



~~July 2018~~ August 2018  
Department of Resources Recycling and Recovery

**TIRE INCENTIVE GRANT PROGRAM**  
**APPLICATION GUIDELINES AND INSTRUCTIONS**  
6<sup>th</sup> Cycle (TIP6) – Fiscal Year 2018–19  
**Revised August 2018**

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## GRANT CYCLE OVERVIEW

The Department of Resources Recycling and Recovery (CalRecycle) offers the Tire Incentive Program (TIP) pursuant to Section 42872 of the Public Resources Code. The purpose of the grant is to expand commercial (business) demand for different and higher value tire-derived products (TDP also referred to as “products”) by providing financial incentives to eligible manufacturers to more competitively price and market their TDPs, thereby increasing sales and market share.

This resource document provides applicants with instructions to access and complete the application online and information about grant administration. The web-based application is in CalRecycle’s [Grants Management System \(GMS\)](http://www.calrecycle.ca.gov/Funding/GMS/) (<http://www.calrecycle.ca.gov/Funding/GMS/>). You will need to sign in to GMS to complete and submit an application.

### TIMELINE

**Table 1. Timeline**

Date	Activity
<u>September 5, 2018</u> <del>August 9, 2018</del>	<b>Question and Answer Period</b> <ul style="list-style-type: none"> <li>• Questions may be submitted from application release date to this date</li> <li>• Questions must be submitted by email</li> </ul>
<u>September 12, 2018</u> <del>August 16, 2018</del>	<ul style="list-style-type: none"> <li>• All answers will be posted (tentative)</li> </ul>
<u>September 27, 2018</u> <del>September 6, 2018</del>	<b>Application Due Date</b> <ul style="list-style-type: none"> <li>• Applications must be submitted in GMS by 11:59 p.m. on this date</li> <li>• Customer service will be available until 4:00 p.m. on this date</li> </ul>
December 2018	<b>Grants Awarded</b> CalRecycle considers funding recommendations, and if approved, conditionally awards grants during this month (tentative)
April 1, 2021	<b>Grant Term</b> Notice to Proceed to this date
April 1, 2021	<b>Progress Report 9, Final Report, and final Payment Request Deadline</b>

### ELIGIBLE APPLICANTS

Eligible applicants include:

- Manufacturers that produce (or will produce) an eligible product.
- Waste tire processors that also manufacture an eligible product.
- Manufacturers of devulcanized rubber.
- Rubber compounders.
- Manufacturers of calendered rubber sheeting products.

- Manufacturers that produce products on a contract basis for other companies provided they have that other company's written permission to produce an eligible product and receive the incentive.

An eligible applicant must have been fully operational for at least three years. Start-up businesses or individuals (without an otherwise eligible manufacturing business) with an idea for a new or improved product are not eligible.

An eligible applicant may have more than one open TIP grant. Products included in one TIP grant cannot be included in another open TIP grant. Products receiving an incentive may not receive any other CalRecycle incentive or grant (including a Tire-Derived Product grant).

An eligible applicant may produce and sell its own products or on a contract basis for other companies. Eligible applicants that produce and sell products on a contract basis for other companies must demonstrate that they have the other company's permission, as demonstrated by the Client Authorization Letter (described in the Applicant Documents section), to receive the incentive.

Eligible applicants must be California-based or incorporated in another state (or country) with an existing manufacturing facility in California. The applicant must be qualified to do business in California and in good standing with all applicable California state agencies, including, but not limited to, the Secretary of State and the Franchise Tax Board and have all appropriate licenses and permits. Any and all subsidiaries, divisions and/or affiliated businesses are considered part of the primary business entity for the purpose of applying for and receiving a grant award. 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.

**All crumb rubber used in any and all products by eligible applicants must be from only California-generated waste tires.** By allowing all eligible products to receive the incentives (rather than specifically identified products), applicants will be able to use California-generated material for all of their products using crumb rubber.

## **ELIGIBLE PROJECTS/PRODUCTS**

Eligible products include:

- A new or existing product that has **not** benefited from the Tire-Derived Product Grant Program.
  - TDPs which received minimal benefit (grantee awards for the TDP totaling less than \$1,000,000 since fiscal year 2005–06) or that are reconfigured to serve a different purpose/market are eligible.
- An existing or new/improved product currently manufactured with virgin rubber, plastic or other material which will be produced with a minimum of five percent crumb rubber and may be co-extruded, injected, compounded, calendered or otherwise combined (also known as "feedstock conversion"). This includes compounded rubber and calendered sheet rubber as intermediate products.
- An existing or new/improved product currently manufactured with virgin rubber, plastic or other material which will be produced with a minimum of five percent devulcanized crumb rubber and may be co-extruded, injected, calendered or

otherwise combined. This includes devulcanized crumb rubber as an intermediate product.

