

EXHIBIT B
PROCEDURES AND REQUIREMENTS
Rubberized Pavement Grant Program
Fiscal Year 2012/13

INTRODUCTION

The Procedures and Requirements of the Department of Resources Recycling and Recovery's (CalRecycle) Rubberized Pavement (Pavement) Grant Program Grant Agreement (Agreement) describe, among other things, project and reporting requirements, report due dates, report contents, grant payment conditions, eligible and ineligible project costs, project completion and close-out procedures, records and audit requirements.

Important Notice: Do not start the grant project or incur costs until you receive a Notice to Proceed from your CalRecycle Grant Manager (Grant Manager). The Notice to Proceed will be sent after the conditions for award have been met, as outlined in the Award Letter you received with the Grant Agreement, and both the grantee and CalRecycle have signed the Agreement.

RELIABLE
CONTRACTOR
DECLARATION

This requirement is applicable to grantees that use a contractor on the project. Prior to authorizing a contractor(s) to commence work under this Grant, the grantee shall submit to the Grant Manager a declaration from the contractor(s), signed under penalty of perjury, stating that within the preceding three (3) years, none of the events listed in Section 17050 of Title 14, California Code of Regulations Natural Resources, Division 7, has occurred with respect to the contractor(s) and the subcontractor(s), respectively. See <http://www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5>.

The grantee must provide the Reliable Contractor Declaration Form (CalRecycle 168) for all contractors and subcontractors that will supply rubberized asphalt materials for the project. To obtain CalRecycle 168 form, see the General Grant Forms section of the CalRecycle forms web page, <http://www.calrecycle.ca.gov/Grants/Forms>.

The Reliable Contractor Declaration Form must be uploaded in GMSWeb. To upload the Form:

1. Go to the **Report and Other Grant Documents** section in the **Detail tab**.
2. Click on the **Upload a Document** button.
3. Type a title, i.e. Reliable Contractor Declaration Form, then click the **Browse** button to search and upload the document.
4. Click the **Save** button.

For further instructions on uploading the Reliable Contractor Declaration or for more information regarding GMSWeb, including log-in directions, see the section below entitled "Grant Management System".

If a (sub) contractor is placed on the CalRecycle Unreliable List after award of this Grant, the grantee may be required to terminate that contract.

PROJECT
REQUIREMENTS

All projects are subject to the following requirements:

- The grantee will construct one or more Rubberized Asphalt Concrete (RAC) or Chip Seal project(s) at the location(s) specified in the approved grant application.
- One hundred percent (100%) California-generated waste tires must be used in the rubber portion of the project(s).
- The project(s) must be located in California.
- The binder material must contain a minimum of 300 pounds (equivalent to 15% by weight) of tire-derived crumb rubber per ton of rubberized binder.
- Reimbursement will not exceed the amount stated on the Grant Agreement Cover Sheet (CalRecycle 110).
- Construction of the RAC portion of any project must commence on or after the date indicated in the Notice to Proceed and be completed by April 1, 2015.

Additionally, the following project requirements are specific to the individual project as indicated:

Rubberized Asphalt Concrete (RAC) Project

- Project(s) must use a minimum of 3,500 tons of RAC.
- If a grantee has not previously received a CalRecycle Pavement or RAC grant, appropriate grantee staff must attend a CalRecycle-sponsored training before beginning the project. Topics for the training are typically in one-hour modules and may include a general introduction to the program or a more detailed discussion regarding the RAC manufacturing and construction processes and procedures.
- Reimbursement will be based on the following for each project/phase:

Number of RAC Use, Targeted and/or Pavement Grants (for RAC projects) Received in the Past	Differential Cost Between Rubberized Asphalt and Conventional Asphalt Concrete
0	100%
1	70%
2	40%

Chip Seal (Chip Seal) Project

- Project(s) must use a minimum area of 35,000 square yards of RAC chip seal material.
- Reimbursement will be based on the following for each project/phase:

