

**Draft Five-Year Plan
For The
Waste Tire Recycling Management Program**

(5th Edition Covering Fiscal Years 2009/10-2013/14)

Draft Report to the Legislature

October 22, 2008 Workshop

The following document is a draft report that contains only the proposed activities and budgets for FYs 2009/10-2013/14. The full version of the draft report that contains program status, objectives, performance measures, activities, budgets and appendices will be presented to the CIWMB's Strategic Policy Committee on February 18, 2009.

Five-Year Plan for the WasteTire Recycling Management Program

Senate Bill (SB) 876 (Escutia, Statutes of 2000, Chapter 838) was enacted to provide a comprehensive measure to extend and expand California’s regulatory program related to the management of waste and used tires. One of the key provisions of this measure requires the CIWMB to adopt and submit to the legislature a Five-Year Plan that included proposed budget allocations. In addition, it requires that the Five-Year Plan be updated every two years. The current plan was adopted in June 2007 covers Fiscal Years 2007/08 to 2011/2012. Staff has begun the process to revise the plan to cover Fiscal Years 2009/10 to 2013/14. The following table is a summary of draft proposed expenditures for FYs 2009/10-2013/14. Further details of each program area are contained in this draft Five-Year Plan. We anticipate the next version of the draft revised Five-Year Plan will be presented to the Board for discussion in February 2009 and the final revised Five-Year Plan will be submitted to the Board for approval in April or May 2009.

Table 1: Total Tire Program Funding for Fiscal Years 2009/10–2013/14

Program Areas	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	Totals for All Fiscal Years
Enforcement	\$7,601,334	\$8,360,000	\$8,360,000	\$8,840,000	\$9,090,000	\$42,251,334
Cleanup*	\$4,400,000	\$4,000,000	\$4,000,000	\$4,000,000	\$3,900,000	\$20,300,000
Research	\$1,150,000	\$850,000	\$1,000,000	\$500,000	\$1,000,000	\$4,500,000
Markets	\$13,432,666	\$13,249,000	\$13,099,000	\$13,119,000	\$12,469,000	\$65,368,666
Hauler and Manifest Program	\$325,000	\$450,000	\$450,000	\$450,000	\$450,000	\$2,125,000
Program Staffing and Administration	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$22,500,000
Administration	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$10,000,000
Mandatory Contracts	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$7,500,000
Totals	\$34,909,000	\$34,909,000	\$34,909,000	\$34,909,000	\$34,909,000	\$174,545,000

* The cleanup element includes the Farm and Ranch Solid Waste Cleanup and Abatement Grant Program. Its spending authority is separate from the Tire Fund’s spending authority.

Report to the Legislature

In 2007, the Legislative Analyst’s Office (LAO) “recommended the adoption of supplemental report language to require the Board to report on options, and related statutory changes, that it would recommend to increase the diversion rate. Further, the LAO has acknowledged the Board as best positioned to identify those additional efforts most likely to increase the number of waste tires diverted from the state’s landfills, as well as to advise the Legislature of the policy choices that may be inherent in such efforts warranting legislative evaluation.” In the Budget Act of Fiscal Year 2007/08, the Legislature required the CIWMB to submit a report by July 10, 2008, that identifies the following:

- A history of revenues, expenditures, and balances of the California Tire Recycling Management Fund since its inception, and projection of such information for 2008-09 and the subsequent two fiscal years.
- A history of waste tire diversion rates and end-uses, and projection of such rates and uses for 2007 and the subsequent three years.
- Identification and assessment of the costs and effectiveness of options to increase the rate of diversion of waste tires from disposal in landfills.
- Any statutory changes that would assist efforts to increase the diversion rate.

The Board adopted the report *Options to Increase Waste Tire Diversion Rates: Report to the Legislature* at its May 2008 Board Meeting. The report has been prepared for submittal to the legislature. Along with our current resources, the programs recommended by the Board in the above mentioned report will further focus on activities that will provide a sustainable market for tire-derived products in California.

Introduction

The Five-Year Plan is divided into the program elements identified in Public Resources Code (PRC) section 42885.5(b). These elements are:

- Enforcement and Regulations Relating to the Storage of Waste and Used Tires.
- Cleanup, Abatement, or Other Remedial Actions Related to Tire Stockpiles Throughout the State.
- Research Directed at Promoting and Developing Alternatives to the Landfill Disposal of Tires.
- Market Development and New Technology Activities for Waste and Used Tires.
- The Waste and Used Tire Hauler Program and Manifest System.

Each element includes an overall chart of activities and describes each activity with associated budget information by fiscal year.

Enforcement and Regulations Relating to the Storage of Waste and Used Tires

Activity Description and Budget

The enforcement program will implement a two-pronged approach to statewide enforcement. This approach will use local enforcement entities wherever possible and State resources in “gap” areas. However, the waste tire enforcement program will provide ongoing assistance to local jurisdictions and oversee the entire effort. Table 2 provides a list of activities and associated budgets for the Enforcement and Regulations Relating to the Storage of Waste and Used Tires Element.

