



**South Coast
Air Quality Management District**
21865 Copley Drive, Diamond Bar, CA 91765
(909) 396-2000, www.aqmd.gov

TECHNOLOGY COMMITTEE MEETING

Committee Members

Council Member Joe Buscaino, Chair
Mayor Larry McCallon
Mayor Pro Tem Judith Mitchell
Council Member Dwight Robinson
Supervisor Janice Rutherford
Supervisor Hilda L. Solis

**July 20, 2018 ♦ 12:00 p.m. ♦ Conference Room CC8
21865 Copley Drive, Diamond Bar, CA 91765**

TELECONFERENCE LOCATION

**8575 Haven Avenue
Suite 110
Rancho Cucamonga, CA 91730**

**Hall of Administration
500 W. Temple Street
Room 493A
Los Angeles, CA 90012**

(The public may participate at any location listed above.)

Call-in for listening purposes only is available by dialing:

Toll Free: 866-244-8528

Listen Only Passcode: 5821432

In addition, a webcast is available for viewing and listening at:

<http://www.aqmd.gov/home/library/webcasts>

AGENDA

CALL TO ORDER

ACTION ITEMS – Items 1 through 3

SEPTEMBER BOARD AGENDA ITEMS

- 1. Recognize and Transfer Funds, Execute and Amend Agreements for Installation and Maintenance of Air Filtration Systems, Reimburse General Fund for Administrative Costs, and Purchase Electric School Buses (*Motion Requested*)**

U.S. EPA is executing two Supplemental Environmental Project (SEP) agreements and has asked SCAQMD to act as the SEP Implementer to

Patricia Kwon
AQ Specialist

install and maintain air filtration systems at schools. These actions are to recognize up to \$575,000 and transfer up to \$225,000 into the Air Filtration Fund (75) as a temporary loan from the Clean Fuels Program Fund (31), pending receipt of the remaining SEP revenue. These actions are to also execute agreements to install and maintain air filtration systems in an amount cumulatively not to exceed \$2,035,848, from SEP and LADWP Variance Special Revenue Fund (69); execute or amend access agreements with local school districts; amend contracts to purchase additional filters using unspent administrative funds; and reimburse the General Fund for administrative costs up to \$28,750 to administer the SEPs. Finally, this action is to execute a contract to purchase electric school buses in an amount not to exceed \$427,460 from LADWP funds.

2. **Recognize Revenue from CARB for Carl Moyer Program and EFMP; Transfer and Appropriate Funds, Amend Contract for Implementing Assistance and Reimburse General Fund for Administrative and Outreach Costs for EFMP (*Motion Requested*)**
CARB has allocated \$2,674,384 to SCAQMD under the Voluntary NOx Remediation Measure (NRM) Funding Program. These actions are to recognize \$2,674,384 into the Carl Moyer Program Fund (32) and execute a Memorandum of Agreement with CARB for implementation of the NRM Funding Program. Since 2015, SCAQMD has been implementing an Enhanced Fleet Modernization Program (EFMP), branded as Replace Your Ride. For FY 2017-18, CARB allocated SCAQMD an additional \$16.4 million in funds to continue implementation of EFMP. These actions are to recognize up to \$16.4 million for EFMP, accept terms and conditions of the grant awards, approve vouchers or other alternative mobility options until all available funds are exhausted, amend a contract for case management and vehicle remote sensing activities in support of EFMP in an amount not to exceed \$500,000 from the HEROS II Special Revenue Fund (56), transfer and appropriate up to \$65,500 to Science & Technology Advancement's FY 2018-19 or 2019-20 Budget, and reimburse the General Fund for administrative and outreach costs necessary to implement EFMP.

Mei Wang
Program
Supervisor

3. **Amend Contract Awards for Mobile Source Emissions Reduction Projects (*Motion Requested*)**
In November 2017, the Board approved contract awards for mobile source emissions reduction projects evaluated under the Carl Moyer Program Guidelines and funded by AB 134 Community Air Protection funds. Subsequently, in April 2018, CARB approved a supplement to the Carl Moyer Program Guidelines (Guidelines Supplement) for projects funded specifically under the Community Air Protection Program. The Guidelines Supplement is intended to facilitate immediate emissions reductions in disadvantaged and low-income communities. The Guidelines Supplement preserves the statutory requirements of the Carl

Vicki White
Technology
Implementation
Manager

Moyer Program, including cost-effectiveness and surplus emissions reductions, while broadening project eligibility and providing higher grant amounts for Community Air Protection projects. After applying the Guidelines Supplement to the AB 134 Board-approved projects, staff determined several projects in disadvantaged and low-income communities now qualify for higher grant amounts. This action is to amend contract awards for mobile source emissions reduction projects adding up to \$4,603,547 to certain projects originally approved from the Community Air Protection AB 134 Fund (77).

OTHER MATTERS

4. **Other Business** – *Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Gov't. Code Section 54954.2)*
5. **Public Comment Period**
Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54954.3(a)). All agendas for regular meetings are posted at District Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of a regular meeting. At the end of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's authority. Speakers may be limited to three (3) minutes each.
6. **Next Meeting Date** – Friday, September 21, 2018 at 12:00 pm

ADJOURNMENT

Americans with Disabilities Act

The agenda and documents in the agenda packet will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't. Code Section 54954.2(a)). Disability-related accommodations will also be made available to allow participation in the Technology Committee meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please contact Pat Krayser at 909.396.3248 from 7:30 a.m. to 6:00 p.m., Tuesday through Friday, or send the request to pkrayser@aqmd.gov.

