

BOARD MEETING DATE: November 5, 2021

AGENDA NO. 14

**PROPOSAL:** Approve Contract Awards as Approved by MSRC

**SYNOPSIS:** As part of their FYs 2016-18 and 2018-21 Work Programs, the MSRC approved multiple awards under their Hydrogen Infrastructure Partnership Program. At this time, the MSRC seeks Board approval of the contract awards as part of the FYs 2016-18 and 2018-21 Work Programs.

**COMMITTEE:** Mobile Source Air Pollution Reduction Review, June 17, 2021, Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Approve three contract awards totaling \$3,660,000 under the Hydrogen Infrastructure Partnership Program, using \$338,000 of funds previously allocated under the FYs 2016-18 Work Program and \$3,322,000 of funds previously unallocated under the FYs 2018-21 Work Program, as part of approval of the FYs 2016-18 and 2018-21 Work Programs, as described in this letter and as follows:
  - a. A contract with Air Products and Chemicals, Inc. in an amount not to exceed \$1,000,000 to install a publicly accessible hydrogen fueling station in Paramount;
  - b. A contract with Nikola Energy, Inc. in an amount not to exceed \$1,660,000 to install a publicly accessible hydrogen fueling station in Ontario; and
  - c. A contract with Clean Energy in an amount not to exceed \$1,000,000 to install a publicly accessible hydrogen fueling station in San Bernardino.
2. Authorize MSRC to adjust contract awards up to five percent, as necessary and previously granted in prior work programs; and
3. Authorize the Chair of the Board to execute the new contracts under the FYs 2016-18 and 2018-21 Work Programs, as described above and in this letter.

Larry McCallon,  
Chair, MSRC

## **Background**

In September 1990, Assembly Bill 2766 was signed into law (Health & Safety Code Sections 44220-44247) authorizing 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 subvented to South Coast AQMD be placed into an account to be allocated pursuant to a work program developed and adopted by the MSRC and approved by the Board.

## **Outreach**

In accordance with South Coast AQMD's Procurement Policy and Procedure, public notices advertising the Hydrogen Infrastructure Partnership Program Opportunity Notice were published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise to leverage the most cost-effective method of outreach to the South Coast Basin. In addition, the solicitation was advertised in the Desert Sun newspaper for expanded outreach in the Coachella Valley.

Additionally, potential bidders may have been notified utilizing South Coast AQMD's own electronic listing of certified minority vendors. Notice of the solicitation was e-mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on South Coast AQMD's website (<http://www.aqmd.gov>). Further, the solicitation was posted on the MSRC's website at <http://www.cleantransportationfunding.org> and electronic notifications were sent to those subscribing to this website's notification service.

## **Proposals**

At its October 21, 2021 meeting, the MSRC considered recommendations from its MSRC-TAC and approved the following:

### **FYs 2016-18 Hydrogen Infrastructure Partnership Program**

In March 2018, the MSRC approved release of a Program Opportunity Notice (PON) for the Hydrogen Infrastructure Partnership Program under the FYs 2016-18 Work Program. The PON, with an initial targeted funding level of \$3,000,000, seeks to expand the availability of hydrogen refueling as a means to accelerate the deployment of large numbers of zero emission hydrogen vehicles. In order to allow adequate time for technologically sophisticated refueling station designs and potentially complex station implementation partnerships to be formed, the PON included an open solicitation period which commenced with its release on April 6, 2018 and which was subsequently extended to April 9, 2021. The MSRC has previously approved two awards totaling \$2,662,000 in response to this solicitation. Following extensive review, the MSRC-TAC recommended that the MSRC allocate an additional \$3,322,000 to the Hydrogen Infrastructure Partnership Program. The MSRC considered the last of the proposals submitted and approved three contract awards totaling \$3,660,000 under the Hydrogen

Infrastructure Partnership Program, using \$338,000 of funds previously allocated under the FYs 2016-18 Work Program and \$3,322,000 of funds previously unallocated under the FYs 2018-21 Work Program, as part of approval of the FYs 2016-18 and 2018-21 Work Programs, as described in this letter and as follows:

- a. A contract with Air Products and Chemicals, Inc. in an amount not to exceed \$1,000,000 to install a publicly accessible hydrogen fueling station in Paramount;
- b. A contract with Nikola Energy, Inc. in an amount not to exceed \$1,660,000 to install a publicly accessible hydrogen fueling station in Ontario; and
- c. A contract with Clean Energy in an amount not to exceed \$1,000,000 to install a publicly accessible hydrogen fueling station in San Bernardino

At this time, the MSRC requests the South Coast AQMD Board approve the contract awards as part of approval of the FYs 2016-18 and 2018-21 AB 2766 Discretionary Fund Work Programs as outlined above. The MSRC also requests the Board authorize the South Coast AQMD Board Chair to execute all agreements described in this letter.

**Resource Impacts**

South Coast AQMD 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 will be drawn from this fund.