



Request for Proposal
(Secondary Method)
IWM07059
**Tire-Derived Product
Business Assistance Program**

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SECTION I OVERVIEW

General Information The California Integrated Waste Management Board (CIWMB) promotes a zero waste California in partnership with local government, industry, and the public. This means managing the estimated 76 million tons of waste generated each year by reducing waste whenever possible, promoting the management of all materials to their highest and best use, and protecting public health and safety and the environment.

CIWMB Contact California Integrated Waste Management Board
Physical Address: CIWMB
1001 I Street,
Sacramento, CA 95814
Attn: Carol Baker, Contracts Unit MS-19A
Mailing Address: PO Box 4025,
Sacramento, CA 95812-4025
Attn: Carol Baker, Contracts Unit, MS-19A
Phone: (916) 341-6105
FAX: (916) 319-7582
EMAIL: contracts@ciwmb.ca.gov

Any documents delivered in person must be received in the Visitor's & Environmental Service Center located in the lobby of the CalEPA Headquarter's Building at 1001 I Street, Sacramento, CA 95814.

Service Need The Tire-Derived Business Assistance Program (TBAP or Program) is designed to increase demand for tire-derived products (TDP) by building the capacity and improving cost efficiencies of TDP businesses. To accomplish CIWMB's market development goals, the TBAP uses a hybrid approach combining contracted experts to provide technical and consultative services and grant agreements as the vehicle for non-cash awards of those technical and consultative services to businesses. The Contractor also provides technical and consultative services that benefit specific sectors or the industry as a whole.

The Contractor will specifically participate in the general business needs assessment (Assessment) and, upon authorization from the CIWMB, provide the identified technical assistance to the business. By building the capacity and improving cost efficiencies of tire-derived product businesses, TBAP will increase demand for tire-derived products. Eligible businesses may apply for the following types of assistance: general, technical, marketing, and testing/certification.

The high level of expertise required from various disciplines requires the Contractor to assemble a team of highly experienced and respected consultants to effectively provide the necessary assistance. It is expected that one or more members of the Contractor's team will be highly knowledgeable regarding markets for tire-derived products.

Contract Budget Subject to the availability of funds and approval by the Board, there is a current maximum budget of five million one hundred thousand dollars (\$5,100,000) . Three million dollars (\$3,000,000) of this budget will only be available to pay for services rendered through June 30, 2010, while the remaining two million one hundred thousand dollars (\$2,100,000) will be available throughout the term of the agreement.

The CIWMB reserves the right to amend the budget for this Agreement as needs arise.

SECTION I OVERVIEW CONT.

Payment Withhold The provisions for payment under this contract will be subject to a ten percent (10%) withholding per invoice.

The withheld payment amount will be included in the final payment to the contractor and will only be released when all required work has been completed to the satisfaction of the CIWMB.

Liquidated Damages The selected Contractor, to receive award of this agreement, will be subject to liquidated damages if required deliverables (i.e., reports) are not submitted by the due date(s) outlined in the Work Orders (see Section VI).

See Section II, Commitment, *Special Terms and Conditions* for additional information.

Contract Term The term of this Agreement will span approximately 35 months and is expected to begin in June 2008.

The CIWMB reserves the right to amend the term of this Agreement as needs arise.

Process Type Request for Proposal (RFP) (Secondary Method).

Process Schedule This process will be conducted according to the following tentative schedule where all times are Pacific Time :

Advertisement Date	March 31, 2008
Written Questions Due by 5:00 pm	April 14, 2008
Submittal's Due by 2:00 pm	May 7, 2008
Post Notice of Intent to Award	May 12, 2008

SECTION II**RULES AND CONDITIONS**

Introduction

There are conditions that this RFP, submitting Proposers, proposals and resulting Agreements are subject to and/or required to comply with.

Commitment

Upon submittal of a Proposal, the Contractor has committed to comply with the following requirements:

- All items noted in RFP documents
- Special Terms and Conditions available for viewing at www.ciwmb.ca.gov/Contracts/Forms/SpeTermsCond.pdf
- General Terms and Conditions (GTCs) available for viewing at www.ols.dgs.ca.gov/Standard+Language.
- Contractor Certification Clauses (CCCs) available for viewing at www.ols.dgs.ca.gov/Standard+Language.

If the proposer fails to meet any of the requirements or comply with the CIWMB requests, the CIWMB can reject, disqualify, or remove the firm from the process.

The CIWMB is not committed to award an Agreement resulting from this RFP.

Antitrust Claims

In submitting a Proposal Package to a public purchasing body, the Proposer offers and agrees that if the Proposal Package is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the Proposer for sale to the purchasing body pursuant to the Proposal Package. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the Proposer. (See Government Code Section 4552.)

If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the Proposal Package price, less the expenses incurred in obtaining that portion of the recovery. (See Government Code Section 4553.)

Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. (See Government Code Section 4554.)

Contractor's Cost

All costs resulting from the contractor's participation in the RFP process are at the firm's expense.

No costs incurred by the contractor participating in the RFP process will be reimbursed by the CIWMB.

SECTION II RULES AND CONDITIONS CONT.

Information	<p>All information obtained or produced during the course of the Agreement will be made available to the CIWMB.</p> <p>Any information that the proposer deems confidential must so be marked prior to submission to the CIWMB.</p> <p>The CIWMB will hold information deemed confidential by the proposer to the extent allowable by the California Public Records Act and the Public Contract Code.</p>
Written Questions	<p>The RFP includes a formal question and answer period in which proposers have the opportunity to submit questions regarding the RFP. All questions must be submitted in writing either by mail, fax, or e-mail to the CIWMB Contact as listed in Section I. The questions and answers will be published in an Addendum to the RFP (see below, Addenda).</p>
Addenda	<p>The CIWMB reserves the right to amend, alter, or change the rules and conditions of this RFP.</p> <p>Any ambiguity, conflict, discrepancy, omission, or other error discovered in the RFP should immediately be reported to the CIWMB prior to the deadline for submission of written questions. The CIWMB will issue addenda to address such issues.</p>
List of Interested Firms	<p>To assist Proposers in networking and team building efforts, a list of firms who have registered their interest in this contract, will be made available from the CIWMB Contracts website at www.ciwmb.ca.gov/contracts. The list will be included in Addenda to the RFP. The first list will be published six calendar days from release of this RFP (see Section I Process Schedule) and again with any subsequent Addenda issued during the RFP advertisement period.</p>
Modification of Submittals	<p>A Proposal submitted prior to the submittal deadline can be withdrawn or modified by the submitting proposer. The proposer must:</p> <ul style="list-style-type: none">• Provide a written request• Identify the requesting individual and their association to the proposer <p>A Proposal cannot be withdrawn for modification after the submittal deadline has passed.</p>
Errors in Submittals	<p>An error in a Proposal package may be cause for rejection of that proposal.</p> <p>The CIWMB may make certain corrections, if the Proposer's intent is clearly established based on review of the complete proposal.</p>
Unreliable List	<p>Any contractor or subcontractor currently on the CIWMB Unreliable list, is ineligible to apply for or participate in this contract.</p>

SECTION II RULES AND CONDITIONS CONT.

Negotiating State Contracts

This solicitation and any resulting contract or amendments are subject to the conditions set forth in PCC 6611.

If any of the conditions identified in PCC 6611 exist, the Department of General Services may perform contract negotiations, if it is determined to be in the best interest of the State.

Electronic Waste Recycling

If the Contractor or any subcontractors participate in activities that result in the disposition of electronic components, they will comply with the provisions of PRC Chapter 8.5.

Use Tax

If, during the course of the agreement, the Contractor will be involved in the re-sale of goods to the State, they must comply with the requirements of Section 6452.1, 6487, 6487.3, 7101, and 18510 of the Revenue and Taxation Code, in addition to Section 10295.1 of the Public Contract Code.

Small Business (SB) Preference

Any Bidder competing in this process as a California Certified Small Business, or as a non-SB certifying to subcontract a minimum of 25% of the total contract services to a California Certified SB, will receive a five percent (5%) preference. Certification must be provided by the Department of General Services (DGS), Procurement Division (PD), Office of Small Business and DVBE Services (OSDS). The CIWMB will apply the preference per State law and as described on the DGS website at <http://www.pd.dgs.ca.gov/smbus/sbpref.htm>.

For award based on high score, the incentive is applied by calculating the "earned" score for all bidders. If the highest scored proposal is from a non-certified small business or microbusiness, then:

1. Calculate five percent (5%) of the highest responsible bidder's total score.
2. Add the amount calculated above to the score of each of the bidders eligible for the SB incentive. This new amount is the total score.

Application of the incentive shall not displace an award to a small business with a non-small business.

A copy of the Bidder's SB/MB certification should be included with the Bid Package.

SECTION II RULES AND CONDITIONS CONT.

Disabled Veterans Business Enterprise (DVBE) Preference

Any Bidder competing in this process as a California Certified Disabled Veterans Business Enterprise, or as a non-DVBE certifying to subcontract a minimum of 3% of the total contract services to a California Certified DVBE, will receive a preference as shown below:

1. Five (5%) and above participation level = bid will receive five percent (5%) preference.
2. Four (4%) participation level = bid will receive two percent (2%) preference.
3. Three (3%) participation level = bid will receive one percent (1%) preference.

Certification must be provided by the Department of General Services (DGS), Procurement Division (PD), Office of Small Business and DVBE Services (OSDS). The CIWMB will apply the preference as follows:

The incentive is applied during the evaluation process and is only applied for responsive bids from responsible bidders proposing the percentage(s) of DVBE participation for the incentive(s) specified above.

For award based on high score, the incentive is applied by calculating the "earned" score for all bidders: If the highest scored proposal is from a non-certified small business or microbusiness, then:

1. Calculate five percent (5%) of the highest responsible bidder's total score.
2. Add the amount calculated above to the score of each of the bidders eligible for the DVBE incentive according to the participation levels. This new amount is the total score.

Application of the incentive shall not displace an award to a small business with a non-small business.

A copy of the Bidder's DVBE certification should be included with the Bid Package.

Subcontractors

All subcontractors identified in the proposal must be experts in their respective disciplines and capable of performing the tasks for which they are hired.

If awarded the agreement, the contractor must use all of the SB and DVBE firms identified on the Small Business/DVBE Participation Summary.

The CIWMB understands that, although specific contractors are identified to provide services under the contract, some of the services identified in contract may be delivered more efficiently and/or more cost effectively than originally proposed, for example by a local contractor or one with whom the business already has a working relationship. Accordingly, the CIWMB may allow substitute subcontractors when it is in the best interests of the State. To allow a substitute subcontractor all of the following conditions must be met: the service is identified in the existing contract; the substitute subcontractor has demonstrated the appropriate skills necessary to perform the service; the substitute subcontractor is acceptable to Contractor, the Grantee and the CIWMB; the cost to provide that service is equal to, or less than, the cost set forth in the contract; and the percentage of SB/DVBE participation for the contract will not decrease.

Should there be a need for services that could not duly be anticipated, a strong justification will be required by the successful Contractor as to why the identified team cannot provide the services and why the services could not be duly anticipated. If it is determined that an additional subcontractor is necessary, the rates for that subcontractor will be negotiated by the CIWMB Contract Manager and the Contractor. No more than 5% of the total contract amount (\$5,100,000) can be subcontracted for this purpose.

SECTION II RULES AND CONDITIONS CONT.

Confidentiality/Public Records	<p>The proposer receiving award of this Agreement will be required to comply with the following.</p> <p>The Contractor and the CIWMB understand that each party may come into possession of information and/or data that may be deemed confidential or proprietary by the person or organization furnishing the information or data. Such information or data may be subject to disclosure under the California Public Records Act, commencing with GC § 6250, or the PCC. The CIWMB agrees not to disclose such information or data furnished by Contractor and to maintain such information or data as confidential when so designated by Contractor in writing at the time it is furnished to the CIWMB, only to the extent that such information or data is exempt from disclosure under the California Public Records Act and/or the PCC. Contractor agrees to limit access to all confidential and proprietary documents, information and data furnished to it in the course of this Agreement to those individuals whose work on this Agreement requires such access. Each of Contractor's employees and each of Contractor's subcontractors and the subcontractors' employees who will have access to any confidential or proprietary documents, information and/or data must execute a confidentiality agreement with Contractor. Contractor must also offer to enter into optional separate confidentiality agreements with the companies to whom it will provide services under this Agreement. (see Attachments K and L) Upon completion or termination of the Agreement, all originals and copies of any confidential or proprietary documents and/or data furnished to the Contractor in the course of this Agreement will be returned to the CIWMB Contract Manager. Contractor may retain copies of aggregations prepared from confidential or proprietary documents, information and/or data, but must ensure that the parties from whom the information or data originated is not identifiable.</p>
Recycled-Content Certification	<p>The Proposer receiving award of this agreement will be required to report all State Agency Buy Recycled Campaign (SABRC) reportable purchases and the recycled content of those purchases. Attachment G (CIWMB 74C) is required to be submitted with each invoice or annually as determined by the CIWMB Contract Manager.</p>
Payments to the Contractor	<p>The CIWMB does not have statutory authority to make advanced payments. Services rendered must be identified on an invoice, to be billed monthly in arrears.</p>
Travel and Per Diem	<p>Lodging, food, and incidental expenses on trips in support of services will be reimbursed at the following State per diem rates per 24 hour day for the length of the contract. All travel will be reimbursed at the excluded employee travel rates in accordance with the California Code of Regulations Title 2, Division 1, Chapter 3, Subchapter 1, Article 2, Section 599.615.1 et seq..</p> <ul style="list-style-type: none">• Lodging (receipts required) per day–<ul style="list-style-type: none">-Most locations up to a maximum of \$84 plus tax-Counties of Los Angeles and San Diego up to a maximum of \$110 plus tax-Counties of Alameda, San Francisco, San Mateo and Santa Clara up to a maximum of \$140 plus tax• Meals (breakfast, lunch and dinner) – up to a maximum of \$34 per day• Incidentals – up to a maximum of \$6 per day.• Coach airfare, mid-size/economy rental cars, and fuel – actual costs verified by bills or receipts. First Class or Business Class air travel is not allowed.
Equipment and Software Purchases	<p>Any equipment or software purchased to perform the responsibilities under the contract are considered state property and shall be returned to the CIWMB at the end of the contract.</p>

SECTION III**PROPOSAL SUBMITTAL REQUIREMENTS**

Introduction

Failure to follow the instructions contained in this document may be grounds for rejection of a Proposal.