- An existing or new/improved product that will use fine ( $\leq 50$ ) mesh crumb rubber. Particle size and particle size distribution are determined in accordance with American Society for Testing and Materials (ASTM) D5644 and D5603 and will be verified by CalRecycle or a CalRecycle contractor.

Critical elements that affect the eligible product category are:

- **New or existing TDPs** – The product is currently being produced or is reconfigured to serve a different purpose/market. However, the product does not require significant reformulation and formal testing/certification.
- **Feedstock conversion** – The product was previously produced with virgin (or natural) rubber and may be chemically or physically combined with another raw material **and** the product will require significant reformulation and, perhaps, formal testing/certification.
- **Devulcanized crumb rubber**– The product was previously crumb rubber that has undergone a non-thermal devulcanization process.
- **Fine mesh** – The product will use fine ( $\leq 50$ ) mesh crumb rubber (that must be originally produced by a California waste tire processor).

With CalRecycle's prior approval, a manufacturer may further reduce larger rubber material originally purchased from a California waste tire processor to produce their own fine ( $\leq 50$ ) mesh for use in their TIP products or for sale to another applicant/grantee. Documentation must be provided confirming the original crumb material came from a California waste tire processor. The crumb rubber ( $\leq 50$ ) mesh is subject to verification by CalRecycle or a CalRecycle contractor.

Eligible applicants that propose to produce and use  $\leq 50$  mesh material must have the material sampled and tested to verify the particle size and distribution prior to being authorized by CalRecycle to incur reimbursable costs. Additional samples will be obtained by CalRecycle staff or a CalRecycle contractor at irregular intervals during the term of the grant. If the sampled material is not at least  $\leq 50$  mesh (consistent with ASTM D5644 and D5603 standards), reimbursement will be reduced to 10 cents (not the 50 cents fine mesh rate) per pound of crumb rubber used in sold products. Grantees may request that additional material be tested at a future date to return to the 50 cent rate.

Applicants are encouraged to request funding for more than one product, including products manufactured for non-applicant businesses. Products developed with support from the previous Tire-Derived Product Business Assistance Program are eligible.

All products are subject to the following requirements:

- All crumb rubber must be from California-generated waste tires processed in California. This may include crumb rubber from truck tire buffings. Because of fluid market conditions and waste tire imports, CalRecycle considers crumb rubber from a California processor eligible for reimbursement even if a de minimis amount (not more than five percent) of the tires processed during a fiscal year at a facility were from non-California sources. Crumb rubber from tires processed outside California is not eligible.
- All crumb rubber used in any and all products manufactured by eligible applicants during the term of the grant shall be:

- Originally from an eligible California waste tire processor (see fine mesh bullet listed above), or
- Recycled post-consumer and/or post-industrial scrap rubber from which the rubber originated from an eligible California waste tire processor.

Examples of eligible products may include, but are not limited to:

- Devulcanized crumb rubber
- Flooring underlayment.
- Rubberized flooring.
- Conveyer belts.
- Calendered or compounded rubber.
- Agricultural harvesting devices.
- Various landscaping and garden products.
- Various building products.
- Various traffic devices (i.e., traffic cones, delineators, spacers, tire stops and barricades).
- Fencing.
- Asphalt products that are not eligible under other CalRecycle programs. Asphalt products (i.e. crack seal, roofing products, etc.) must contain a minimum of five percent crumb rubber in the binder or flux, not necessarily the finished product.
- Rubberized sidewalks, pathways, and tree wells (if specifically designed for storm water management).
- Paints, sealants and coatings.
- Poured-in-place playgrounds which use ground, shredded or chunk rubber from California-generated passenger tires (not truck tires or buffings) for the cushion layer; or crumb rubber to replace ethylene propylene diene monomer (EPDM) and thermoplastic vulcanizates (TPV) in the wear layer.
- End-of-life (EOL) material (crumb rubber, nuggets/mulch) being recycled or reused in a variety of eligible products. Source of EOL material (e.g., the playground or turf field) must be located in California.
- Synthetic turf underlayment (not loose infill).
- Americans with Disabilities Act (ADA) leveling and accessibility ramps, etc.