Document Availability

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District, Public Information Center, 21865 Copley Drive, Diamond Bar, CA 91765.

[Go to SLIDES](#)

DRAFT
Technology Committee Agenda #1

BOARD MEETING DATE: September 7, 2018 AGENDA NO.

PROPOSAL: Recognize and Transfer Funds, Execute and Amend Agreements for Installation and Maintenance of Air Filtration Systems, Reimburse General Fund for Administrative Costs, and Purchase Electric School Buses

SYNOPSIS: U.S. EPA is executing two Supplemental Environmental Project (SEP) agreements and has asked SCAQMD to act as the SEP Implementer to install and maintain air filtration systems at schools. These actions are to recognize up to \$575,000 and transfer up to \$225,000 into the Air Filtration Fund (75) as a temporary loan from the Clean Fuels Program Fund (31), pending receipt of the remaining SEP revenue. These actions are to also execute agreements to install and maintain air filtration systems in an amount cumulatively not to exceed \$2,035,848, from SEP and LADWP Variance Special Revenue Fund (69); execute or amend access agreements with local school districts; amend contracts to purchase additional filters using unspent administrative funds; and reimburse the General Fund for administrative costs up to \$28,750 to administer the SEPs. Finally, this action is to execute a contract to purchase electric school buses in an amount not to exceed \$427,460 from LADWP funds.

COMMITTEE: Technology, July 20, 2018; Recommended for Approval

RECOMMENDED ACTIONS:

1. Recognize up to \$350,000 from Schneider National, Inc., and \$225,000 from Old Dominion Freight Line, Inc., for SEPs being administered on behalf of the U.S. EPA into the Air Filtration Fund (75).
2. Transfer up to \$225,000 from the Clean Fuels Program Fund (31) into the Air Filtration Fund (75) as a temporary loan, pending receipt of the remaining SEP revenue.
3. Authorize the Executive Officer to execute agreements with Schneider National, Inc., and Old Dominion Freight Line, Inc., for SCAQMD to implement SEPs for installation and maintenance of air filtration systems and to execute or amend agreements with local school districts for the purpose of implementing SEP agreements.

4. Authorize the Chairman to execute one or more contracts with IQAir North America for installation and maintenance of air filtration systems at schools in an amount cumulatively not to exceed \$2,035,848, comprised of \$546,250 from the Air Filtration Fund (75), \$1,092,332 from the LADWP Variance Special Revenue Fund (69) and \$397,266 from LADWP Settlement Projects Fund (38).
5. Authorize the Chairman to amend, as needed, one or more contracts with IQAir North America which are funded by an Air Filtration SEP or approved by this Board letter to purchase additional filters using unspent administrative funds.
6. Reimburse the General Fund from the Air Filtration Fund (75) for administrative costs up to \$28,750, as needed, to implement the air filtration projects.
7. Authorize the Executive Officer to execute an agreement with Los Angeles Unified School District for the purchase of up to three electric school buses including installation of charging infrastructure in an amount not to exceed \$427,460 from the LADWP Variance Special Revenue Fund (69).

Wayne Nastri
Executive Officer

MMM:FM:NB:PSK

Background

U.S. EPA is executing Supplemental Environmental Project (SEP) agreements with Schneider National, Inc., and Old Dominion Freight Line, Inc., to install and maintain air filtration systems at schools in Environmental Justice (EJ) communities or geographical target areas identified by the SEP agreement and has once again asked SCAQMD to act as the SEP Implementer.

In 2016, the Los Angeles Department of Water and Power (LADWP) obtained a variance from the SCAQMD Hearing Board for the use of diesel fuel at the Harbor, Haynes and Valley generating stations. The mitigation fees were received into the LADWP Variance Special Revenue Fund (69), recognized by the Board in November 2016. Based on the environmental mitigation plan submitted for this variance, LADWP agreed to provide funding for air filtration systems and electric school buses to Los Angeles Unified School District (LAUSD) and for air filtration systems to Long Beach Unified School District (LBUSD). Funds remaining from a 2001 LADWP settlement Fund (38), recognized by the Board in June 2001, will also be used for installation and maintenance of air filtration systems in schools.

IQAir North America (IQAir) was previously selected through two separate competitive bid processes in 2011 and 2013 for air filtration projects, and staff subsequently performed a technology status check to ensure no new technologies had come on the

market. Furthermore, IQAir is the only qualified manufacturer of high performance panel filters and stand-alone units which met the performance standards in SCAQMD's 2009 air filtration pilot study as well as through a national testing opportunity conducted in 2010 by the University of California Riverside's College of Engineering/Center for Environmental Research and Technology. These performance standards include an average removal efficiency of at least 85 percent for ultrafine PM, black carbon and PM2.5, and noise level below 45 decibels for stand-alone units. To date, SCAQMD has installed air filtration systems at 76 schools and community centers.

Proposal

U.S. EPA staff have requested that schools receiving air filtration systems be in EJ communities or other areas disproportionately impacted by diesel PM and for project completion to occur by December 2019. For the SEP with Old Dominion Freight Line, Inc., schools in Rialto, followed by Colton or San Bernardino will be prioritized. The funding includes five percent for reimbursement of administrative costs.

