

REQUEST FOR APPROVAL

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

From: **Michelle Martin**
Branch Chief, Financial Resources Management Branch

Request Date: March 3, 2015

Decision Subject: Awards for the Tire-Derived Product Grant Program (Tire Recycling Management Fund, FY 2014-15)

Action By: March 20, 2015

Summary of Request:

Staff requests approval of grant awards for the Tire-Derived Product (TDP) Grant Program, Fiscal Year (FY) 2014-15. CalRecycle received 70 applications for this competitive grant, requesting a total of \$5,699,377; of these, 54 applications, totaling \$4,227,699, are eligible.

This request seeks approval for 16 grant awards (15 fully funded and one partially-funded), identified in Table 1 (List A), totaling \$823,747. The remaining 38 eligible applications and the one partially-funded, identified in Table 2 (List B), total \$3,403,952 and may be considered should additional funding become available.

Recommendation:

Staff recommends approval of 16 grant awards (15 fully funded and one partially-funded), as listed in Table 1 (List A) below, for \$823,747.

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

Applicant	Total Award
Inyo County	\$26,700
City of Corona	\$86,520
Humboldt State University	\$15,221
Washington Union School District	\$15,506
City of Lindsay	\$12,555
City of Gridley	\$44,592
Fresno County	\$34,799
Desert Recreation District	\$15,730
City of Oakley	\$58,360
City of Alameda	\$14,085
City of Cloverdale	\$25,519
Oroville City Elementary School District	\$99,468
City of Waterford	\$17,438
Calexico Unified School District	\$149,601
City of Fremont	\$150,000
City of Turlock (Partially Funded)	\$57,653
Total	\$823,747

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

Applicant	Award Amount
City of Turlock (Partially Funded)	\$92,347
City of Grass Valley	\$82,801
Los Angeles County	\$96,950
Golden Valley Unified School District	\$149,410
City of Los Alamitos	\$142,881
City of Monterey Park	\$16,920
City of Orland	\$70,601
City of Parlier	\$150,000
City of Yucaipa	\$149,902
Table Mountain Rancheria	\$9,425
Cutler-Orosi Joint Unified School District	\$149,915
City of Porterville	\$149,868
7 th District Agricultural Association/Monterey County Fair	\$82,875
City of Madera	\$51,940
Isla Vista Recreation and Park District	\$51,769
Santa Clara County	\$149,985
Anderson Union High School District	\$43,956
City of Lemoore	\$20,000
Union Hill Elementary School District	\$19,280
City of Oroville	\$35,932
City of Escalon	\$39,165
City of Signal Hill	\$18,375
City of Dublin	\$99,445
Eastern Sierra Unified School District	\$82,100
City of Larkspur	\$66,524
Wasco Recreation and Parks District	\$113,030
City of Avenal	\$83,595
Jurupa Area Recreation and Park District	\$39,900
Ripon Unified School District	\$150,000
City of Dixon	\$19,505
City of Culver City	\$66,600
City of Hollister	\$149,999
Ventura County	\$101,250
Arden Manor Recreation and Park District	\$29,421
Temecula Valley Unified School District	\$149,277
Central Union Elementary School District	\$149,795
Whittier Union High School District	\$91,546
Mendota Unified School District	\$88,136
Farmersville Unified School District	\$149,532
Total	\$3,403,952

Program Background

The TDP Grant Program is designed to promote markets for recycled-content products derived from California-generated waste tires and to decrease the adverse environmental impacts created by unlawful disposal and stockpiling of waste tires. The TDP Grant Program provides competitive grants for the purchase of various tire-derived products including, but not limited to: landscaping mulch or bark, playgrounds, tracks, sidewalks, sport surfacing, and traffic products. Eligible applicants include public entities such as: California cities, counties, public school districts, public colleges and universities, special districts, park districts, public recreational facilities, state agencies (including offices, departments, bureaus, and boards), and Qualifying Indian Tribes.

Criteria and Process

The Eligibility Criteria and Evaluation Process was discussed at the [July 15, 2014](#), CalRecycle Public Meeting and subsequently approved by the Deputy Director. The Notice of Funds Available was placed on the CalRecycle website on November 7, 2014, with an appropriate notice sent to stakeholders. The maximum grant award is \$150,000 per applicant.

Applications were due December 4, 2014, with a secondary due date of January 13, 2015, for Resolution submission. CalRecycle received 70 applications requesting a total of \$5,699,377. Staff disqualified 12 applications, nine for incompleteness and three because they did not satisfy program eligibility requirements. Four applications were withdrawn before consideration for award. The remaining 54 applications were evaluated by staff and determined to be eligible. Because the FY 2014-15 solicitation was oversubscribed (i.e., more requests than available funds) CalRecycle conducted a random selection drawing on February 26, 2015, to determine the recommended funding order for the 54 eligible applications.

That process also provides that applicants that were awarded any TDP grants in the previous three FYs, but either withdrew their grant or used less than 50 percent of their grant award, will be considered only after all other eligible applicants have been awarded. There were two applicants that used less than 50 percent of their previous grant.

Additionally, as required by AB 1179, applicants with a median household income less than 80 percent of the statewide median household income and whose grant request seeks a majority of funding (>50 percent) for parklet and/or greenway projects shall be given priority funding, regardless of the above. There was one applicant, Inyo County, who satisfies this requirement.

