

BOARD MEETING DATE: March 6, 2020

AGENDA NO. 25

REPORT: Technology Committee

SYNOPSIS: The Technology Committee held a meeting on Friday, February 21, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Judith Mitchell, Acting Chair
Technology Committee

MMM:av

Committee Members

Present: Council Member Joe Buscaino/Chair (listening only from a non-noticed location)
Council Member Judith Mitchell
Council Member Carlos Rodriguez

Absent: Supervisor Lisa Bartlett

Call to Order

Acting Chair Mitchell called the meeting to order at 12:01 p.m. She introduced new Committee Member, Council Member Carlos Rodriguez.

ACTION ITEMS:

1. Execute Contracts to Replace Heavy-Duty Diesel Trucks with Near-Zero Emissions Natural Gas Trucks

In October 2018, the Board approved awards totaling \$14 million to replace 140 heavy-duty diesel trucks with near-zero emissions natural gas trucks. The clean trucks will be funded using \$8 million in grant funds provided by the CEC plus \$6 million in local match funds. Since approval of these awards, some fleets have declined their award or opted to switch to a fuel type not allowed under the CEC grant. These changes resulted in available funds that may be reallocated to other eligible trucks. These actions are to execute two contracts in the amount of \$3,900,000 from the Community Air Protection AB 134 Fund (77) and, in the

case of turnback funds, authorize the Executive Officer to execute additional contracts for eligible trucks meeting the CEC grant requirements from the applications received through the Proposition 1B-Goods Movement solicitation until all funds are exhausted.

Council Member Rodriguez asked about the process, timing, scrap requirement, general life expectancy of the trucks, and NOx benefits for this project. Staff provided a brief background of the Prop 1B – Goods Movement Program and described the solicitation, review, inspection (with emphasis on scrapping) and implementation processes for both the old and new truck involved in the transaction. Staff also emphasized that incentive programs, including the Prop 1B Program, are regularly oversubscribed, but some fleets turn back funds due to various reasons, such as financial limitations, and that near zero emission trucks typically take 4-6 months for delivery and have a useful life of 7-10 years. Council Members Rodriguez and Mitchell provided guidance on additional outreach and education to inform the public through press releases with board member participation, social media (e.g., Facebook and Twitter) and other means for greater participation.

Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board

2. Adopt Resolution Recognizing Funds for FY 2019-20 Carl Moyer Program Award, Issue Program Announcements for Carl Moyer Program and SOON Provision and Transfer Funds for Voucher Incentive Program

These actions are to adopt a Resolution recognizing up to \$37 million in Carl Moyer Program grant funds from CARB with its terms and conditions for FY 2019-20 and issue Program Announcements for “Year 22” of the Carl Moyer Program and SOON Provision to solicit applications for eligible zero and low emitting on- and off-road vehicles and equipment. This action is to also transfer \$3 million from the Carl Moyer Program AB 923 Special Revenue Fund (80) to the Voucher Incentive Program Fund (59) to continue funding truck replacement projects on a first-come, first-served basis.

Council Member Mitchell commented that she does not have a financial interest or conflict of 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 Rodriguez again emphasized the need for additional public outreach and education on funding programs and requested regular reports on deployment projects, especially when located in Orange County.

Drew Delaney, Associates Environmental, appreciated staff inclusion of suggested language into the current Carl Moyer and SOON Provision Program Announcements to clarify how the funds will be disbursed.

Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board

3. Recognize Revenue and Transfer and Appropriate Funds for Volkswagen Environmental Mitigation Trust

In November 2018, the Board recognized \$150 million in revenue from CARB for the Volkswagen (VW) Environmental Mitigation Trust and authorized the transfer of up to 10 percent into the General Fund to reimburse administrative costs for this program. Subsequently, CARB and the South Coast AQMD executed a project agreement for this program totaling \$165 million, which included \$150 million for projects and \$15 million for administrative costs. These actions are to recognize up to \$15 million in additional revenue from CARB, transfer \$520,733 into the General Fund to reimburse FY 2018-19 Salaries & Employee Benefits and Service & Supplies, and transfer and appropriate up to \$898,000 into Science & Technology Advancement's and Information Management's FYs 2019-20 and 2020-21 Budgets, Professional and Special Services and Capital Outlays Major Objects, for administrative expenses to implement the VW Mitigation Program.