For the 2016 LADWP settlement, LAUSD will purchase up to three electric school buses and install charging infrastructure at LAUSD's Sun Valley bus depot. To be eligible for funding, subsequent to Board approval and prior to contract execution, LAUSD must apply, and get approval, for funding from the Hybrid and Zero Emission Truck and Bus Voucher Incentive Project (HVIP) funds from CARB. The LADWP funds will then be used to pay for the balance of the electric school buses not exceeding \$115,000 per bus, after subtracting the HVIP voucher amount. If LAUSD is not successful in securing HVIP funds but is still interested in purchasing the buses solely with SCAQMD funding, contracts will be executed up to the approved amount. Funding for electric charging infrastructure will not exceed \$82,460 and must include panel and transformer upgrades as required at the Sun Valley bus depot. In addition, as part of the 2016 LADWP settlement, LAUSD and LBUSD will install and maintain air filtration systems at schools located near the Harbor and Haynes generating stations. This can include installation of air filtration systems or replacement filters at schools which already have air filtration systems in place. Finally, the remaining \$397,266 from the 2001 LADWP settlement (Fund 38) will be used to fund additional air filtration systems. Staff will work with school districts to select and prioritize which schools will receive air filtration systems.

The proposed schedule for installation and maintenance of air filtration systems in one or more schools in EJ communities is as follows:

Date	Event
September 2018	Board Approval
October 2018	Anticipated Execution of Contracts
October 2018–March 2019	Selection of Schools, Site Assessments
October 2018–December 2019	Installation
October 2018–October 2023	Maintenance (varies by school)
December 2019	Final Report

These actions are to: 1) recognize up to \$575,000 from SEP agreements into the Air Filtration Fund (75); 2) transfer up to \$225,000 as a temporary loan from the Clean Fuels Program Fund (31) into the Air Filtration Fund (75); 3) authorize the Executive Officer to execute agreements with Schneider National, Inc., and Old Dominion Freight Line, Inc., to implement SEPs for installation and maintenance of air filtration systems and to execute or amend agreements with local school districts for the purpose of implementing SEP agreements; 4) execute and amend agreements with IQAir North America for installation and maintenance of air filtration systems at schools in an amount cumulatively not to exceed \$2,035,848, comprised of \$546,250 from the Air Filtration Fund (75), \$1,092,332 from the LADWP Variance Special Revenue Fund (69) and \$397,266 from the LADWP Settlement Projects Fund (38); 5) amend, as needed, contracts with IQAir North America funded by an air filtration SEP to purchase additional filters using unspent administrative funds; 6) reimburse the General Fund from the Air Filtration Fund (75) for administrative costs up to \$28,750; and 7) authorize the Executive Officer to execute an agreement with LAUSD for the purchase of electric school buses including charging infrastructure in an amount not to exceed \$427,460 from the LADWP Variance Special Revenue Fund (69).

Sole Source Justification

Section VIII. B. 2 of the Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified. This request for a sole source award is made under provision B.2.c (1): The desired services are available from only the sole-source based upon the unique experience and capabilities of the proposed contractor or contractor team. IQAir remains the only manufacturer of high performance panel filters and stand-alone units identified by SCAQMD and CARB staff that meet the performance standards required to complete the work.

Benefits to SCAQMD

This project will reduce children's exposure to criteria and toxic pollutants and ultrafine PM. Health studies have determined that fine and ultrafine PM, including diesel PM, present the greatest air pollution health risk to sensitive receptors in EJ communities identified in the SEP agreements.

Resource Impacts

Up to \$225,000 will be used as a temporary loan from the Clean Fuels Program Fund (31) until the remaining SEP revenue is received and recognized into the Air Filtration Fund (75). Through previous Board actions, \$1,519,792 from LADWP has already been recognized into the LADWP Variance Special Revenue Fund (69) and \$397,266 into the LADWP Settlement Projects Fund (38). The new contracts with IQAir will not cumulatively exceed \$2,035,848, and the contract amendments with IQAir will not exceed the amount of any unspent administrative fees. Reimbursement of administrative costs will not exceed \$28,750. And finally the contract with LAUSD will not exceed \$427,460.

Agenda Item #1

Patricia Kwon

Recognize and Transfer Funds,
Execute and Amend Agreements for
Installation and Maintenance of
Air Filtration Systems, Reimburse
General Fund for Administrative Costs,
and Purchase Electric School Buses

Background

- U.S. EPA executing Supplemental Environmental Projects (SEPs) totaling \$575k with Schneider National, Inc., and Old Dominion Freight Line, Inc., to install air filtration systems at schools
- Requesting SCAQMD again act as SEP implementer



Background (cont'd)

- LADWP mitigation fees for three generating stations from Hearing Board variance received into Fund 69
- LADWP submitted environmental mitigation plan providing \$1.5M for school air filtration for LAUSD + LBUSD plus electric school buses for LAUSD
- \$397k for school air filtration from prior LADWP settlement (Fund 38)



Proposal

- Execute MOAs as SEP implementer in disproportionately impacted areas identified in SEPs
- Air filtration at LAUSD & LBUSD schools near Ports
 - Replacement filters for schools with air filtration
 - Install air filtration systems at new schools
 - Work with school districts to prioritize schools
- LAUSD will purchase three electric school buses for Sun Valley bus depot

Proposal (cont'd)

