b>Table of Contents</b>	Identify report contents and corresponding page numbers.
<b>Executive Summary</b>	Provide a <u>concise summary</u> of the assistance provided, its effectiveness and the impact the assistance is anticipated to have on the business. Quantify the amount of PTE used as a result of the TBAP assistance.
<b>Evaluation</b>	<u>Fully describe</u> the assistance provided, its effectiveness and the impact the assistance is anticipated to have on the business. Provide copies of any sales brochures or promotional material developed (as applicable/appropriate).
<b>Waste Tires Diverted</b>	Indicate the number of California-generated waste tires PTE that have been, and are projected to be, diverted from the waste stream. Feedstock conversion using 80 to 300 mesh or even smaller fine crumb rubber sourced out of California may be used for “testing and demonstration” purposes, subject to a CalRecycle staff determination that the needed materials are not currently available in California.
<b>Photographs</b>	Provide copies of any facility changes as a result of the assistance provided. Include electronic copies of photographs on disk.
<b>Appendices</b>	Include copies of any tangible materials, marketing or promotional documents developed during the grant term, including, but not limited to, the following: <ul style="list-style-type: none"> <li>• Brochures</li> <li>• Flyers</li> <li>• Newspaper articles</li> <li>• Any print or other materials related to this grant project</li> </ul>

## **GRANT CLOSEOUT INFORMATION**

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**GRANT COMPLETION  
AND CLOSE-OUT**

The Grantee must submit a Final Report no later than April 15, 2013. The report must contain all required documentation as described in the “Final Report” section of this document.

**RECORDS AND AUDIT  
REQUIREMENTS**

This grant is subject to a desk or field audit. The records for the grant must be located at the Grantee’s location in California and must be maintained for a minimum of three (3) years after the end of the Grant term, or unless a longer period of record retention is deemed necessary. See “Audit/Records Access” section in the Terms and Conditions (Exhibit A), for more information.