

# Carpet America Recovery Effort 2004 Carpet Recovery Grant Cycle

## *REQUEST FOR PROPOSALS*

### **Background**

The amount of carpet reaching the end of its useful life and entering the waste stream is ever increasing: Estimated total discards for 2002 were 4.7 billion pounds. Land disposal, or landfilling, is by far the most common disposal method (96%). National concerns about disposal capacity, combined with carpet's bulk (which makes it difficult and expensive to handle), have contributed to the search for alternative means for carpet disposal. While most components that make up carpet are recyclable or reusable, only about 4% of waste carpet currently gets handled in these ways. Increasing recycling and reuse would reduce waste and recover valuable resources. The large quantity of spent carpet generated in the United States presents an opportunity for both the private and public sectors. Local governments can significantly improve their waste reduction rates by including carpet recycling in their solid waste management plans, and the private sector can capitalize on the creation or expansion of recycling businesses that meet the need for carpet recovery.

### **Confidentiality**

CARE is a 501c3 non-profit organization that operates in the sunshine. However, grants proposals will only be viewed by the selection committee and should be marked confidential if the requestor desires to make sure no information is shared. CARE reserves the right to use the names of organizations for marketing, public relations and reporting purposes. Once programs have moved into commercial operation, CARE will also use that information as part of its reporting and promotions.

### **Program Intent**

The purpose of this grant cycle is to reduce the flow of post consumer carpet to disposal facilities in the United States. Viable methods to reduce this flow include reuse, recycling, and increasing demand for products made from post consumer carpet. **Applicants should review this Request for Proposals (RFP) and the supplemental information in their entirety prior to submitting a proposal.** Questions about the RFP and supplemental information should be addressed to Bob Peoples, CARE Executive Director at [bpeoples@carpet-rug.com](mailto:bpeoples@carpet-rug.com).

***The formal RFP process will begin February 2, 2004. Grants must be post marked by midnight March 15, 2004.***

**Applications that focus on product and market development will receive preferential treatment.**

The majority of funds allocated to grants will be dispersed via the formal RFP process on an annual cycle. A second funding mechanism will also be available for unsolicited proposals. There will be limited funding available through this mechanism and the awards will in general be smaller.

Funds available for award will vary, as will award sizes with CARE's ability to solicit support and other activities necessary to operate.

### **What is the Carpet America Recovery Effort (CARE)?**

CARE is an industry-based effort to increase the amount of recycling and reuse of post-consumer carpet and reduce the amount of waste carpet going to landfills. CARE was established as a result of a [Memorandum of Understanding for Carpet Stewardship \(MOU\)](#), a national agreement signed by members of the carpet industry, representatives of government agencies at the federal, state and local levels, and non-governmental organizations. CARE's mission is to foster market based solutions for recovering value from discarded carpet. To accomplish its mission, CARE facilitates, advises, provides resources, and serves as a forum for the many different stakeholders. Learn more about CARE at [www.carpetrecovery.org](http://www.carpetrecovery.org). CARE is a registered 501c3 charitable organization.

## **How much funding is available? What is the size of grant awards?**

***Maximum awards for individual grants in 2004 will be limited to \$50,000.*** A limited number of grants will be funded until CARE can build its financial base.

The types of programs and amount of funding eligible for grants are divided into three categories:

### **Three Categories of Grants**

#### **Category I. Intermediate Processing and End-Use**

**Description:** Opportunities exist to gain value from carpet waste; much of it is readily recyclable. Nylon fiber, the most prominent type of carpet fiber, is a valuable polymer and can be used in many different applications. The carpet industry has devoted considerable time and effort into finding end uses for waste carpet. All of the major manufacturers of carpet and face fiber have committed many resources into developing processes for recycling post-consumer and post-industrial fiber. Many new and innovative products have been produced including: automobile parts, carpet cushion, commercial nylon fibers with recycled content, construction sheeting, engineering resins, GeoHay™ for erosion control, plastic lumber, recycled carpet backing, recycled content carpet fibers, resilient floor tiles, and remanufactured carpet tiles.

**Examples:** Intermediate Processing -- establishing or expanding a facility to separate carpet face fiber from backing.

End-use -- establishing or expanding a facility to manufacture a product from carpet face fiber and/or backing.

#### **Category II. Enhancement of the Collection Infrastructure**

**Description:** Programs for carpet recycling are developing rapidly, and a collection infrastructure must be developed to meet this demand. Carpet recycling companies typically require the customers to cover the cost of transporting the materials to processing centers. For large commercial jobs, the economics of recycling are more likely to be favorable when compared to the cost of disposal at local landfills or incinerators. However, for smaller commercial and residential jobs, the financial benefits from recycling the material can be marginal without centralized collection to consolidate larger volumes of materials.