Ineligible products include, but are not limited to:

- Crumb rubber used by itself as an intermediate product (i.e., used as infill for a synthetic turf field) except as noted above.
- Tire-derived aggregate.
- Rubberized pavement or rubberized paving products (i.e., chip seal, slurry seal, etc.).
- Rubber nuggets/mulch/bark except as noted above.
- Rubberized sidewalks and tree wells (except as noted above).
- Loose-fill or poured-in-place playgrounds (except as noted above), and playground tiles.
- Sports/running tracks.
- All weather sports field infill.
- Similar type products which have enjoyed significant benefit from the Tire-Derived Product Grant Program and its predecessors.

## AVAILABLE FUNDS

- \$3,968,000 is available for this grant cycle, fiscal year 2018–19, subject to funding availability.
- The minimum grant award is \$25,000 and the maximum is \$500,000.

## GRANT TERM

The Grant Term begins on the date of the Notice to Proceed. Grant-eligible program expenditures may start no earlier than the date indicated in the Notice to Proceed. The Grant Term ends on April 1, 2021 and all eligible program costs must be incurred by this date.

The Progress Report 9, Final Report, and final Payment Request are due on April 1, 2021. CalRecycle recommends reserving the period from March 1, 2021 to April 1, 2021 exclusively for the preparation of these documents, though they may be completed earlier.

## ELIGIBLE COSTS

Eligible costs may be incurred only during the Grant Term, which starts when the grantee receives a Notice to Proceed from CalRecycle and ends on April 1, 2021 (See “Grant Term” for additional information).

Incentives will only be paid at the point in which the product is manufactured and sold (net of returns) or in the case of compounders or calendered rubber companies, an intermediate product is manufactured and sold. If the incentive is paid for an intermediate product, it may not also be paid for a final product. If the incentive is paid for recycled EOL material, it will only be paid for the material’s use in an eligible product. Accordingly, if a product receives a TIP incentive, then it may not receive funding from another CalRecycle grant, such as the Tire-Derived Product grant. Incentives will not be paid to wholesalers, distributors, brokers, vendors, etc.

Eligible costs are limited to the following:

- **New or existing TDPs** - the crumb rubber usage for the production of an eligible product.
- **Feedstock conversion** - the crumb rubber usage for products currently manufactured with virgin rubber, plastic or other material which will be substituted with a minimum of five percent crumb rubber and may be co-extruded, injected, calendered or otherwise combined.
- **Devulcanized** - the devulcanized crumb rubber usage for products currently manufactured with virgin rubber, plastic or other material which will be substituted with a minimum of five percent devulcanized crumb rubber and may be co-extruded, injected, calendered or otherwise combined. This includes devulcanized crumb rubber as an intermediate product.
- **Fine mesh** - the crumb rubber usage for new or existing TDPs must be produced using fine ( $\leq 50$ ) mesh (originally provided by a California waste tire processor). Particle size and particle size distribution are determined in accordance with ASTM D5644 and D5603 and will be verified by CalRecycle or a CalRecycle contractor.

Applicants that are able to receive incentives under an open TIP grant, may not claim an incentive for the same product(s) under this cycle. Each product can be used to

claim incentives under only one grant cycle. Additionally, if an incentive is claimed for an intermediate product, it cannot also be claimed for a finished product.

Incentive payments are paid quarterly for the use of crumb rubber in sold (net of returns) eligible products starting from the Notice to Proceed date through the end of the grant term. Inventory of crumb rubber on hand, prior to the Notice to Proceed is eligible for incentive payment. Products receiving an incentive may not receive any other CalRecycle incentive or grant (including a Tire-Derived Product grant).

**Table 2. Incentive Categories and Amounts**

Incentive Category	Incentive per pound
1. New or existing TDP (TIP product)	<b>10 cents</b> for total crumb rubber or EOL material used in sold (net of returns) eligible products.
2. Feedstock conversion or devulcanized rubber (TIP product)	<b>40 cents</b> for total crumb rubber or devulcanized crumb rubber used in sold (net of returns) eligible products or for eligible intermediate products.
3. Fine (≤50) mesh (TIP product)	<b>50 cents</b> for total crumb rubber used in eligible products sold (net of returns).

Crumb rubber usage must be documented on the Tire Incentive Program Certification form (CalRecycle 774) and is subject to verification and confirmation by CalRecycle. CalRecycle reserves the right to adjust an applicant’s crumb rubber estimates, if deemed appropriate, prior to calculating grant award amounts.

The total grant award will not exceed the amount stated on the Grant Agreement Cover Sheet (CalRecycle 110).