The types of projects recommended for funding includes playgrounds, parklets, and greenways. The grant project must be located in California and use a minimum of 2,500 Passenger Tire Equivalents from California-generated waste tires. Truck tire buffings are not eligible for reimbursement due to their relatively strong market demand.

The resulting recommended funding order of the 54 eligible applications is reflected in Table 1, List A and Table 2, List B. The 54 eligible applications include 48 recreational projects totaling \$3,576,874. The recreational projects include: playgrounds \$2,950,754; synthetic sports fields \$332,361; greenways \$126,700; and other projects \$167,059. Two projects on the A List and three projects on the B List involve synthetic sports fields.

Crumb Rubber Study

CalRecycle is dedicated to reducing impacts to the environment through waste reduction, material reuse, and responsible recycling. At the same, CalRecycle's highest priority is, and will always be, protecting human health and safety. Because of this, CalRecycle has sponsored and coordinated studies and has diligently reviewed numerous other studies (some of which are referenced at [web site](#)) examining potential human health effects regarding the use of recycled tires for playgrounds, infill for artificial sports fields, and other uses.

A relatively recent study, published in 2010, was coordinated by CalRecycle and executed by California's authority on environmental health hazards, the Office of Environmental Health Hazard Assessment (OEHHA). That investigation, using rigorous scientific standards, also compiled the existing body of scientific work on the subject. At the conclusion of the study, OEHHA did not find any significant risk to human health (either cancer or non-cancer) from tire-derived crumb rubber used in artificial sports fields. In particular, the large majority of air samples collected from above artificial turf had VOC concentrations below the limit of detection. For VOCs that

Funding:

The *Five-Year Plan for Waste Tire Recycling Management Program – (7th Edition covering Fiscal Years 2013-14 to 2017-18) (Five-Year Plan)* allocates \$4,123,747 for both Tire-Derived Product (TDP) Grant Program and Tire Incentive Program (TIP) awards for FY 2014-15. CalRecycle has internally allocated \$3,000,000 for the TIP awards which are anticipated in April/May 2015. On August 19, 2014, CalRecycle approved using \$300,000 of the FY 2014-15 allocation to fund a Feedstock Conversion Technical Assistance and Material Testing Services Contract. The Request for Proposal-Secondary for the proposed contract is anticipated to be released in March 2015, and awarded in June 2015. These actions result in \$823,747 being available for FY 2014-15 TDP Grant awards.

Fund Source	Amount Available	Amount to Fund Item	Amount Remaining	Line Item
California Tire Recycling Management Fund (FY 2014-15)	\$4,123,747	\$823,747	\$3,300,000	State Ops/Grants
Total	\$4,123,747	\$823,747	\$3,300,000	

Deputy Director Action:

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

1. The full payment within 60 (sixty) days of the date of this grant award of all outstanding debt(s) or scheduled payment(s) owed by the proposed grantee to CalRecycle.
2. The return by the proposed grantee of a completed and executed Grant Agreement within 60 (sixty) days from the date that CalRecycle staff emails the Grant Agreement.

Dated: 4/29/15


Howard Levenson
Deputy Director

Background and Findings:

Statutory Authority

Public Resources Code (PRC) § 42872 and 42873 authorize CalRecycle to award grants for activities and applications that result in reduced landfill disposal or stockpiling of waste tires. The TDP Grant Program operates within that authority, using a portion of the annual appropriation from the California Tire Recycling Management Fund (Tire Fund). Additionally, Assembly Bill (AB) 1179 (Bocanegra, Chapter 589, Statutes of 2014) added PRC 42872.6 requiring CalRecycle to provide funding priority for public works projects in a disadvantaged community for greenways or parklets. A disadvantaged community is defined as a community with an annual median household income less than 80 percent of the statewide median household income.

The July 2013 *Five-Year Plan for the Waste Tire Recycling Management Program (Seventh Edition Covering FYs 2013-14 to 2017-18) (Five-Year Plan)* allocates \$4,123,747 for both the TDP Grant Program and TIP for FY 2014-15.

were detected, OEHHA conducted a screening-level estimate of health risks for both chronic and acute inhalation exposure scenarios. All exposures were below health-based screening levels, suggesting that adverse health effects were unlikely to occur in persons using artificial turf. In addition, PM_{2.5} and associated elements (including lead and other heavy metals) were either below the level of detection or at similar concentrations above artificial turf athletic fields and upwind of the sampled fields.

CalRecycle and OEHHA continue to objectively evaluate the entirety of scientific studies and evidence on this issue, but are unaware of any new scientific studies indicating that adverse health impacts from such exposures are likely. Accordingly, CalRecycle believes that the use of recycled tires in playgrounds or crumb rubber used as infill for artificial sports fields is appropriate. Since 2001, CalRecycle has awarded, through various grant programs, approximately \$45 million to cities, counties, and school districts for playgrounds, running tracks, landscaping, infill for artificial sports fields, and other uses. CalRecycle will continue to provide funding for these projects, as well as other uses for waste tires, in an effort to divert this material from landfills in a responsible and sustainable manner, unless credible scientific evidence is obtained that would warrant a change in this policy.

At the same time, CalRecycle and OEHHA are dedicated to furthering scientific study of this issue. As a result, CalRecycle and OEHHA already are developing a new interagency agreement, with the intent of having it in place by June 30, 2015, that would start with the findings and recommendations in the 2010 OEHHA report and entail additional sampling and testing of synthetic turf fields in the state. More information about this agreement will be available in spring 2015, once a detailed scope of work and budget is finalized.