Council Member Mitchell commented that she does not have a financial interest or conflict of 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 Mitchell inquired on the distribution between the funding categories and among the three air districts. Staff explained the South Coast AQMD is the administrator for two of the five funding categories totaling \$150 million, including \$60 million for the combustion category and \$90 million for the zero-emission freight and port drayage trucks category. San Joaquin Valley APCD will receive \$130 million for the zero-emission bus category, and Bay Area AQMD will receive \$80 million, including \$70 million for zero emission freight and marine projects, and \$10 million for light-duty zero emission vehicle infrastructure. Staff clarified that funding for each category is statewide and implemented in two installments. Council Member Mitchell also asked if a portion of the funds are unused, and will these unused funds be redirected to another air district for a different funding category. Staff explained that CARB has reserved the option to do this, if needed, to assure the required NOx emission reduction target will be met. However, the combustion category is anticipated to achieve most of the NOx reductions, and if any unused funds are available, they would likely be redirected to this category.

Council Member Rodriguez asked if the \$150 million can be spent outside of South Coast AQMD, and what the \$15 million in administrative funds will entail. Staff explained the funds will be made available statewide and applications submitted to date for the combustion category are from within and outside of the South Coast AQMD, and that \$15 million in total administrative funds will be used for staff time involved in processing the applications, ranking projects, conducting inspections of the vehicles, contracting, reviewing annual reports submitted by the fleets, monitoring the projects, reporting to CARB, outreach and hardware costs for the database management system, over the ten year period. Council Member Rodriguez also asked how the program will be advertised to notify fleets of this funding opportunity, with specific interest in school buses. Staff explained the school bus funding, which is administered by San Joaquin Valley APCD, is no longer available due to an oversubscription, however there will be a second installment of funds released in late 2021.

Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board

4. Approve and Adopt Technology Advancement Office Clean Fuels Program 2019 Annual Report and 2020 Plan Update, Resolution and Membership Changes for Clean Fuels Advisory Group and Receive and File Updated Membership of Technology Advancement Advisory Group

Each year by March 31, the South Coast AQMD must submit to the California Legislative Analyst an approved Annual Report for the past year and a Plan Update for the current calendar year for the Clean Fuels Program. This action is to approve and adopt the Technology Advancement Clean Fuels Program Annual Report for 2019 and 2020 Plan Update and the Resolution finding that proposed projects do not duplicate any past or present programs. These actions are to also approve and adopt membership changes to the SB 98 Clean Fuels Advisory Group and receive and file membership changes to the Technology Advancement Advisory Group.

Council Member Rodriguez inquired about the members of the advisory groups. Staff described the broader membership of both committees and clarified that the proposed members were replacements for some that are no longer available to participate, and that staff regularly consults with original equipment manufacturers, technical experts and others on specific project development.

Ranji George, a member of the public, requested more diversity in the advisory groups, specifically for Environmental Justice representation, and emphasized the need for battery recycling programs and increased funding for hydrogen projects.

Andy Abele, a member of the public, suggested that staff should consider releasing RFPs for the top 3 priorities instead of sole source awards, and that Clean Fuels

Funds should not be used for diesel engine projects. Lastly, Mr. Abele suggested a correction on the project description for the Microgrids category.

Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board

5. Recognize Revenue, Amend Contract for Heavy-Duty Truck Replacements and Reimburse General Fund for Administrative Costs

In November 2019, South Coast AQMD received approval of a revised project scope for a FY 18 U.S. EPA Diesel Emissions Reductions Act (DERA) grant previously awarded. The approved project scope will allow for replacement of older on-road heavy-duty diesel trucks with new near-zero emissions natural gas-powered trucks in non-drillage applications. Since Proposition 1B eligible projects qualify for these DERA funds, staff proposes to award the funds to a previously approved Proposition 1B project. These actions are to recognize \$1,601,523 in revenue from U.S. EPA DERA into the Advanced Technology Outreach and Education Fund (17), amend a contract for heavy-duty truck replacements adding DERA funds to reduce Proposition 1B-Goods Movement funding, and reimburse the General Fund for administrative costs up to \$99,444 to implement the project.

Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board

6. Execute Contract to Conduct Airborne Measurements of NO_x Emissions in the South Coast Air Basin

Emission inventories are a critical component of South Coast AQMD's air quality modeling and control strategy development. The University of California, Berkeley (UC Berkeley) has proposed to conduct airborne flux measurements by aircraft, offering a robust method to evaluate NO_x emission inventories. CARB has committed \$700,000 for the parallel measurement of VOC fluxes during this field effort. This action is to execute a contract with the UC Berkeley to conduct airborne measurements of NO_x emissions in the South Coast Air Basin at a cost not to exceed \$300,000 from the Clean Fuels Program Fund (31).

Council Member Mitchell inquired about contribution of vegetation to air pollution and potential impacts of tree planting on overall VOC emissions and if guidance is available for lower emitting species. Staff responded that trees are natural source of VOCs and they can emit different rates of VOC emissions depending on trees species. Staff responded that most of vegetation in the Basin are low-emitting species, but the project would provide an opportunity to evaluate emissions including VOCs from vegetation. Council member Mitchell further inquired if the project will improve the emissions inventory. Staff confirmed that the deliverables from the project will be used to evaluate the accuracy of the emissions inventory and

potentially to improve it by identifying sources and amounts of emissions that might have not been fully reflected in the regulatory inventory.

Council Member Rodriguez inquired if the deliverables from the project will improve high ozone pollution in the inland area, timing and if CARB funding has been secured. Staff explained that the information from the project will be utilized to validate emissions and modeling, evaluate and fine-tune current strategies, guide the development of the 2022 AQMP, and that the project will conclude by the end of 2021. Staff also mentioned that CARB is committed for funding for VOC measurements and CARB's Board will consider approval of the project in summer 2020. Council Member Rodriguez further emphasized the need of best management practices to promote low-VOC-emitting tree species to the members of public and local cities. Staff informed the committee that a list can be made available for local species and low-VOC emitting trees.

Less than a quorum was present; a concurrence of the staff recommendation will be forwarded to the Board

OTHER MATTERS:

7. Other Business

There was no other business.

8. Public Comment Period

There were no public comments.

9. Next Meeting Date

The next regular Technology Committee meeting is scheduled for Friday, March 20, 2020 at noon.

Adjournment

The meeting adjourned at 1:16 p.m.

Attachment

Attendance Record

ATTACHMENT

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT TECHNOLOGY COMMITTEE MEETING Attendance Record – February 21, 2020

Council Member Judith Mitchell	SCAQMD Board Member
Council Member Carlos Rodriguez.....	SCAQMD Board Member
Matt Holder	Board Consultant (Rodriguez)
Fred Minassian	Board Consultant (Mitchell)
Andy Abele.....	Member of the Public
Mark Abramowitz	Member of the Public
Drew Delaney	Associates Environmental
Ranji George.....	Member of the Public
Andy Silva.....	San Bernardino County
Phil Barroca.....	SCAQMD Staff
Naveen Berry.....	SCAQMD Staff
Ping Gui.....	SCAQMD Staff
Darren Ha	SCAQMD Staff
Drue Hargis	SCAQMD Staff
Joseph Impullitti	SCAQMD Staff
Sang-Mi Lee	SCAQMD Staff
Tom Lee	SCAQMD Staff
Wayne Nastri.....	SCAQMD Staff
Matt Miyasato.....	SCAQMD Staff
Ron Moskowitz	SCAQMD Staff
Zorik Pirveysian	SCAQMD Staff
Walter Shen	SCAQMD Staff
Veera Tyagi	SCAQMD Staff
Alejandra Vega.....	SCAQMD Staff
Adan Velasco	SCAQMD Staff
Donna Vernon	SCAQMD Staff
Vicki White	SCAQMD Staff
Paul Wright.....	SCAQMD Staff
Alyssa Yan	SCAQMD Staff
Fan Xu	SCAQMD Staff