Table 2: Budget for Enforcement and Regulations Relating to the Storage of Waste and Used Tires

Program Area	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14
Waste Tire Enforcement Support Activities	\$245,000	\$370,000	\$370,000	\$375,000	\$375,000
Enforcement Case Assistance	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Local Government Waste Tire Enforcement Grants	\$7,141,334	\$7,775,000	\$7,775,000	\$8,250,000	\$8,500,000
Database Development and Maintenance	\$165,000	\$165,000	\$165,000	\$165,000	\$165,000
Totals	\$7,601,334	\$8,360,000	\$8,360,000	\$8,840,000	\$9,090,000

1. **Waste Tire Enforcement Support Activities:** This line item is a combination of several activities and agreements that will support the overall mission of enforcing the laws regarding the hauling and disposal of waste and used tires in the State of California and along the California Mexico Border Region. This combined activities approach will provide flexibility with respect to program funding for each activity. Approximately 1/3 of the budgeted amount allocated per fiscal year for these activities will be used for activities along the Mexican border region in California. The temporary reduction of \$125,000 in funds for FY 2009/10 reflects the fact that several projects were delayed in FY 2007/08 and FY 2008/09 due to the restriction on resource

use and unavoidable contractor delays which have caused a one year delay in implementing some of the Border activities. The delayed work will be completed by FY 2009/10, so that full finding will need to resume in FY 2010/11. Funds will be allocated to the following projects:

CHP Agreement to Support Enforcement Activities: This effort continues to enhance the working relationship that has been established between the CIWMB and the California Highway Patrol (CHP). Under this agreement the CHP will continue to support CIWMB field efforts in the areas of ground and aerial surveillance, covert and overt investigative, inspector security, training for state and local law enforcement officers, and roadside checkpoints to assist CIWMB as well as local enforcement personnel. This effort includes a surveillance and enforcement support focus in the California /Mexico border region.

Satellite Surveillance Project: This project uses the current available satellite imagery to review and analyze large sections of land. This feature has been proven to work and is expected to be an excellent tool for the continued support of field staff in their work to locate and monitor illegal waste tire piles in California. This activity is especially useful in finding tire piles located in remote and isolated areas of Central and Northern California with limited access and the large desert regions in Southern California including the California/Mexico border region.

ARB Surveillance Assistance: This activity will support both CIWMB and Local Enforcement Waste Tire Grantees field investigative efforts. The ARB has extensive experience in assisting other agencies in the purchase, maintenance, monitoring, and use of both covert and overt surveillance equipment. This expertise has aided and should continue to aid the CIWMB and Local Waste Tire Grantee’s in their efforts to find and prosecute those individuals who haul or dispose of tires illegally. Additionally, work should be done on the procurement of more sophisticated surveillance equipment for covert activities allowing real time remote monitoring and sensing.

Analysis of Targeted Study Areas for Waste Tire Enforcement: Provide site/topic specific studies that target issues relating to the enforcement of used and waste tire laws in California. This activity will provide the CIWMB with the flexibility to respond to situations that arise, which may not have been previously under consideration. For instance, Senate Bill 772 (Ducheny) required the CIWMB to track both legal and illegal waste and used tire flow through the California/Mexico border. The CIWMB was able to respond quickly by contracting for the California Mexico Waste Tire Border Study, which will meet the requirements of the statute and help the CIWMB understand the aspects and complexities of tire transport across the border.

Training Support for Waste Tire Enforcement Inspectors and Managers: This activity will continue to work with Office of Emergency Services and the California Specialized Training Institute to provide comprehensive and up-to-date training that focuses on tire enforcement and environmental compliance in support of training for both CHP and local law enforcement. In addition, funds will be used to supplement the tire portion of CIWMB’s annual enforcement conference for local agencies. Training provides inspectors and managers with up-to-date information on CIWMB’s waste tire management programs and grants as well as a venue to network and discuss other items of interest. Other outreach activities may also be held during the year.

Activity Funding

FY 2009/10.....	\$245,000
FYs 2010/11–2011/12.....	\$370,000 per fiscal year
FYs 2012/13–2013/14.....	\$375,000 per fiscal year

- Enforcement Case Assistance:** The CIWMB’s Legal Office generally prosecutes administrative enforcement penalty actions to ensure uniformity of enforcement and to expedite processing. However, criminal and certain civil enforcement cases must be referred to local district attorneys’ offices. Unfortunately, some rural jurisdictions do not have the resources to handle waste tire misdemeanor cases. In fiscal year 2001/02, the CIWMB established a two-year pilot program with the California District Attorney’s Association (CDAA) to assist these jurisdictions. This pilot project proved successful. Therefore, the CIWMB will continue to work

with authorized enforcement organizations as contractor(s) or grantee(s) for investigative and prosecutorial services to pursue criminal or civil enforcement actions.

Activity Funding

FYs 2009/10-2013/14.....\$50,000 per fiscal year

3. **Local Government Waste Tire Enforcement Grants:** PRC section 42889(b)(4) allows the CIWMB “to consider designating a city or county, or city and county as the enforcement authority of regulations relating to the storage of waste and used tires.” This section also states that if the CIWMB designates a local entity for this purpose, it must provide sufficient, stable, and noncompetitive funding to that entity, based on available resources.