Number of Chip Seal and/or Pavement Grants (for Chip Seal projects) Received in the Past	Reimbursement Rate
0-1	\$1.00 per square yard
2 -3	\$.50 per square yard

PROJECT
ACKNOWLEDGEMENT
REQUIREMENTS

By April 1, 2015, the grantee must list on their website, for a minimum period of one year, an acknowledgement of CalRecycle’s funding and waste tire diversion amounts for the project(s). See the “Acknowledgements” provision in the Terms and Conditions – Exhibit A, for acknowledgement requirement information. The acknowledgement must include the following:

- Funded by grant from CalRecycle;
- CalRecycle Logo¹; and
- Number of California waste tires² diverted from the waste stream by this project.

¹ *CalRecycle Logos are available in the Image Gallery web site at: <http://www.calrecycle.ca.gov/Gallery/Logos/>; or contact your Grant Manager.*

² *To determine the number of tires diverted, refer to the Rubberized Pavement Certification Form (CalRecycle 739-TRP) for the calculation formula. This is typically calculated after construction.*

When the web site acknowledgement posting is problematic due to grantee-specific issues, the grantee may substitute alternative forms of acknowledgement requirements upon written pre-approval from the Grant Manager.

Alternatives to the web site posting acknowledgement requirement must include one or more of the following:

1. Utility bill inserts
2. Newspaper ads/stories
3. Local radio
4. Television public service announcement (PSA)
5. Signage acknowledgement. A high resolution file for production purposes can be found on the tire resources web site at:
<http://www.calrecycle.ca.gov/Tires/Grants/Resources/#Signage>

WORK PLAN AND
CHANGES/
MODIFICATIONS

Proposed changes or modifications to the approved project(s) must be requested in writing to the Grant Manager. The request must include the reason for change and a revised Project Summary and Calculation. The Grant Manager must approve the proposed changes in writing prior to the grantee performing any changes or incurring any related costs.

GRANT
MANAGEMENT
SYSTEM (GMSWEB)

GMSWeb is CalRecycle’s web-based grant application and grant management system. Access to GMSWeb is secure; grantees must log in using a WebPass. WebPass accounts are tied to a specific email address. If an email address changes, or if it becomes inactive, the grantee must create a new WebPass account to continue accessing GMSWeb. Establish or manage a CalRecycle WebPass at: <https://secure.calrecycle.ca.gov/WebPass/>.

Accessing the grant

Grantees must log into GMSWeb using their web pass at; <https://secure.calrecycle.ca.gov/Grants>. After log-in, locate the grant in the

Associated Grant Applications table and select the **Grant Management** link. The **Grant Management** module includes the following sections:

- **Budget Summary** - shows approved budget, paid and remaining amounts. (This section is available to the grantee in Read-only mode.)
- **Payment Request Transactions** - requests reimbursement.
- **Report and Other Grant Documents** – uploads required reports and other grant documents that are not considered supporting documents to a payment request.

Follow the instructions in GMSWeb to work in the system. Use the information in the following sections to determine what reports, transactions, and supporting documents are required.

Contact Updates

- Access to the grant is limited to those listed in the **Contacts** tab in the **Application Module**. Contact information is available to the grantee in read-only mode.
- Email the assigned Grant Manager regarding any changes to contact information to ensure continued access.

REPORTING
REQUIREMENTS

A Progress Report and a Final Report are required by this Agreement; however, the Grant Manager may request a Progress Report at any time during the grant term.

All reports must be uploaded in GMSWeb. To upload a report:

1. Go to the **Report and Other Grant Documents** section in the **Detail tab**.
2. Click on the **Upload a Document** button.
3. Type a title, i.e. Progress Report 1, then click the **Browse** button to search and upload the document.
4. Click the **Save** button.