The CIWMB may reject any Proposal if it is conditional, incomplete or contains irregularities.

The CIWMB may waive an immaterial deviation in a Proposal, if deemed in the best interest of the CIWMB.

Deadline

The proposal package must be received by the CIWMB, at the address listed in Section I, Overview by 2:00 p.m. on May 7, 2008.

Proposals received after the deadline will be considered late and returned to the Proposer unopened.

Addressing

The proposal package must clearly state that it is in response to this RFP and note the RFP number listed with the direction of "Mailroom – do not open."

Number of Copies

The Proposer is required to submit all required documents in the following format:

- One original, non-bound hard copy marked "Original"
- Four (4) bound, hard copies marked "Copy"
- One electronic copy on disc or compact disc viewable by Adobe Acrobat Reader. Entire proposal, including any attachments, must be saved to disc (scan proposal documents and save electronically to disk in the order presented in the proposal's table of contents).

It is the submitting Proposer's responsibility to ensure that the electronic copy is formatted in Adobe Acrobat Reader and viewable by the CIWMB.

Document Printing

All documents must be submitted double-sided on paper with a minimum of 100% post-consumer recycled content fiber.

Cover Letter

The cover letter shall be signed by an individual who is authorized to bind the Proposer and shall indicate that person's title or position. The cover letter must be on the Proposer's company letterhead and contain the following information:

- a. Name and address of the Proposer submitting qualifications;
 - b. Name, telephone number, and e-mail address of a person who can be contacted if further information is required;
 - c. Name, title, address, telephone number, and e-mail address of individual(s) with authority to negotiate and execute a binding Agreement on behalf of the Proposer;
 - d. Statement that personnel who will provide services under the agreement will have the required certifications and/or that bidder and subcontractors will have qualified personnel available to meet the service needs; and
 - e. List of primary's and any subcontractor(s)' business names, identification of certified SB and/or DVBE status, if applicable, and the corresponding DGS issued OSDS Reference number.
 - f. Statement attesting to the fact of the percentage of post consumer recycled content fiber paper used in the compilation of the RFP package.
 - g. Statement that the Contractor and any Subcontractors to be used during the performance of the contract are eligible to contract with the State of California, pursuant to PCC 10286.1.
-

SECTION III PROPOSAL SUBMITTAL REQUIREMENTS CONT.

Table of Contents	The information must be organized as presented with corresponding page references.
Summary	The Proposer must include a brief overview of the project and summarize the Proposer's approach to the work.
Tire-Derived Product Business Assistance Program (TBAP) History	<p><i>Prior to preparing your methodology, Proposers are encouraged to thoroughly review the Tire-Derived Product Business Assistance Program website at http://www.ciwmb.ca.gov/Tires/Grants/TDPBusiness/default.htm and to review the agenda items listed below. All Agenda Items can be located from the CIWMB website at http://www.ciwmb.ca.gov/Agendas. From the home page of the website, choose the appropriate meeting date and agenda item number.</i></p> <p>ITEM HISTORY</p> <p>Item #20 December 11, 2007 Board Meeting - Consideration Of Applicant Eligibility Funding Levels And Evaluation Process For The Tire-Derived Product Business Assistance Program (Tire Recycling Management Fund, FYs 2007/08 And 2008/09) (Attachment M to the RFP)</p> <p>Item #14 September 19, 2007, Board Meeting - the California Integrated Waste Management Board (Board or CIWMB) approved clarification to the SOW for sector and industry-wide activities; and amendment to the SOW and augmentation to the contract for the Tire-Derived Product (TDP) Materials and Market Analysis.</p> <p>Items #1 and #2 June 12, 2007, Board Meeting - the Board approved technical assistance and equipment grants for the second cycle of the TBAP. It also adopted the Five-Year Plan for Waste Tire Recycling Management Program – 4th Edition Covering Fiscal Years 2007/08 – 2011/12 (Five-Year Plan).</p> <p>Item #3 At its August 15, 2006, Board Meeting - the Board approved technical assistance and equipment grants for the first cycle of the TBAP.</p> <p>Item #6 February 14, 2006, Board Meeting - the Board approved award of the contract for technical and consultative services for the TBAP to R. W. Beck, Inc. (Beck), covering Fiscal Years (FYs) 2005/06 and 2006/07, in an amount not to exceed \$3,850,000.</p> <p>Item #11 January 17, 2006, Board Meeting - the Board approved the applicant eligibility criteria, funding award levels, evaluation process and performance measurements for the TBAP.</p> <p>Item #11 May 11, 2005, Board Meeting - the Board adopted the Five-Year Plan for Waste Tire Recycling Management Program – 3rd Edition Covering Fiscal Years 2005/06 – 2009/10 (Previous Five-Year Plan). The Five-Year Plan described the TBAP and the Tire-Derived Products Testing and Certification Program. The Previous Five-Year Plan also allocated \$1,500,000 and \$1,750,000 for the TBAP and \$300,000 for the Tire-Derived Products Testing and Certification Program each year for FYs 2005/06 and 2006/07, respectively. All of the funds allocated in the Previous Five-Year Plan to the TBAP and the Tire-Derived Products Testing and Certification Program for FYs 2005/06 and 2006/07 have been encumbered to the Beck contract or will be encumbered to TBAP Grantees in the form of equipment grants.</p>

SECTION III PROPOSAL SUBMITTAL REQUIREMENTS CONT.

Methodology

The proposal should include a Work Plan describing the methods to be employed to accomplish the project objectives. The methodology should be described in sufficient detail to allow CIWMB staff to evaluate the methods and should address all tasks and items in the Scope of Work. The methodology should be specific and objective, but capable of being applied to any business seeking assistance under the Program.

Proposals should describe how the objectives will be met and the methods the contractor will use. The description should include not only what work will be performed, but how it will be performed.

The tasks described in the Scope of Work outline a general approach for meeting the requirements; however, alternative approaches for some or all of the tasks may be proposed if they meet or exceed the requirements in meeting the project objectives.

In addition to the Methodology, the Proposer must respond specifically to the following questions. Explain how your team would approach the following projects using the proposed methodology:

Questions (industry-wide activities)

Question 1:

Many states have focused market development efforts on high dollar projects targeted to state and local government entities. These projects typically include rubberized asphalt concrete, rubberized chip seal surfacing, civil engineering applications, playground and track surfacing as well as sports fields. Many of these products are becoming well established with near-term goal of being sustainable based on product performance and life cycle costs.

Given the interest in global warming and being "green," there currently exists an opportunity to significantly expand market penetration into the consumer and commercial/industrial markets, which could dwarf the existing government sector markets. Given existing and proposed state and federal programs and considering sector and industry-wide activities set forth in the Scope of Work, develop a proposed plan with recommendations to capitalize on opportunities and optimize market penetration for the consumer and commercial/industrial markets. Please include specific recommendations, funding sources, timelines and estimated pounds (or Passenger Tire Equivalents) of additional diversion from California landfills.

SECTION III PROPOSAL SUBMITTAL REQUIREMENTS CONT.

Methodology continued

Question 2:

There are various inefficiencies in the transportation and processing of scrap tires and transportation of various tire-derived products (TDP). California also imports significant amounts of crumb rubber, mulch and truck tire buffings rather than producing these materials within the state. These inefficiencies result in increased costs for TDP and unnecessary contributions to greenhouse gas (GHG) emissions.

Given existing and proposed state and federal programs and considering sector and industry-wide activities set forth in the Scope of Work, develop a proposed plan with recommendations to improve efficiencies in the transportation and processing of scrap tires and transportation of various tire-derived products (TDP). Please include specific recommendations, funding sources, timelines, estimated pounds (or Passenger Tire Equivalents) of additional diversion from California landfills and estimated reduction in GHG emissions.

Instructions for Business Assistance Proposals for Scenarios A and B

Below are two scenarios for businesses that could receive assistance under the Tire-Derived Product Business Assistance Program. In the scenarios presented, the businesses have already undergone the Assessment phase of the Program. Provide detailed proposals of how your team would prioritize and provide the business assistance identified in the respective Scenarios. Title your proposals **Scenario A Business Assistance Proposal** and **Scenario B Business Assistance Proposal**. Cost sheets for these two Scenarios are also required and are described in Section IV (see Sample Attachment C).

Scenario A

Scenario A

Reliable Rubber, Inc., is a mid-size (\$10 million in annual sales), 15 year old, mainstream rubber product manufacturer located in a Southern California Recycling Market Development Zone. The company uses older equipment in a facility that is comprised of several small buildings, many of which are connected. The company has minimal long-term debt, adequate working capital and a debt to worth ration of 1:1.

The company is interested in using recycled rubber in their products, but does not know how to approach the issue. The company produces 30 standard "stock" items, which comprise 40 percent of sales; seasonal orders account for another 40 percent, with the balance being special orders. Sales and profits have been relatively flat with the majority of sales being to regular customers. There is very limited marketing and a basic web site.

The company would like to expand its product line and reduce its production costs in an effort to increase sales and profits. While cost considerations are important, product performance and company reputation are critical.

How would you assess the company, reach consensus on areas of assistance and provide assistance? How would you approach the issue of using recycled rubber in the company's products? How would the products be selected, and how would you optimize the use of recycled rubber in their products? Describe what other considerations would be applicable, such as working capital, appropriate equipment, financing, operational efficiencies, product certification and how you would address them.

Provide a detailed explanation, titled Scenario A Business Assistance Proposal, of how you would prioritize and provide the assistance and provide a detailed budget breakdown, titled Scenario A Cost Sheet, which identifies the budget for completing the needed assistance.-

SECTION III PROPOSAL SUBMITTAL REQUIREMENTS CONT.

Scenario B

SCENARIO B

Freedom Tire Recycling is an existing tire recycler with three locations on the East Coast. It is a well run organization seeking expansion opportunities in California. It has been experiencing 20 percent annual growth for the past few years and enjoys solid banking relations. Products include crumb rubber used in compression molding and rubberized asphalt concrete. It also produces a rubber nugget and shredded mulch for landscape applications.

Financing is important, but not critical due to existing financial relationships. Because time is money, what is important to the company is assistance with facility location, compliance with CEQA, state and local permitting assistance and dealing with any local concerns. Because the company is entering a new geographic market, it needs assistance with sourcing scrap tires and West Coast markets for its products.

How would you assess the company, reach consensus on areas of assistance and provide assistance? How would you approach the issue of competition with existing California processors? Describe what other considerations would be applicable, such as various permitting requirements, EIR and CUP considerations, labor and energy costs and any other aspect that would be important to a company consideration expansion to California?

Provide a detailed explanation, titled Scenario B Business Assistance Proposal, of how you would prioritize and provide the assistance and provide a detailed budget breakdown, titled Scenario B Cost Sheet which identifies the budget for completing the needed assistance.

Organization

Provide a brief description of the team's services and activities, including:

- Date of establishment for firm(s)
 - History of firm(s)
 - Location of firm(s)
 - Any known conflicts of interest (see below) for any of the team members
-

SECTION III PROPOSAL SUBMITTAL REQUIREMENTS CONT.

Conflict of Interest Proposers must identify any known conflicts of interest (see Section IV Proposal Submittal Requirements, Organization).

Conflicts of interest include business or other relations between the Proposer and CIWMB Board Members, staff, or businesses that may be awarded assistance under the Tire-Derived Product Business Assistance Program.

The following Public Contract Codes identify potential conflicts of interest.

10410. No officer or employee in the state civil service or other appointed state official shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or in which the officer or employee has a financial interest and which is sponsored or funded, or sponsored and funded, by any state agency or department through or by a state contract unless the employment, activity, or enterprise is required as a condition of the officer's or employee's regular state employment. No officer or employee in the state civil service shall contract on his or her own individual behalf as an independent contractor with any state agency to provide services or goods.

10411. (a) No retired, dismissed, separated, or formerly employed person of any state agency or department employed under the state civil service or otherwise appointed to serve in state government may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency or department. The prohibition of this subdivision shall apply to a person only during the two-year period beginning on the date the person left state employment.

(b) For a period of 12 months following the date of his or her retirement, dismissal, or separation from state service, no person employed under state civil service or otherwise appointed to serve in state government may enter into a contract with any state agency, if he or she was employed by that state agency in a policymaking position in the same general subject area as the proposed contract within the 12-month period prior to his or her retirement, dismissal, or separation. The prohibition of this subdivision shall not apply to a contract requiring the person's services as an expert witness in a civil case or to a contract for the continuation of an attorney's services on a matter he or she was involved with prior to leaving state service.

SECTION III PROPOSAL SUBMITTAL REQUIREMENTS CONT.

Qualifications and Resources

The prospective contractor and subcontractors must have the experience, qualifications, and resources to perform the required tasks of the project.