- Execute or amend agreements with IQAir as air filtration contractor
 - Selected from two prior competitive bid processes
 - Only qualified manufacturer meeting performance standards
 - Installations at 76 schools and community centers
- Air Filtration Technologies
 - High performance panel filters + stand-alone units
 - 90% average removal efficiency of ultrafine PM and black carbon
 - Noise level below 45 dB(A) for stand-alone units



Schedule

Date	Task
Sept 2018	Board approval
Oct 2018	Anticipated contract awards
Oct 2018–Mar 2019	School selection, site assessments
Oct 2018–Dec 2019	Project implementation
Dec 2019	Final report

Recommended Actions

- Recognize SEP funds from Schneider National, Inc., and Old Dominion Freight Line, Inc., up to \$350,000 and \$225,000, respectively, into Air Filtration Fund (75) and execute MOAs
- Transfer up to \$225,000 from the Clean Fuels Program Fund (31) as a temporary loan, pending receipt of all SEP revenue, and reimburse the General Fund up to \$28,750 from the Air Filtration Fund (75)
- Execute or amend agreements with local school districts for air filtration programs

Recommended Actions (cont'd)

- Execute contracts with IQAir North America for installation and maintenance of air filtration systems in an amount not to exceed \$2,035,848, comprised of:
 - \$546,250 from Air Filtration Fund (75)
 - \$1,092,332 from LADWP Variance Special Revenue Fund (69)
 - \$397,266 from LADWP Settlement Fund (38)
- Amend contracts with IQAir North America as needed to purchase additional filters using unspent administrative funds
- Execute agreement with LAUSD for purchase of electric school buses including installation of charging infrastructure in an amount not to exceed \$427,460 from LADWP Variance Special Revenue Fund (69)

[Go to SLIDES](#)

DRAFT
Technology Committee Agenda #2

BOARD MEETING DATE: September 7, 2018

AGENDA NO.

PROPOSAL: Recognize Revenue from CARB for Carl Moyer Program and EFMP; Transfer and Appropriate Funds, Amend Contract for Implementing Assistance and Reimburse General Fund for Administrative and Outreach Costs for EFMP

SYNOPSIS: CARB has allocated \$2,674,384 to SCAQMD under the Voluntary NOx Remediation Measure (NRM) Funding Program. These actions are to recognize \$2,674,384 into the Carl Moyer Program Fund (32) and execute a Memorandum of Agreement with CARB for implementation of the NRM Funding Program. Since 2015, SCAQMD has been implementing an Enhanced Fleet Modernization Program (EFMP), branded as Replace Your Ride. For FY 2017-18, CARB allocated SCAQMD an additional \$16.4 million in funds to continue implementation of EFMP. These actions are to recognize up to \$16.4 million for EFMP, accept terms and conditions of the grant awards, approve vouchers or other alternative mobility options until all available funds are exhausted, amend a contract for case management and vehicle remote sensing activities in support of EFMP in an amount not to exceed \$500,000 from the HEROS II Special Revenue Fund (56), transfer and appropriate up to \$65,500 to Science & Technology Advancement's FY 2018-19 or 2019-20 Budget, and reimburse the General Fund for administrative and outreach costs necessary to implement EFMP.

COMMITTEE: Technology, July 20, 2018; Recommended for Approval

RECOMMENDED ACTIONS:

1. Recognize, upon receipt, up to \$2,674,384 from CARB's Voluntary NOx Remediation Measure Funding Program into the Carl Moyer Program Fund (32), and authorize the Executive Officer to execute a Memorandum of Agreement with CARB for implementation of this program.
2. Recognize, upon receipt, up to \$16.4 million from CARB's Enhanced Fleet Modernization Program into the HEROS II Special Revenue Fund (56), and authorize the Executive Officer to accept terms and conditions of the grant awards from CARB

and to approve vouchers or other alternative mobility options for the continued implementation of the EFMP base and plus-up incentives until all funds are exhausted.

3. Authorize the Executive Officer to amend a contract with Opus Inspection to continue case management and remote sensing activities in support of the EFMP for an amount not to exceed \$550,000 from the administrative portion of the HEROS II Special Revenue Fund (56).
4. Reimburse the General Fund up to \$2,460,000 from the HEROS II Special Revenue Fund (56) as authorized by the grant agreements for the administrative and outreach costs necessary to implement the EFMP.
5. Transfer, as needed, up to \$65,500 from the HEROS II Special Revenue Fund (56) to the General Fund and appropriate up to \$65,500 to Science & Technology Advancement's FY 2018-19 or 2019-20 Budget, Services and Supplies Major Object, Professional and Special Services Account, for EFMP marketing and outreach efforts.

Wayne Natri
Executive Officer

MMM:FM:VW

Background

CARB has allocated \$2,674,384 to the SCAQMD under the Voluntary NOx Remediation Measure (NRM) Funding Program. Projects under the NRM are to be implemented pursuant to the Carl Moyer Program guidelines with a cost-effectiveness limit of \$10,000 per ton for NOx reductions. Projects that are eligible for the Carl Moyer Program funding will be eligible for NRM funding.