The purpose of this grant program is to enhance the statewide waste tire enforcement infrastructure in California. This grant program will augment the CIWMB’s enforcement efforts in overseeing the proper management and flow of waste tires throughout the state. Eligible county and city jurisdictions can use these grant funds to identify waste tire sites, conduct waste tire facilities inspections, investigate illegal tire disposal activities, review waste tire hauler documents, issue NOVs, and ensure that tire dealers, auto dismantlers, tire haulers, and others comply with all applicable laws, storage standards, and manifest requirements. The priorities for this grant program are to:

- Offer a sufficient, stable, and non-competitive funding source.
- Ensure consistent statewide inspection and enforcement coverage.
- Assure cost-effective and successful local waste tire enforcement programs.
- Streamline the grant program application, annual renewal, and reporting process.
- Conduct evaluations to assess Grantee performance and enforcement program effectiveness.

Participation in this grant program continues to increase. There were just 8 grantees in fiscal year 2001/02, and 42 in fiscal year 2007/08. As a direct result of the waste tire enforcement grants, local agencies have a much more vital and expanded role in enforcement.

CIWMB expanded program criteria for the 2007/08 fiscal year program. Grantees will be reimbursed for a higher hourly personnel rate, increased surveillance costs, and clean-up of small tire piles.

Activity Funding

FY 2009/10..... \$7,141,334
FYs 2010/11–2011/12..... \$7,775,000 per fiscal year
FY 2012/13..... \$8,250,000
FY 2013/14..... \$8,500,000

4. **Database Development and Maintenance:** Over the last three to four years, the CIWMB has developed the Waste Tire Management System (WTMS) to track tire enforcement and manifest program activities. The system was developed per the requirements defined in the approved Feasibility Study Report (FSR). The system tracks waste tire generators, registered haulers, permitted and unpermitted end use facilities, manifest forms, inspection forms and enforcement actions.

The system was initially released to “production” in July 2003. While the system meets the requirements outlined in the FSR and has been in production for several years, there are several enhancements that are needed to improve functionality and integration of information within the system. In addition, we have identified the need for improved reporting capabilities and improvement to the local and business access portals.

Additional development of the database is needed along with continuous improvements to better service our staff and external customers. Upcoming modifications and advancements to the system will include:

- Creation of a portal whereby local grantees can access the database, which will assist them with their initial inspection and enforcement activities, merging local and state active business lists, and coordinating with the State on enforcement cases.
- Enhancement of enforcement tracking capabilities of penalties and other legal information by reconciling the WTMS Enforcement module which tracks penalties assessed with the Board’s Serialized Invoice Reporting System (SIRS) which tracks funds received.
- Development of standard reports to track inspection data, permit data, grantee referrals, and Notice of Violations to ensure performance measures are achieved. Compliance reports will be available to Grantees to assist them in inspection prioritization and planning.
- Ongoing maintenance that includes revising inspection forms, entering in contracts to have inspections forms and other documents scanned and entered into WTMS on an on-going basis. Additionally, periodic upgrades to system are anticipated as the program continues to grow and change to meet the needs of our internal and external stakeholders as well as reporting requirements requested by Cal/EPA.

Activity Funding

FYs 2009/10–2013/14.....\$165,000 per fiscal year

Cleanup, Abatement, or Other Remedial Actions Related to Tire Stockpiles Throughout the State

Activity Description and Budget

The cleanup program will continue to remediate sites with CIWMB-managed contractors and grants to local governments for amnesty events and cleanup of illegal piles. In addition, the CIWMB will provide funding to the farm and ranch solid waste cleanup grant program to further mitigate future accumulations of waste tires. Also, the CIWMB will establish an emergency reserve account, which cannot exceed \$1 million, as directed by SB 876. Table 6 provides a list of activities and associated budgets for the element entitled “Cleanup, Abatement, or Other Remedial Actions Related to Tire Stockpiles throughout the State.”

Table 6: Budget for Cleanup, Abatement, and Remedial Action

Program Area	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14
Short-Term Remediation Projects	\$1,000,000	\$500,000	\$400,000	\$400,000	\$300,000
Local Government Waste Tire Cleanup Grant Program	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Local Government Amnesty Grants	\$1,000,000	\$1,100,000	\$1,200,000	\$1,200,000	\$1,200,000
Emergency Reserve Account	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Farm and Ranch Solid Waste Cleanup and Abatement Grant Program*	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Totals	\$4,400,000	\$4,000,000	\$4,000,000	\$4,000,000	\$3,900,000

* Funds transferred to Farm and Ranch Solid Waste Cleanup and Abatement Grant Program.

1. **Short-Term Remediation Projects:** The CIWMB funds short-term remediation of illegal waste tire sites with CIWMB-managed contracts. These contracts are awarded for a two or three-year period. Funds allocated to remediation efforts may roll over from one fiscal year to the next. The CIWMB will prioritize all identified sites to ensure that the most significant sites are addressed first. Projects will be broken out according to their long or short-term nature.

The CIWMB will continue to move aggressively to remediate the sites on the short-term projects list as they become known through enforcement actions or by other means. Currently, there are two sites that have been identified for short-term remediation. Both sites have been approved for CIWMB-managed remediation and will be cleaned up after permitting, CEQA, site access, and/or enforcement issues have been resolved.