**Example:** Establishing a collection route for spent carpet.

#### **Category III. Research and Development of Markets**

**Description:** One of the obstacles to the recovery of spent carpet is the development of new collection or processing techniques along with new markets for spent carpet. New or expanded research programs or studies that address these components are needed. Projects that qualify for this type of assistance would improve collection efficiencies, and/or increase end market capacity, either by improving the quality of end products or developing a new product or market for the materials.

**Example:** extrusion testing to determine the commercial viability of incorporating spent carpet into plastic lumber.

***CARE reserves the right to alter the amount of grants for each category, depending on the nature of the proposals submitted. CARE also reserves the right to not award any grants whatsoever.***

### **Eligibility Criteria**

#### **1) Entity**

Only private (profit and non-profit) sector applicants are eligible for funding under this grant cycle. Federal and state agencies and regional, county municipal government is not eligible. Only one funding request per applicant will be accepted. Multi-party grant applications are encouraged; however, applicants participating in a multi-party grant requests may not submit multiple proposals. **Entities must be in business for two years or more.** Entity must provide the status of any required approval(s) of the proposed activity by state or local permitting authorities, including any appropriate documentation.

## 2) Material

Carpet is defined as broadloom, six foot goods or carpet tile. Polyurethane rebond, rubber or virgin urethane cushion are not eligible.

Post-consumer Waste Material means any product generated by a business or consumer that has served its intended use, and that has been separated from solid waste for the purposes of collection and recycling or reuse. Grants are not available for Post-industrial Waste Material.

## 3) Activity

Projects that reduce the flow of spent carpet to disposal facilities (e.g., landfills or MSW incinerators) or that stimulate market demand for recycled carpet are eligible for funding. Generally, the grant money is intended to fund site development, equipment, or supplies necessary for the collection, separation, reuse, recycling, or energy recovery of spent carpet, and product testing. Funds are also available to develop markets for components of spent carpet that currently have limited or no existing markets. Grant money cannot be used to cover labor costs or the cost of contract processing, with the exception of projects under the Research and Development of Markets category.

- **Applicants are not eligible for grant funding for the following activities:**
  - The use of their own internally generated scrap materials or materials that are already on site;
  - The incineration of materials or the manufacturing of a product designed for burning for energy or other purposes.

## 4) Match

### Is a match required? YES

Applicants must provide a cash match equivalent to at least **25% percent** of their grant requested. For example, an applicant requesting a \$20,000 grant would have to match the grant award with an additional \$5,000 in cash or direct expenditures.

## Obligations

### What other kinds of obligations do grant recipients have?

Each grant recipient will conduct its project under a contract with CARE and must meet all contract requirements, including completion of all steps in a scope of work attached as part of the contract. The time frame for this grant cycle is one year. **At the end of the project, award recipients will be required to submit a comprehensive final report (paper and electronic versions) using a prescribed format. As technology transfer and information dissemination are important components of this grants program, award recipients will be required to allow widespread publication of project results.**

**Proprietary technology and cost information will not be published.** Each grant recipient must also have all relevant state, federal, and local permits and be in compliance with all relevant rules, laws, and regulations.

### How will grant funds be disbursed to award recipients?

Distribution of grant funds is on a reimbursement basis. To receive payments, grant recipients must submit an invoice to CARE along with documentation of incurred costs. CARE will withhold 10 percent of total funds until receipt of an approved final report.

## Evaluation Criteria

### How will funding decisions be made?

CARE will convene an assessment committee to review grant applications. Committee members will review and score proposals independently of one another. Scores from each reviewer for each proposal will be summed to a total final score and proposals will be ranked from highest to lowest. Committee members will meet to review and approve the ranked list. Grant awards will then be given in order of rank until funding is exhausted. The review committee will score proposals based on the following criteria:

1) <b>Waste Stream Impact:</b> Will the project proposed project lead to a clear, definitive impact on wastes being landfilled, either directly through diversion, or indirectly through stimulation of the demand for the alternative products? Anticipated pounds per year to be diverted from the waste flow. Give realistic 5-year projections.
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

