

BOARD MEETING DATE: July 7, 2017

AGENDA NO. 7

PROPOSAL: Approve Cargo Handling Equipment Projects Under Proposition 1B-Goods Movement Program

SYNOPSIS: On February 3, 2017, the Board approved issuance of a Program Announcement for ships at berth and cargo handling equipment projects under the Proposition 1B-Goods Movement Program. The Program Announcement closed on March 31, 2017. Staff has completed the evaluation of applications and recommends approval of awards for projects involving the replacement of diesel cargo handling equipment with zero emission technology and associated charging infrastructure. This action is to execute contracts for eligible cargo handling equipment projects, subject to CARB's approval, in an amount not to exceed \$2,690,000 from the Proposition 1B-Goods Movement Program Fund (81).

COMMITTEE: Technology, June 16, 2017; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Executive Officer to execute contracts for cargo handling equipment projects, as listed in the attached table, subject to CARB approval, in an amount not to exceed \$2,690,000 from the Proposition 1B-Goods Movement Program Fund (81).

Wayne Natri
Executive Officer

MMM:FM:VW:GAU

Background

Proposition 1B authorizes \$1 billion to CARB for the Goods Movement Emission Reduction Program. Projects funded by this Program must achieve early or extra emission reductions not otherwise required by rules or regulations. To date, CARB has granted close to \$740 million to local agencies for various goods movement projects. SCAQMD has received about \$400 million of these funds for projects involving heavy-duty diesel trucks, locomotives and ships at berth. The vast majority of these projects are currently operational, providing significant emission reduction benefits to the region.

In September 2015, CARB approved new funding awards for the Program including \$14.1 million for ships at berth and cargo handling equipment projects. In July 2016, the Board approved awards for ships at berth and cargo handling equipment projects totaling \$12,484,968. However, one large project was subsequently deemed ineligible by CARB because the proposed technology was not verified; therefore, it could not be funded under this program. In February 2017, to solicit additional projects for ships at berth and cargo handling equipment to use the remaining \$6.1 million in funds, the Board approved issuance of a second Program Announcement (#PA2017-03), which closed on March 31, 2017. Staff has completed the evaluation of these projects.

Outreach

Relative to the Proposition 1B-Goods Movement Program projects, and in accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the PA and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders may have been notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the PA has been emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>). Finally, staff also purchased a mailing list and notified approximately 55,000 potential bidders in the South Coast Air Basin.

Proposal

This action is to execute contracts for cargo handling equipment projects, as listed in the attached table, subject to CARB approval, in an amount not to exceed \$2,690,000 from the Proposition 1B-Goods Movement Program Fund (81). The SCAQMD did receive one application for a ships-at-berth project; however, the proposed technology was not verified and therefore this project was deemed ineligible. The eligible cargo handling equipment projects have been submitted to CARB for compliance check-and-rank list approval. Staff will work with CARB to identify projects, subject to SCAQMD Board approval, to utilize the remaining Proposition 1B funds.

Benefits to SCAQMD

The successful implementation of the proposed cargo handling equipment projects will reduce NO_x, PM and other pollutant emissions in a cost-effective and expeditious manner, which will help achieve the goals of the AQMP. The new equipment and vehicles funded under this Program are expected to operate for many years providing long-term emission reduction benefits in the region. The total estimated emission reductions from the proposed projects in the attached table are 11.9 tons per year of NO_x and 0.4 tons per year of PM_{2.5}.

Resource Impacts

Total funding for the proposed projects shall not exceed \$2,690,000 from the Proposition 1B-Goods Movement Program Fund (81).

Attachment

Cargo Handling Equipment Projects

Cargo Handling Equipment Projects

Applicant/Location	Project Type	Number of Units	Prop. 1B Funds Requested	Total Maximum Prop. 1B Award
Anderson Hay and Grain Company, Inc./Wilmington	Replace diesel forklifts with zero emission forklifts	4	\$60,000	\$60,000
Total Terminals International, LLC/ POLB	Replace diesel yard trucks with zero emission yard trucks	3	\$300,000	\$1,445,000
	Chargers	3	\$45,000	
	Convert/replace diesel Rubber-Tired Gantry cranes to electric power	2	\$1,000,000	
	Replace diesel lifts with zero emission lifts	2	\$100,000	
WM Bolthouse Farms Inc./ Bakersfield	Replace diesel yard trucks with zero emission yard trucks	3	\$300,000	\$345,000
	Chargers	3	\$45,000	
Dargus Leasing Corp./ Pomona	Replace diesel lifts with zero emission lifts	4	\$200,000	\$200,000
Eagle Marine Services, Ltd./ POLA	Replace diesel lifts with zero emission lifts	8	\$640,000	\$640,000
Total Prop. 1B Awards for Cargo Handling Equipment Projects:				\$2,690,000