**INELIGIBLE COSTS**

Ineligible costs include, but are not limited to:

- Costs incurred prior to receipt of the Notice to Proceed email or after April 1, 2021.
- Crumb rubber or recycled rubber that is NOT made from only California-generated waste tires or from tires processed outside of California (see Eligible Products).
- Personnel costs including fringe benefits.
- Overhead and/or indirect costs.
- Any other costs deemed unreasonable or unrelated to the purpose of the grant by the Grant Manager.

**ELIGIBLE AND INELIGIBLE SCENARIO EXAMPLES**

**1. New/Existing TDP (Category 1)**

Everett’s Landscaping Company is an eight-year old profitable company that is a manufacturer of landscape and garden products. The company has developed an eligible lawn edging product (see Eligible Products). The potential award is based on the following:

- The company believes it can sell products containing 350,000 pounds of crumb rubber in each of the next two years.
- Based on the use of 350,000 pounds of crumb rubber, the company is eligible for an award of \$70,000 (350,000 pounds of crumb rubber x 2 years x 10 cents).



## **2. Feedstock Conversion (Category 2)**

Eastern Sealcoat Company is a 20-year old profitable company that sells sealant and coating products using plastic (see Eligible Products). The company believes it can reformulate some of the coating products by substituting crumb rubber for the plastic. The company believes it will take an average of four months to reformulate and test the products before they are ready for production. The potential award is based on the following:

- The company believes it can sell products containing 275,000 pounds of crumb rubber per (full) year.
- Based on the use of 275,000 pounds of crumb rubber, the company is eligible for an award of \$201,300 (275,000 pounds of crumb rubber x 1.83 years [24 months less 4 months testing] x 40 cents).

## **3. Devulcanized Crumb Rubber (Category 2)**

Floors R Us, Inc. is a seven-year old profitable company that sells flooring underlayment and rubberized flooring tiles (see Eligible Products). The company believes it can substitute devulcanized crumb rubber for the virgin rubber currently utilized in their product line. The company estimates that it will take an average of six months to reformulate and test the products before they are ready for production. The potential award is based on the following:

- The company believes it can sell products containing 185,000 pounds of devulcanized crumb rubber per (full) year.
- Based on the use of 185,000 pounds of devulcanized crumb rubber, the company is eligible for an award of \$111,000 (185,000 pounds of devulcanized crumb rubber x 1.50 years [24 months less 6 months testing] x 40 cents).

## **4. Fine (≤50) Mesh (Category 3)**

Da Vinci's Architectural Products, Inc., is a 10-year old profitable company that sells architectural building products (molding, baseboards, etc.) (see Eligible Products). The company sells various recycled content products and has developed new baseboard and molding products using fine (≤50) mesh rubber. The potential award is based on the following:

- The company believes it can sell products containing 500,000 pounds of fine mesh crumb rubber in each of the next two years.
- Based on the use of 500,000 pounds of fine mesh crumb rubber, the company is eligible for an award of \$500,000 (500,000 pounds of fine mesh x 2 years x 50 cents).

## **5. Ineligible**

An individual has an idea for a new product which they believe will consume a significant amount of crumb rubber. The individual is not an eligible applicant.

## **ENVIRONMENTALLY PREFERABLE PURCHASES AND PRACTICES POLICY REQUIREMENT**

Consistent with CalRecycle's core values, all applicants are required to have or develop, adopt, and implement an Environmentally Preferable Purchasing and Practices (EPPP) Policy for their organizations. To see examples of existing EPPP Policies, visit the [Responsible Purchasing Network](#), Environmentally Preferable Purchasing [Laws and](#)

[Policies](#) and [Tools and Resources](#). Some additional practices that CalRecycle encourages organizations to include in their EPPP Policies are:

- Buildings and Grounds
  - All building and renovations follow the green building practices for design, construction and operation, where appropriate, as described in the Leadership in Energy & Environmental Design [Green Building Rating System](#).
- Continual Improvement
  - Training is provided to new and existing employees.
  - Organization regularly evaluates and/or improves implementation of EPPP policy.

Applicants must have an EPPP Policy in place prior to submitting their application and must certify to this fact on the Detail tab in the application. Applicants that do not have an EPPP Policy at the time of application submittal will not be eligible for grant funding.

For more information, visit the [EPPP Frequently Asked Questions webpage](#).

### **QUESTION-AND-ANSWER PROCESS**

Questions regarding the application and its requirements must be in writing and emailed to [Grants@CalRecycle.ca.gov](mailto:Grants@CalRecycle.ca.gov). Questions must be received by September 5, 2018 ~~August 9, 2018~~, or they will not be accepted.

