

BOARD MEETING DATE: February 4, 2022

AGENDA NO. 7

PROPOSAL: Approve Contract Modification as Approved by MSRC

SYNOPSIS: As part of their FYs 2018-21 Work Program, the MSRC approved a contract value increase to Southern California Association of Governments to implement additional projects targeting the last segment of goods delivery. At this time, the MSRC seeks Board approval of the contract modification as part of the FYs 2018-21 Work Program.

COMMITTEE: Mobile Source Air Pollution Reduction Review, January 20, 2022;
Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve a \$6,751,000 increase to existing contract #MS21005 with Southern California Association of Governments (SCAG) to implement additional projects under the Last Mile component of the MSRC's Regional Goods Movement Program, as part of approval of the FYs 2018-21 Work Program, as described in this Board letter; and
2. Authorize the Board Chair (or by the Chair's designation, the Executive Officer) to execute the modified contract under the 2018-21 Work Program, as described above and in this Board letter.

Larry McCallon,
Chair, MSRC

MMM:AK:CR

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.

Proposal

At its January 20, 2022 meeting, the MSRC considered recommendations from the MSRC-Technical Advisory Committee (TAC) and approved the following:

FYs 2018-21 Last Mile Freight Program

The Last Mile component of the MSRC's Regional Goods Movement Program focuses on reducing emissions from transportation of goods following departure from distribution centers. In August 2020, the MSRC approved a sole-source contract award to SCAG in an amount not to exceed \$10,000,000 to implement the Last Mile Freight Program (LMFP) on behalf of the MSRC. Contract #MS21005 was executed to effectuate the award, and in November 2021, the MSRC approved SCAG's proposed project list awarding the original \$10,000,000 to 26 projects across the region.

Fourteen other projects were deemed meritorious by the LMFP Review Panel and were included on a contingency list of projects should more funding be made available. The MSRC provided guidance to SCAG staff to work with MSRC staff and the TAC Last Mile Subcommittee to revisit the contingency list projects. The TAC Last Mile Subcommittee and the TAC reviewed SCAG's proposed funding strategy and recommended approval of a \$6,751,000 increase to existing Contract #MS21005 with SCAG as part of the FYs 2018-21 Work Program, to support six additional zero emission LMFP projects which will also meet the Program's geographic and small business guidelines. The funding will support the deployment of a total of 135 vehicles and supporting charging infrastructure.

At this time, the MSRC requests the South Coast AQMD Board approval of the contract modification as part of approval of the FYs 2018-21 AB 2766 Discretionary Fund Work Program as outlined above.

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 any contracts awarded in response to the solicitation will be paid from this fund.