

REQUEST FOR APPROVAL

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

From: Cara Morgan, Chief
Local Assistance and Market Development Branch

Request Date: March 1, 2016

Decision Subject: Approval Of Scope Of Work For The Tire Outreach And Market Analysis Contract (Tire Recycling Management Fund, FYs 2016/17, 2017/18, 2018/19)

Action By: April 19, 2016

Summary of Request:

Staff requests approval of the Scope of Work (SOW) for the Tire Outreach and Market Analysis (TOMA) Contract. This contract is intended to provide an annual in-depth analysis of the tire market in California as has been previously provided through the Tire-Derived Product (TDP) Business Assistance Program and Tire Outreach and Market Analysis contracts. The contract also seeks to build upon the initial success of the focused technical outreach and education that was initiated under the last TOMA contract. This focused technical outreach and education is aimed at increasing demand for TDPs, fostering new technologies, and expanding the use of waste tire-derived material into a variety of applications including higher value-added products. In support of the targeted technical outreach and education, research and testing is proposed to overcome gaps in data that present barriers to TDP market development. The contract will also identify end-of-life best management practices and markets for TDPs, such as synthetic turf, infill and playground fill. Funding for this contract is multi-year, for an amount not to exceed \$900,000, subject to the availability of funds appropriated to this program.

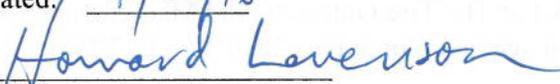
Upon approval of the SOW, staff will work with CalRecycle administrative staff to issue a Secondary Request for Proposals (RFP). The Secondary RFP will require evaluation of proposals by a committee with the award made to the responsible proposer earning the highest score, taking into account expertise, approaches, method, innovation, and cost effectiveness.

Recommendation:

Staff recommends approval of the SOW for the TOMA contract (Attachment 1) in an amount not to exceed \$900,000 (including administrative costs), subject to the availability of funds appropriated to this program, and authorization to proceed with the Secondary RFP. Staff proposes the \$900,000 for this contract be funded as follows: \$300,000 from FY 2016/17; \$300,000 from FY 2017/18; and \$300,000 from FY 2018/19 from the Tire Recycling Management Fund, as outlined in the 8th Edition of the Five-Year Tire Plan for the Waste Tire Management Program Covering FYs 2015/16 – 2019/20.

Deputy Director Action:

On the basis of the information and analysis in this Request for Approval and the findings set out above, I hereby approve the SOW for the TOMA contract, funding allocation not to exceed nine-hundred thousand dollars (\$900,000) subject to the availability of funds appropriated to this program, and direct staff to proceed with the Secondary RFP contractor selection process.

Dated: 4/20/16

Howard Levenson, Deputy Director
Materials Management and Local Assistance

Attachments 1: Scope of Work for the Tire Outreach and Market Analysis contract

Background Information, Analysis, and Findings:

The prior TOMA contract focused on industry-wide projects aimed at strengthening the overall waste tire recycling and tire-derived product industry. The work conducted has been successful in overcoming some barriers and helping the industry as a whole better target tire-derived product (TDP) markets through projects that have:

- annually assessed the management of scrap tires in California (i.e., annual market analysis);
- conducted supply and demand inventories;
- mapped the waste tire industry to better understand California's process and manufacturer infrastructure;
- conducted focused Technical Outreach and Education to Promote TDPs to Government and Private Entities;
- conducted research to further use TDPs as feedstock in existing products;
- facilitated government and green building sales support through compilation of a TDP catalog and its dissemination to state agency procurement officials, architects, and landscape designers;
- conducted feedstock conversion research to determine TDP feasibility and expand uses of waste tires in new applications; and
- assisted with CA tire industry conferences

The focus of this new contract will continue to build upon these initiatives. This contract will help to further strengthen the overall waste tire recycling industry and support CalRecycle's other waste tire market development efforts.

The new TOMA contract is designed to provide an in-depth analysis of California’s tire market in accordance with CalRecycle’s Five-Year Plan for the Waste Tire Recycling Management Program. Ongoing analysis of the tire market will support CalRecycle’s efforts by providing detailed information on the waste tire diversion rate, market trends, and supply/demand balance as well as identifying opportunities and barriers.

This contract also seeks to further advance focused technical outreach and education efforts. Technical outreach and education is aimed at increasing demand for TDPs, fostering new technologies, and expanding the use of waste tire-derived material into a variety of applications including higher value-added products. Research and testing is included in the contract to address barriers to TDP market development caused by a lack of data regarding TDP specifications and performance. Additionally, the contract will identify end-of-life best management practices and markets for synthetic turf, infill, playground fill and other TDPs that must be replaced at the end of their life.

Funding Information:

Funding would be allocated as follows:

Five-Year Plan Activity/Line Item (Fiscal Year)¹	*Amount Available	Amount to Fund Item	Amount Remaining	Index/PCA
Tire Outreach & Market Analysis (FY 2016/17)	\$300,000	\$300,000	\$0	7600/TXXX
Tire Outreach & Market Analysis (FY 2017/18)	\$300,000	\$300,000	\$0	7600/TXXX
Tire Outreach & Market Analysis (FY 2018/19)	\$300,000	\$300,000	\$0	7600/TXXX
Total	\$900,000	\$900,000	\$0	

¹Fund Source: Tire Recycling Fund*Pending amount available approval