Activity Funding

FY 2009/10	\$1,000,000
FY 2010/11	\$500,000
FYs 2011/12-2012/13	\$400,000 per fiscal year
FY 2013/14	\$300,000

- 2. **Local Government Waste Tire Cleanup Grant Program:** Under this grant program, local governments including local enforcement agencies, county and city departments, fire districts, code enforcement agencies, irrigation districts, and California Indian Tribes are eligible for funding. Grants are awarded to pay for the cost of cleanup, abatement, or other remedial actions related to the disposal of waste tires.

For the period including FYs 2005/06-2008/09, demand for the program has averaged approximately \$805,000 fiscal year. No changes are proposed in the funding for this activity at this time.

Activity Funding

FYs 2009/10–2013/14.....	\$1,000,000 per fiscal year
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- 3. **Local Government Amnesty Grants:** This grant program is designed to help divert waste tires from landfill disposal and prevent illegal tire dumping. California cities, counties, special districts, other political subdivisions and jurisdictions joined together by formal agreements, as well as California Indian Tribes, are eligible to apply for these competitive grants. A waste tire amnesty event allows private citizens to take waste tires, in non-commercial quantities, to a specific location established by the local government administering the grant program.

For the period including FYs 2005/06-2008/09, demand for the program has averaged approximately \$938,000 fiscal year. This program is expected to see an increase in demand as more local governments address problems of illegal dumping by offering amnesty events to remove the possibility of illegal tire disposals. A corresponding slight increase in funding is planned for FYs 2010/11–2013/14.

Activity Funding

FY 2009/10	\$1,000,000
FY 2010/11	\$1,100,000
FYs 2011/12–2013/14.....	\$1,200,000 per fiscal year

- 4. **Emergency Reserve Account:** SB 876 legislation requires that the CIWMB create and maintain an emergency reserve account, which shall not exceed \$1 million. These funds will be used to respond to emergencies involving waste tires, such as tire fires.

Activity Funding

FYs 2009/10–2013/14.....	\$1,000,000 per fiscal year*
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** This emergency reserve account is subject to change depending on the need for emergencies that arise. Legislation requires the CIWMB to maintain \$1,000,000 in this account. However, more than \$1,000,000 may be expended on a yearly basis. If allocated funds are not expended, funds may be carried forward to the fund balance in the following fiscal year. A million dollar reserve must be maintained within expenditure authority for emergency purposes.*

- 5. **Farm and Ranch Solid Waste Cleanup and Abatement Grant Program:** The purpose of the Farm and Ranch Solid Waste Cleanup and Abatement Grant Program is to remediate solid waste that has been disposed of illegally on farm or ranch properties. SB 876 requires that funds be allocated to pay the costs of cleanup, abatement, or other remedial action related to the illegal disposal of whole waste tires on farm or ranch

properties. This program cleans up sites that in the past have acted like a magnet for white goods, used oil, other trash, and waste tires. Cleaning these sites up will help deter future illegal dumping of old tires; therefore, funding is proposed to continue at \$400,000 for this program.

Activity Funding

FYs 2009/10–2013/14..... \$400,000 per fiscal year

Research Directed at Promoting and Developing Alternatives to the Landfill Disposal of Tires

Activity Description and Budget

The research program will concentrate on activities that support increased use of Rubberized Asphalt Concrete (RAC), Civil Engineering (CE) applications, and other tire-derived products. Table 7 provides the budget for the element entitled “Research Directed at Promoting and Developing Alternatives to the Landfill Disposal of Tires.”

Table 7: Budget for Research Directed at Promoting and Developing Alternatives to the Landfill Disposal of Tires

Program Area	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14
CE Applications for Waste Tires	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Research on Highway Construction Applications Using Waste Tires	\$500,000	\$0	\$500,000	\$0	\$500,000
Minimum Energy Efficiency Standards for Replacement Tires Analysis	\$150,000	\$150,000	\$0	\$0	\$0
Artificial Turf Study (Phase 2)	\$0	\$200,000	\$0	\$0	\$0
Totals	\$1,150,000	\$850,000	\$1,000,000	\$500,000	\$1,000,000

- 1. CE Applications for Waste Tires:** Although the CIWMB has made significant progress promoting the use of tire-derived aggregate (TDA) in CE applications, there is still much work that needs to be done to establish this use of waste tires as an accepted CE material. This activity will continue CIWMB’s program of investigating new CE uses for waste tires, including partnering with State, local, and private-sector engineers to conduct research and educate them on the use of TDA in CE projects. For research projects focusing on specific CE uses of waste tires, project-specific contracts may be implemented. These projects could include, but are not limited to, erosion control, earthquake damping, vibration mitigation, and sound walls. Once a project is constructed, this contract is also used for ongoing monitoring to determine the long term performance of the TDA in the civil engineering application.