Periodically during the Question and Answer (Q&A) period, Q&As will be posted on the Q&As website. The Q&A website can be accessed from the Notice of Funds Available or from the application. Similar or related questions may be grouped together or re-worded for clarity and responded to as one question. All Q&As will be posted approximately two weeks after the deadline and are subject to updates. It is the applicant's responsibility to check this website for the latest information.

### **PUBLIC RECORDS REQUESTS**

It is the policy of CalRecycle to make records requested by the public promptly available in accordance with the [laws](#) governing disclosure of records and information to the public. In general, all records in the possession of a state agency are public records subject to disclosure, unless a law provides that a particular kind of record or information is not a public record or is exempt or prohibited from disclosure. Upon request, the entire contents of your submitted application are subject to public records requests. This may include contact information, project summary, uploaded documents, and scoring information. If your application contains restricted documents, the restricted documents are excluded from disclosure.

### **CONFIDENTIALITY**

CalRecycle appreciates applicants' desire to treat certain documents provided to CalRecycle as confidential. The following describes the treatment of certain confidential or proprietary information under the California Public Records Act (Government Code 6250, et seq.) and related regulations. It also describes how questions are resolved on whether information is truly confidential, the legal protections for confidential information, and internal and program procedures to maintain confidentiality.

## **Confidential or Proprietary Information**

Title 14 of the California Code of Regulations (14 CCR), [sections 17041-17046](#), states that confidential or proprietary information shall include, but is not limited to:

1. Personal or business-related financial data, customer client lists, supplier lists and other information of a proprietary or confidential business nature provided by persons in applications, reports, returns, certifications or other documents submitted to [CalRecycle] which if released would result in harmful effects on the person's competitive position.
2. Tax information prohibited from disclosure, pursuant to the Revenue and Taxation Code.

Accordingly, appropriate documents submitted with an application that are clearly marked, on each page, "confidential or proprietary information" will be treated by CalRecycle pursuant to the procedures set forth in 14 CCR sections 17041-17046. However, the mere marking of documents (such as sales brochures, promotional literature and other general non-financial documents) as "confidential or proprietary information" will not result in their being treated as confidential if they do not fall within the categories of protected financial documents listed above.

### **What if there is a question about what is confidential?**

If CalRecycle receives a request to disclose data claimed by the applicant to be confidential, CalRecycle would notify the applicant of the request and state that the documents were under review to determine whether information was correctly identified as "confidential." If there was any question whether specific information was confidential, CalRecycle would contact the person(s) identified in the application to provide a justification and statement why the information is confidential. The process for evaluating confidentiality claims is set forth in 14 CCR 17046.

### **What program procedures will keep information confidential?**

Financial information will be evaluated and analyzed only by CalRecycle staff, kept confidential, and will be maintained with restricted access. Grantee businesses agree to provide specific key financial information for three years to develop benchmarks to evaluate the program (edit as needed for your program). Records no longer needed to provide the services offered under the grant program are periodically destroyed, when allowed by audit policies and state law.

## APPLICATION INSTRUCTIONS

### APPLICATION ACCESS

The application is available in CalRecycle's web-based Grants Management System (GMS). Access to GMS is secure; therefore you must have a CalRecycle WebPass in order to log into the system. Applicants who have not previously obtained a CalRecycle WebPass can create an account at the [CalRecycle WebPass site](https://secure.calrecycle.ca.gov/WebPass/) (<https://secure.calrecycle.ca.gov/WebPass/>).

When you are ready to start an application, log into [GMS](https://secure.calrecycle.ca.gov/Grants) (<https://secure.calrecycle.ca.gov/Grants>), select "Apply for a Grant" on the left. Open grant cycles are displayed in a table. Find Tire Incentive Program and TIP6: Fiscal Year 2018–19 and select "Start Application." A pop-up window will appear asking for contact information. You will automatically be added as the first contact and Primary Contact for the new grant application however, this can be updated later. The application then opens to the Summary Tab.

### APPLICATION CONTENTS AND INSTRUCTIONS

The components of the application are divided into tabs. To fill out an application, click on each tab and complete the sections in each tab as required. General directions are on the top of each tab and detailed information about the requirements for each tab is listed below.

