



Agenda Report

21-1035

Agenda Date: 9/28/2021

REPORT TO COUNCIL

SUBJECT

Action on a Resolution Authorizing the Submittal of Grant Applications for the California Department of Resources Recycling and Recovery (CalRecycle) Rubberized Pavement Grant Program and Authorizing the City Manager, Assistant City Manager, and Director of Public Works, each individually, to Execute All Grant Documents Necessary to Secure Grant Funds and Implement Approved Grant Projects for Five Years

COUNCIL PILLAR

Deliver and Enhance High-Quality Efficient Services and Infrastructure

BACKGROUND

The California Department of Resources Recycling and Recovery (CalRecycle) administers a Rubberized Pavement Grant Program to promote recycled-content surfacing products derived from waste tires generated in California. This helps to decrease the adverse environmental impacts created by unlawful disposal of stockpiling waste tires and provides an opportunity to divert waste tires from the landfill.

Rubberized Asphalt Concrete (RAC) is a road paving material that has been used in California since the 1970s. It is made by blending ground tire rubber with asphalt binder, which is then mixed with conventional aggregate materials. Although there are benefits to using RAC, its use can become constrained due to the higher cost over conventional asphalt products. CalRecycle created the Rubberized Pavement Grant Program to encourage the use of RAC by first-time or limited users by subsidizing payments for the increased cost of materials over conventional materials for hot mix asphalt paving and chip seal projects.

The CalRecycle Rubberized Pavement Grant Program (Grant Program) has been in existence since FY 2011/12 and typically releases solicitations for projects each year. While the specific requirements and amounts available for the Grant Program change with each solicitation, based upon the most recent grant cycle, the reimbursement rates range from \$4 to \$20 per ton for rubberized asphalt concrete, and \$0.50 to \$1 per square yard for rubberized chip seal (depending upon the grantee's location and the number of previous grants received for a total eligible grant amount of \$250,000). In general, the reimbursement amounts are higher for first-time awardees; amounts reduce with each subsequent grant award; and eligibility is phased out after receiving six grant awards. The City is currently considered a Tier 2 for eligibility, having previously received two grants under this program.

Department of Public Works (DPW) staff monitors when the Grant Program releases solicitations and evaluates whether to apply based upon several factors: locations of streets scheduled to receive pavement treatments; types of pavement treatments projected (such as slurry seal, chip seal, or hot mix asphalt) for each street projected quantities of each treatment type; total available grant amount

and reimbursement rates; staff resources and availability to apply for and administer the grant; and the suitability of using rubberized asphalt products versus conventional products, including the cost differential.

The City previously received Rubberized Pavement Grant awards under Cycle 7 in FY 2016/17 for the maximum amount of \$350,000 and under Cycle 10 in FY 2018/19 for the maximum amount of \$274,033. The grant funds were applied to various pavement projects under the Annual Pavement Maintenance Program from 2017 through 2020. Notable streets that utilized rubberized asphalt products include: Bowers Avenue, Great America Parkway, Pruneridge Avenue, Agnew Road, Kiely Boulevard, and Lafayette Street, along with various other collector and residential streets.

DISCUSSION

One of the requirements of the Grant Program is that applicants must provide a Resolution by the governing body that authorizes specific grant-related matters, including authorization to submit grant applications on behalf of the governing body and the signature authority of the person(s) authorized to sign all grant-related documents necessary to implement the grant(s). CalRecycle allows for this Resolution to be valid for a period of up to five years. City Council previously adopted such a Resolution in November 2016, which has been utilized for past grant applications, but is set to expire in November 2021.

In order to be eligible to apply for future Rubberized Pavement Grants, Council would need to adopt a Resolution authorizing the submittal of grant applications and designating the personnel authorized to execute all grant-related documents for the Grant Program for a period of five years. Staff is requesting that the City Manager, Assistant City Manager, and the Director of Public Works each individually be authorized to sign these documents on behalf of the City.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment. Any project that receives funds through this CalRecycle grant program that moves forward to construction will be evaluated in accordance with CEQA as part of the approval process. It is expected that the CEQA determination for pavement maintenance projects utilizing rubberized asphalt products will be a categorical exemption pursuant to CEQA Guidelines section 15301 “Existing Facilities” as the activity consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities mechanical equipment or topographical features involving negligible or no expansion of use beyond that existing at the time of the lead agencies determination.

FISCAL IMPACT

Adoption of this Resolution will authorize the City Manager, Assistant City Manager, and Director of Public Works, to apply for grant funds that become available from CalRecycle under the Grant Program over the next five years. Budget amendments would be brought forward for the Council’s consideration for funding received from any future successful grant applications and awards.

The Rubberized Pavement Grant Program is a reimbursement program in which a maximum grant amount is awarded based upon a calculated estimate. Reimbursement is given based on actual work

completed and submission of all necessary documents and reporting. A moderate increase in staff time will be allocated towards application and administration activities, such as: additional detailed tracking and testing of asphalt material quantities during construction; additional materials and construction contractor certifications; additional training in Tire-Derived Aggregates for involved staff; preparing annual progress reports, a final report, and reimbursement payment requests to CalRecycle.

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>>.

RECOMMENDATION

1. Adopt a Resolution Authorizing the Submittal of Grant Applications for the California Department of Resources Recycling and Recovery (CalRecycle) Rubberized Pavement Grant Program and Authorizing the City Manager, Assistant City Manager, and Director of Public Works, each individually, to Execute All Grant Documents Necessary to Secure Grant Funds and Implement Approved Grant Projects for Five Years.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Resolution