

EXHIBIT B

PROCEDURES AND REQUIREMENTS

Targeted Rubberized Asphalt Concrete Incentive Grant Program Fiscal Year 2007/08

INTRODUCTION

The Procedures and Requirements of the California Integrated Waste Management Board's (CIWMB) Targeted Rubberized Asphalt Concrete Incentive Grant Agreement (Agreement) describes project and reporting requirements, report due dates, report contents, grant payment conditions, project completion and close-out procedures, records and audit 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.

PROJECT REQUIREMENTS

- One hundred percent (100%) California waste tires must be used in the rubber portion of the project.
 - Rubberized Asphalt Concrete (RAC) material must meet American Society for Testing and Materials (ASTM) D 6114-97(2002) "Standard Specification for Asphalt-Rubber Binder"
 - Project must use at least 3,500 tons of RAC.
 - Reimbursement will not exceed the amount listed on the Grant Agreement cover page.
 - Must schedule for their staff involved in the proposed RAC project, for a CIWMB-sponsored training before beginning the project. Topics for the training are in one hour modules and could 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 needs of each grantee.
 - Project construction must be completed by April 2, 2010.
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SIGNAGE/ ACKNOWLEDGEMENT REQUIREMENTS

The grantee must either install/publish/deliver appropriate signage/acknowledgement of CIWMB funding and waste tire diversion by April 2, 2010. In addition see Exhibit C – Signage for an example and sign specifications. It must include the following:

1. Funded by a grant from the California Integrated Waste Management Board;
2. CIWMB logo;
3. "Zero Waste – You Make It Happen!"; and
4. Number of California waste tires diverted from the waste stream by this project.

Where the signage requirement for one or more RAC projects is problematic due to issues which include, but may not be not 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 acknowledgment.

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 the grantee's website for a minimum of one year.
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WORK PLAN

The grantee will construct a RAC project as described 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. The CIWMB Grant Manager must approve the proposed changes in writing prior to the Grantee performing the changed work. Only minor changes will be considered.

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 www.ciwmb.ca.gov/Grants/Forms/CIWMB074GRAC.doc

REPORT REQUIREMENTS

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

ANNUAL PROGRESS REPORT DATES

The reporting period begins from the date of the Notice to Proceed issued by CIWMB.

Report	Report Due	Reporting Period
Annual Report	December 30, 2008	Notice to Proceed date – November 30, 2008
Annual Report	December 30, 2009	December 1, 2008– November 30, 2009

ANNUAL PROGRESS REPORTS

Annual Progress Reports 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 Status	<p>Brief description of the progress of the RAC grant project including:</p> <ul style="list-style-type: none"> Results achieved Problems encountered <p>Brief description of any proposed changes to the project and/or schedule including:</p> <ul style="list-style-type: none"> Changes in Grantee contact information should be indicated Changes or modifications to the original project

FINAL REPORT DATES

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, 2010.

Report	Report Due	Reporting Period
Final Report	No later than April 2, 2010	Notice to Proceed date – April 2, 2010

Note: Failure to submit the Final Report and final Grant Payment Request, with appropriate documentation, by April 2, 2010, may result in rejection of the final Grant Payment Request and/or forfeiture by the Grantee of claims for reimbursement of otherwise eligible costs from grant funds.

FINAL REPORT

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 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."
Project Information	<p>Within the narrative of the report, include the following information:</p> <ul style="list-style-type: none"> Locations of Paving (List of Streets), (limits of paving, Point A to Point B) Amount (tons) of RAC 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) Testing performed (quality assurance/quality control, and/or deflection testing) 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).
Project Photographs	<p>Two digital photographs of the completed project on disk. Pre-construction photographs are highly recommended, however, not mandatory.</p> <ul style="list-style-type: none"> Two digital photographs of required signage or other project acknowledgment. (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 Reliable Contractor Declaration (CIWMB 168) required by Exhibit A - Terms and Conditions (Unreliable List).

**FINAL REPORT
(CONTINUED)**

Self Assessment	The Grantee shall submit with its Final Report a completed and signed Self Assessment Checklist form, which is designed to aid the Grantee and the CIWMB in measuring compliance with grant administrative requirements.
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Note: All reports must be current and approved 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.

**GRANT PAYMENT
CONDITIONS**

Grantee:

1. The Grantee must submit a completed Grant Payment Request (CIWMB 87) and supporting documentation as described in the "Grant Payment Request Documentation" section.
2. The Grantee must submit the required Annual Progress Report(s)/Final Report and the Grant Manager must approve the report.
3. The Grantee must provide a Reliable Contractor Declaration (CIWMB 168) (see www.ciwmb.ca.gov/Grants/Forms/CIWMB0168.doc) 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.

CIWMB:

1. CIWMB will reimburse the Grantee for performing the project specified in the Grant Application. The CIWMB Grant Manager must approve any proposed changes in writing prior to the Grantee incurring the cost.
2. CIWMB will only make payments to the Grantee. It is the Grantee's responsibility to pay all contractors and subcontractors for purchased goods and services.
3. 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.
4. Ten percent (10%) will be withheld from each Payment Request and paid at the end of the grant term, when all reports and conditions stipulated in the Grant Agreement have been satisfactorily completed.

**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, 2010), directly related to the installation of the RAC [including pre-design deflection testing and construction quality assurance/quality control (QA/QC) testing costs] and approved by the Grant Manager.

**INELIGIBLE
PROJECT COSTS**

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

- Costs incurred prior to the date of the Notice to Proceed;
- Costs incurred for projects that end construction after April 2, 2010;
- Projects utilizing rubber material that is not made from 100% California waste tires;
- Projects not meeting ASTM D 6114-97(2002) specifications;
- Projects using less than 3,500 tons of RAC;
- Projects costs for design, construction, and/or labor cost not associated with RAC installation; and
- Any other costs deemed unreasonable or unrelated to the purpose of the grant by the Grant Manager.

**GRANT PAYMENT
REQUEST AND
DOCUMENTATION**

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 www.ciwmb.ca.gov/Grants/Forms/CIWMB087.doc.
 - Include supporting documentation such as invoices, receipts, engineering pay estimates or purchase orders 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, invoice marked as paid and receipts)
 - Amount of RAC material produced for the project
 - Documentation of both RAC and conventional AC unit costs

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 www.ciwmb.ca.gov/Tires/Grants/Forms/CIWMB074GRAC.doc.
3. Please submit all reports and payment requests to:

California Integrated Waste Management Board
ATTN: Targeted RAC Incentive (TRI) Grant Program
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.