Since 2015, the SCAQMD has been implementing an Enhanced Fleet Modernization Program (EFMP), branded as Replace Your Ride, which is authorized by the AB 118 California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 (Health and Safety Code Sections 44124-44127). The EFMP is a comprehensive statewide program with two elements: a vehicle retirement only element and a vehicle retire and replacement element. The SCAQMD's EFMP is a vehicle retire and replacement program, which provides incentives to low-income motorists to scrap and replace their older, high-emitting vehicles with newer, cleaner models or other clean transportation options. The EFMP Plus-Up, which has been primarily funded through the Low Carbon Transportation Greenhouse Gas Emission Reduction Fund (GGRF), complements the base EFMP by providing additional funds for vehicle owners that reside in disadvantaged communities.

To date, SCAQMD has provided funding for replacement of over 3,000 older passenger vehicles with newer fuel-efficient conventional vehicles, hybrid electric vehicles, plug-in hybrid electric vehicles and dedicated electric vehicles. For FY 2017-18, CARB has allocated SCAQMD additional funds to continue implementation of EFMP, including \$1.4 million from Assembly Bill 97 (the Budget Act of 2017) for the EFMP base and \$15 million in plus-up funds from the Low Carbon Transportation Program/Volkswagen Settlement Fund. The EFMP provides reimbursement of administrative and outreach costs up to 15 percent of the award amount.

Proposal

These actions are to recognize \$2,674,384 from CARB's NRM Funding Program into the Carl Moyer Program Fund (32) and authorize the Executive Officer to execute a Memorandum of Agreement with CARB for implementation of this program. Projects funded by the NRM must adhere to the Carl Moyer Program Guidelines, except with a lower cost-effectiveness limit of \$10,000 per ton of NOx reduced. Staff anticipates the selection of projects for the NRM will be made from the backup list from this year's Carl Moyer Program, which received funding requests that far exceeded the amount of available funds.

The Replace Your Ride Program has been largely successful since its inception in 2015, and has become a well-established program for providing emissions reduction benefits to disadvantaged communities. Of the vouchers issued, approximately 94 percent of the low-income participants reside in disadvantaged communities. The SCAQMD has developed a user-friendly website and added new case managers to assist the growing number of participants with completing and submitting applications to the program. These actions are to recognize up to \$16.4 million from CARB's Enhanced Fleet Modernization Program into the HEROS II Special Revenue Fund (56) and authorize the Executive Officer to accept terms and conditions of the grant awards and approve vouchers or other alternative mobility options for this program until all available funds are exhausted. The additional funding for FY 2017-18 will enable the continuation of this program for qualifying low-income motorists and provide additional benefits to disadvantaged communities.

Replace Your Ride is implemented with the assistance of contractors, one of which is Opus Inspection. Opus Inspection provides case management support and remote sensing measurements of vehicle emissions, an integral part of SCAQMD's Replace Your Ride Program. However, Opus Inspection's current contract needs an augmentation of funds to continue to assist with implementation of the program given the new funding. This action is to authorize the Executive Officer to amend the contract with Opus Inspection, adding an additional \$550,000 from the administrative portion of the HEROS II Special Revenue Fund (56) to provide continued case management support and remote sensing measurements of vehicle emissions.

Finally, these actions are to transfer up to \$65,500 from the HEROS II Special Revenue Fund (56) to the General Fund, appropriate up to \$65,500 to Science & Technology Advancement's FY 2018-19 or 2019-20 for marketing and outreach efforts, and reimburse the General Fund from the HEROS Special Revenue Fund (56) for administrative and outreach costs up to \$2,460,000 to implement the EFMP.

Benefits to SCAQMD

The successful implementation of the NRM Funding Program and the EFMP will further reduce emissions by accelerating the turnover of high-emitting vehicles with cleaner, more fuel efficient replacement vehicles. The EFMP will continue to provide incentives to qualifying lower income vehicle owners including those residing in disadvantaged communities, thereby providing emission reduction benefits to these communities.

Resource Impacts

Revenue for the NRM Funding Program totaling \$2,674,384 will be recognized into the Carl Moyer Program Fund (32). Revenue for the EFMP totaling up to \$16.4 million (\$1.4 million for the base and \$15 million for the Plus-Up Program) will be recognized into the HEROS II Special Revenue Fund (56) for continued implementation of EFMP.

The contract amendment with Opus Inspection will not exceed \$550,000 from the administrative portion of the HEROS II Special Revenue Fund (56), the transfer and appropriation for marketing and outreach costs will not exceed \$65,500, and reimbursement of administrative and outreach costs will not exceed \$2,460,000.

Agenda Item #2

Mei Wang

Recognize Revenue for Carl Moyer Program and EFMP, Transfer and Appropriate Funds, Amend Contract, and Reimburse General Fund for Administrative and Outreach Costs for EFMP

Background

- CARB allocated \$2,674,384 to the SCAQMD for the Voluntary NOx Remediation Measure (NRM) Funding Program
- The NRM was established to remediate the increase in NOx emissions from biodiesel use in California
- Projects to be funded must comply with the Carl Moyer Program Guidelines, except with a lower cost-effectiveness threshold of \$10,000 per ton NOx reduced



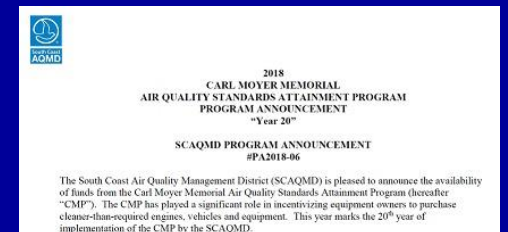
Background (cont'd)