Each proposal must include a description of the resources to be used on the project while demonstrating an individual or team members' abilities to perform the work. **The proposals must include resumes for the Project Manager, Personnel and Subcontractors that include:**

- Experience
 - Knowledge
 - Educational Background
 - Appropriate licensing
 - Tasks to be performed
-

References

The Proposer's team must provide a minimum of three (3) verifiable references and/or experience per team member/firm that support the above qualifications.

The CIWMB reserves the right to seek references in addition to the client references provided by the Proposer, as it deems necessary.

If a reference or project experience is unable to be verified, it will be disregarded.

Samples of Written Work

The Proposer's team must include a copy of a verifiable written work that shows success in counseling/advising businesses, especially with respect to: improving business operations, marketing, conversion to using (or using an increased percentage of) recycled materials, and bringing new products to market.

Contract Eligibility

The Proposer must include a written declaration, stating that the Contractor and any Subcontractors to be used during the performance of the contract are eligible to contract with the State of California, pursuant to PCC 10286.1. *Statement may be included in the cover letter.*

Licenses

The Contractor shall be an individual or firm licensed to do business in California. Required documentation includes the following as applicable:

- A copy of the Proposer's registration with the Secretary of State.
- Additionally, pursuant to the California Business and Professions Code, for services of a "professional" nature requiring a professional license issued by the CA Department of Consumer Affairs, Proposers must submit a copy of the appropriate license(s) for each team member who will provide "professional" services under the contract.

There are no professional licensing requirements for these services.

SECTION III PROPOSAL SUBMITTAL REQUIREMENTS CONT.

Small Business (SB) Participation

The CIWMB expects a minimum of twenty-five percent (25%) of the project services to be contracted to a California OSDS Certified SB that performs a commercially useful function.

**IMPORTANT-
REVIEW GOOD
FAITH EFFORT
REQUIREMENTS
IMMEDIATELY**

This goal can be achieved by a combined effort of the prime and/or any subcontractors, that includes:

- If the Proposer is a Certified OSDS SB, as defined in Section V Definitions and Terms, the Participation Summary (see Attachments) must be completed and submitted with the proposal.
- If the Proposer has identified subcontractors to be utilized to meet this goal, the Participation Summary (see Attachments) must be completed and submitted with the proposal.
- If the Proposer has made a good faith effort (see Attachments) to meet the 25% goal and has been **unable to secure a certified OSDS SB, a Demonstration of Good Faith Effort (see Attachments) must be completed and the Participation Summary (See Attachments) must indicate the percentage (even if zero) of services that will be provided by the SB.** Both forms must be submitted with the proposal.

Only those Proposers who identify a minimum of twenty-five percent of the project services to be contracted to a California Certified SB utilizing the Participation Summary will be given the SB Preference as explained in Section II. (Note: A Demonstration of Good Faith Effort does not qualify the Proposer to receive the SB Preference.)

Disabled Veteran Business Enterprise Participation (DVBE)

The CIWMB expects a minimum of three percent (3%) of the project services to be contracted to a California OSDS Certified DVBE that performs a commercially useful function.

**IMPORTANT-
REVIEW GOOD
FAITH EFFORT
REQUIREMENTS
IMMEDIATELY**

This goal can be achieved by a combined effort of the prime and/or any subcontractors, that includes:

- If the Proposer is a Certified OSDS DVBE, as defined in Section V, Definitions and Terms, the Participation Summary (see Attachments) must be completed and submitted with the proposal.
- If the Proposer has identified subcontractors to be utilized to meet this goal, the Participation Summary (see Attachments) must be completed and submitted with the proposal.
- If the Proposer has made a good faith effort to meet the 3% goal and has been **unable to secure a certified OSDS DVBE, a Demonstration of Good Faith Effort (see Attachments) must be completed and the Participation Summary (See Attachments) must indicate the percentage (even if zero) of the services that will be provided by the DVBE.** Both forms must be submitted with the proposal.

Only those Proposers who identify a minimum of three percent of the project services to be contracted to a California Certified DVBE utilizing the Participation Summary will be given the DVBE Preference as explained in Section II DVBE Preference. (Note: A Demonstration of Good Faith Effort does not qualify the Proposer to receive the DVBE Preference.)

SECTION III PROPOSAL SUBMITTAL REQUIREMENTS CONT.

**Enterprise Zone Act
(EZA)**

If the budget for services outlined in this announcement, exceeds \$100,000, the CIWMB will grant a preference for EZA qualified proposers.

The Proposer must provide reasonable demonstration of contract labor hours and certify that they will comply with the requirements of the EZA.

If the Proposer is qualified for this preference, the EZA Preference Request Form must be included in the proposal submittal.

The form may be downloaded at www.ciwmb.ca.gov/contracts/forms.

**Target Area Contract
Preference Act
(TACPA)**

If the budget for services outlined in this announcement, exceeds \$100,000, the CIWMB will grant a preference for TACPA qualified proposers.

The Proposer must provide reasonable demonstration of contract labor hours and certify that they will comply with the requirements of the TACPA.

If the Proposer is qualified for this preference, the TACPA Preference Request Form must be included in the proposal submittal.

The form may be downloaded at www.ciwmb.ca.gov/contracts/forms.

**Local Agency Military
Base Recovery Act
(LAMBRA)**

If the budget for services outlined in this announcement, exceeds \$100,000, the CIWMB will grant a preference for LAMBRA qualified proposers.

The Proposer must provide reasonable demonstration of contract labor hours and certify that they will comply with the requirements of the LAMBRA.

If the Proposer is qualified for this preference, the LAMBRA Preference Request Form must be included in the proposal submittal.

The form may be downloaded at www.ciwmb.ca.gov/contracts/forms.

**Maximum combined
preferences and rules
for award**

In combination with any other preferences (TACPA, EZA, LAMBRA, SB, , DVBE, participation, etc), the maximum limit of the combined preferences is 15% of the bid amount and, in no case, more than \$100,000.00 per solicitation.

Preference programs for TACPA, EZA, LAMBRA, or the non-SB subcontracting preference cannot displace a direct award to a certified SB. In the event of a tie between a SB/MB and a firm that is SB/MB and DVBE, the award shall be made to the firm that is SB/MB and DVBE.

- Required Cost Sheets** The Contractor's cost proposal submittal must include **four cost sheets** as outlined below. Failure to submit any of the cost sheets will result in disqualification.
- The **Cost Proposal Sheet (Rate Sheet) (Attachment A)** will identify the hourly rates of the Proposer's team, including all identified subcontractors. The rates will remain in effect for the life of the agreement.
 - The **Task 3 Cost Sheet** (Attachment B) will identify the Proposer's costs to conduct a comprehensive analysis and prepare a general business needs assessment (Task 3) for one business.
 - Two additional cost sheets titled **Scenario A Cost Proposal Sheet** and **Scenario B Cost Proposal Sheet** must be prepared and submitted with the Proposal. The Proposer must submit a detailed business assistance proposal and corresponding budget in response to Scenarios A and B (Section III). At a minimum, the Proposer will identify in the budgets, personnel services costs (using the rates identified on the Cost Proposal Sheet, Attachment A, column F) and a Grand Total for each Scenario (see sample Attachment C).

Cost Proposal Sheet (Rate Sheet) The cost proposal sheet must specify the hourly rates and include detailed costs as required in the Cost Proposal Sheet (Rate Sheet) Attachment A.

The costs identified, should take into consideration the length of the contract, salary increases and administrative overhead costs.

The rates identified on the Cost Proposal Sheet (Rate Sheet) will remain in effect for the life of the agreement. The rates for all subcontractors to be used in the course of this agreement must be identified on the Cost Proposal Sheet (Rate Sheet).

Task 3 Cost Proposal Sheet This is a cost proposal sheet for costs associated with Task 3, "Conduct Comprehensive Analysis and Prepare General Business Needs Assessment". In preparing the Task 3 Cost Proposal Sheet, the Proposer must base its costs on the proposed Methodology for Task 3 and must use Attachment B to report the costs. The Grand Total for Task 3 Cost Proposal Sheet will be scored as part of the Cost Evaluation (Item 9 of the Proposal Scoring Sheet, Attachment D).

SECTION IV COST PROPOSAL SUBMITTAL CONT.

Cost Sheets for Scenarios A and B

A sample budget template for the Scenario Cost Sheets has been provided as Attachment C. The Proposer is not required to use this budget template, however, the budget breakdown submitted for the respective Scenarios must, at a minimum, include the following information, or the proposal will be disqualified:

- Title the two cost sheets Scenario A Cost Proposal Sheet and Scenario B Cost Proposal Sheet respectively.
 - Name of Proposer and title of RFP (“Tire-Derived Product Business Assistance Program, IWM07059”)
 - Provide a description of the tasks to be performed
 - Identify the team members whose services will be utilized in completing the specified tasks
 - Identify the hourly rates using the Total Hourly Rates (column F) identified on the Cost Proposal Sheet (Rate Sheet) (Attachment A)
 - Identify the estimated hours of service to be provided by each team member for the specified tasks
 - Identify the Grand Total for all costs associated with completing the business assistance services as outlined in the Business Assistance Proposal.
 - Do not include travel, lodging or food costs since these costs are subject to the approved State per diem rates.
 - The Acknowledgement/Authorization block with all information as it appears in the sample template, signed and dated.
-

SECTION V**EVALUATION AND SELECTION**

Introduction

The CIWMB will perform a Pre-Qualification Evaluation process to ensure that the Proposer has included all required documentation in the Proposal submittal.

If a proposal package does not meet all of the requirements set forth in this RFP, it will be considered non-responsive and disqualified from further competition.

Those Proposer's submittals that pass this review will be forwarded to the Selection Committee for Evaluation.

**Selection Process/
Scoring Criteria**

The Selection Committee will evaluate and score all proposals passing the Pre-Qualification Evaluation utilizing the Scoring Criteria identified in this RFP. Although this Secondary RFP will be awarded to the qualified proposer achieving the highest score, the cost component is heavily weighted as the CIWMB is looking for extremely competitive rates for the services to be provided to tire-derived product businesses.

Only those proposals that receive a score of at least the minimum requirement identified on the Scoring Sheet will be ranked.

**Evaluation of Cost
Sheets**

The Proposer's cost proposal submittals will be evaluated based on whether the cost breakdowns are sufficiently detailed to determine if the proposed expenses are reasonable.

The Proposal must include four cost sheets as outlined below. Failure to submit any of the cost sheets will result in disqualification.

- The Cost Proposal Sheet (Rate Sheet) (Attachment A) will be evaluated under Item 8 of the Proposal Scoring Sheet (Attachment D)
 - The Task 3 Cost Sheet (Attachment B), Scenario A Cost Proposal Sheet and Scenario B Cost Proposal Sheet (Sample Attachment C) will be evaluated under Item 9 of the Proposal Scoring Sheet (Attachment D)
-

Cost Points

Cost points account for 30% of the total points available (see Item 9, Attachment D, Proposal Scoring Sheet). The Cost Points will be applied to the sum of the Grand Totals identified on the Task 3 Cost Sheet, the Scenario A Cost Sheet and the Scenario B Cost Sheet and will be based on the following formula:

- 1) Lowest cost proposal is awarded the maximum cost points.
- 2) Other proposals are awarded cost points based on the following calculation:

Other Proposer's Cost Points = (factor*) X maximum cost points

* factor is the Lowest Proposer's cost divided by Other Proposer's cost

EXAMPLE

Lowest Proposer's cost = \$10

Other Proposer's cost = \$12

Maximum cost points = 30 cost points

factor = \$10 ÷ \$12 = .83

Cost Points Calculation for Other Proposer's Cost

.83 X 30 cost points = 25 cost points

Final Cost Points Awarded

Lowest cost proposal receives 30 cost points

Other cost proposal receives 25 cost points

SECTION V EVALUATION AND SELECTION CONT.

Oral Interviews

If oral interviews will be conducted as part of this process, the date of said interviews will be within the timeframe identified in Section I, Schedule. No oral interviews are anticipated for this RFP

All Proposers invited for an interview, will be notified by the CIWMB of the specific date and time of the interview.

Failure to attend the interview by the Proposer will be grounds for removing the Proposer from the remainder of the process.

Grounds for Rejection

All proposals may be rejected whenever the determination is made that the proposals received are not really competitive, when the cost is not reasonable, or when the cost exceeds the amount expected.

Additionally, a proposal may be rejected if:

- It is received after the due date and time for submittal
- The cost submittal is unsigned
- The proposal cost is not prepared as required by the RFP
- The Proposer has been prohibited from contracting with the State by the Department of Fair Employment and Housing
- The Proposer has received a substantive negative contract performance from the State
- The Proposer has not met the participation goals for SB and DVBE and has not completed the steps and related form for the Good Faith Effort.
- Any items required by the RFP are not included with the submittal

No proposal may be rejected arbitrarily or without reasonable cause.

Award of Agreement

Award of this Agreement will be to the highest ranking responsible Proposer meeting all of the RFP requirements.

In the event of a tie, the CIWMB may utilize a tie breaker to determine the winning Proposer. The tie breaker will be determined based on which proposer has the most SB and DVBE participation identified in the bid package.

The CIWMB reserves the right to not award an Agreement.

Notice of Intent to Award

The CIWMB will post a notice of intent to award this Agreement five (5) working days prior to the award being made.

Notice of the intent to award will be posted on the CIWMB's website at www.ciwmb.ca.gov/contracts and at the headquarters building noted in Section I.

