

BOARD MEETING DATE: October 5, 2018

AGENDA NO. 29

REPORT: Technology Committee

SYNOPSIS: The Technology Committee held a meeting on Friday, September 21, 2018. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

Joe Buscaino, Chair  
Technology Committee

MMM:pmk

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### **Committee Members**

Present: Council Member Joe Buscaino/Chair (videoconference)  
Mayor Pro Tem Judith Mitchell  
Council Member Dwight Robinson  
Supervisor Hilda L. Solis (videoconference)

Absent: Mayor Larry McCallon and Supervisor Janice Rutherford

### **Call to Order**

Mayor Pro Tem Mitchell called the meeting to order at 12:12 pm as Chair Joe Buscaino was running late.

General Counsel, Bayron T. Gilchrist, announced that blue speaker cards are available for public members wishing to comment on agenda items. The card should be filled out and given to the committee secretary.

### **ACTION ITEMS:**

#### **1. Develop and Demonstrate Zero Emissions Battery-Operated Switcher Locomotive**

The City of Los Angeles Harbor Department was awarded \$2,768,830 by CARB for the Zero Emissions Track-Miles Demonstration Project and has subsequently contracted with Pacific Harbor Lines Inc. and VeRail Technologies, Inc., to develop and demonstrate a battery-operated switcher locomotive in the San Pedro Bay Ports. This action is to execute a contract with the City of Los Angeles Harbor Department

to cost-share development and demonstration of a battery-operated switcher locomotive in an amount not to exceed \$300,000 from the Clean Fuels Program Fund (31).

*Mayor Pro Tem Mitchell commented that she does not have a financial interest, but is required to identify for the record that she is a Board Member of the CARB which is involved in this item.*

*Council Member Dwight Robinson inquired about the locomotive's capabilities, charging times, and operation when battery power is not available. Staff explained that the locomotive is designed for normal duty cycle with a full load and will mainly charge overnight, with opportunity charging capability. Additionally, the locomotive can be pulled like a diesel locomotive if batteries are completely discharged.*

Moved by Solis; seconded by Robinson; unanimously approved.

Ayes: Mitchell, Robinson and Solis  
Noes: None  
Absent: Buscaino, McCallon and Rutherford

*Council Member Buscaino joined the meeting at 12:26 pm.*

## **2. Recognize Revenue and Execute Contracts to Replace Heavy-Duty Diesel Trucks**

In May 2018, CEC awarded SCAQMD \$8 million in grant funds to replace 140 heavy-duty diesel trucks with near-zero emission natural gas trucks. The CEC grant will be leveraged with \$6 million in local match funds including \$2 million each from the Ports of Los Angeles and Long Beach and \$2 million from the Community Air Protection AB 134 Fund (77). Staff also proposes to replace 148 heavy-duty diesel trucks with zero and near-zero emission trucks under SCAQMD's Community Air Protection AB 134 Program. These actions are to recognize up to \$8 million from CEC and \$2 million from each of the Ports into the Community Air Protection AB 134 Fund (77) as well as execute an MOU with the Ports to implement this program. This action is to also execute contracts for replacement of 140 diesel trucks with near-zero emission natural gas trucks and replacement of 148 diesel trucks with zero and near-zero emission trucks in an amount not to exceed \$33,390,000 from the Community Air Protection AB 134 Fund (77).

*Staff called attention to changes affecting this item.*

*Three companies currently listed in Table 2 will not be moving forward: Golden State Foods and Logistics Support Network withdrew from the program; and Martin*

*Produce has some compliance issues with past projects that have been funded through SCAQMD incentive programs.*

*In addition, staff is recommending delaying consideration of an award to Dependable Highway Express pending further review. With removal of the four companies, the total awards in Table 2 will be reduced to \$16,590,000.*

*Council Member Buscaino expressed support for the project and inquired about the price of the CNG trucks and battery electric trucks. Staff informed the committee that an electric truck is 2 to 2.5 times greater in terms of cost, based on range. Council Member Buscaino offered to serve as a liaison with the Ports if there are any issues with their funding for this project. Staff informed the committee that the Ports have been very supportive.*

*Council Member Robinson inquired about the extent of oversubscription in clean truck projects, and staff informed the committee that there was about \$20 million for eligible trucks that were not funded.*

*Mr. Harvey Eder, Public Solar Power Coalition, commented that natural gas trucks should not be funded and SCAQMD should fund solar electric trucks, due to their operating costs and available federal tax credits.*

Moved by Solis; seconded by Mitchell; unanimously approved.

Ayes: Buscaino, Mitchell, Robinson and Solis

Noes: None

Absent: McCallon and Rutherford

### **3. Approve Assignment of and Execute Contract for CNG Station at SCAQMD**

In May 2015, the Board declared the existing CNG fueling station equipment at SCAQMD headquarters as surplus and authorized execution of a property usage agreement and contract with FirstCNG, LLC, (Titan Diamond Bar) to upgrade the fast-fill CNG fueling station at SCAQMD and operate and maintain the station for five years. Over the past three years there has been a series of company name changes to the CNG station and now American CNG Energy proposes to assume ownership of the station under an assignment provision in the contract. This action is to approve assignment to, and execute a contract with, American CNG Energy to upgrade the fast-fill CNG fueling station at SCAQMD headquarters and operate and maintain the station for five years.