- For FY 2017-18, CARB has allocated \$16.4 million to SCAQMD for the Enhanced Fleet Modernization Program (EFMP)
- EFMP (branded Replace Your Ride) is a voluntary vehicle retire and replacement program available to lower income motorists
- EFMP includes plus-up incentive funds for participants in disadvantaged communities
- Over 3,000 older vehicles have been replaced with newer, cleaner vehicles (94% in disadvantaged communities)



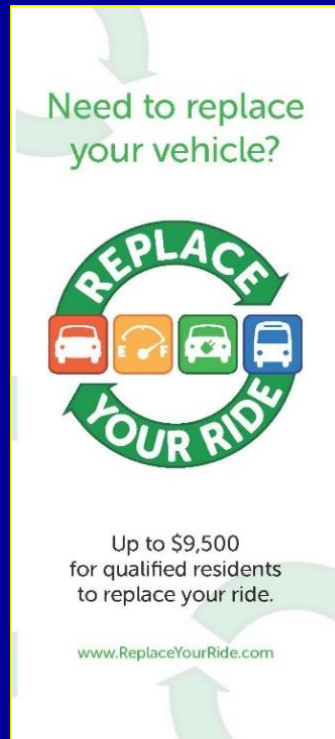
Proposal

- Recognize \$2,674,384 and execute a Memorandum of Agreement with CARB to implement the NRM Program
- Select projects for NRM funding through this year's Carl Moyer Program (CMP)
 - Solicitation for 2018 CMP closed June 5, 2018
 - Award recommendations for Board consideration in October or November



Proposal (cont'd)

- Recognize \$16.4 million from CARB to continue implementation of the EFMP:
 - \$1.4 million for EFMP base (AB 97 Budget Act of 2017)
 - \$15 million for plus-up incentive program (Low Carbon Transportation/VW Settlement Fund)
- Replace Your Ride is implemented by SCAQMD with consultants for case management assistance to participants and remote sensing tests on vehicles
- Staff recommends amending a contract with Opus Inspection to add funds to continue their case management and remote sensing services for EFMP



Recommended Actions

- Recognize \$2,674,384 from CARB for the NRM, and authorize the Executive Officer to execute an MOA with CARB for program implementation
- Recognize \$16.4 million from CARB and authorize the Executive Officer to accept the terms and conditions of the EFMP grant awards and approve vouchers and other alternative mobility options for the EFMP until all funds are exhausted
- Amend a contract with Opus Inspection to continue case management and remote sensing activities in support of the EFMP for an amount not to exceed \$550,000 from the administrative portion of HEROS II Special Revenue Fund (56)



Recommended Actions (cont'd)

- Reimburse the General Fund up to \$2,460,000 from the HEROS II Special Revenue Fund (56) for administrative and outreach costs to implement the EFMP
- Transfer and appropriate \$65,500 from HEROS II Special Revenue Fund (56) to Science & Technology's FY 2018-19 or 2019-20 Budget, Services & Supplies Major Object

[Go to SLIDES](#)

DRAFT
Technology Committee Agenda #3

BOARD MEETING DATE: September 7, 2018

AGENDA NO.

PROPOSAL: Amend Contract Awards for Mobile Source Emissions Reduction Projects

SYNOPSIS: In November 2017, the Board approved contract awards for mobile source emissions reduction projects evaluated under the Carl Moyer Program Guidelines and funded by AB 134 Community Air Protection funds. Subsequently, in April 2018, CARB approved a supplement to the Carl Moyer Program Guidelines (Guidelines Supplement) for projects funded specifically under the Community Air Protection Program. The Guidelines Supplement is intended to facilitate immediate emissions reductions in disadvantaged and low-income communities. The Guidelines Supplement preserves the statutory requirements of the Carl Moyer Program, including cost-effectiveness and surplus emissions reductions, while broadening project eligibility and providing higher grant amounts for Community Air Protection projects. After applying the Guidelines Supplement to the AB 134 Board-approved projects, staff determined several projects in disadvantaged and low-income communities now qualify for higher grant amounts. This action is to amend contract awards for mobile source emissions reduction projects adding up to \$4,603,547 to certain projects originally approved from the Community Air Protection AB 134 Fund (77).

COMMITTEE: Technology, July 20, 2018; Recommended for Approval

RECOMMENDED ACTION:

Amend contract awards under the Community Air Protection Program as identified in the attached table, adding up to \$4,603,547 for a total award of \$42,213,133 from the Community Air Protection AB 134 Fund (77).

Wayne Nastri
Executive Officer

Background

Assembly Bill 134 (AB 134), which was approved by the Governor in September 2017, was established to achieve early emissions reductions from mobile sources in communities most affected by air pollution. The bill appropriated \$250 million from the Greenhouse Gas Reduction Fund to air districts to implement mobile source projects eligible under the Carl Moyer and the Proposition 1B-Goods Movement Program. Of these funds, \$107.5 million was allocated to SCAQMD.

In November 2017, the Board approved contract awards for mobile source emissions reduction projects totaling \$51,701,413 to be funded by AB 134 Community Air Protection funds. Subsequently, in April 2018, CARB's Board approved a supplement to the Carl Moyer Program Guidelines (Guidelines Supplement) for projects funded by the Community Air Protection Program. The Guidelines Supplement is intended to facilitate early action projects that will achieve immediate emissions reductions in disadvantaged and low-income communities. The Guidelines Supplement maintains the statutory requirements of the Carl Moyer Program, including cost-effectiveness and surplus emissions reductions, while broadening project eligibility and providing higher grant amounts for Community Air Protection projects. Of the Community Air Protection AB 134 projects approved in November 2017, approximately 69 projects which were previously awarded \$37,609,586, qualify for additional funding through the Guidelines Supplement.