The applicant is responsible for a complete application. This includes signing documents, uploading required documents, and submitting the application by the due date(s). Failure to do so will result in disqualification from the Tire Incentive grant program. Examples of disqualifications may include:

- Applicant does not meet the eligibility requirements
- Product is not eligible
- Failure to use required CalRecycle documents or forms
- Uploading incomplete or blank documents to the Documents tab
- Signature Authority fails to sign Application Certification or any document that requires a signature
- The online application is incomplete or missing information
- Applicant fails to adopt an EPPP policy by the application submittal.

### Summary Tab

This tab provides a summary of the application, due dates, resource documents, links, application documents, and the Application Submission section. It is the applicant's responsibility to ensure that all required documents, based on the individual grant application/project, are submitted by the appropriate due date.

### Applicant/Participant Tab

The applicant name is the legal name of the jurisdiction/organization that is legally responsible for grant administration, if awarded. Do not enter your personal name.

- Select the Add Applicant/Participant button and type in the Applicant Name and County.
- Search the table for the correct applicant name and select Add Applicant/Participant.

- Choose the Lead Participant radio button. Every application must have a Lead Participant even if it is an individual application with no participating jurisdictions.
- If it is not listed, click on Add New Applicant/Participant. Complete the items marked with a red asterisk and save the information.
- Enter the applicant/participant name as it appears on the Letter of Commitment. Do not include the department or unit name.

For a list of eligible applicants, please see the Grant Cycle Overview section titled “Eligible Applicants.”

### **Detail Tab**

Complete this tab as follows:

- Enter a dollar amount in the Grant Funds Requested field. Do not enter less than the minimum grant award amount of \$25,000 or exceed the maximum grant award amount of \$500,000. Please round all amounts to the nearest whole dollar.
- Enter the Assembly Districts and Senate Districts. To select more than one district hold the “Ctrl” key while selecting the numbers.
- Enter the applicant’s legal name, e.g. “ABC Manufacturing, Inc.” If the applicant does not have a department the applicant’s name may be entered.
- Enter the grant payment mailing address.
- Project Summary/Statement of Use: provide a concise description of the product(s), Incentive Category(ies), estimated amount of rubber to be used in each category, and amount requested.
- Select the appropriate option for the Environmentally Preferable Purchasing and Practices Policy (must answer YES to be eligible).
- Select the appropriate answer for Program Specific Questions (must answer YES to be eligible).

### **Contacts Tab**

The application is required to have only one Primary Contact and at least one Signature Authority. Each contact entered into the application may be granted access by checking the box on the top of the contact’s detail screen. The contact will be able to log into GMS using his/her own CalRecycle WebPass and access the application.

- **Primary Contact.** One person who has been authorized by the Signature Authority/Designee to manage and oversee the grant. This person will be the first contact with whom the Grant Manager will communicate.
- **Signature Authority.** The person(s) authorized to sign CalRecycle documents, such as grant applications, grant agreements, etc., as authorized by a board/council-adopted Resolution, Letter of Designation, or Letter of Commitment (if applicable).
- **Secondary Contact.** A person authorized (by the Primary Contact or Signature Authority/Designee) as the alternate person with whom the Grant Manager will communicate. (Not required)
- **Consultant.** A professional who provides advice in a particular area of expertise. If the applicant is awarded a grant, the consultants may manage the

grant or only conduct specific activities, based on a written agreement between the applicant and the consultant outlining work to be performed. (Not required)

### **Budget Tab**

Select the applicable budget category and enter a dollar amount and budget detail information as listed below. The Total must equal the Grant Funds Requested amount shown on the Detail tab and in the Sales and Calculation document.

### **Site(s) Tab**

Add an entry for each manufacturing location.

### **Documents Tab**

See the Application Documents section for documents that must be uploaded in the Documents tab. When uploading a document, enter a document title, select the appropriate document type from the drop down list, and enter the date that it was executed/signed, if applicable, or select "today's date."

After all the application documents are uploaded, return to the **Summary Tab** and print the **Application Certification** from the **Application Submission** section.

### **APPLICATION SUBMITTAL AND DEADLINE**

The **Submit Application** button will be enabled after all required documents have been uploaded. Click the **Submit Application** button and the application status will change to **Submitted**. The application can only be submitted once.

Applications must be submitted no later than 11:59 p.m. on September 27, 2018 ~~September 6, 2018~~. Customer service will be available until 4:00 p.m. on the application due date either by emailing [grantassistance@calrecycle.ca.gov](mailto:grantassistance@calrecycle.ca.gov) or calling (916) 341-6117.

Note: Applications that are not submitted by the due date will be automatically deleted from GMS.