*Mr. Eder commented that he does not support continued natural gas usage that is supplied from out of state and has unintended consequences, including potential antibiotic resistant bacteria, release of methane, and this violates solar commitments.*

Moved by Mitchell; seconded by Solis; unanimously approved.

Ayes: Buscaino, Mitchell, Robinson and Solis

Noes: None

Absent: McCallon and Rutherford

**4. Amend Contract to Implement DC Fast Charging Network**

In September 2013 and November 2014, the Board recognized CEC grant revenue for the South Coast Air Basins unintended consequences, including potential act to Clean Fuel Connection, Inc., (CFCI) to install the fast chargers. This project has experienced numerous delays due to changes in the partners and the number and locations of the chargers. While the installation of the ten chargers was scheduled to be completed by July 1, 2018, CEC issued a stop work order on June 19, 2018, and reversed a previous agreement to fund installation costs. This action is to amend the contract with CFCI to make up for the CEC shortfall in an amount up to \$350,000 from the Clean Fuels Program Fund (31).

*Mayor Pro Tem Mitchell asked why CEC issued a stop work order. Staff clarified that there was a change in leadership at CEC that led to a re-evaluation of contracts. Executive Officer Wayne Nastri added that CEC took a very strict definition of the project scope which signaled a significant change in the working relationship with CEC, but staff is working to ensure future collaboration with the CEC is not jeopardized.*

*Mr. Eder suggested that chargers should be publicly owned, not private.*

Moved by Solis; seconded by Mitchell; unanimously approved.

Ayes: Buscaino, Mitchell, Robinson and Solis

Noes: None

Absent: McCallon and Rutherford

**5. Execute Agreements to Accept Donation and Disburse Electric Vehicle Chargers**

In August 2017, Mercedes-Benz USA LLC approached SCAQMD to accept a donation of 977 Level 2 EV chargers and work with partner organizations to identify residents and sites in disadvantaged and low-income communities to host the chargers. Staff worked with Los Angeles County and the Los Angeles Economic Development Corporation to identify partner organizations to assist in disbursing the EV chargers throughout the four counties. Partner organizations include the Southern California Public Power Authority, California Courts and other municipal, local and county agencies. These actions are to execute an agreement with Mercedes-Benz USA LLC to accept the donation as well as identify and execute agreements with partner organizations to disburse the donated EV chargers.

*Council Member Buscaino supported the scope of the project that provides residents in disadvantaged communities the opportunity and flexibility to charge their vehicles, and recommends hosting a press event to highlight installations in these communities. Staff provided a brief summary of agencies receiving the hardware.*

*Supervisor Solis expressed support for the project, emphasizing the L.A. County partnership with residents who are now driving EVs and suggests that Azusa would be a great location to hold a press event.*

*Mr. Eder suggested that the Clean Power Alliance of SoCal should be involved.*

Moved by Solis; seconded by Robinson; unanimously approved.

Ayes: Buscaino, Mitchell, Robinson and Solis

Noes: None

Absent: McCallon and Rutherford

**6. Approve Endowment to University of California Irvine to Support Graduate Student Scholarship Fund and Execute Contract to Develop Fuel Cell-Gas Turbine Hybrid Technology**

The University of California Irvine (UCI) is seeking endowment funding that will support the research and education of one graduate student to be designated a Samuelsen Energy Visionary Scholar. The graduate student will lead and promote important and impactful research for air quality and emissions reductions.

Additionally, UCI through its Advanced Power and Energy Program is working on developing solid oxide fuel cell-gas turbine (SOFC-GT) hybrid technology. This project will focus on the modeling of a SOFC-GT integrated system using biogas, natural gas and renewable hydrogen fuels for applications in the 1-10 megawatt range. These actions are to approve a one-time \$1 million endowment to UCI from interest accrued in the BP ARCO Settlement Projects Fund (46) for the scholarship

fund and to execute a contract with UCI in an amount not to exceed \$200,000 from the Clean Fuels Fund Program (31) for the SOFC-GT hybrid technology.

*Mr. Eder commented that solar power should be included in this project.*

Moved by Robinson; seconded by Mitchell; unanimously approved.

Ayes: Buscaino, Mitchell, Robinson and Solis

Noes: None

Absent: McCallon and Rutherford

**7. Amend Agreements and Transfer Funds to Develop and Demonstrate Zero Emission Capable Drayage Trucks**

In March 2016, the Board recognized CARB Greenhouse Gas (GHG) Reduction Fund revenue, including administrative and program funds to demonstrate zero emission capable drayage trucks. Contracts with our partners have been executed and projects commenced, but some costs have exceeded the original estimates because of fleet location changes and installation of data loggers. Additionally, payments to contractors have been delayed due to CARB's reimbursement process. This action is to amend agreements using up to \$234,000 of SCAQMD's recognized administrative funds from the GHG Reduction Projects Special Revenue Fund (67) to cover the higher project costs and transfer funds to another participating air district, contingent upon execution of an amended CARB revenue agreement. These actions are to also authorize redistribution of project funds amongst the participating original equipment manufacturers, on an as-needed basis and contingent upon CARB approval if necessary, and transfer up to \$5,000,000 as a temporary advance of funds from the Clean Fuels Program Fund (31) to the GHG Reduction Projects Special Revenue Fund (67).