Proposal

After applying the Guidelines Supplement to the AB 134 Board-approved projects, staff determined several projects (funded in the amount of \$37,609,586) were located in disadvantaged and low-income communities and thus qualified for higher grant amounts. This action is to amend contract awards under the Community Air Protection Program AB 134 Fund (77) as identified in the attached table, to increase awards for certain projects that previously totaled \$37,609,586 by increasing the awards by \$4,603,547 for a new total of \$42,213,133.

Benefits to SCAQMD

The successful implementation of the AB 134 Community Air Protection projects will provide direct emissions reductions of criteria air pollutants, toxic air contaminants and greenhouse gases in disadvantaged and low-income communities as intended by the program. The vehicles and equipment funded under this program will operate for the life of the contract and beyond, providing long-term emission reduction benefits in the affected communities.

Resource Impacts

Additional funding for the Community Air Protection projects as listed in the attached table will not exceed \$4,603,507 from the Community Air Protection AB 134 Fund (77).

Attachment

AB 134 Community Air Protection Project Awards

AB 134 Community Air Protection Project Awards

Applicant Name	Category	Project Type	No. of Engines	Original Award	Additional Award Based on Guidelines Supplement	Revised Total Contract Award
Amazing Coachella, Inc.	Off-Road - Ag	Replacement	13	\$1,739,885	\$391,039	\$2,130,924
Arthur Smith	Marine	Repower	2	\$305,868	\$38,233	\$344,101
Bali Construction	Off-Road	Replacement	6	\$243,055	\$74,095	\$317,150
Belk Farms, LLC	Off-Road - Ag	Replacement	12	\$605,785	\$94,527	\$700,312
Bogh Engineering Inc.	Off-Road	Repower	1	\$103,774	\$37,062	\$140,836
Bryan Keith Bishop	Marine	Repower	2	\$130,400	\$16,300	\$146,700
C5 Equipment Rentals, LLC	Off-Road	Replacement	5	\$496,394	\$134,299	\$630,693
Cal Crystal Sea, LLC	Marine	Repower	2	\$225,600	\$28,200	\$253,800
Caplinger Construction	Off-Road	Replacement	1	\$362,164	\$45,270	\$407,434
Clinton Nguyen	Marine	Repower	2	\$125,600	\$15,700	\$141,300
Cold Creek Estates, LLC	Off-Road - Ag	Replacement	1	\$83,913	\$5,853	\$89,766
Daniel Hernandez Fishing Adventures	Marine	Repower	2	\$188,800	\$23,600	\$212,400
Don Bean Ranch	Off-Road - Ag	Replacement	1	\$163,567.0	\$20,446	\$184,013
Dung Van Nguyen	Marine	Repower	2	\$147,200	\$18,400	\$165,600
Ernest D. Beard II	Marine	Repower	2	\$238,400	\$29,800	\$268,200
Evergreen Recycling, Inc.	Off-Road	Replacement	1	\$179,617	\$91,501	\$271,118
Exodus Charters, Inc.	Marine	Repower	2	\$234,400	\$29,300	\$263,700
Full Season Ag Inc.	Off-Road - Ag	Replacement	1	\$84,959	\$5,507	\$90,466
Gateway Concrete, Inc.	Off-Road	Replacement	2	\$117,670	\$13,582	\$131,252
GH Dairy	Off-Road - Ag	Replacement	6	\$674,900	\$89,120	\$764,020
Golden Farm	Off-Road - Ag	Replacement	7	\$644,036	\$80,506	\$724,542
Hacienda De Trampas	Off-Road - Ag	Replacement	1	\$36,314	\$10,375	\$46,689
Harbor Breeze Corp.	Marine	Repower	7	\$1,566,779	\$193,700	\$1,760,479
Harley Marine Services, Inc.	Marine	Repower	3	\$1,734,228	\$216,779	\$1,951,007
Hollandia Farms North, Inc.	Off-Road - Ag	Replacement	4	\$399,795	\$49,974	\$449,769
Indacochea Sheep Ranch	Off-Road - Ag	Replacement	2	\$415,837.0	\$51,980	\$467,817
J Deluca Fish Company	Marine	Repower	2	\$344,000	\$43,000	\$387,000
JC Farming Inc.	Off-Road - Ag	Replacement	1	\$700,067	\$87,508	\$787,575
JMJ Sportfishing Inc.	Marine	Repower	2	\$340,000	\$42,500	\$382,500
Joseph Prieto	Marine	Repower	2	\$142,400	\$17,800	\$160,200
Joshua Fisher	Marine	Repower	1	\$143,200	\$17,900	\$161,100
Junior Enterprises, LLC	Off-Road - Ag	Replacement	5	\$351,838	\$100,524	\$452,362
La Quinta Date Growers, LP	Off-Road - Ag	Replacement	1	\$105,504	\$21,473	\$126,977
Latin Lady Ranch, LLC	Off-Road - Ag	Replacement	1	\$88,718	\$11,090	\$99,808
Long Beach Anglers, Inc.	Marine	Repower	1	\$123,200	\$15,400	\$138,600
Long Beach Police Department	Marine	Repower	2	\$182,400	\$22,800	\$205,200
Long Life Farms Inc.	Off-Road - Ag	Replacement	26	\$1,832,664	\$365,249	\$2,197,913
Mali Basta Ranches, LLC	Off-Road - Ag	Replacement	11	\$750,486	\$93,808	\$844,294
McMillan Farm Management	Off-Road - Ag	Replacement	2	\$128,297	\$18,225	\$146,522
Monte Carlo Sportfishing	Marine	Repower	2	\$265,600	\$33,200	\$298,800
Pacific Hydrotech Corp.	Off-Road	Replacement	3	\$161,048	\$13,587	\$174,635

