



BOARD MEETING DATE: July 10, 2015

AGENDA NO. 20

PROPOSAL: Approve Replacement Contract, Exercise Option for Technical Advisor Services, and Approve Fund Transfer for Miscellaneous Costs in FY 2015-16 as Approved by MSRC

SYNOPSIS: The MSRC approved a replacement contract with Mineral LLC to continue hosting and maintenance of the MSRC website, and exercised a contract option clause to continue technical advisor services for two additional years from October 2015 through September 2017 and augmented funding to carry out the work. Additionally, every year the MSRC adopts an Administrative Budget which includes transference of funds to the SCAQMD Budget to cover administrative expenses. At this time the MSRC seeks Board approval of the replacement contract, the allocation and the fund transfer as part of the FYs 2014-16 Work Program, and approval of the contract option as part of the FYs 2014-16 and 2016-18 Work Programs.

COMMITTEE: Mobile Source Air Pollution Reduction, June 18, 2015;
Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve new/replacement contract with Mineral LLC, as part of the FYs 2014-16 Work Program, in the amount of \$25,890 to continue hosting and maintenance of the MSRC website, as described in this letter;
2. Exercise option clause to extend Contract #MS14006 with Raymond Gorski for technical advisor services until September 30, 2017, in an amount not to exceed \$299,600, as described in this letter and with the funding allocated as follows between Administrative Budgets and FYs 2014-16 and 2016-18 Work Programs:
 - a. 75% of the contract amount (\$224,700) to be divided proportionally between the FYs 2014-16 Work Program (\$84,263) and the FYs 2016-18 Work Program (\$140,437); and
 - b. \$37,450 to the FY 2015-16 Administrative Budget and \$37,450 to the FY 2016-17 Administrative Budget, which together represents 25% of the contract amount;

3. Recognize \$56,000 revenue in the General Fund from the AB 2766 Discretionary Fund, Special Fund 23, and appropriate \$56,000 to the FY 2015-16 Budget of Science and Technology Advancement, Services and Supplies Major Object, to facilitate the payment of MSRC Miscellaneous Direct and Travel Costs, as provided in Table 1 of this letter;
4. Authorize MSRC the authority to adjust contract awards up to five percent, as necessary and previously granted in prior work programs; and
5. Authorize the Chairman of the Board to execute the replacement and modified contracts under FYs 2014-16 and 2016-18 Work Programs, as described above and in this letter.

Larry McCallon,
Vice Chair, MSRC

MM:HH:CR

Background

In September 1990, Assembly Bill 2766 was signed into law (Health & Safety Code Sections 44220-44247) authorizing the imposition of an annual \$4 motor vehicle registration fee to fund the implementation of programs exclusively to reduce air pollution from motor vehicles. AB 2766 provides that 30 percent of the annual \$4 vehicle registration fee subvended to the SCAQMD be placed into an account to be allocated pursuant to a work program developed and adopted by the MSRC and approved by the Board.

In November 2014, the MSRC selected initial categories for the FYs 2014-16 Work Program, with the understanding that additional project categories would continue to be developed and brought forward for consideration at a later date. At its June 18, 2015 meeting, the MSRC considered recommended replacement and modified contracts. Details are provided below in the Proposals section.

Proposals

At its June 18, 2015 meeting, the MSRC considered recommendations from its MSRC-TAC and approved the following:

Replacement Contract for Website Services

Following an open RFP process in 2011, the MSRC selected Mineral LLC to redesign, host and maintain the MSRC website. The contract effectuating the award allowed for up to two extensions of two years each, contingent upon allocation of funds by the MSRC and approval by the SCAQMD Board. The MSRC approved exercising the first option in February 2013. At their January 2015 meeting, the MSRC unanimously approved executing the second two-year option, including an allocation of an additional \$17,200 to the contract to supplement the remaining balance of \$8,690, but Mineral was unable to

return the signed contract modification before the original contract expired on April 30, 2015. The MSRC considered and approved a 22-month replacement contract in the amount of \$25,890 as part of the FYs 2014-16 Work Program.

Exercise Option Clause of Technical Advisor's Contract

Following an open RFP process in June 2013 to solicit Technical Advisor services, the MSRC selected Raymond Gorski. The contract was for a two-year period from October 1, 2013 through September 30, 2015, and included an option clause for a second two-year period. The option clause provided for an approximate 1.7% cost of living adjustment for a not-to-exceed contract amount of \$299,600. The MSRC evaluated Mr. Gorski's performance and approved exercising the option, extending the contract term to September 30, 2017 and increasing the contract value by \$299,600. Funding specifics for the option period are to be as follows:

- a. 75% of the contract amount (\$224,700) to be divided proportionally between the FYs 2014-16 Work Program (\$84,263) and the FYs 2016-18 Work Program (\$140,437); and
- b. \$37,450 to the FY 2015-16 Administrative Budget and \$37,450 to the FY 2016-17 Administrative Budget, with together represents 25% of the contract amount.

At this time the MSRC requests the SCAQMD Board to approve the replacement and modified contracts as part of approval of the FYs 2014-16 and 2016-18 AB 2766 Discretionary Fund Work Programs as outlined above. The MSRC also requests the Board to authorize the SCAQMD Chairman of the Board the authority to execute all agreements described in this letter. The MSRC further requests authority to adjust the funds allocated to each project specified in this Board letter by up to five percent of the project's recommended funding. The Board has granted this authority to the MSRC for all past Work Programs.

FY 2015-16 Administrative Budget

Every year the MSRC adopts an Administrative Budget for the upcoming fiscal year to ensure costs remain within the five percent limitation. For FY 2015-16, the MSRC adopted an Administrative Budget in the amount of \$699,185, which is more than \$65,000 below the five percent cap. Administrative expenditures are not directly drawn, however, from the MSRC fund account, but instead from the SCAQMD's budget. To cover these expenses, the MSRC approved a fund transfer (see Table 1 for further details).

Table 1. Estimated FY 2015-16 MSRC Miscellaneous and Direct Expenditures Proposed to be Allocated to SCAQMD Science and Technology Advancement FY 2015-16 Budget

	Work Program Code	Account	Amount
Professional & Special Services	44003	67450	\$9,000
Public Notice	44003	67500	\$8,000
Communications	44003	67900	\$5,000
Postage	44003	68060	\$7,500
Office Expense/Supplies	44003	68100	\$12,000
Miscellaneous Expense	44003	69700	\$7,000
Conference- Related Expense	44003	69700	\$5,000
Travel Costs	44003	67800	\$2,500
Total			\$56,000

Resource Impacts

This proposed action is to recognize \$56,000 in revenue in the General Fund from the AB 2766 Discretionary Fund, Special Fund 23. Additionally, this action will appropriate \$56,000 to the FY 2015-16 Science and Technology Advancement Budget, as indicated in Table 1 above.

The SCAQMD acts as fiscal administrator for the AB 2766 Discretionary Fund Program (Health & Safety Code Section 44243). Money received for this program is recorded in a special revenue fund (Fund 23) and the contracts specified herein, as well as any contracts awarded in response to the solicitation, will be drawn from this fund.