*Mayor Pro Tem Mitchell commented that she does not have a financial interest, but is required to identify for the record that she is a Board Member of CARB which is involved in this item.*

*Council Member Robinson inquired about the source of redistributed funds under the Executive Officer's authority and type of work that may be included. Staff informed the committee that only administrative funds for the GGRF project are included in the recommended action. The funds will be used to cover potential cost overruns and other unforeseen costs, such as EV Infrastructure, as some costs are difficult to estimate before a project has commenced. CARB would also approve such changes.*

*Mr. Eder commented that the electric trucks in this project are not solar powered and do not comply with 100 percent solar requirements under SB 100.*

Moved by Solis; seconded by Robinson; unanimously approved.

Ayes: Buscaino, Mitchell, Robinson and Solis

Noes: None

Absent: McCallon and Rutherford

## **INFORMATION ONLY ITEM**

### **8. Update on Preventing Labor Law Violations Involving District-funded Truck Replacement Projects**

*General Counsel Bayron T. Gilchrist provided an update regarding staff's planned approach to prevent labor law violations involving District-funded truck replacement projects that could lead to potential District liability. This is in response to concerns raised about lease-to-own arrangements that resulted in truck drivers operating trucks in excess of legally allowed limits, and raised by Supervisor Solis at the July Board meeting.*

*First, the District would ask applicants if in the last three years from the date of their application, the applicant was found to be in violation of labor laws by a court or a state or federal agency relating to truck drivers. If there were any violations, the applicant would be asked to provide additional information (nature of violation; date; case number; whether terms of order satisfied) to help the District assess whether the applicant's labor law violations would be likely to continue and whether that would pose potential liability to the District.*

*Second, language will be inserted in the contract prohibiting lease-to-own agreements for District-funded trucks. This will supplement current contract language that already requires that contractors comply with applicable local, state and federal laws and regulations in performing under the contract.*

*Third, language will be inserted in the contract requiring a contractor to promptly notify the District if it is found, by a court or state or federal agency, to be in violation of labor laws relating to truck drivers during the term of the contract.*

*Fourth, contractors would be completing a yearly certification attesting that they have not been found by a court or state or federal agency, to be in violation of labor laws relating to truck drivers during the last year, and if they were found, to provide information about those violations to the District.*

*Last, the District would conduct audits of contractors to verify compliance with these conditions.*

**OTHER MATTERS:**

**9. Other Business**

There was no other business.

**10. Public Comment Period**

*Harvey Eder, Public Solar Power Coalition, commented on the need to incorporate more solar.*

**11. Next Meeting Date**

The next regular Technology Committee meeting is scheduled for Friday, October 19, 2018 at noon.

**Adjournment**

The meeting adjourned at 1:21 p.m.

**Attachment**

Attendance Record



## ATTACHMENT

### **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT TECHNOLOGY COMMITTEE MEETING Attendance Record –September 21, 2018**

Council Member Joe Buscaino (videoconference) .....	SCAQMD Board Member
Mayor Pro Tem Judith Mitchell .....	SCAQMD Board Member
Council Member Dwight Robinson .....	SCAQMD Board Member
Supervisor Hilda L. Solis (videoconference) .....	SCAQMD Board Member
Mark Abramowitz .....	Board Consultant (Lyou)
David Czamanske .....	Board Consultant (Cacciotti)
Ron Ketcham .....	Board Consultant (McCallon)
Marisa Perez .....	Board Consultant (Mitchell)
Karl Bacho .....	Alta Environmental
David Buchanan .....	Self
Harvey Eder .....	Public Solar Power Coalition
JoAnne Golden .....	GNA
Enid Joffe .....	CFCI
Susan Stark .....	Andeavor
Derrick Alatorre .....	SCAQMD Staff
Phil Barroca .....	SCAQMD Staff
Naveen Berry .....	SCAQMD Staff
Bay Gilchrist .....	SCAQMD Staff
Seungbum Ha .....	SCAQMD Staff
Joseph Impullitti .....	SCAQMD Staff
Pat Krayser .....	SCAQMD Staff
Patricia Kwon .....	SCAQMD Staff
Joseph Lopat .....	SCAQMD Staff
Lisa Mirisola .....	SCAQMD Staff
Matt Miyasato .....	SCAQMD Staff
Wayne Nastri .....	SCAQMD Staff
Veera Tyagi .....	SCAQMD Staff
Donna Vernon .....	SCAQMD Staff
Mei Wang .....	SCAQMD Staff
Vicki White .....	SCAQMD Staff
Jill Whynot .....	SCAQMD Staff
Paul Wright .....	SCAQMD Staff
Adrian Dones .....	Student Intern