Activity Funding

FYs 2009/10–2013/14..... \$500,000 per fiscal year

- 2. Highway Construction Applications Using Waste Tires:** The CIWMB has made significant progress promoting RAC and, as a result, the use of RAC continues to increase statewide. However, there are several applications that the CIWMB is continuing to study to gain additional information regarding benefits and drawbacks. Nevertheless, these applications do have the potential to use waste tires. Some of these applications include: terminal blend asphalt concrete, warm mix asphalt rubber, and rubberized slurry seals.

Under this program element, the CIWMB will research these applications in order to determine their benefits. For example, the CIWMB funded three rubberized slurry seal pilot projects (RSS) which have been completed. The final report on these projects should be completed this year under the MACTEC contract. Further, the Board has also initiated a warm mix asphalt and terminal blend (TB) study with CSU Chico. If these studies demonstrate the technical effectiveness of RSS, warm mix and TB, then additional research would not be needed. If not, however, additional research may be needed. A pilot study may be conducted for one or all of these applications if it is deemed necessary to further evaluate their benefits.

If the ongoing research supports the benefits of these applications, then the CIWMB can continue to include these applications in future grant offerings, with the aim of enhancing sustainable markets for additional waste tires. Additionally, the CIWMB will evaluate current design standards and investigate pavement preservation strategies that use rubber and increase the lifespan of and performance benefits (i.e., resistance to reflective cracking, skid resistance, noise reduction) of pavements. For example, it is well documented that rubber chip seals out performs conventional chip seals; however, improvements in mix design and range of use are continuously evolving and may warrant further investigation.

Activity Funding

FYs 2009/10, 2011/12 and 2013/14..... \$500,000 per fiscal year

- 3. **Minimum Energy Efficiency Standards for Replacement Tires Analysis:** AB 844 (Nation, Chapter 645, Statutes of 2003) requires the California Energy Commission (CEC) and the CIWMB to adopt and implement a statewide tire energy efficient program for replacement tires for passenger cars and light-duty trucks and to review and revise the program not less than once every three years. Pursuant to legislation this analysis will assist CEC and CIWMB in determining if it is technically feasible and cost effective to set energy efficiency standards for replacement tires sold in California without adversely affecting tire safety, the average tire life of replacement tires, and the State’s efforts to manage waste tires. This project could include, but is not limited to, identifying and analyzing what if any impact low rolling resistance tires have on average tire life and examining what if any tradeoffs exist between tire safety and low rolling resistance. The CIWMB will contract with the CEC for the study and finding will be presented to the Board in the Fall of 2012.

Activity Funding

FYs 2009/10-2010/11 \$150,000 per fiscal year

- 4. **Artificial Turf Study (Phase 2):** After completion of the first phase of this study (started in FY 08/09), which focused on human health impacts and gathered data on the human health risks associated with artificial turf related to VOC and PM 2.5 inhalation hazards as well as skin abrasion infection hazards, staff proposes a second phase to continue the investigation into this product. In phase two, environmental impacts that were not included in the scope of work for addressed in phase one will be examined. In particular, the study will address potential environmental impacts from the artificial turf field if they were burned. Additional areas of research may be included from the recommendations and results made by OEHHA as part of the phase one study and to address the requirements of SB 1277 (Maldonado, Chapter 398, Statutes of 2008).

Activity Funding

FY 2010/2011.....\$200,000

Market Development and New Technology Activities for Waste and Used Tires

Activity Description and Budget

The Market Development Program is focusing on RAC, TDA, and TDPs that use the largest number of tires. Since the largest number of tires can be diverted through RAC and TDA applications, significantly more

resources are being devoted to them. To further this effort, the CIWMB will work with the University of California and community colleges to develop course curricula to ensure future generations of engineers will consider using RAC and TDA. To assure that tire-derived product businesses can meet the demand, the BAP will work closely with the industry to affect a positive sustainable infrastructure. Table 9 provides the budget for the element entitled “Market Development and New Technology Activities for Waste and Used Tires.”

Table 9: Budget for Market Development and New Technology Activities for Waste and Used Tires

Program Area	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14
Outreach Campaigns	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
TDA Civil Engineering Technical and Construction Management Support Contracts	\$3,250,000	\$1,000,000	\$2,750,000	\$1,374,334	\$1,724,334
RAC Technical Assistance Contract	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
RAC Hot-Mix Grant Program	\$3,750,000	\$3,509,334	\$3,500,000	\$3,500,000	\$2,500,000
Rubberized Chip Seal Grant Program	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$1,500,000
RAC Technology Centers	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Tire-Derived Product Grants	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Tire Business Assistance Program	\$0	\$2,500,000	\$674,334	\$2,000,000	\$2,500,000
Technical Assistance for State of Baja California's Development of Integrated Waste Tire Management Plan	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Sharing of Environmental Education Materials throughout the Border Region	\$20,000	\$20,000	\$0	\$0	\$0
Cal/Max and WRAP	\$24,666	\$24,666	\$24,666	\$24,666	\$24,666
Tire Events	\$118,000	\$75,000	\$30,000	\$100,000	\$100,000
Web-Based Grant Applications and Reporting	\$150,000	\$0	\$0	\$0	\$0
Totals	\$13,432,666	\$13,249,000	\$13,099,000	\$13,119,000	\$12,469,000

1. Outreach Campaigns: This activity contains two campaigns that will be combined to target several different audiences.

Tire Sustainability Outreach:

This campaign will branch out statewide focusing primarily on changing tire maintenance behaviors of Californians. This will follow on the heels of the recent successful pilot campaign in the Bay and Fresno markets which educated drivers about proper tire maintenance, encouraged customers to leave their old tires at the dealer when buying new tires, and educated consumers on purchasing longer-lived tires. This effort

will build on the previous campaign, utilizing partnerships with State agencies and other organizations, stakeholder input, and a variety of studies and information gained through prior research efforts to meet behavioral change objectives.