2) <b>Probability of Program Success:</b> Is it clear that the project will be sustainable after the end of the grant? Will sustainability arise from stimulated market demand, clear business merit (i.e. profit), or from institutional commitment to continuance? (Business plan including pro forma 5 year cash flow)
3) <b>Planning/Cost Effectiveness:</b> Is the proposed approach well thought-out? Is it clear that the proposed project will have economic merit, i.e. either through reductions in operating cost, potential capital cost savings, stimulation of higher prices for recycled materials, or through development of new markets? How will you measure progress and success?
4) <b>Need:</b> Is there a significant need for this type of program? Is there a strong link to the CARE strategic plan?
5) <b>Technology Transfer:</b> Does the proposal include mechanisms for dissemination of information to others through publications, presentations, education, outreach, etc.? Does the existence of proprietary information in the proposed approach hinder transfer of project methodology and results to others?
6) <b>Sourcing and Markets:</b> <ul style="list-style-type: none"> <li>• Identify the source(s) and/or generator(s) of carpet. Indicate the following, to the extent possible: 1) the amount/percentage of material generated in state in which the grant funds would be used; 2) an estimate of breakdown from commercial and/or residential generators; and 3) if and how the material will be disposed if the grant activity is not pursued. Include any documentation from sources and/or generators, such as copies of letters of commitment or contracts indicating long-term arrangements.</li> <li>• Identify the buyer(s) or market(s) for the proposed end products. Include any documentation from end-users that your product will be purchased, such as copies of letters of commitment or contracts indicating long-term arrangements.</li> </ul>

**What must an application include?**

An application **must** include **each** of the following items:

- A completed **grant application form (attached)**.
- A **written proposal no longer than 12 pages** (six double-sided pages) that address each of the following points:
  1. Description of your current business.
  2. Description of the proposed project.
  3. Description of how the project addresses the evaluation criteria (above).
  4. Discussion of any similar work done elsewhere (not necessarily only by applicant).
  5. Discussion of need (technical and financial).
  6. Description of plans for sustaining the project after the grant ends.
  7. Projection of how many tons of post consumer carpet will be reduced annually by the proposed project.
  8. Description of how the project’s success will be measured.
- A one-page **budget** showing the requested funding and the applicant’s required match. Costs for the projects can vary widely, therefore CARE reserves the right to ask for justification of budgeted items.
- A one-page **description of personnel** involved in the project.

**If any one of these items is missing from an application, it will be rejected.** Applicants should keep attachments and supplemental materials to a minimum.

**How must a proposal be submitted?**

Applicants must submit **6 copies** of their application **double-sided and on recycled paper with at least 30% post-consumer content** to:

Linda Harrington  
c/o The Carpet and Rug Institute  
310 Holiday Avenue  
Dalton, GA 30720

Linda can be reached at 706.428.2110 or lharrington@carpet-rug.com.

Applicants are strongly encouraged to use the checklist provided to ensure that all grant proposal requirements are met and all necessary information is provided.

**When are proposals due?**

**Proposals must be postmarked no later than March 15, 2003.** NO FAXES WILL BE ACCEPTED. Any proposal postmarked after the deadline will be recycled. Receipt of all proposals will be acknowledged by e-mail letter. Announcements of award winners will be made in April 2004 at the annual CARE meeting (details to be announced separately – see [www.carpetrecovery.org](http://www.carpetrecovery.org)).

**Carpet America Recovery Effort  
2004 Carpet Recovery Grant Application Form  
(This form may be handwritten)**

<b>Applicant:</b> Public Sector Agency _____ Private Non-Profit _____ Private For Profit _____ Multi-Party _____	<b>Category:</b> Intermediate Processing and End-use _____ Enhancement of Collection Infrastructure _____ Research and Development of Markets _____
<b>Project Title</b>	<b>Tax ID Number</b>
<b>Applicant's Name, Mailing Address, Zip Code</b>	<b>Project Start Date</b>
	<b>Amount Requested From CARE</b>
<b>Name &amp; Title of Person With Daily Responsibility for Project</b>	<b>Amount of Cash Match</b>
	<b>Telephone Number</b> (    ) <b>e-mail address:</b>
<b>Project Summary (Limited to this Page)</b>	
<b>Certification</b> I hereby certify that the information provided within this grant application is true and accurate to my knowledge.  _____ Name of Authorized Person                      Title                      Signature                      Date	
<b>The following information will be completed by CARE Staff:</b>  Date application received:                      Date of acknowledgement to applicant:                      Proposal number:	

## 2004 Carpet Recovery Grant Cycle Check-off Sheet

Before submitting your grant proposal, use this check-off sheet to make sure you have included all the necessary documents. **Incomplete proposals will be excluded from consideration.**

- \_\_\_\_\_ One (1) original and five (5) copies of grant proposal, with a **completed** Carpet Recovery Grant Application Form (the previous page) attached to each.
- \_\_\_\_\_ Tax identification number on C&D Grant Application Form.
- \_\_\_\_\_ One (1) original and five (5) copies of one page budget sheet for grant proposal.
- \_\_\_\_\_ One (1) original and five (5) copies of one page description of personnel involved in project.
- \_\_\_\_\_ Supporting Documents (optional) - e.g., letters of endorsement, letters of intent, copies of resolutions, etc.
- \_\_\_\_\_ Proposal maximum length with all supporting documents 12 pages (6 double sided)

***Reminder:***

Proposals should not be bound but stapled in upper left hand corner. Please submit proposals double-sided, on recycled paper with at least 30% post-consumer content.