The reports must be current, include all required sections and documents, and must be approved by the Grant Manager before any Payment Request can be processed. Failure to comply with the specified reporting requirements may result in the termination of this Agreement or rejection of the Payment Request and/or forfeiture by the grantee of claims for costs incurred that might otherwise have been eligible for grant funding.

Any problems or delays must be reported immediately to the Grant Manager.

PROGRESS REPORT
REQUIREMENTS

The grantee may submit the Progress Report to the Grant Manager any time prior to, but no later than, April 1, 2014 (for the period covering the Notice to Proceed Date to April 1, 2014). The Progress Report must address the work completed during the Reporting Period and be accompanied by all required supporting documentation, including pre-construction photographs.

The Progress Report must be submitted even if the work has not yet begun on the project. **If you are submitting a Grant Payment Request at the same**

time as your Progress Report, you must follow the guidelines under the Final Report Requirements.

The Progress Report must be prepared in the format specified below and uploaded into the GMSWeb system, see *Reporting Requirements* section for instructions.

Report Component	Description
Cover Page	<ul style="list-style-type: none">• Name of the grantee• Grant number• Amount of grant award• Dates of report coverage• Report preparation date• Disclaimer statement, as follows: “The statements and conclusions of this report are those of the Grantee and not necessarily those of the Department of Resources Recycling and Recovery, its employees, or the State of California. The State makes no warranty, express or implied, and assumes no liability for the information contained in the succeeding text.”
Project Summary and Status	<p>Provide a brief description of the progress of the RAC grant project(s) including:</p> <ul style="list-style-type: none">• Approved, completed and in-process project(s)• The timeline for completion of remaining project(s)• Results Achieved• Problems encountered or anticipated• Provide a brief description of any changes to the project and/or schedule including:<ul style="list-style-type: none">➤ Changes in grantee contact information➤ Changes or modifications to the original project

FINAL REPORT
REQUIREMENTS

The Final Report and final Grant Payment Request may be submitted at any time after the project is completed, but must be submitted no later than April 1, 2015. The reporting period covers from the Notice to Proceed to April 1, 2015, or completion of Project, whichever is sooner. **Failure to submit the Final Report and final Grant Payment Request with appropriate documentation by April 1, 2015, may result in rejection of the final Grant Payment Request and/or forfeiture by the grantee of any claims for reimbursement of otherwise eligible costs.**

The Final Report must be prepared in the format specified below and must be

uploaded into the GMSWeb system, see *Reporting Requirements* section for instructions; you may need to upload multiple documents to complete all the requirements listed below. If requested, the grantee shall make an oral presentation to CalRecycle.

Report Component	Description
Cover Page	<ul style="list-style-type: none"> • Name of the grantee • Grant number • Amount of grant award • Dates of report coverage • Report preparation date • Disclaimer statement, as follows: “The statements and conclusions of this report are those of the Grantee and not necessarily those of the Department of Resources Recycling and Recovery, its employees, or the State of California. The State makes no warranty, express or implied, and assumes no liability for the information contained in the succeeding text.”
Table of Contents	Identify report contents and corresponding page numbers.
Project Summary and Information	<p>Provide a concise Executive Summary of the project(s). Within the narrative of the report, the following information must be included:</p> <ul style="list-style-type: none"> • For hot-mix: Amount (tons) of RAC; For chip seal: amount of rubberized binder (tons) and square yardage covered • General Information (thickness of paving, type of mix – e.g. asphalt-rubber, type G, gap graded, open graded, etc.) • Binder information – asphalt-rubber/field blend or terminal blend (include: asphalt cement type/grade, percent crumb rubber, percent binder in mix • Cost of material (\$/ton-RAC, \$/yd²-chip seal) • Problems encountered • Total pounds of crumb rubber used in project(s). <p><u>For hot-mix:</u> the total pounds of crumb rubber can be derived by determining the amount (pounds) of crumb rubber per ton of hot mix and then multiplying this number by the total tons of</p>

hot mix used in the project(s).