Applicant Name	Category	Project Type	No. of Engines	Original Award	Additional Award Based on Guidelines Supplement	Revised Total Contract Award
Peed Equipment Co	Off-Road	Replacement	10	\$1,821,941	\$300,616	\$2,122,557
Power Move, Inc.	Off-Road	Repower	2	\$237,646	\$27,959	\$265,605
Prime Time International	Off-Road - Ag	Replacement	16	\$1,802,378	\$368,096	\$2,170,474
Pro-Organic Farms LLC	Off-Road - Ag	Replacement	3	\$424,374	\$54,328	\$478,702
Ramona Dairy	Off-Road - Ag	Replacement	14	\$1,942,440	\$242,803	\$2,185,243
Recycled Wood Products	Off-Road	Replacement	7	\$1,172,515	\$71,642	\$1,244,157
Richard Bagdasarian, Inc.	Off-Road - Ag	Replacement	1	\$58,061	\$7,258	\$65,319
Robert N. Austin	Marine	Repower	3	\$213,600	\$26,700	\$240,300
Russ Bell Equipment	Off-Road	Repower/ Retrofit	5	\$683,205	\$68,786	\$751,991
Russ Ramsey/Wally Hall	Off-Road - Ag	Replacement	1	\$59,662	\$7,458	\$67,120
Sage Green	Off-Road - Ag	Replacement	1	\$806,278	\$230,366	\$1,036,644
Salvatore David Russo	Marine	Repower	1	\$124,800	\$15,600	\$140,400
San Pedro Pride Inc.	Marine	Repower	1	\$112,000	\$14,000	\$126,000
San-Mar Construction, Inc.	Off-Road	Replacement	1	\$39,874	\$93,289	\$133,163
Scott Bros Dairy Farms	Off-Road - Ag	Replacement	3	\$531,975	\$66,497	\$598,472
Seal Beach Anglers, Inc.	Marine	Repower	1	\$123,200	\$15,400	\$138,600
Steve Mardesich	Marine	Repower	2	\$143,200	\$17,900	\$161,100
Steven Raby	Marine	Repower	1	\$114,400	\$14,300	\$128,700
Sukut	Off-Road	Replacement	15	\$8,049,695	\$2,042	\$8,051,737
Terry Allen Roland	Marine	Repower	1	\$128,000	\$3,382	\$131,382
Toan D. Nguyen	Marine	Repower	2	\$154,400	\$19,300	\$173,700
Toronado Sportfishing, Inc.	Marine	Repower	2	\$246,400	\$30,800	\$277,200
Tradition Sportfishing Charters LLC	Marine	Repower	2	\$216,000	\$7,739	\$223,739
Trojan Inc.	Marine	Repower	2	\$264,000	\$33,000	\$297,000
Van Dam Dairy Farm	Off-Road - Ag	Replacement	4	\$649,254	\$81,157	\$730,411
Varge Richard	Off-Road - Ag	Replacement	1	\$55,008	\$6,877	\$61,885
Wayne Allison	Off-Road - Ag	Replacement	1	\$38,556	\$4,820	\$43,376
West Coast Turf	Off-Road - Ag	Replacement	9	\$488,362	\$62,220	\$550,582
TOTAL			264	\$37,609,586	\$4,603,547	\$42,213,133

Agenda Item #3

Vicki White

Amend Contract Awards for
Mobile Source Emissions Reduction Projects

Background

- In November 2017, the Board approved contract awards for projects evaluated under the Carl Moyer Program Guidelines to be funded by AB 134 (Community Air Protection Program)
- In April 2018, CARB approved a supplement to the Carl Moyer Program Guidelines to facilitate funding early action projects in disadvantaged and low-income communities
- The Guidelines Supplement maintains the statutory requirements of Carl Moyer, but expands project eligibility and offers higher grant amounts to qualifying Community Air Protection projects



Background (cont'd)

- With approval from CARB, staff applied the Guidelines Supplement to the AB 134 Board-approved projects
- Several projects located in disadvantaged and low-income communities qualify for higher grant amounts
- Not all projects qualify for higher grant amounts:
 - Only zero emission on-road projects
 - Off-road and marine: only if the project falls below the cost-effectiveness limit

Proposal

- After applying CARB's Guidelines Supplement
 - A total of 264 engines qualify for additional grant funds
 - These projects will reduce emissions in disadvantaged and low-income communities
- Staff proposes to amend contract awards under the AB 134 Community Air Protection Program to provide additional funds up to \$4,603,547
- This supplemental funding will bring the total awards for these projects to \$42,213,133

Recommended Action

Amend contract awards under the Community Air Protection Program adding up to \$4,603,547 for total awards of \$42,213,133 from the Community Air Protection AB 134 Fund (77)