Rejection of Award

If the Proposer fails to enter into a satisfactory Agreement within a reasonable timeframe after the award is made, the CIWMB may deem that the Proposer has rejected the award.

The CIWMB reserves the right to disqualify the awardee and award the Agreement to the next highest ranked Proposer.

Proposer Notifications

The CIWMB will notify all Proposers of the outcome of their proposal submittals prior to posting the notice of intent to award.

SECTION V EVALUATION AND SELECTION CONT.

Protest of Award

A Proposer may protest the proposed award by filing an official protest with the Department of General Services. The protest must be filed after the notice of intent to award the contract, but before the actual award.

Within five (5) days of the initial protest filing, the Proposer must submit a detailed written statement with information that supports that the Proposer would have been awarded the contract and the grounds for that position.

The Agreement will not be awarded until a decision has been made on the filed protest.

The protest documents should be sent via registered mail to the following parties:

Department of General Services
Office of Legal Services
Attn; Protest Coordinator
707 Third Street, 7th floor
Sacramento, CA 95605
Fax (916) 376-5088

California Integrated Waste Management Board
Attn; Contracts Unit
1001 I Street, MS-19A
Sacramento, CA 95814
Fax (916) 319-7582
Email contracts@ciwmb.ca.gov

Work to be Performed

The Contractor will use a two-pronged approach to identify areas of need and to provide the appropriate assistance.

- A. Assessment of various aspects of the applicant business and development of an Activity Plan and Budget for each business selected for assistance. The applicant eligibility criteria and process will be referenced in the Request for Proposals.
 1. The Contractor will work with each applicant and CIWMB staff to perform a comprehensive analysis of the business and prepare an Assessment and Activity Plan and Budget for that business.
 2. The Assessment will identify opportunities for market expansion, operational improvement, and associated cost estimates.
 3. The Activity Plan and Budget are the confidential documents that describe in detail the specific technical and consultative services to be performed and the associated budget for each business assisted through this contract.

 - B. The Contractor will provide approved technical assistance to the business.
 1. Examples of assistance include, but are not limited to:
 - General Business Assistance (developing/adjusting a business plan, personnel issues, suppliers, business/capital structure, accounting systems and controls, website, etc.).
 - Technical Assistance (efficient plant design, manufacturing process improvement or optimization, inventory control systems, preparing a Environmental Impact Report, coordinating various permitting issues, etc.).
 - Marketing Assistance (developing/modifying marketing plan, pricing, promotion, packaging, distribution, cooperative marketing, ad placement, trade shows, etc.).
 - Product Testing (American Society for Testing and Materials (ASTM), etc.).
 2. The assistance will be provided in a timeframe and manner acceptable to the CIWMB and the business, and must be completed within 18 months of being authorized by the CIWMB Contract Manager.
 3. If the Assessment identifies the need for highly specialized assistance, which is beyond the expertise of the Contractor, the Contractor will, upon authorization from the CIWMB Contract Manager, subcontract with an individual or entity to provide the necessary assistance.

 - C. Upon authorization from the CIWMB Contract Manager, the Contractor may also provide services that benefit an identified sector or the industry as a whole. These sector and industry-wide activities are designed to provide broad benefits that assist many businesses by focusing on efforts that expand/increase demand and assist in overall TDP marketing.

 - D. The Contractor will also perform Tire-Derived Product and Materials Market Analysis activities that build on the work performed in the first TBAP contract (a survey protocol was developed for gathering data and information from California waste tire processors and tire-derived product firms).

 - E. The Contractor will also compile and analyze market research developed during the first TBAP contract, review existing CIWMB programs and partnerships as well as evaluate potential new approaches being used by other states and countries.
-

DESCRIPTION OF WORK CONT.

Tasks

Task 1: Develop Work Plan

- A. Work with the CIWMB Contract Manager to prepare a schedule for the following contract activities:
- Marketing the program to prospective businesses.
 - Participating with the CIWMB TBAP Team in the selection of businesses to participate in the TBAP using the applicant eligibility criteria and process described in the Request for Proposals.
 - Performing a comprehensive analysis of applicant businesses and preparing the Assessment for each business.
 - Providing authorized technical assistance to identified businesses.
 - Making presentations to stakeholders, the Board, and/or the Board's Committees.
 - Performing sector and industry-wide activities
 - Performing market analysis study
- B. Work with the CIWMB Contract Manager to identify material to be provided by the business and the process for maintaining the confidentiality of such material.

Task 2: Program Marketing

The Contractor will work with the CIWMB Contract Manager to implement the plan prepared in Task 1 to effectively market TBAP services to prospective businesses.

Task 3: Conduct Comprehensive Analysis and Prepare General Business Needs Assessment

- A. The applicant business will provide business, marketing, and financial information to the CIWMB Contract Manager.
- B. CIWMB staff will analyze the information, visit the business location, and provide appropriate information to the Contractor.
- C. The Contractor, in cooperation with the business, CIWMB staff, and other individuals (as considered appropriate by the CIWMB Contract Manager) will prepare the Assessment which is to include a detailed Activity Plan and Budget for each business.

Task 4: Providing Technical Assistance

- A. The Contractor will provide assistance to individual businesses as identified in the Activity Plan and Budget for each business and as approved by the CIWMB Contract Manager, consistent with the Board's approval of the Program's evaluation procedures and criteria.
- B. Sector and industry-wide activities will complement efforts that are being implemented as part of the activities or new efforts will be initiated. Sector and industry-wide activities will include:
1. Building on the information developed in the first phase regarding TDP opportunities and feedstock conversion (information to be provided to Contractor by CIWMB Contract Manager). The Contractor will take that information and apply it to further expand demand by convincing major retailers and manufacturers to have their supply chain use recycled rubber, where applicable. Analysis and implementation plans will be presented in a written report to be reviewed and approved by the CIWMB's Contract Manager. (See additional requirements for reporting under Task 5)
-

DESCRIPTION OF WORK CONT.

Tasks Continued

Task 4B continued:

2. Identifying supply/demand imbalances and taking action (or making recommendations, as appropriate) to resolve the imbalance and improve market efficiencies. Findings and plan of action will be presented in a written report to be reviewed and approved by the Contract Manager prior to implementation. (See additional requirements for reporting under Task 5)
3. Developing a cooperative marketing program for targeted TDP with the CIWMB providing “seed money” for the effort.
4. Training for process improvement and quality assurance and quality control are critical for efficient operations and production of a high quality product. Contractor will survey stakeholders to determine training topics, potential numbers of attendees, preferred locations for trainings and preferred methods of delivery (live, webinar, etc.), and will arrange for all aspects of the stakeholder training, including, but not limited to, obtaining trainers, facilities, satisfaction surveys, etc.
5. Document and provide third-party validation of TDP performance and life cycle costs. This may also involve performing independent testing of TDPs and peer review of existing/current studies and research.

Task 5: Reporting

- A. The Contractor will provide monthly reports covering business assistance and sector and industry-wide activities.
- B. The Contractor will also provide annual reports and/or presentations to the Board and/or any of its Committees. These reports will identify the types and results of the assistance provided, including aggregated sales and PTE diversion information.
- C. All documents and/or reports drafted for publication by or for the CIWMB in accordance with this contract shall adhere to the CIWMB’s Contractor Publications Guide at www.ciwmb.ca.gov/Publications/PubGuide/ and shall be reviewed by the CIWMB’s Contract Manager in consultation with the CIWMB editor.

(The Contractor is encouraged to consult with the Board's project management and editorial staff early in the development process to ensure deliverable requirements are clearly understood and to minimize the need for revisions.)

- D. Draft reports must be submitted for review and approval by the CIWMB contract manager. Any requested changes must be completed by the contractor and resubmitted to the contract manager for final approval. Only when all revisions are made and approved by the contract manager will the report be deemed final.
-

DESCRIPTION OF WORK CONT.

Tasks Continued

Task 6: Tire-Derived Product and Materials Market Analysis

- A. Building on work performed in the first TBAP contract, the Contractor will utilize the survey protocol for gathering data and information from California waste tire processors and tire-derived product firms.
1. The survey protocol will be provided to the Contractor by the Contract Manager. The survey developed as part of the first TBAP contract is designed to gather information, including but not limited to, capacity, throughput, types and amounts of input (by specification) and outputs (by product type), types of customers, perceptions of market drivers, barriers and opportunities for market expansion.
 2. The Contractor will administer the survey following the survey protocol.
 3. The Contractor will analyze the markets for targeted TDP and summarize various market trends, barriers and opportunities.
 4. The Contractor will also compile and analyze the compiled research, review existing CIWMB programs and partnerships as well as evaluate potential new approaches being used by other states and countries.
 5. The Contractor will deliver an analysis of the waste tire and TDP supply and demand trends, evaluate existing and potential new programs and partnerships to overcome specific barriers and capitalize on specific opportunities.
 6. The Contractor will prepare a report that includes the following:
 - (a) compiles all of the research and findings
 - (b) contains a guidance document presenting a protocol and templates to enable CIWMB staff to update the supply and demand analysis in future years.
 7. A draft final report will be prepared and submitted in accordance with Task 5 C and D requirements above.

Contract/Task Time Frame

The timeframe below reflects the contract being awarded at the May 2008 Board meeting.

Task	Deliverable	Timeframe
Develop Work Plan and Stakeholder Forum	Work Plan and Forum	June 30, 2008
Program Marketing	Implement Work Plan to market TBAP to prospective businesses	Ongoing starting June 30, 2008
Analyze and Prepare Assessments and Activity Plans and Budgets	Assessments and Activity Plan and Budgets	Ongoing starting August 2008
Provide Assistance	Business assistance	Ongoing starting October 2008
Reporting	Report	Monthly, starting September 30, 2008. Annual Reports, starting June 30, 2009
Tire-Derived Product and Materials Market Analysis	Draft final report	April 2010

DESCRIPTION OF WORK CONT.

Location of Services Services will be provided state-wide. Most meetings with the CIWMB Contract Manager will be held at the Sacramento California Environmental Protection Agency Headquarters (1001 I Street, Sacramento, CA 95814).

Work Orders Work under this agreement will be performed under specific work orders for:

- 1) Assistance or consultative services to businesses,
- 2) Sector and industry-wide activities, and
- 3) administrative and marketing functions.

Control of Work

1. The CIWMB Contract Manager has the authority to determine the quality and acceptability of the following:
 - Work to be performed
 - Rate and progress of the work
 - Fulfillment of the services provided by the Contractor
 - Compensation for services provided by the Contractor

These decisions will be deemed final and enforceable by CIWMB Contract Manager when the Contractor fails to complete orders required by this Agreement.

2. The Contractor will designate a Project Manager who holds the following authority:
 - Act as the Contractor's Representative for work to be provided under this Agreement
 - Act as the Contractor's Representative regarding contractual matters relating to this Agreement

If during the course of the Agreement, it is deemed necessary to replace the Project Manager, CIWMB Contract Manager approval is required.

SECTION VII DEFINITION AND TERMS

General Unless the context otherwise requires, wherever in this RFP or addenda, the following abbreviations and terms, or pronouns in place of them, are used, the intent and meaning shall be interpreted as provided in this Section.

Working titles having a masculine gender, such as “draftsman” and “journeyman” and the pronoun “he”, are utilized in these provisions for the sake of brevity, and are intended to refer to persons of either sex.

Abbreviations	ADA	Americans with Disabilities Act
	CAL EPA	California Environmental Protection Agency
	CCR	California Code of Regulations
	DVBE	Disabled Veteran Business Enterprise
	EPA	Environmental Protection Agency (Federal Government)
	GC	Government Code
	CIWMB	California Integrated Waste Management Board
	PCC	Public Contract Code
	RFP	Request for Proposals
	SB	Small Business
	SOW	Scope of Work
OSDS	The Department of General Services (DGS), Procurement Division (PD), Office of Small Business and DVBE Services (OSDS)	

Agreement The written agreement covering performance of the work and furnishing of labor, materials, tools, and equipment in providing the work. The Agreement shall include the RFP, Proposal, general and specific terms and conditions, Work Orders, and supplemental agreements which may be required to complete the work in a substantial and acceptable manner.

Board Members of The California Integrated Waste Management Board.

Cal EPA The California Environmental Protection Agency

CIWMB The California Integrated Waste Management Board.

CIWMB Staff Staff of the California Integrated Waste Management Board involved in the implementation of this contract or representatives of Consultant to the California Integrated Waste Management Board as designated in the Work Orders.

Consultant The person or persons, firm, partnership, corporation, or combination thereof, which may enter into this Agreement with the Board to provide work pursuant to this RFP or his or their legal representatives.

Contract A legally binding agreement between the state & another entity, public or private, for the provision of goods or services.

Contract Manager A person designated by the responsible state agency or department to manage performance under a contract.

Contractor	A party contracting with the awarding agency. Vendor is often used synonymously with contractor.
Director	The Executive Director of the California Integrated Waste Management Board, or his/her designees. Any references to Executive Officer shall mean the Executive Director and/or designated officer.
Disabled Veteran Business Enterprise (DVBE Certified)	A business that meets all of the following criteria: (1) at least 51% of the business is owned by one or more disabled veterans or, in a business whose stock is publicly held, at least 51% or more of the stockholders are disabled veterans (2) the management and control of the business are exercised by one or more disabled veterans; (3) the business is domestically owned and its home office is in the United States; and (4) the business has been certified as a DVBE by the State of California, Department of General Services (DGS), Procurement Division (PD), Office of Small Business and DVBE Services (OSDS).
Legal Holidays	Those days designated as State holidays in the Government Code.
Project Manager	Contractor's representative for all work performed under this Agreement. All official correspondence, reports, submittals, billings, and other work done under this Agreement shall be reviewed and signed by the Project Manager prior to submittal to the Board.
Scope of Work	The description of work required of a contractor by the awarding agency.
Small Business (Certified)	A business that has been certified by the Department of General Services (DGS), Procurement Division (PD), Office of Small Business and DVBE Services (OSDS), as a small business as defined in GC 14837 and 2 CCR 1896.
State	The State of California.
State Contract Law	The Public Contract Code and other applicable laws that form and constitute a part of the provisions of this Agreement to the same extent as if set forth herein in full.
Subcontractor	A person or entity which contracts with the Contractor to perform all or a portion of the work as specified in the Scope of Work.