The amount (pounds) of crumb rubber per ton of hot mix can be derived by multiplying the percent binder in the mix (usually between 7-8% for asphalt rubber) and the percent of crumb rubber in the binder [usually 15-20% for asphalt rubber (minimum of 15% for the grant project(s))] times 2000 (pounds per ton).

For chip seal: the total pounds of crumb rubber are derived by multiplying the amount (pounds) of binder used in the project(s) and the percent of crumb rubber in the binder [usually 15-20% for asphalt rubber (minimum of 15% for the grant project(s))].

Upload a Payment Calculation Summary form (CalRecycle 748-TRP) via GMSWeb. Fill out the form and enter locations of Paving (List of Streets) and limits of Paving (Point A to Point B). Samples of completed form are provided on the last two tabs of the document. It provides options of how to enter street listings. The form is available at <http://www.calrecycle.ca.gov/Grants/Forms>, in the Tire Recycling, Cleanup, and Enforcement Grants section. Save and upload the completed form as an Excel file. Do not save as a PDF file.

Waste Tires Diverted

Total number of California waste tires diverted from the waste stream as a result of the project's completion. You must provide verification that 100% of the tire rubber purchased and used in the project was from California by signing and uploading the Rubberized Pavement Certification Form (CalRecycle 739-TRP) via GMSWeb. The form is available at <http://www.calrecycle.ca.gov/Grants/Forms>, in the Tire Recycling, Cleanup, and Enforcement Grants section.

Photographs/ Project Acknowledgement

Two digital photographs of the completed project. Pre-construction photographs are highly recommended, however, not mandatory. A copy of your internet web page (or alternative) project acknowledgement, including the web address. See Project Acknowledgement Requirements section for more alternatives.

Contractor Summary List of all contractors and subcontractors that supplied rubberized asphalt materials for the project. For each contractor and subcontractor the following information must be included:

- Name of Firm
- Contact person
- Address
- Concise statement of work completed
- Time period in which the work was completed
- Amount paid
- A copy of the Reliable Contractor Declaration (CalRecycle 168) required by Exhibit A – Terms and Conditions (Unreliable List) and filed for each contractor and subcontractor at the beginning of the project.

GRANT PAYMENT
INFORMATION

1. Payment to the grantee for eligible grant expenses are made on a reimbursement basis only and for only those materials and services specified in the approved Grant Application.
 2. Reimbursement may be requested only twice during the grant term. In conjunction with (or after) submission of the Progress Report and in conjunction with the Final Report.
 3. The grantee must submit the required Progress Report/Final Report, and the Grant Manager must approve the report prior to, or concurrent with, submission of the Grant Payment Request.
 4. The grantee must submit a completed Grant Payment Request and provide supporting documentation as described in the “Grant Payment Request and Documentation” section for completed project(s) only.
 5. Grant payments will only be made to the grantee. It is the grantee’s responsibility to pay all contractors and subcontractors for purchased goods and services.
 6. Ten percent (10%) of each approved Grant Payment Request will be withheld and retained until all conditions stipulated in the Agreement, including submission and Grant Manager approval of the Progress and/or Final Report, have been satisfied. Reimbursement of the 10% retention must be requested in the final Grant Payment Request.
 7. CalRecycle will make payments to the grantee as promptly as fiscal procedures permit. The grantee can typically expect payment approximately forty-five (45) days from the date a Grant Payment Request is approved by the Grant Manager.
 8. The grantee must provide a Reliable Contractor Declaration (CalRecycle 168) (see <http://www.calrecycle.ca.gov/Grants/Forms>) signed under penalty of perjury by the grantee’s contractor(s) and subcontractor(s) in accordance with the “Unreliable List” provision of the Terms and Conditions. The declaration must be received and approved by the Grant
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Manager prior to commencement of work. See “Unreliable List” provision in Exhibit A – Terms and Conditions for more information.