Quiet Roads Local Government Outreach:

Using general public relations strategies modeled after the successful “grass roots” efforts in Arizona, this statewide campaign will be designed to raise awareness on the benefits of RAC use in CE projects and generate demand amongst consumers and residents. This campaign will also continue efforts to deliver recycled content materials messaging to targeted jurisdictions and equip product and Local Assistance and Market Development staff so that they may continue providing outreach to Local Jurisdictions.

Activity Funding

FYs 2009/10-2013/14..... \$1,500,000 per fiscal year

- 2. **TDA Civil Engineering Technical and Construction Management Support Contracts:** The CIWMB will partner with State and local agencies to pay for engineering services, tire-derived materials, and other costs associated with civil engineering and roadway construction projects. These projects will be conducted through CIWMB managed contracts or partnerships with local governments through contracts and interagency agreements.

The CIWMB will retain contractors to assist staff in promoting the use of tire-derived aggregate (TDA) in civil engineering applications. Depending on the project, the contractors may be from the public or private sector and will be used to provide engineering services for project design, procurement, and construction management. Typical TDA projects may include applications such as lightweight fill, landfill applications, and vibration damping layers in light rail projects.

Activity Funding

FY 2009/10..... \$ 3,250,000
 FY 2010/11 \$ 1,000,000
 FY 2011/12 \$ 2,750,000
 FY 2012/13 \$ 1,374,334
 FY 2013/14..... \$ 1,724,334

- 3. **RAC Technical Assistance Contract:** The success of the CIWMB’s RAC programs has been due in part to the technical support that has been provided through the CIWMB’s RAC technical assistance contract. The CIWMB will continue to provide technical support to local government grantees and the Board under a new RAC technical assistance contract. This technical support may address issues associated with roadway projects including rubber hot-mix, rubber chip seal, rubber cape seals, and other emerging paving applications that use tire-derived materials that have been determined by the Board to have benefits derived from the use of recycled tires. The RAC technical assistance contractor will also serve as the liaison at various stakeholder workshops and conferences that will help promote the CIWMB’s RAC programs.

Activity Funding

FYs 2009/10-2013/14..... \$500,000 per fiscal year

- 4. **RAC Hot-Mix Grant Program:** The CIWMB will continue the Targeted RAC Incentive and RAC Reward Grant Programs. The goal of the grant program will continue to be to create long term sustainable markets by focusing on first time and limited experience users of RAC. However, the program will also continue to award use grants to encourage local jurisdictions that already use RAC to expand their use to more projects. The CIWMB anticipates decreasing the grant awards for this program as RAC use by local jurisdictions increases.

Activity Funding

FY 2009/10..... \$ 3,750,000

FY 2010/11.....	\$ 3,509,334
FYs 2011/12 and 2012/13.....	\$ 3,500,000 per fiscal year
FY 2013/14.....	\$ 2,500,000

- 5. Rubberized Chip Seal Grant Program:** Rubberized chip seal is a pavement maintenance strategy whose improved performance over conventional chips seal is well documented. The CIWMB offered this grant program for the first time in FY 2007/08. The program was very successful due to the overwhelming response from local governments. Therefore, the CIWMB will continue an offer this grant program to local governments by providing them with an additional cost effective paving option that will extend the life of their roadways. The CIWMB anticipates decreasing the grant awards for this program as rubberized chip seal use by local jurisdictions increases.

Activity Funding

FYs 2009/10-2012/13.....	\$2,000,000 per fiscal year
FY 2013/14.....	\$1,500,000

- 6. Rubberized Asphalt Concrete Technology Center (RACTC):** The RACTC provides statewide technical assistance to local governments located in both Northern and Southern California through direct consultation, and presentation at local and regional workshops.

Activity Funding

FYs 2009/10–2013/14.....	\$100,000 per fiscal year
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- 7. Tire-Derived Products Grants:** Eligible grant recipients may include, but are not limited to the following; businesses or other enterprises, and public entities as determined by the Board. This program provides grants for the purchase of tire-derived products, such as sports surfacing, rubberized sidewalks, weed abatement covers, mulch, sound barriers, and traffic safety products. All eligible applicants would be funded unless the grant program was over-subscribed. At that point, a random selection process would be used to determine who would receive funding. Project and applicant eligibility requirements are approved each year by the Board. Currently, projects are required to divert a minimum number of California-only waste tires, awarded based on a capped dollar amount per tire diverted, and limited to a maximum award amount. Projects must meet all applicable local, State and federal laws, regulations and requirements, including but not limited to Health and Safety Code § 115725, et seq.