ATTACHMENTS

**Cost Proposal Sheet (Rate Sheet)
Tire Derived Product Business Assistance Program
IWM07059**

Complete this form and submit the original in accordance with the requirements of this RFP.

Contractor/Company Name: _____

This contract will be a time and materials based contract. Identify line item costs for each of the Proposer’s team members. These will be the team members whose services will be utilized throughout the term of the Agreement to be awarded as a result of this RFP process. All subcontractors must be identified in Column A (identify with an X) and their corresponding Subcontractor markups shown in Column E. Hourly rates identified on the Cost Proposal Sheet shall remain in effect throughout the term of the Agreement. The total hourly rate as specified in Column E, must be used in preparing Cost Sheets for Task 3 (Attachment B) and Scenarios A & B (Sample Attachment C). Add additional rows as needed.

A	B		C	D	E	F
Sub Contractor	Personnel Services: (Do not include travel or overhead) List the name, classification/title, and hourly rate of the contractor and all subcontractors that will make up the proposer’s team. Name and Classification/Title \$/Hr		Fringe Benefits Identify fringe benefits citing actual benefits per hour for each classification/title or as a percentage of personal services costs if included in the hourly rate \$/Hr or %	Overhead Identify the overhead per hour for each classification/title or as a percentage of personal services costs if included in hourly rate \$/Hr or %	Subcontractor Markup Identify markup for each classification/title in cost per hour or as a percentage of personal services costs if included in the hourly rate \$/Hr or %	TOTAL HOURLY RATE By Classification/ Title \$/Hr
Mark X only if Sub Contractor	Project Manager					

Acknowledgement/Authorization

The undersigned acknowledges the submittal of this proposal constitutes an irrevocable offer for a ninety (90) day period for the CIWMB to award an Agreement. Additional acknowledgement is made of receipt of all competitive documents, including Addenda, relating to this Agreement.

The undersigned acknowledges that the Proposer has read all of the requirements set forth in CIWMB documents and will comply with said provisions.

The undersigned hereby authorizes and requests any person, firm, agency, or corporation to furnish any information requested by the CIWMB in verification of the recitals comprising this Proposal and also hereby authorizes the CIWMB to contact such persons, firms, etc., in order to obtain information regarding the undersigned.

The undersigned acknowledges that there are no potential conflicts of interest, as defined in Public Contract Code (PCC) 10410, 10411, and Government Code (GC) 87100, and this RFP, by the submitting firm and/or any subcontractors listed in the Proposal.

I declare under penalty of perjury that the foregoing is true and correct.

Name & Title of Authorized Representative:	_____	Contractor Name:	_____
Address:	_____	Telephone #:	_____
City, State Zip:	_____	Email:	_____
Signature of Authorized Representative:	_____	Date Signed:	_____

Task 3 Proposal Cost Sheet

Tire-Derived Product Business Assistance Program IWM07059

Complete this form and submit the original in accordance with the requirements of this RFP. Provide a description of the tasks to be performed (based on your methodology), identify the team members whose services will be utilized in completing the specified task, identify the hourly rates using the Total Hourly Rates (column F) identified on the Cost Proposal Sheet (Rate Sheet) (Attachment A), identify the estimated hours of service to be provided by each team member for the specified task description. Do not include travel, lodging or food costs since these costs are subject to the approved State per diem rates. Add additional rows as necessary.

Contractor/Company Name: _____

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6						
<p>Detailed Description of Services to be Provided: Description of services to be provided by each person listed in Column 2</p>	<p>Personnel Services: Include name/position title, hourly rate [from Column F of Attachment A Cost Proposal Sheet (Rate Sheet)] and estimated number of hours to complete services for Task 3.</p> <p>Name/ Total</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%; border-bottom: 1px solid black;">Position</td> <td style="width: 10%; border-bottom: 1px solid black;">\$/Hr</td> <td style="width: 10%; border-bottom: 1px solid black;">Hrs</td> </tr> <tr> <td style="text-align: center;">\$</td> <td></td> <td></td> </tr> </table>	Position	\$/Hr	Hrs	\$			<p>Operating Expenses description and cost of operating expenses related to the services detailed in Column 1, including rent and supplies, as applicable. If not tied to a particular person, place in a separate row.</p>	<p>Equipment Costs Include the description and cost of equipment related to the services described in Column 1. If not tied to a particular person, place in a separate row.</p>	<p>Other Any other specific breakdown required to sufficiently explain the budget costs for services described in Column 1. If not tied to a particular person, place in a separate row.</p>	<p>Total by Row</p>
Position	\$/Hr	Hrs									
\$											
<p>Total by Line Item (Total by column)</p>	<p>Sum Column Total \$ ---></p>				<p>GRAND TOTAL</p>						

Acknowledgement/Authorization

The undersigned acknowledges the submittal of this proposal constitutes an irrevocable offer for a ninety (90) day period for the CIWMB to award an Agreement. Additional acknowledgement is made of receipt of all competitive documents, including Addenda, relating to this Agreement.

The undersigned acknowledges that the Proposer has read all of the requirements set forth in CIWMB documents and will comply with said provisions.

The undersigned hereby authorizes and requests any person, firm, agency, or corporation to furnish any information requested by the CIWMB in verification of the recitals comprising this Proposal and also hereby authorizes the CIWMB to contact such persons, firms, etc., in order to obtain information regarding the undersigned.

The undersigned acknowledges that there are no potential conflicts of interest, as defined in Public Contract Code (PCC) 10410, 10411, and Government Code (GC) 87100, and this RFP by the submitting firm and/or any subcontractors listed in the Proposal.

I declare under penalty of perjury that the foregoing is true and correct.

Name & Title of Authorized Representative:	_____	Contractor Name:	_____
Address:	_____	Telephone #:	_____
City, State Zip:	_____	Email:	_____
Signature of Authorized Representative:	_____	Date Signed:	_____

Sample Budget Template for Scenarios A and B

**<INSERT CONTRACTOR NAME HERE>
 “TIRE-DERIVED PRODUCT BUSINESS ASSISTANCE PROGRAM #IWM07059”
 <TITLE- SCENARIO A or SCENARIO B COST SHEET>**

Task Description	Personnel Services:				Operating Expenses (operating expenses related to the services provided in this agreement, including rent and supplies, as applicable)	Equipment Costs (Include a description of equipment to be used by Proposer’s team)	Other (any other specific breakdown required to sufficiently explain the budget costs)	Total by Task
	Estimated # of hrs needed for contract services multiplied by the classification/title rates per hr as identified in column F of the Cost Proposal Sheet (Attachment A)..	Name and Classification/title	\$/Hr	Hrs				
Total by Line Item	(Sum of Column titled “Total \$”)							GRAND TOTAL

Acknowledgement/Authorization

The undersigned acknowledges the submittal of this proposal constitutes an irrevocable offer for a ninety (90) day period for the CIWMB to award an Agreement. Additional acknowledgement is made of receipt of all competitive documents, including Addenda, relating to this Agreement.

The undersigned acknowledges that the Proposer has read all of the requirements set forth in CIWMB documents and will comply with said provisions.

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The undersigned acknowledges that there are no potential conflicts of interest, as defined in Public Contract Code (PCC) 10410, 10411, and Government Code (GC) 87100, and this RFP, by the submitting firm and/or any subcontractors listed in the Proposal.

I declare under penalty of perjury that the foregoing is true and correct.

Name & Title of Authorized Representative:	_____	Contractor Name:	_____
Address:	_____	Telephone #:	_____
City, State Zip:	_____	Email:	_____
Signature of Authorized Representative:	_____	Date Signed:	_____

Proposal Scoring Sheet
Tire-Derived Product Business Assistance Program, IWM07059

Name of Firm _____

Proposers must score a minimum of 80 percent of the possible points in each of the Experience and Methodology categories (i.e. a minimum of 64 points in each) in order to qualify for further consideration.

EXPERIENCE (Max 80 points) (Min 64 points to qualify)	POINTS POSSIBLE	POINTS EARNED
(1) Project Manager demonstrates at least seven (7) years of combined experience in solid waste management and business-related issues and possesses a comprehensive understanding of material flow and markets for tire-derived products in California.	15	
(2) Project manager and principal members of consulting team demonstrate appropriate background and professional consulting experience in the areas identified in the RFP.	30	
(3) Project manager and principal members of consulting team demonstrate a depth and breadth of education and practical experience in the areas identified in the RFP.	35	
METHODOLOGY (Max 80 points) (Min 64 points to qualify) Evaluation of Overall Methodology, Methodology proposed for Questions 1 and 2, and the Scenario A and Scenario B Proposals"		
(4) Overall approach and understanding of problems, issues, required tasks.	5	
(5) Approach to conducting a comprehensive analysis and preparing a general business needs assessment.	15	
(6) Approach to providing technical assistance to business.	35	
(7) Approach to providing services that benefit an identified sector or the industry as a whole.	25	
BUDGET/COST (Maximum of 100 points)		
(8) Reasonableness of proposed hourly rates	20	
(9) Cost Points (Cost Points based on Task 3 Cost Sheet and Scenario A and B Cost Sheets)	80 (approximately 30% of total)	
TOTAL POINTS	260	

 Evaluator's Panel Member Number

 Date

Small Business/Disabled Veteran Business Enterprises (DVBE) Participation Summary

MARK ONE FOR EACH FIRM WHO WILL BE PROVIDING SERVICES UNDER THE AGREEMENT			NAME OF FIRM	NATURE OF WORK	TOTAL AMOUNT OF WORK (Mark one for each firm to perform work under the agreement)	
PRIME BIDDER	SUBCONTRACTOR	SUPPLIER			SMALL BUSINESS	DVBE
					%	%
					%	%
					%	%
					%	%
					%	%
					%	%
					%	%
					%	%
					%	%

The appropriate certification letter issued by the Office of Small Business and Disabled Veteran Business Enterprise Services (OSDS) can be attached for each Small and DVBE business identified.

Demonstration of Good Faith Efforts

Check only one: Small Business Disabled Veteran Business Enterprise

Use same template, but submit separate forms for SB and DVBE efforts, checking the appropriate box above. See the DGS website at <https://www.apps.dgs.ca.gov/OSDCSearch/OSDCSearch.aspx> to search for certified SBs/DVBEs. **Note: This form must be submitted if the participation levels indicated on the SB/DVBE Participation Summary form are less than 25% for SB and 3% for DVBE.**

1	Contact made with California Integrated Waste Management Board to identify potential SB/DVBE firms.						
<p>Name of Person Contacted: _____ Title: _____</p> <p>Date of Contact: _____</p>							
2	Contact made with other State agencies, including the Department of General Services, to identify potential SB/DVBE firms. See the DGS website at http://www.pd.dgs.ca.gov/smbus/sbainternet.htm for a list of agency SB/DVBE advocates.						
<p>Agencies Contacted:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 50%;"><u>Name of Agency</u></th> <th style="text-align: left; width: 30%;"><u>Person</u></th> <th style="text-align: left; width: 20%;"><u>Date of Contact</u></th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>		<u>Name of Agency</u>	<u>Person</u>	<u>Date of Contact</u>			
<u>Name of Agency</u>	<u>Person</u>	<u>Date of Contact</u>					
3	Advertisements published in at least one trade paper and at least one trade or focus paper focusing on SB/DVBE firms. Bidders must publish advertisements in trade and focus publications at least 14 calendar days before the date the bid or proposal is due. Attach a copy of each advertisement. Planholder lists are not acceptable. Go to http://www.documents.dgs.ca.gov/pd/smallbus/TradePaper.pdf and http://www.documents.dgs.ca.gov/pd/smallbus/FocusPaper.pdf to see a list of DVBE Trade and Focus paper resources.						
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 70%;"><u>Name of Paper or Publication</u></th> <th style="text-align: left; width: 30%;"><u>Date Published</u></th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>		<u>Name of Paper or Publication</u>	<u>Date Published</u>				
<u>Name of Paper or Publication</u>	<u>Date Published</u>						
4	Invitations to bid sent to potential SB/DVBE firms.						
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 40%;"><u>FIRM</u></th> <th style="text-align: left; width: 30%;"><u>CONTACT</u></th> <th style="text-align: left; width: 30%;"><u>DATE SENT</u></th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>		<u>FIRM</u>	<u>CONTACT</u>	<u>DATE SENT</u>			
<u>FIRM</u>	<u>CONTACT</u>	<u>DATE SENT</u>					

Demonstration of Good Faith Efforts (Cont'd)

5	SB/DVBE firms which were available and considered.
<p>Name of Firm: _____ Person Contacted: _____</p> <p>Nature of Work: _____ Telephone No.: _____</p> <p>Results of Contact: _____</p> <p>Reasons if Rejected: _____</p>	
<p>Name of Firm: _____ Person Contacted: _____</p> <p>Nature of Work: _____ Telephone No.: _____</p> <p>Results of Contact: _____</p> <p>Reasons if Rejected: _____</p>	
<p>Name of Firm: _____ Person Contacted: _____</p> <p>Nature of Work: _____ Telephone No.: _____</p> <p>Results of Contact: _____</p> <p>Reasons if Rejected: _____</p>	

1. Postconsumer material comes from products that were bought by consumers, used, then recycled. For example: a newspaper that has been purchased and read, next recycled, and then used to make another product would be postconsumer material.