## APPLICATION DOCUMENTS

### Electronic and Original Signatures

CalRecycle documents or forms that certify legally binding information require an original wet ink signature. If a signature block with penalty of perjury language is provided please provide a wet ink signature. CalRecycle will accept electronic signatures on all other documents. If you have questions, email [grantassistance@calrecycle.ca.gov](mailto:grantassistance@calrecycle.ca.gov).

### CALRECYCLE DOCUMENTS

CalRecycle documents are on the Summary tab in the Application Documents section. To access a document, click on the link, open it up, fill it out, save it to your computer, and upload it to the Documents tab. Below is a list of the documents. Unless a document specifies that it may be reproduced as necessary, **do not** alter CalRecycle documents. If you are having trouble with a document, email [grantassistance@calrecycle.ca.gov](mailto:grantassistance@calrecycle.ca.gov) or call 916-341-6117. Altered or reproduced CalRecycle documents or templates may result in automatic disqualification of your application.

### Application Certification

The Application Certification is a required application document that must be generate from GMS. After each tab of the application is complete and documents are uploaded, generate the Application Certification from the Summary tab. A wet ink signature from the authorized Signature Authority (identified in your resolution or letter of commitment) is required, then scan the document, upload it, and retain the original hard copy document.

### General Checklist of Business Permits, Licenses and Filings (CalRecycle 669)

This is a **required** application document to certify compliance, under penalty of perjury, with all required permits, licenses, and filings, both during the application process, and during the grant term and funding process.

### Narrative Proposal

The Narrative Proposal is a **required** application document used to describe the general scope of your proposed product(s). Please keep in mind that responses are public information and may be obtained through a public records request. Utilizing a document form other than the official CalRecycle version, tampering with the CalRecycle version will subject the applicant to disqualification.

### Sales and Calculations

The Sales and Calculations is a **required** application document used to provide more detail about sales and calculation information for the proposed product(s). Utilizing a document form other than the official CalRecycle version, tampering with the CalRecycle version or otherwise circumventing imposed character limits may subject the applicant to disqualification. If problematic, applicants may request Grant Manager approval to use an alternative format for certain items (such as customer information). For your convenience, **Sales and Calculation Example** spreadsheets are on the **Summary** tab in the **Resource Documents** section.

This information will be considered confidential and a “trade secret” consistent with Public Resources Code 40062. Access will be restricted to the applicant and limited authorized CalRecycle staff. When this document is uploaded to GMS and the document type is selected, additional securities that restrict access to view this document will be automatically in place.

## **APPLICANT’S DOCUMENTS**

Below is a list of documents that the applicant is responsible for preparing and uploading to their application.

### **California Waste Tire Processor Letter**

Applicants must upload a letter from the California waste tire processor certifying that only California-generated waste tires were used to produce the crumb rubber. Additionally, the processor agrees to allow CalRecycle or any other appropriate state entity to review its records to verify the use of California-generated waste tires.

CalRecycle requires that all crumb rubber must be from California-generated waste tires processed in California. This may include crumb rubber from truck tire buffings. Because of fluid market conditions and waste tire imports, CalRecycle considers crumb rubber from a California processor eligible for reimbursement even if a de minimis amount (not more than five percent) of the tires processed during a fiscal year at a facility were from non-California sources. Crumb rubber from tires processed outside California are not eligible.

The letter is for example purposes only. Please consult with your attorney to determine the language most appropriate for the certification.

### **Client Authorization Letter**

If the applicant produces an eligible product on behalf of another entity, the applicant is required to upload a Client Authorization letter. The letter authorizes the applicant to produce their product(s), or in the case of a compounder or rubber calendaring company, to manufacture an intermediate product, and receive any applicable TIP funds. The letter(s) must be on the client’s official letterhead, dated within 12 months prior to the application deadline, and uploaded by the applicant. The applicant must maintain the letter(s) with the original signature.

### **Federal Tax Return**

Applicants must provide information for the two most recent completed tax years (the first two pages of the tax return, tax return financial statement, and expense detail sheets or schedule C for a sole proprietorship). CalRecycle may request additional information if necessary to determine applicant eligibility.

When this information is uploaded to GMS and the Tax Return or Financial Information document types are selected, additional securities that restrict access to view this document will be automatically in place.

### **Letter of Commitment**

Applicants must upload a Letter of Commitment. The letter with the original signature must be maintained in the applicant/grantee grant file.

Letter of Commitment Requirements:



1. The letter must authorize submittal of the Tire Incentive Program application on behalf of applicant.
2. It must designate the job title of the person authorized to execute all grant documents necessary to secure grant funds and implement the approved grant project (Signature Authority).
3. Optional. The letter may authorize the Signature Authority to delegate this authority.