Activity Funding

FYs 2009/10–2013/14.....	\$2,000,000 per fiscal year
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- 8. Tire-Derived Product (TDP) Business Assistance Program:** This program is designed to increase demand for TDPs, foster feedstock conversion technologies and expand the use of waste tire-derived material to include higher value-added TDPs. Additionally, the program will provide assistance to businesses that diversify existing and create new TDPs through a variety of methods. This would be done by building the market capacity and improving the operational and cost efficiencies of TDP businesses by providing technical and consultative assistance. Eligible businesses may apply for assistance to: (1) evaluate, diversify, and improve their business plan and operations, (2) enhance marketing efforts, and (3) test and certify new products.

Staff and an independent consultant will perform an analysis of the businesses to identify needs and associated costs. Examples of TDP business assistance include, but are not limited to:

- General (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 (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, diversifying existing processing to meet market demand, etc.).
- Marketing (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).
- Identification of funding sources including loans to purchase equipment that can be used to process tires, make tire derived products or extend the life of existing tires (i.e., through the use of nitrogen, etc.).

This program will be run in cooperation with the Recycling Market Development Zone program. No new funding will be needed in FY 2009/10 due to active TBAP1 & TBAP2 projects that will be under evaluation during FY 2009/10.

Activity Funding

FYs 2010/11 and 2013/14.....	\$2,500,000 per fiscal year
FY 2011/12.....	\$674,334
FY 2012/13.....	\$2,000,000

9. Technical Assistance for State of Baja California’s Development of Integrated Waste Tire Management Plan:

In 2003, Mexico passed the Integrated Waste Management Law (IWM Law) to promote proper waste management practices for diverse waste streams and encourage reduction, reuse, and recycling of waste. In December 2006, Mexico passed regulations for the IWM Law, which included the management of waste tires. One of the activities required under the IWM Law was for states and municipalities to assess waste streams and develop a Waste Management Plan (WMP). The states, in this case, the State of Baja CA, will need to work with each of the municipalities to prepare waste management plans and provide technical assistance. The purpose of this effort is to provide the State of Baja CA with technical assistance regarding waste tire management practices at the municipal level, which ultimately would benefit the border region and assist in minimizing environmental impacts to California. Technical assistance would include providing information regarding enforcement techniques, remediation programs, alternative uses for tires, marketing assistance, and tracking the flow of tires in Mexico.

Providing technical assistance to Mexico regarding its waste tire management plan, which identifies institutional needs, will help Baja California create an infrastructure that will benefit both California and Mexico. This effort will leverage the knowledge and experience of local, state and federal agencies from both sides of the border to develop a model plan for managing waste tires in Mexico. This project will work towards reducing illegal dumping of waste tires, and promote waste reduction, reuse, and recycling.

Specific tasks include:

- Participating in scoping meetings with the State of Baja CA, and the municipalities of Tijuana, Mexicali, Rosarito and Ensenada, the Mexican Environmental Ministry, and other interested stakeholders to define potential waste tire management priorities;
- Working with industry partners to identify problem areas and needs for the proper management of wastes tires in compliance with the IWM Law and other local/ state requirements; and
- Provide technical assistance for Mexican State’s Development of model waste tire management plan.

CIWMB anticipates releasing an RFP for this contract in FY 2008/09 that would cover multiple fiscal years.

Activity Funding

FYs 2009/10-2013/14.....\$20,000 per fiscal year

10. Sharing of Environmental Education Materials Throughout the Border Region:

SB 772 requires CIWMB to work with Mexico in areas relating to waste and used tires, and environmental education and training. The Office of the Secretary for Environmental Protection-Border Affairs in coordination with CIWMB will continue our efforts with Mexico’s Secretariat for Public Education (SEP), Baja California’s Secretaría de Protección Ambiental, and the Baja California’s Education System (SEBS-ISEP) allowing for bi-national distribution of the Cal/EPA-CIWMB’s environmental education curriculum entitled “Conservation and Pollution Prevention at a Shared Border”. This elementary school curriculum includes lessons that are relevant to prevalent border conditions (e.g., land, water, and air pollution) and is consistent with existing environmental education and training principles in Mexico. Both English and Spanish versions of the curriculum will be provided to border teachers, educators, and schools. This curriculum contains scientific and resource-based lessons regarding the border area, with key steps toward environmental sustainability. The goal is to reach out to a minimum of 10,000 teachers and educators during the next two years, which will impact school districts on both sides of the border.

Distribution of the curriculum will occur through a Cal/EPA-CIWMB/Mexico mechanism/work plan, with participation by the general public, local government on both sides of the border, during fiscal years 2009/10 and 2010/11.

Activity Funding

FYs 2009/10-2010/11.....\$20,000 per fiscal year

11. Cal/Max and WRAP Activities:

Cal/MAX: Cal/MAX is a free service designed to help businesses find markets for non-hazardous materials they may have been traditionally discarded. Cal/MAX helps businesses, industries, and institutions save resources and money. In a new section that includes tire haulers, Cal/MAX will include listers with wanted or available tire byproducts, crumb rubber, or waste/used tires. Cal/MAX will feature waste tire-related articles in its Creative Reuse or Cal/MAX Connections articles twice a year. Catalog distribution averages about 7,500 per quarter. The articles also appear on the Cal/MAX website, which receives about 33,000 hits per month.