If the product does not fit into any of the product categories, enter “N/A.” Common N/A products include wood products, natural textiles, aggregate, concrete, electronics such as computers, TV, software on a disk or CD, telephone

2. Product category refers to one of the product categories listed below, into which the reportable purchase falls. For products made from multiple materials, choose the category that comprises most of the product by weight, or volume.

Note: For reused or refurbished products, there is no minimum content requirement.

For additional information visit www.ciwmb.ca.gov/BuyRecycled/

Code	Description	Minimum content requirement
Product Categories (11)		
1	Paper Products - Recycled	30 percent postconsumer fiber, by fiber weight
2	Printing and Writing - Recycled	30 percent postconsumer fiber, by fiber weight
3	Compost, Co-compost, and Mulch - Recycled	80 percent recovered materials. i.e., material that would otherwise be normally disposed of in a landfill
4	Glass - Recycled	10 percent postconsumer, by weight
5	Rerefined Lubricating Oil - Recycled	70 percent re-refined base oil
6a	Plastic - Recycled	10 percent postconsumer, by weight
6b	Printer or duplication cartridges	a. Have 10 percent postconsumer material, or b. Are purchased as remanufactured, or c. Are backed by a vendor-offered program that will take back the printer cartridges after their useful life and ensure that the cartridges are recycled and comply with the definition of recycled as set forth in Section 12156 of the Public Contract Code.
7	Paint - Recycled	50 percent postconsumer paint (exceptions when 50 % postconsumer content is not available or is restricted by a local air quality management district, then 10% postconsumer content may be substituted)
8	Antifreeze - Recycled	70 percent postconsumer material
9	Retreated Tires - Recycled	Use existing casing that has undergone retreading or recapping process in accordance with Public Resource Code (commencing with section 42400).
10	Tire- Derived - Recycled	50 percent postconsumer tires
11	Metals - Recycled	10 percent postconsumer, by weight

Proposal Completion Checklist

Please use this checklist to assist in the preparation of your Proposal package to ensure that all required items are included.

-
- Signed Cover Letter with contact information and statements as required in the RFP.
 - Organizational information and Personnel Information (Resumes)
 - Methodology including Responses to Questions A and B
 - Business Assistance Proposals for Scenarios A and B
 - Cost Proposal Sheet (Rate Sheet) (signed Acknowledgment/ Authorization block)
 - Task 3 Cost Proposal Sheet (signed Acknowledgment/ Authorization block)
 - Scenario A and B Cost Sheets (with signed Acknowledgment/Authorization block)
 - Samples of Written Work
 - Client References
 - Copy of Required License(s) (California Secretary of State)
 - Contractor Status Form
 - Small Business/Disabled Veteran Business Enterprise (DVBE) Participation Summary *Form must be submitted even if participation levels are zero (write zero participation on form). If participation levels are under the required levels, the Demonstration of Good Faith Efforts form must also be submitted (see below).*
 - Demonstration of Good Faith Efforts *Submit form(s) only if participation level is below 25% for SB and/or 3% for DVBE. Submit separate forms for SB and DVBE and mark appropriate box at top of form.*
-

The following number of PROPOSAL packages must be submitted as the Contractor's response to this RFP:

- One (1) unbound reproducible original Proposal package marked "Original"
 - Four (4) bound copies of the Proposal package marked "Copy".
 - One (1) Electronic copy of Proposal Package in Adobe Acrobat format with all documents in a single file, including all attachments.
-

The following form is only required upon submittal as applicable pursuant to the provisions outlined in Section III, Submittal Requirements:

- Certification of Enterprise Zone Act Preference
 - Certification of Target Area Contract Preference Act
 - Certification of Local Military Base Recovery Area Act Preference
-

The following forms are not required at the time of the proposal submission but will be required by the successful contractor during the contract period:

- Recycled Content Certification (Attachment E)
 - Payee Data Record (Standard Form 204)
-

Please note that if any of the items are missing from the Proposal package, the package will be considered incomplete and will be disqualified from the process.

Contractor Status Form

Contractor's Name _____ County _____

Address _____ Phone No. _____

_____ Fax No. _____

Federal Employer Identification No. _____

STATUS OF CONTRACTOR PROPOSING TO DO BUSINESS:

Individual Limited Partnership General Partnership Corporation Other

INDIVIDUAL:

If a sole proprietorship, state the true name of sole proprietor: _____

PARTNERSHIP:

If a partnership, list each partner, including limited partners, stating their true name and their interest in the partnership:

CORPORATION:

If a corporation, place and date of Incorporation: _____

Date corporation was authorized by Secretary of State: _____

President: _____ Vice-President: _____

Secretary: _____ Treasurer: _____

Other Officers: _____

OTHER: (Explain)

SMALL BUSINESS PREFERENCE

Are you claiming preference for small/micro business?

YES – Attach approval letter from Office of Small Business Certification and Resources
 NO

Are you claiming preference for DVBE?

YES – Attach approval letter from Office of Small Business Certification and Resources
 NO

NOTE: THIS FORM MUST BE COMPLETED OR YOUR BID MAY BE REJECTED

Client References

List at least three (3) client references that can attest to the Bidder's qualifications to fulfill the requirements of the Scope of Work. List the most recent first. Client references must also be provided for any subcontractors identified in the Bidder's response. Duplicate and attach additional pages as necessary.

BIDDER / SUBCONTRACTOR'S NAME: _____

REFERENCE 1

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Cost of Service	
Brief Description of Service Provided			

REFERENCE 2

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Cost of Service	
Brief Description of Service Provided			

REFERENCE 3

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Cost of Service	
Brief Description of Service Provided			

If three references cannot be provided, explain why:

Confidentiality Agreement

This Agreement is entered into this _____ day of _____, 200____, by and between _____, a _____, (the "Company") and TBD., a _____ corporation ("TBD") with respect to the following facts:

- A. TBD and its subcontractors are engaged in the business of assessing and providing assistance to businesses that have applied for assistance through the California Integrated Waste Management Board's ("CIWMB") Tire-Derived Product Business Assistance Program ("Program").
- B. The Company acknowledges that TBD and its subcontractors have an existing high level of expertise in various areas related to the Company's areas of business. The Company further acknowledges that this expertise was acquired prior to execution of this Agreement.
- C. By submitting an application to the CIWMB to participate in the Program, the Company has agreed to allow TBD and its subcontractors to evaluate its business operations and management practices for the purposes of preparing a business assessment report and providing approved assistance services under the Program.
- D. It is anticipated that the Company will furnish TBD certain information which is either non-public, confidential or proprietary in nature and the parties desire to protect the confidentiality of this information as appropriate.

NOW, THEREFORE, in consideration of permitting the disclosure of certain information and the promises contained herein, the parties agree as follows:

1. Limited Access/Confidentiality. TBD will keep confidential all confidential and/or proprietary information (the "Information"), and, except as otherwise permitted herein, will not disclose or use the Information in whole or in part other than in connection with providing assessment and assistance services to the Company through the Program. TBD agrees to reveal the Information only to its agents, subcontractors, representatives, attorneys or employees who need to know the Information for the purpose of completing the services agreed to under the Program, who are informed of the confidential nature of the Information and who agree to act in accordance with the terms of this Agreement by executing the concurrent Acknowledgement and Agreement.
2. Non-Competition and Limitation on Use. TBD further agrees not to use the Information, or any portion of the Information, to:
 - a. engage in any activities that directly compete with the Company;
 - b. provide advice or assistance to, or be employed or retained by, any Company, business or entity that directly competes with the Company; it is understood that TBD or its subcontractors may be employed or retained by, or provide advice or assistance to one or more of the Company's competitors, but will take care not to use the Information in the performance of those duties; it is also understood that TBD may prepare at the CIWMB's request public reports that aggregate confidential data in a manner that safeguards confidential data related to any one company.
 - c. This section shall survive any termination of this Agreement and/or the contract between TBD and the CIWMB.
3. Exclusions From Limitations. TBD will not be prohibited from disclosing or using any Information which;
 - a. is or becomes generally available to the public other than as a result of a disclosure by TBD, its subcontractors, employees or agents;
 - b. was already in TBD's possession before any disclosure of the Information by the Company;
 - c. has been or is obtained by TBD from a third party (other than one acting on behalf of the Company) who TBD has no reason to believe is not lawfully in possession of the Information and who TBD has no reason to believe is in violation of any contractual, legal or fiduciary obligation to the Company with respect to the Information; or
 - d. is independently developed by TBD.
4. Other Disclosures. To the extent that TBD is required to disclose the Information pursuant to the requirements of any legal proceeding, TBD shall notify the Company and the CIWMB within one (1) business day of its knowledge of such legally required disclosure so that the Company may seek an appropriate protective order and/or waive TBD's compliance with this Agreement. Notice shall be both by telephone and in writing. In the absence of a protective order or waiver, TBD may disclose the Information if, in the written opinion of its counsel, failure to disclose such Information in any tribunal would subject TBD to liability for contempt, censure or other legal penalty or liability.

5. Destruction/Return of Documents. All drawings, programs, software, data, financial information and other written Information submitted by the Company or the CIWMB to TBD or its representatives shall be promptly returned to the Company or the CIWMB within one week of completion of the termination date of the work order governing the assessment or provision of assistance services to the Company. TBD may retain one copy of the Information for its legal records, but shall take appropriate steps to ensure that its confidentiality remains intact. TBD may also retain copies of compilations that do not specifically identify the Company or its data.
6. Governing Law. The Agreement shall be governed by, and construed in accordance with, the laws of the State of California.
7. Service of Process; Venue; Inconvenient Forum. TBD agrees that any service of any process, summons, notice or document by U.S. Postal Service registered mail to TBD's address set forth below shall be effective service of process for any action, suit or proceeding brought against TBD in any court. To the extent permitted by applicable law, TBD hereby irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement in the courts of the United States of America located in the Eastern District of the State of California, or the California Superior Courts located in the County of Sacramento, California. TBD agrees and waives, irrevocably and unconditionally, any and all rights to plead or claim that any action, suit or proceeding brought in any court within the State of California has been brought in an inconvenient forum.
8. Term. This Agreement shall become effective as of the date on which it is executed by both parties and shall terminate two (2) years from the effective date. .
9. Entire Agreement. This Agreement contains the entire agreement of the parties regarding the confidentiality of the Information and supersedes any prior written or oral agreements or negotiations between them concerning the subject matter contained in this Agreement. There are no representations, agreements, arrangements or understandings, oral or written, among the parties, relating to the subject matter contained in this Agreement that are not fully expressed in this Agreement.
10. Severability. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the provision, covenant or condition determined to be invalid, void or unenforceable does not materially alter the essential terms of this Agreement. The invalidity of any provision of this Agreement regarding service of process, venue or convenience of forum, due to applicable law invalidating such provisions, shall not affect, impair or invalidate the remainder of this Agreement.
11. Binding Agreement. This Agreement is binding upon and will inure to the benefit of the Company and TBD and their respective successors and assigns.
12. Amendment and Termination. This Agreement may not be amended or canceled except by mutual written consent of both parties.
13. Counterparts. This Agreement may be executed in counterparts, any one of which shall be deemed an original and both of which taken together shall constitute a single instrument.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date first written above.

(COMPANY NAME)

By _____

Its _____

TBD

By _____

Its _____

Acknowledgment of Confidentiality Agreement

TBD, Inc. ("TBD") has executed a Confidentiality Agreement ("Agreement") with _____ (the "Company") dated _____ for assessment and assistance services provided under the California Integrated Waste Management Board's ("CIWMB") Tire-Derived Product Business Assistance Program (TBD Contract # IWM_____). This Acknowledgment of Confidentiality Agreement is expressly entered into for the benefit of the Company and may be enforced by either TBD or the Company.

You, as an employee of TBD, or as an employee or agent of a subcontractor to TBD, ("You") are bound by the terms of the Agreement by virtue of Your employment or agency and as a participant in the work.

Please read the attached Agreement, which is incorporated herein by this reference, provide the following information, which shall constitute the name and address to which service of any process, summons, notice or document by U.S. Postal Service registered mail may be made pursuant to Section 8 of the Agreement, and sign below:

(Name and Address)_____

_____ I have read the Agreement and *understand* the obligations to which I am bound under the terms of the Agreement.

Executed and Acknowledged:

Date _____

Name _____ Company _____

TBAP Applicant Eligibility Funding Levels and Evaluation Process**California Integrated Waste Management Board****Board Meeting****December 11, 2007****AGENDA ITEM 20****ITEM**

Consideration Of Applicant Eligibility Funding Levels And Evaluation Process For The Tire-Derived Product Business Assistance Program (Tire Recycling Management Fund, FYs 2007/08 And 2008/09)

I. ISSUE/PROBLEM STATEMENT

This item presents recommended changes to the proposed eligibility criteria, funding levels, and evaluation process for determining how to provide assistance to individual businesses under the Tire-Derived Product Business Assistance Program (TBAP or Program). These changes are recommended based on actual experience during the first cycle of the TBAP, and are designed to ensure equity among Applicants and prioritize limited funding. A second TBAP item on this month's agenda concerns the Scope of Work (SOW) and funding for the next two-year cycle of the Program.

