



BOARD MEETING DATE: February 3, 2023

AGENDA NO. 5

PROPOSAL: Approve Contract Award and Modification as Approved by MSRC

SYNOPSIS: As part of their FYs 2021-24 Work Program, the MSRC approved an award under their Transformative Transportation Strategies & Mobility Solutions Program. Additionally, as part of their FYs 2018-21 Work Program, the MSRC approved a modification to the Southern California Association of Governments contract to implement the Last Mile Freight Program. Due to the withdrawal of projects, the scope and funding allocation for the Zeem Solutions project would be increased. At this time, the MSRC seeks Board approval of the contract award and modification as part of the FYs 2018-21 and 2021-24 Work Programs.

COMMITTEE: Mobile Source Air Pollution Reduction Review, January 19, 2023, Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve reallocation of \$1,185,976 to augment funding for the Zeem Solutions project under contract #MS21005 with the Southern California Association of Governments, under the Last Mile component of the MSRC's Regional Goods Movement Program, using \$1,115,976 of funds previously reserved within the contract without assignment to a specific project and \$70,000 from a withdrawn project, as part of approval of the FYs 2018-21 Work Program, as described in this letter;
2. Approve contract award to the City of South Pasadena in an amount not to exceed \$499,789 to implement a zero emission police patrol and supporting infrastructure project, under the Transformative Transportation Strategies & Mobility Solutions Program as part of approval of the FYs 2021-24 Work Program, as described in this letter; and

3. Authorize the Chair of the Board (or by the Board Chair's designation, the Executive Officer) to execute the contracts under the FYs 2018-21 and 2021-24 Work Programs, as described above and in this letter.

Larry McCallon,
Chair, MSRC

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.

Proposals

At its January 19, 2023 meeting, the MSRC considered recommendations from its MSRC-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. Subsequently, the MSRC approved the allocation of additional funding and the addition of six more projects from SCAG's contingency list. In October 2022, the MSRC approved reallocating \$1,115,976 from withdrawn projects to increase the scope and value of the Sysco Corporation project. The MSRC also approved reserving \$1,115,976 without immediate assignment to a specific project within the contract, contingent upon the receipt of an additional reallocation request no later than February 17, 2023. Should such request not be received, the \$1,115,976 would revert to the AB 2766 Discretionary Fund. The South Coast AQMD Board approved these modifications in November 2022.

Recently SCAG indicated that one additional approved project, which had an incentive funding allocation of \$70,000, had withdrawn. SCAG requested the MSRC to reallocate

a total of \$1,185,976 (the previously reserved \$1,115,976, plus the \$70,000 from the withdrawn project) to augment the Zeem Solutions project, with a corresponding increase in scope from 42 zero emission vehicles and one charger to 72 zero emission vehicles and 23 chargers. Zeem Solutions is a transportation service company which will deploy these assets at their Inglewood and Santa Ana depots. The MSRC approved the \$1,185,976 reallocation to Zeem Solutions.

FYs 2021-24 Transformative Transportation Strategies & Mobility Solutions Program

In May 2022, the MSRC approved release of a Program Opportunity Notice (PON) for the Transformative Transportation Strategies & Mobility Solutions Program under the FYs 2021-24 Work Program. The PON, with an initial targeted funding level of \$3,000,000, sought the submittal of conceptual projects to demonstrate new and innovative transportation approaches “above and beyond traditional transportation demand strategies”. A total of 19 responses were submitted to the PON. As a result of the PON evaluation process, the MSRC directed staff to request a full proposal from the City of South Pasadena for the implementation of a zero emission police patrol vehicle and supporting infrastructure project. The City submitted a proposal seeking \$499,789 towards the procurement of 10 Tesla Model Y patrol vehicles, the installation of nine police-dedicated Level II chargers, and the installation of two police-dedicated Level III chargers. The City would co-fund these project elements equally. Additionally, the City and its partners would fully fund the procurement of up to 10 Tesla Model 3 non-patrol police and detective vehicles, the installation of up to eight additional Level II chargers and one additional Level III fast charger (these chargers would be publicly accessible). The MSRC considered the City’s proposal and approved a contract award to the City of South Pasadena in an amount not to exceed \$499,789 under the Transformative Transportation Strategies & Mobility Solutions Program, as part of approval of the FYs 2021-24 Work Program.

At this time, the MSRC requests the South Coast AQMD Board approve the contract award and modification as part of approval of the FYs 2018-21 and 2021-24 AB 2766 Discretionary Fund Work Programs as outlined above.

Outreach

In accordance with South Coast AQMD’s Procurement Policy and Procedure, public notices advertising the Transformative Transportation Strategies & Mobility Solutions 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 emailed to the diverse spectrum of Legislative Caucuses and chambers of commerce and business associations and placed on South Coast AQMD's website (<http://www.agmd.gov>) where it could be viewed by making the selection "Grants and Bids." 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.

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 contract specified herein will be drawn from this fund.