### **Letter of Designation**

A Letter of Designation is required only when the authorized Signature Authority title identified in the approved Letter of Commitment delegates his/her authority to another person. The letter must be uploaded **prior** to the Designee's exercise of his/her authority. For example, if the Designee signs the Application Certification in place of the Signature Authority, the letter must be uploaded when the Application Certification is submitted. The letter must be on the applicant's letterhead, signed by the Signature Authority, and include the information below.

- Identify the job title of the Designee and the scope of the Designee's authority.
- Identify the period during which the Designee may exercise the authority. The Designee's authority may not extend beyond the effective date of the approved Letter of Commitment. For example, if the Letter of Commitment is effective until December 31, 2019, then the Letter of Designation may not be effective beyond December 31, 2019.

## **GRANT REVIEW AND AWARD PROCESS**

### **GRANT APPLICATION REVIEW PROCESS**

After the close of the application period, CalRecycle staff will review the applications for completeness and eligibility. Only complete applications can be considered for award. Each product will be evaluated for eligibility separately.

If there are more requests than available funds (i.e., the program is oversubscribed), funds will be allocated by the order listed below:

1. Applicants requesting a subsequent award for a product that received an incentive in a previously closed TIP grant.
2. Other available monies will be allocated in approximately equal amounts for each of the three categories, which are: TDPs, feedstock conversion, and fine ( $\leq 50$ ) mesh according to the greatest amount of crumb rubber projected to be used. If an application has products in more than one category, the amount of crumb rubber for the higher numbered product category will be considered for ranking purposes.
3. Applicants/grantees that used less than 50 percent of a prior TIP award will only be considered after all other eligible applicants.

Appeals of staff's recommendation may be made to the Deputy Director or designee.

### **GRANT AWARD PROCESS**

For qualifying applications, CalRecycle staff will develop funding recommendations for the consideration and approval of CalRecycle's Director, or their designee; this is tentatively scheduled for December 2018. CalRecycle reserves the right to partially fund or fund individual phases of selected proposals, and CalRecycle may fund an amount less than requested.

CalRecycle reserves the right to not award any grant funds under one or more cycles.

### **GRANT AWARD CONDITIONS**

When awarded, this grant will be subject to two conditions:

- 1) The recommended grantee must pay all outstanding debts due CalRecycle, or bring current outstanding payments owed to CalRecycle, within 60 days of the date of the award email.
- 2) The recommended grantee's Signature Authority (or where delegation is authorized, his or her Designee) must sign and return the Grant Agreement to CalRecycle. The signed Grant Agreement must be received by CalRecycle within 60 days of the date of the award email.

**Failure to comply with either condition will void the grant award.**

## **GRANT PROGRAM ADMINISTRATION**

### **GRANT AGREEMENT**

The Grant Agreement binds the grantee to CalRecycle's requirements as outlined in the Grant Agreement documents. An original signature is required on the Grant Agreement. We cannot accept an electronic signature. These documents shall guide the grantee's administration of the grant project.

Following CalRecycle's conditional approval of the grant awards, we will email grantees the information below.

- Award email.
- Grant Agreement Cover Sheet (CalRecycle 110).
- Exhibit A – Terms and Conditions: contain CalRecycle standard legal requirements for grants.
- Exhibit B – Procedures and Requirements: contain specific requirements for administering this grant, including but not limited to project, reporting, and audit requirements.
- Exhibit C – Grantee's approved application with revisions, if any, and any amendments.

### **REPORTING PROCESS**

Grantees are required to report on the progress of their grant on a quarterly basis. The grantee must submit (9) Progress Reports during the term of the grant. The Final Report is due on April 1, 2021. Detailed reporting information is included in the Procedures and Requirements (Exhibit B).

### **PAYMENT REQUEST PROCESS**

Eligible costs are authorized for reimbursement upon the Grant Manager's approval of the Payment Request, and if required, the accompanying Progress/Final Report. Payment Requests must include itemized documentation of claimed expenses (e.g., itemized receipts and proof of payment of invoices). CalRecycle will retain 10 percent of each approved Payment Request amount until the Grant Manager approves the Final Report, the final Payment Request, and all required supporting documentation. Failure to submit these final documents by the deadline specified in the Procedures and Requirements (Exhibit B) or failure to receive the Grant Manager's approval of these documents by April 1, 2021, may result in the nonpayment of otherwise eligible costs. Detailed payment information is included in the Procedures and Requirements (Exhibit B).