Waste Reduction Awards Program: The State of California's Waste Reduction Awards Program provides an opportunity for California businesses to gain public recognition for their outstanding efforts to reduce waste through efficient use of resources and other waste prevention practices. All businesses and private nonprofit organizations with California facilities are encouraged to apply. Efforts would also include an increase in outreach efforts to automotive and tire-related businesses through WRAP.

Activity Funding

FYs 2009/10–2013/14..... \$24,666 per fiscal year

12. Tire Events: CIWMB will hold tire workshops, forums, and/or trainings. These tire business/product events will provide attendees with up-to-date information on CIWMB’s waste tire management programs. They provide a venue to discuss all aspects of waste tire management, including hauling, manifests, cleanup, proper disposal, recycling technologies, and research and market development activities. These events offer a venue for Board Members, staff, and stakeholders to meet and focus on issues of common concern. Wherever possible, events will be conducted in conjunction with other related events organized by organizations like the League of California Cities, California Public Works Association, California State Association of Counties, etc. In addition, Staff has combined the Tire, Used Oil/Household Hazardous Waste, And Recycling Market Development Zone Conferences and Training Workshops into one combined three year contract to provide

efficiencies of scale and other benefits to the Board. All events will also be coordinated with the CIWMB's Public Affairs Office.

Activity Funding

FY 2009/10 \$118,000
 FY 2010/11 \$75,000
 FY 2011/12 \$30,000
 FYs 2012/13-2013/14 \$100,000 per fiscal year

13. Web-Based Grant Applications and Reporting: The current process of using paper-based applications and report as well as the current Grant Management Reporting System (GMS) is neither efficient nor supportive of Strategic Directive(SD)- 10 (Fiscal Responsibility) or SD-7 (Customer/Local Assistance). This effort would replace the current process with a more efficient G2G (government to government) web-based integrated system for grant application and management. The system would provide for streamlined application submission (after initial registration and setup by an applicant) and the ability to submit payment requests and reports electronically. Staff anticipates requesting co-funding from the Used Oil Recycling Fund so that the same system can be developed and applied for oil-related grants.

Activity Funding

FY 2009/10 \$150,000

Waste and Used Tire Hauler Program and Manifest System

Activity Description and Budget

The Hauler and Manifest Program is a general line item budget as shown in Table 10 Budget for the Waste and Used Tire Hauler Program and Manifest System. The costs associated with this budget are printing and mailing of the CTL forms; training and educational materials; contracting with an outside source for data entry of the CTL forms; an Information Management Branch annual budget for manifest and hauler registration related upkeep and maintenance of the Waste Tire Management System (WTMS). Additionally, funds provide printing of the waste tire hauler decals and certificates as well as Tire Program Identification Number certificates.

Table 10: Budget for the Waste and Used Tire Hauler Program and Manifest System

Program Area	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14
Hauler Program and Manifest System	\$325,000	\$450,000	\$450,000	\$450,000	\$450,000
Totals	\$325,000	\$450,000	\$450,000	\$450,000	\$450,000

1. Manifest System: With the CIWMB approval of the CTL form, the overall costs for the manifest program has been reduced as less printing, postage, and processing time is necessary. In addition, the amount needed to support these activities in FY 2009/10 was further reduced to reflect activities performed in FY 2007/8 and FY 2008/9 in anticipation of the economic shortfall and subsequent freeze. These activities have resulted in a reduced, one time need for funds in FY 2009/10. The numbers presented in Table 10 for “Hauler Program and Manifesting” adequately reflects this revision.

Activity Funding

FY 2009/2010.....\$325,000
 FYs 2010/2011–2013/14.....\$450,000 per fiscal year

Program Staffing and Administration

The Tire Program has 39.5 positions within 6 divisions at the Board. The total cost of staffing and administration is \$4,500,000.

Activity Funding

FYs 2009/2010–2013/14.....\$4,500,000 per fiscal year*

**Estimate of staffing and administrative costs*

CIWMB Administration

“CIWMB Administration” refers to the accounting of central management costs, such those pertaining to Executive Management, Accounting, Human Resources, Grants, Business Services, employee health & safety, small-office support, and statewide Pro Rata¹ assessments that generally serve all of CIWMB (i.e., indirect or overhead costs). This Administration funding represents the distribution of “indirect costs” to direct program activities of the CIWMB that include the Tire program.

Activity Funding

FYs 2009/10–2013/14 \$2,000,000 per fiscal year*

**Estimate CIWMB administrative costs*

Mandatory Contracts

“Mandatory Contracts” includes allocation for the following: Attorney General’s Office, Board of Equalization, Department of Finance, Foundation of California Community Colleges, Governor’s Office of Planning and Research, Office of Administrative Hearings, Peters Shorthand Reporting, Professional Recovery Systems, and the University of California, Davis.

Activity Funding

FYs 2009/10–2013/14 \$1,500,000 per fiscal year*

**Estimate of costs for mandatory contracts*

¹ Pro Rata is the sharing of general funded central service costs by funds other than the General Fund, as mentioned in the State Administrative Manual, Section 8753.