

REQUEST FOR APPROVAL

To: Howard Levenson
Deputy Director, Materials Management and Local Assistance Division

From: Shirley Willd-Wagner
Branch Chief, Financial Resources Management Branch

Request Date: March 22, 2013

Decision Subject: Awards for the Tire-Derived Product Grant Program (Tire Recycling Management Fund, FY 2012/13)

Action By: March 29, 2013

Summary of Request: Staff requests approval of grant awards for the Tire-Derived Product (TDP) Grant Program, Fiscal Year (FY) 2012/13. CalRecycle received and reviewed 60 eligible applications requesting a total of \$5,516,830.

This request seeks approval for 31 grant awards (30 fully funded and one partially-funded), identified in Table 1 (List A), totaling \$2,800,000. The remaining 29 eligible applications and the one partially-funded, identified in Table 2 (List B), total \$2,716,830 and may be considered should additional funding become available.

Recommendation: Staff recommends approval of 31 grant awards (30 fully funded and one partially- funded), as listed in Table 1 (List A) below, for \$2,800,000.

Table 1: Tire-Derived Product Grant Program Recommended Awards (List A)

Applicant	Award Amount
Terra Bella Union Elementary School District	\$65,952
Garvey School District	\$46,375
California Polytechnic State University	\$53,320
Oroville City Elementary School District	\$149,941
Santa Cruz City School District	\$140,000
Orange County Sanitation District	\$21,875
Arcade Creek Recreation and Park District	\$148,766
City of Kerman	\$25,538
Maricopa Unified School District	\$58,625
Castro Valley Unified School District	\$149,825
Santa Clara County	\$149,991
Oroville Union High School District	\$109,001
Sonoma County	\$149,570
Paradise Recreation and Park District	\$22,414
Jurupa Area Recreation and Park District	\$46,375

Table 1: Tire-Derived Product Grant Program Recommended Awards (List A, cont.)

Applicant	Award Amount
City of Cloverdale	\$10,220
Solano County	\$62,680
Fillmore Unified School District	\$149,880
Nuestro Elementary School District	\$71,030
Tulare Joint Union High School District	\$149,988
ABC Unified School District	\$147,942
Dos Palos Oro Loma Joint Unified School District	\$149,969
City of Menifee	\$13,875
City of Glendora	\$149,700
30th District Agricultural Association	\$54,993
Hollister School District	\$149,825
City of Fowler	\$22,750
Reef-Sunset Unified School District	\$21,630
Elk Hills School District	\$58,456
Palm Springs Unified School District	\$149,998
Scott Valley Unified School District (Partially Funded)	\$99,496
Totals:	\$2,800,000

Table 2: Tire-Derived Product Grant Program Applicants Eligible for Award, if Additional Funds are Available (List B)

Applicant	Award Amount
Scott Valley Unified School District (Partially Funded)	\$50,341
Lodi Unified School District	\$45,056
Palermo Union School District	\$127,799
Calexico Unified School District	\$149,288
City of Chula Vista	\$37,035
Modoc County Office of Education	\$125,392
City of Coachella	\$55,569
Ukiah Unified School District	\$20,545
San Leandro Unified School District	\$150,000
City of San Pablo	\$125,064
Stanislaus Union School District	\$76,326
Fulton-El Camino Recreation and Park District	\$137,705
City of Redding	\$149,989
Yucaipa Calimesa Joint Unified School District	\$30,280
City of Corning	\$149,983
Maxwell Unified School District	\$65,413
Central Union School District	\$149,805
Parlier Unified School District	\$149,988
City of Coalinga	\$68,178
Ripon Unified School District	\$150,000
City of Westlake Village	\$150,000

Table 2: Tire-Derived Grant Program Recommended Awards, if Additional Funds are Available (List B, cont.)

Applicant	Award Amount
North Highlands Recreation and Park District	\$29,725
City of Hollister	\$149,997
Chualar Union School District	\$29,778
Wilmar Union School District	\$92,222
Mendota Unified School District	\$97,193
Los Angeles County	\$22,500
Bear Mountain Recreation and Park District	\$51,349
Armona Union Elementary School District	\$49,000
Yurok Indian Housing Authority	\$31,310
Totals:	\$2,716,830

Funding:

The *Five-Year Plan for Waste Tire Recycling Management Program – (6th Edition covering Fiscal Years 2011/12-2015/16) (Five-Year Plan)* allocates \$2,800,000 for the TDP Grant Program for FY 2012/13. If additional funds become available, the Deputy Director may provide direction to fund remaining eligible TDP Grant Program applications.

Fund Source	Amount Available	Amount to Fund Item	Amount Remaining	Line Item
Tire Recycling Management Fund (FY 2012/13)	\$2,800,000	\$2,800,000	\$0	State Ops/Grants
Total	\$2,800,000	\$2,800,000	\$0	

Deputy Director Action:

On the basis of the information and analysis in this Request for Approval and the findings set out herein, I hereby conditionally approve the grant awards for the Tire-Derived Product Grant Program as listed in Table 1, List A. Each proposed grantee's award is conditional upon:

1. The full payment by June 17, 2013, of all outstanding debt(s) or scheduled payment(s) owed by the proposed grantee to CalRecycle;
2. The return by the proposed grantee of a completed and executed Grant Agreement by June 17, 2013; and

Condition Subsequent

After the Grant Agreement has been executed by both parties, the Grant will be subject to the following condition subsequent: The Grantee may not file for protection under Chapter 9 of the U.S. Bankruptcy Code or declare a fiscal emergency any time within the Grant Performance Period.

Dated: 3/27/13


 Howard Levenson
 Deputy Director

Background and Findings:

Statutory Authority

Public Resources Code (PRC) sections 42872 and 42873 authorize CalRecycle to award grants for activities and applications resulting in reduced landfill disposal or stockpiling of waste tires. PRC section 42889 authorizes use of the California Tire Recycling Management Fund (Tire Fund) to pay the costs associated with TDP grants.

Program Background

The TDP Grant Program is designed to promote markets for recycled-content products derived from California-generated waste tires and to decrease the adverse environmental impacts created by unlawful disposal and stockpiling of waste tires. The TDP Grant Program provides competitive grants for the purchase of various tire-derived products including, but not limited to: landscaping mulch or bark, playgrounds, tracks, sidewalks, sport surfacing, and traffic products.

Criteria and Process

Eligible applicants include public entities such as: California cities, counties, public school districts, public colleges and universities, special districts, park and recreational districts, state agencies (including offices, departments, bureaus, and boards), and Qualifying Indian Tribes.

The grant project must be located in California and use a minimum of 2,500 Passenger Tire Equivalents (PTE) from California-generated waste tires. Truck tire buffings are not eligible for reimbursement due to their relatively strong market demand. The maximum grant award is \$150,000 per applicant.

The application process, applicant eligibility, project eligibility, and evaluation process were discussed at the September 18, 2012, CalRecycle Meeting and subsequently approved by the Deputy Director. The Notice of Funds Availability was placed on the CalRecycle website on November 9, 2012, with an appropriate notice sent to stakeholders. Applications were due December 11, 2012.

CalRecycle received 71 applications requesting a total of \$6,972,809. Staff disqualified five applications for incompleteness, five withdrew their application before award, and one application was disqualified because it did not satisfy program eligibility requirements. The remaining 60 applications were evaluated by staff and determined to be eligible. Because the FY 2012/13 solicitation was oversubscribed (i.e., more requests than available funds), CalRecycle conducted a Random Selection Drawing to determine the recommended funding order for the 60 eligible applications. The resulting recommended funding order of the 60 eligible applications is reflected in Table 1, List A and Table 2, List B.