ELIGIBLE PROJECT COSTS

Eligible costs include:

Expenditures incurred during the term of the grant project (beginning after receipt from CalRecycle of a Notice to Proceed through April 1, 2015) directly related to the project(s) rubberized paving material and its installation.

INELIGIBLE PROJECT COSTS

Ineligible costs include, but are not limited to, the following:

- Costs incurred for projects that start construction of the RAC paving prior to the Notice to Proceed date, or end construction after April 1, 2015;
 - Projects utilizing tire rubber material that is not made from 100% California-generated waste tires or that use truck tire buffing material;
 - Projects using less than the required amount of crumb rubber, as specified in Project Requirements;
 - Binder material not meeting the minimum 300 pounds (equivalent to 15 percent by weight) of tire-derived crumb rubber per ton of rubberized binder;
 - Slurry Seal materials/applications (whether or not they contain rubber)
 - Testing costs;
 - Personnel costs, including fringe benefits;
 - Overhead and/or indirect costs; and
 - Any other costs deemed unreasonable or unrelated to the purpose of the grant by the Grant Manager.
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GRANT PAYMENT REQUEST AND DOCUMENTATION

To submit a Grant Payment Request:

1. Go to the **Payment Request Transactions** section in the Detail tab.
2. Click on the **Create a Reimburse/Advance Reconciliation** button.
 - a. Choose **Reimburse** for the Transaction Type and enter the amount spent in each budget sub category.
3. When the transaction is complete, click the **Save** button.
4. After the transaction is saved, the **Upload Supporting Documentation** button will appear in the lower right corner. Upload all required supporting documents as listed below.
 - a. A scanned copy of signed Grant Payment Request form (CalRecycle 87).

The grantee is also required to mail the **original** Grant Payment Request form (CalRecycle 87) with an original signature of the signatory or his/her designee*, as authorized by grantee’s Resolution or Letter of Commitment to:

CalRecycle
Rubberized Pavement Grant Program
FiRM Branch, 9th Floor
1001 I Street, P.O. Box 4025
Sacramento, CA 95812-4025

* A designee may sign on behalf of the grantee if a) authorized by the Resolution or Letter of Commitment, and b) a Letter of Designation has been provided to the Grant Manager.

b. Cost and payment documentation, such as invoices; receipts, weigh tickets or approved progress payment authorizations containing:

- Vendor name, phone number or address, purchase amount and date
- Description of goods or services
- Proof of payment (e.g., copies of cancelled checks, bank statements, invoice marked as paid with corresponding receipts or cancelled checks)
- Amount of RAC or chip seal material produced for the project
- For reimbursement based on differential cost, provide proof of: actual RAC cost (\$/ton) and conventional AC cost (#/ton) {e.g., an alternate bid from the RAC project or other recent, comparable size AC project. }

Note: All supporting documentation must be maintained in accordance with the “Audit/Records Access” section of Exhibit A – Terms and Conditions.

RECORDS AND AUDIT
REQUIREMENTS

This grant is subject to a desk or field audit. See the “Audit/Records Access” provision in Exhibit A – Terms and Conditions for more information.

ANNUAL SURVEY

Post-grant term Annual Surveys are encouraged by this Agreement to help assess your long-term satisfaction with the RAC road projects funded by this Grant Agreement. The grantee must complete and submit an Annual Survey for the Rubberized Pavement Grant Program every year for five (5) years after the grant is closed based upon the schedule below.

Survey Due Date	Survey Period
June 30, 2016	Completion of Project – June 30, 2016
June 30, 2017	July 1, 2016 – June 30, 2017
June 30, 2018	July 1, 2017 – June 30, 2018
June 30, 2019	July 1, 2018 – June 30, 2019
June 30, 2020	July 1, 2019 – June 30, 2020

You will be notified via email once the annual online survey is available. The annual online survey may be accessed online at:

<http://www.calrecycle.ca.gov/Tires/Grants/Pavement/default.htm>.