II. ITEM HISTORY

At its September 19, 2007, meeting, the California Integrated Waste Management Board (Board or CIWMB) approved clarification to the SOW for sector and industry-wide activities; and amendment to the SOW and augmentation to the contract for the Tire-Derived Product (TDP) Materials and Market Analysis.

At its June 12, 2007, meeting, the Board approved technical assistance and equipment grants for the second cycle of the TBAP. It also adopted the *Five-Year Plan for Waste Tire Recycling Management Program – 4th Edition Covering Fiscal Years 2007/08 – 2011/12* (Five-Year Plan).

At its August 15, 2006, meeting, the Board approved technical assistance and equipment grants for the first cycle of the TBAP.

At its February 14, 2006, meeting, the Board approved award of the contract for technical and consultative services for the TBAP to R. W. Beck, Inc. (Beck), covering Fiscal Years (FYs) 2005/06 and 2006/07, in an amount not to exceed \$3,850,000.

At its January 17, 2006, meeting, the Board approved the applicant eligibility criteria, funding award levels, evaluation process and performance measurements for the TBAP.

At its May 11, 2005, meeting, the Board adopted the *Five-Year Plan for Waste Tire Recycling Management Program – 3rd Edition Covering Fiscal Years 2005/06 – 2009/10* (Previous Five-Year Plan). The Five-Year Plan described the TBAP and the Tire-Derived Products Testing and Certification Program. The Previous Five-Year Plan also allocated \$1,500,000 and \$1,750,000 for the TBAP and \$300,000 for the Tire-Derived Products Testing and Certification Program each year for FYs 2005/06 and 2006/07,

respectively. All of the funds allocated in the Previous Five-Year Plan to the TBAP and the Tire-Derived Products Testing and Certification Program for FYs 2005/06 and 2006/07 have been encumbered to the Beck contract or will be encumbered to TBAP Grantees in the form of equipment grants.

III. OPTIONS FOR THE BOARD

1. Approve the eligibility criteria, funding levels and evaluation processes for the TBAP for Fiscal Years (FY) 2007/08 and 2008/09 as proposed, and adopt Resolution Number 2007-245.
2. Approve the eligibility criteria, funding levels and evaluation processes for the TBAP for FYs 2007/08 and 2008/09, make specific modifications, and adopt Resolution Number 2007-245, as revised.
3. Provide further direction to staff regarding the Applicant eligibility criteria, funding levels and evaluation process for the TBAP.

IV. STAFF RECOMMENDATION

Staff recommends Option 1.

V. ANALYSIS

A. Key Issues and Findings

Staff estimates that in 2006, approximately 75 percent of the 40.8 million waste tires generated were diverted from California landfills. While the number of tires diverted has increased, the percentage has not shown much improvement in the past few years.

The CIWMB has established a Strategic Directive (SD) goal of 80 percent and 90 percent diversion of waste tires by 2008 and 2015, respectively (SD-3.4). These goals may be possible because two years ago, California changed its approach in developing markets for products made with recycled rubber. California now takes a strong market-based, demand pull approach rather than one focused on crumb rubber supply. Consistent with the Board's 2007 Strategic Directives (SD-3: Minimize Waste), actions are focused on the primary goal of reducing the number of tires (especially passenger tires) being landfilled with a secondary goal of promoting the management of materials to their highest and best use.

The Program is designed to increase demand for tire-derived products (TDPs) by building the capacity and improving cost efficiencies of TDP businesses. The Program follows a basic principle of effective economic development in that it is much more cost-effective to retain existing businesses and enable them to expand operations rather than to attract a new business to the state. Commonly referred to as "business retention and expansion," the TBAP models this economic development approach. By improving the ability and likelihood of businesses to not only continue operations, but expand to take advantage of market opportunities, the TBAP provides an effective model to demonstrate the combination of economic development principles and market development for recycled materials.

To accomplish CIWMB's market development goals, the TBAP uses a hybrid approach combining contracted experts to provide technical and consultative services and grant agreements as the vehicle for non-cash awards of those technical and consultative

services to businesses. The Contractor also provides technical and consultative services that benefit specific sectors or the industry as a whole.

The primary focus of the Program is TDP made from ground/crumb rubber ($\frac{3}{4}$ inches and smaller). Consistent with the Program focus is an emphasis on diversifying TDP demand, especially for ground/crumb rubber. A major effort is directed at identifying those rubber products that are already being manufactured using virgin materials but which instead could use some percentage of recycled rubber (known as feedstock conversion) and provide a consistent use, and hence a consistent demand, for crumb rubber. Another market segment, Rubberized Asphalt Concrete (RAC), is already adequately addressed by existing CIWMB programs and existing TBAP efforts and does not require additional TBAP assistance at this time. Tire-Derived Aggregate (TDA) is also being focused on through other Board programs, but will still benefit from TBAP services.

The TBAP is well into its first phase, which took place during its first two-year cycle (targeting known processors and TDP manufacturers for operational and marketing improvement) with findings that were described at the March 6, 2007, Strategic Policy Development Committee meeting. The Program is currently providing assistance to five of the eight processors in the state, almost all of the known molded product manufacturers, and some of the larger pour-in-place playground manufacturers. Plans for the second phase (second two-year cycle) are detailed later in this item.

Although the Program is still relatively new, initial indications are encouraging. While annual reporting information from TBAP Grantees will not be available until late spring 2008, anecdotal information and market intelligence indicates that demand for TDP has substantially increased and disposal of tires at the Azusa Landfill has decreased over the past year at a rate that results in a reduction of three million tires per year. To respond to the increase in demand, staff is encouraging several waste tire processors to increase production capacity. However, staff does not believe that the potential increase in capacity from existing processors will be adequate to satisfy projected demand. Accordingly, staff is actively working to establish additional new processing capacity in the state.

The TBAP has provided staff with a more holistic view of the entire market and the various inter-relationships than was previously possible. Staff has identified opportunities for improvements in market efficiencies and for potential strategic alliances between businesses. Opportunities are being pursued through the sector and industry-wide activities described in a separate Agenda Item and through specific referrals between businesses.

1. MARKET CONDITIONS AND TRENDS

Market Opportunities:

Because of staff's greater understanding of the market, it has become very apparent that a vibrant and diversified market for TDP is essential for long-term, sustained diversion of waste tires. Currently, California crumb rubber is used primarily in a relatively small number of products, including athletic and recreational surfaces, molded and extruded products, TDA, and rubber mulch. The TBAP seeks to expand existing markets and develop new emerging sectors to further diversify the market and to provide for effective and sustainable waste tire management.

According to the Rubber Manufacturers Association (RMA), the national markets in 2005 for athletic and recreational surfaces, molded and extruded products, and RAC represented approximately 35 percent, 31 percent, and 16 percent of crumb rubber uses, respectively. CIWMB staff believes that the athletic and recreational surfaces market figure is also representative of the California market; however, staff believes that the California RAC market is stronger due to outreach efforts and financial incentives, and that the molded and extruded segment is less developed. The planned TDP Market Analysis, approved by the Board at its September 19, 2007, meeting, should be able to provide more accurate estimates of the various market segments in California.

According to industry representatives, athletic and recreational surfaces and rubber mulch are expected to continue their strong annual growth rate and RAC usage is expected to grow by 10-15 percent annually. While the near-term outlook for TDP is strong, the market must continue to diversify in order to anticipate and respond to changes in the marketplace and fluctuations in economic forces such as government transportation and school construction budgets.

Product expansion and the emerging area of feedstock conversion are strong areas of focus for the TBAP. These areas are essential to develop new market segments and significantly expand demand for crumb rubber and engineered rubber powders (80 mesh and finer). Staff believes that these areas can be developed to a level of crumb rubber usage equal or greater than the current RAC market or molded and extruded segment. These opportunities will be pursued through assistance to individual businesses and sector and industry-wide activities.

Market Challenges:

Complicating the supply versus demand balance is staff's observation that there are "inefficiencies" in the current market because of a variety of factors. Thus, crumb rubber, rubber mulch, and buffings are currently both imported and exported from California, often traveling over a thousand miles to satisfy demand. Additionally, because many TDPs are relatively heavy, transportation costs can be a significant factor in the final product pricing. This may provide opportunities for California-based manufacturers to replace products manufactured elsewhere and transported to California. Staff believes that there are opportunities to work with both the supply and demand sides to identify more cost efficient options that will also reduce transportation-related green house gas emissions.

2. SECOND PHASE INDIVIDUAL BUSINESS ASSISTANCE FOCUS AREAS

The Program is now entering into the second phase (second two year cycle) which will involve assistance for individual businesses and services that benefit specific sectors or the industry as a whole (sector and industry-wide activities). This item concerns assistance to individual businesses (see separate item regarding sector and industry-wide activities). The Program will direct significant effort to stimulating new TDP and feedstock conversion demand while continuing to support our existing stakeholders.

Individual assistance will be focused on:

1. Continuing efforts to improve operational efficiencies of manufacturers and improve TDP marketing.
2. Assisting “mainstream” product manufacturers to use an appropriate percentage of recycled rubber rather than virgin materials, commonly referred to as “feedstock conversion.”
3. Utilizing technology transfer and the use of applied research, especially as it relates to feedstock conversion and the use of crumb rubber from passenger tires rather than truck tire buffings.

Stakeholder Suggestions for the Program:

When the Program was conceived in 2005, it was based on significant input from stakeholders and a set of assumptions regarding effective delivery of assistance to businesses. During the past two years, staff and stakeholders have learned valuable lessons regarding Program implementation. In preparation for the next two year cycle of the TBAP, staff has reviewed the Program and solicited input from stakeholders at the October 18, 2007, Waste Tire Interested Parties meeting regarding suggestions for the Program. Stakeholder comments on additional changes they recommend to the program and staff’s responses are contained in Attachment 1.

3. RECOMMENDED CHANGES TO THE PROGRAM

Based on actual Program activities and input from stakeholders, staff recommends the following changes to the TBAP:

- A. Emphasize Practical Assistance
- B. Flexibility to Use Contractors Familiar With the Business
- C. Elimination of Equipment Grants
- D. Improve the Efficient Administration of the Program
- E. Business and Industry-Wide Performance Goals
- F. No More than One TBAP Grant Outstanding at Any Time
- G. Prioritization If The Program Is Oversubscribed
- H. Funding Award Levels

The following is an overview of the staff’s proposed changes to the TBAP.

A. Emphasize Practical Assistance

Stakeholders would like an increased focus on providing practical assistance in necessary areas that the business does not have the staff or resources to perform, rather than “higher level” activities such as strategic planning and developing business plans. As a result of the feedback, staff will ensure that practical assistance for activities that have the potential to lead to near-term increases in sales will be offered to participating businesses, such as compiling prospect lists, developing or enhancing web sites, developing training manuals, etc. “Practical Assistance” will not include general business activities or

activities that do not have the potential to lead to near-term increases in sales that would not otherwise be included in services provided within the scope of the TBAP.

Generally, staff proposes that assistance in the second phase be focused on technical, marketing and testing/certification. Staff will ensure that appropriate direction is given in the Request for Proposal (RFP) for a contractor for the next two-year cycle of the Program (which is the subject of a separate item on this month's agenda) and that this focus on practical assistance will be implemented when assistance is considered and provided.

To address all of the stakeholder's needs, the Program will offer group training to provide businesses with tools (such as a better understanding of continuous improvement principles and implementation of quality assurance/quality control programs) as part of the proposed sector and industry-wide activities to improve operational performance and reduce waste.

B. Flexibility to Use Contractors Familiar With the Business

Some stakeholders have expressed a desire to use local contractors that they have used before and that are familiar with the needs and nuances of their particular business. Because of the nature of the competitive contracting process and language in the existing contract, the ability to use local contractors was limited in the first phase. However, to better serve the needs of TBAP participants, appropriate language will be added to the RFP and resulting contract that sets forth the conditions under which a contractor recommended by a specific TBAP participant can be added as a subcontractor under the contract to perform requested assistance.

C. Elimination of Equipment Grants

Over the past eight years, the CIWMB has directly invested \$22.3 million (\$12.3 million in Tire Product Commercialization and Applied Technologies grants and \$10 million in Recycling Market Development Zone [RMDZ] loans) in stakeholder businesses. Most of the Tire Product Commercialization and Applied Technologies grants were for equipment with many stakeholders receiving hundreds of thousands of dollars in grants. Some stakeholders believe that these equipment grants provided an unfair advantage for recipient businesses and led to equipment selection based on available grant monies rather than a business reason for the equipment.

To more effectively allocate scarce programmatic resources and ensure equipment decisions are made for sound business reasons, staff proposes that the TBAP no longer provide equipment grants. Businesses with equipment needs would instead be referred to the RMDZ Loan Program or other appropriate financing vehicles. To facilitate equipment financing for businesses not located in an RMDZ, staff proposes that a maximum of \$500,000 each for fiscal year 2007/08 and 2008/09 be made available for businesses subject to the same rates, terms and conditions as standard RMDZ loans. This funding for Board-approved equipment loans to TDP businesses not located within a RMDZ would be disencumbered from the TBAP contract and redirected to the RMDZ Subaccount to fund the specific loan. In the case of insufficient funding available for requests submitted, priority consideration will be given to those projects that will divert the greatest amount of Passenger Tire Equivalents (PTEs).

D. Improve the Efficient Administration of the Program

Currently, the Program requires more administration by the Contractor and CIWMB staff than originally envisioned. This administrative burden detracts from both the Contractor and staff providing the needed assistance. To address the situation, the RFP for the next

two-year cycle of the TBAP will ask the proposers to set forth a streamlined and cost effective approach to reduce the administrative burden and provide greater opportunity for the Contractor and staff to assist businesses.

E. Business and Industry-Wide Performance Goals

Part of the initial focus of the TBAP was to increase the likelihood of continued operations for TDP businesses, many of which were not yet profitable or were marginally profitable. The Program focus will now shift from business survival to business success. Through the Application and Assessment process, businesses will be asked to establish various performance goals depending on their individual situations and objectives (financial, production/diversion, operational, etc.). Assistance will be targeted to help TBAP businesses achieve their stated goals.

Staff will draw upon the individual TBAP business goals and those set forth in the CIWMB's Strategic Directives to establish internal programmatic goals. Progress and achievement of both individual TBAP participant and programmatic goals will be evaluated annually as part of the TBAP participant annual reporting and the Contractor's annual report to the CIWMB on the Program.

F. No More than One TBAP Grant Outstanding at Any Time

In the previous Tire Product Commercialization and Applied Technologies Grant (Commercialization Grant) Program and the existing TBAP, businesses could apply for grants every 12 months with several having more than one grant outstanding at any time. Grant terms are typically 18 – 24 months. As demand for TBAP resources increases, receiving a grant every 12 months could result in businesses that have not previously received grant assistance still not receiving a grant award while another business may have two awards. To be more equitable, staff proposes that businesses not be eligible to apply for a TBAP if they have an existing grant with an unexpired term, essentially providing for only one TBAP grant outstanding at any time.

G. Prioritization If The Program Is Oversubscribed

Many stakeholders have received multiple Commercialization Grants and TBAP grants in recent years. In an effort to stimulate new demand for TDP, staff proposes that first consideration for funding be given to businesses that have not received a Commercialization Grant or TBAP grant in the previous 36 months. For example, if there is \$1,500,000 available for TBAP assistance grants in a particular cycle and there are 12 qualified applicant businesses that had not previously received a grant, each qualifying for \$100,000, then there would be \$300,000 available for businesses that had received a grant within the past 36 months. If there were more requests from businesses that had received a grant within the past 36 months than there are available monies, then the requests would be ranked by PTEs diverted in the most recent calendar year (highest to lowest) and approved in order based on available monies.

H. Funding Award Levels

The maximum amount of assistance is determined by the business category and the PTEs diverted in the previous calendar year or, in the case of expanding or feedstock

conversion projects, the Contractor's, Business Representative's and the CIWMB Program Manger's consensus estimate of annual PTEs to be diverted upon project completion. Based on actual results and a desire to make the calculation more streamlined and assistance amounts more effective, staff proposes that all eligible businesses must have been in operation for at least three years, except for start ups which must be in operation for at least one year. Staff also recommends:

- Small, custom and non-manufacturer maximum awards increase to \$100,000 from \$50,000.
- Feedstock conversion maximum award decreased to \$100,000 from \$175,000.

Previously, the Program had a restriction regarding a maximum of 30 percent of the annual Program funding for businesses in the start-up, small, custom manufacturer, and non-production categories. Because it has never affected funding allocations and has caused confusion among stakeholders, staff proposes eliminating this restriction.

4. GENERAL PROGRAM ELIGIBILITY, PROCESS AND FUNDING LEVELS

Eligible Applicants

Eligible applicants are for-profit California-based TDP businesses and those for-profit businesses domiciled in other states but with an existing or demonstrated commitment to an operational presence in California. Qualifying Indian tribes are also eligible. Eligible applicants must produce in California, or demonstrate commitment to produce, products made from recycled 100 percent California generated waste tires.

Subsidiary and/or affiliated businesses may apply for an initial assessment (limited to two entities per fiscal year period), and are limited to a maximum combined assistance of \$175,000 per year for all related entities. A business is considered an "affiliated business" if it has at least one owner with a 20 percent or greater interest in another applicant business.

Ineligible Applicants/Activities

- Businesses that perform waste tire incineration, pyrolysis, gasification and/or liquefaction.
- Waste tire collectors and/or haulers, also the tire collection and/or hauling portion of other businesses.
- Businesses or that portion of business' operation, that shred or chip tires for use as Alternative Daily Cover (ADC) or Tire-Derived Fuel (TDF).
- Entities that perform only research and testing and are not in business to produce and/or sell products.
- Wholesalers and/or distributors, however they may benefit from assistance provided to eligible businesses.
- De novo businesses (from concept stage to less than twelve months of actual operation/sales).*
- Micro businesses (businesses that produce and sell less than 5,000 PTE in the previous 12 months).*

* These businesses will be directed to appropriate technical resources, such as: US Small Business Development Centers, local Economic Development Corporations, Inventor

Alliances, and other similar providers of valuable training and resources to entrepreneurs.

Funding Award Level

The maximum award amount is determined by the business category and PTEs diverted in the previous calendar year (see chart below). The Board will require the business to provide supporting documentation for the number of PTEs diverted. If the number of PTEs is overstated by more than 15 percent, it will be deemed a substantial and material overstatement and will result in disqualification of the application, and potentially any future grants from the Board, for a period of three years.

Business Category	Business Life	PTE in Prior Calendar Year	Award Based on \$x per PTE
Start up	Between 1 year and 3 years	At least 5,000	\$1.50
Small	3 years or more	Less than 250,000*	\$1.50
Custom Manufacturer ¹	3 years or more	At least 5,000	\$.75
Non-production ²	3 years or more	At least 5,000	\$.75
Existing	3 years or more	Equal to or more than 250,000*	\$.50
Expanding ³	3 years or more	At least 5,000	\$5.00
Conversion ⁴	3 years or more	At least 5,000	\$5.00

- * 250,000 PTEs for molded, extruded or other products; 500,000 PTE crumb rubber (less than ¼ inch) or coarse rubber (¼ inch to 1 inch for markets other than TDF or Civil Engineering) production; or 1,000,000 PTEs for civil engineering applications.
 - 1. Custom manufacturer (manufacturers products for other businesses)
 - 2. Non-production businesses (contracts out for production but markets and sells its product).
 - 3. Expanding businesses using recycled California rubber (a. An existing manufacturer that wants to develop/introduce a new TDP, or b. In a related business but expanding into producing tire-derived products. Examples include the vertical expansion of a tire collector or a shredder/processor into producing a final product such as mulch, mats, tire-derived aggregate, etc.)
 - 4. Conversion to recycled rubber (currently manufacturing a product with virgin material and intends to convert to using recycled California rubber).
- In the case of expanding businesses or feedstock conversion projects, the PTE figure will be the Contractor's, CIWMB Program Manager's, and business representative's consensus estimate of annual PTE to be diverted upon project completion.

Note: PTE means Passenger Tire Equivalent and equates to 12 pounds of crumb rubber or 20 pounds of tire shreds or chips from California generated tires. If a tire-derived product (TDP) contains less than 30 percent (by weight) of the original fiber and steel that was in the whole tire, then use 12 pounds to calculate the number of PTEs. If a TDP contains 30 percent or more (by weight) of the original fiber and steel that was in the whole tire, then use 20 pounds to calculate the number of PTEs. The PTE number used for this Program relates to the number of PTEs sold or used internally by the business and sold in an intermediate or final product in the immediately preceding calendar year. For the purposes of calculating the PTEs, the term "sold" includes products for which revenue is received or a fee paid for transfer.

An exception will be allowed for those businesses that have either been approved for a RMDZ loan within the last three years and are still in the de novo or micro business category (see Ineligible Applicants on page 8 for descriptions). Those businesses will participate in the Business Assessment where the Contractor, Contractor Manager, and business representative will determine their assistance needs, subject to the maximum award for a small business of \$50,000.

There is no match requirement. However, it is expected that TBAP monies supplement, not supplant, existing business efforts.

Process:

There will be one application period in 2008 for the 2007/08 fiscal year. In subsequent fiscal years, the TBAP will have one annual application cycle in the spring of each year. The amount of assistance provided to eligible businesses will be based on available funding (\$3,000,000 for 2007/08 and \$2,000,000 for 2008/09), minus the amount for any equipment loans/grants, sector and industry-wide activities, and administration of the contract. Businesses may be awarded assistance once during each 24 month period.

Application and Evaluation:

This consists of submission of the application, evaluation of a business, and preparation of business assessment. A business will submit an application (including company information such as financial information, business and marketing plans, etc.) to the CIWMB. Applications that do not contain the required information shall be considered incomplete and will be disqualified.

CIWMB staff will determine whether the applicant business is eligible and meets the threshold criteria approved by the Board. Staff will review and analyze the information, visit the business location, and meet with the owner/management. The Contractor will visit business locations and meet with the applicant's management as appropriate and in a manner to minimize costs.

Appropriate information will be shared with the Contractor and, if agreed to by the business' representative, a volunteer industry expert. These participants (business representative, Board staff, and Contractor) will evaluate the business' situation and market opportunities and identify (and prioritize) assistance and equipment that may benefit the business. The Contractor will prepare an assessment detailing the identified assistance with associated cost estimates.

Examples of assistance include, but are not limited to:

- General Business Assistance (business plan development or modification, human resource issues, inventory management/control [including just-in-time inventory systems], asset management, appropriate business structure, appropriate or optimal financial structure, accounting systems and controls, website development or modification, etc.).
- Technical Assistance (efficient plant design, manufacturing process improvement or optimization, optimizing specific equipment performance, increasing the amount/percentage of recycled material, converting to recycled material from virgin material, preparation of environmental impact reports, negotiating with governmental entities regarding siting and permitting issues, etc.).
- Marketing Assistance (marketing plan development or modification, product pricing, product promotion, product packaging, distribution systems, cooperative marketing, ad placement, trade shows, etc.).
- Product Testing and Certification (testing products to satisfy the marketplace requirements of the public and private sectors).

If Requests Exceed Available Funds

If requests exceed available monies, applicant businesses will be ranked by the number of PTE and will be approved in descending order (starting with the greatest number of tires diverted).

Assistance

Assistance will be provided to businesses in a manner and timing consistent with the needs of the business and an effort to minimize overall contract costs. After considering recommendations from the business and Contractor, the Contract Manager will have final authority regarding determining what assistance will be authorized.

The Contract Manager will direct the Contractor to provide assistance to the businesses through the use of Work Order. The Contractor will provide the assistance within 18 months from Board approval of the business' award. The Contract Manager reserves the right to have the Contractor to provide priority service to a specific business if there is an urgent business need.

The Contractor may also provide services that benefit an identified sector or the industry as a whole. Such services will be identified in the Scope of Work for the Program.

Reporting

The Contractor will provide monthly reports covering business assistance activity. The Contractor will also provide annual reports and/or presentations to the Board and/or any of its Committees containing such information as determined by the Contract Manager and in a format consistent with Board guidelines. The information provided in these reports will, at a minimum, identify the types and results of the assistance provided, including aggregated sales and PTE diversion information.

Businesses will provide annual information on PTE and key financial information to the Board for five years after the assistance is provided. Company information will be collected by Tire Program staff, aggregated, and released in a manner so as not to reveal confidential business information.

Performance Evaluation:

Businesses will provide annual information on PTE and key financial information to the Board for five years after the assistance is provided. The first reporting from Grantee businesses in the first two-year cycle is due April 15, 2008. The reporting from Grantee businesses in the second two-year cycle is due April 15, 2009. This information will be measured against baseline information from the application. Company information will be collected by staff, aggregated and released in a manner so as not to reveal confidential company information. The increase in diversion of PTEs, increase in sales and other key information will be the measurement of the TBAP's effectiveness.

B. Environmental Issues

The TBAP is designed to increase diversion of tires from California landfills by increasing demand for TDP. By assisting with strengthening TDP businesses and addressing issues that affect various sectors or the industry as a whole, there should be increased demand for TDP and a reduction in waste tires being landfilled.

C. Program/Long Term Impacts

Improving the ability of the industry to be self supporting without the need of ongoing grant and/or contract support will free up monies for other tire program priorities.

D. Stakeholder Impacts

There could be significant positive stakeholder impacts as a result of the activities considered in this Item.

E. Fiscal Impacts

The Board receives an annual appropriation from the California Tire Recycling Management Fund (Tire Fund) to administer the California Tire Recycling Act (Senate Bill 937, Vuich, Statutes of 1990, Chapter 35) and related legislation. Public Resources Code Section 42872(a) authorizes the funding of activities that reduce or that are designed to reduce or promote the reduction of landfill disposal of used whole tires.

F. Legal Issues

Staff is not aware of any legal issues related to this Item.

G. Environmental Justice

The Contractor and Grantees are subject to the principles of Environmental Justice as defined in Government Code Section 65040.12(e).

VI. FUNDING INFORMATION

This Agenda Item does not seek funding approval. Staff has prepared a separate Agenda Item seeking the Board's consideration of a Scope of Work for the Program that also contains funding information.

VII. ATTACHMENTS

1. Stakeholder Comments Regarding the Tire-Derived Product Business Assistance Program
2. Resolution Number 2007-245

VIII. STAFF RESPONSIBLE FOR ITEM PREPARATION

- | | |
|---|------------------------------|
| A. Program Staff: Calvin Young | Phone: (916) 341-6670 |
| B. Legal Staff: Holly Armstrong | Phone: (916) 341-6060 |
| C. Administration Staff: Roger Ikemoto | Phone: (916) 341-6116 |

IX. WRITTEN SUPPORT AND/OR OPPOSITION

A. Support

Staff had not received any written support to the Item prior to publication. However, stakeholder comments are reflected in Attachment 1.

B. Opposition

Staff had not received any written opposition to the Item prior to publication. However, stakeholder comments are reflected in Attachment 1.