



BOARD MEETING DATE: December 5, 2014

AGENDA NO. 16

PROPOSAL: Approve Contract Awards and Modifications Approved by MSRC

SYNOPSIS: As part of their FYs 2012-14 AB 2766 Discretionary Fund Work Program, the MSRC approved a total of 14 new contracts under the Alternative Fuel Infrastructure and Major Event Center Transportation Programs, as well as a contract value increase under the Alternative Fuel School Bus Incentives Program and modifications to a contract under the Local Government Match Program. As part of their FYs 2014-16 Work Program, the MSRC approved a funding allocation towards the AB 118 Enhanced Fleet Modernization Program, including one new contract, with the balance of funds to support vehicle replacement, transit and car-sharing vouchers. At this time the MSRC seeks Board approval of the contract awards and modification.

COMMITTEE: Mobile Source Air Pollution Reduction Review, November 20, 2014, Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Approve a funding augmentation to existing contract #MS14048 with BusWest in an amount not to exceed \$31,000 under the Alternative Fuel School Bus Incentives Program as part of approval of the FYs 2012-14 AB 2766 Discretionary Fund Work Program, as described in this letter;
2. Approved modified award to the City of San Fernando under the Local Government Match Program, substituting the expansion of their existing CNG fueling station for the installation of a new CNG station, with a corresponding reduction in the award amount from \$500,000 to \$387,091, as part of approval of the FYs 2012-14 AB 2766 Discretionary Fund Work Program, as described in this letter;
3. Approve the award of twelve contracts totaling \$2,049,954 under the Alternative Fuel Infrastructure Program, as part of approval of the FYs 2012-14 AB 2766 Discretionary Fund Work Program, as described in this letter and as follows:
  - a. A contract with Fullerton Joint Union High School District in an amount not to exceed \$300,000 for expansion of their existing public access CNG fueling station and modifications to their vehicle maintenance facility;

- b. A contract with Rialto Unified School District in an amount not to exceed \$225,000 for installation of a new public access CNG fueling station;
  - c. A contract with County Sanitation District No. 2 of Los Angeles County in an amount not to exceed \$175,000 for installation of a new limited access CNG fueling station;
  - d. A contract with American Honda Motor Company in an amount not to exceed \$150,000 for installation of a new public access CNG fueling station;
  - e. A contract with Waste Resources Inc. in an amount not to exceed \$100,000 for installation of a new limited access CNG fueling station;
  - f. A contract with CR&R Inc. in an amount not to exceed \$249,954 for expansion of their existing limited access, renewable natural gas fueling station and modifications to their vehicle maintenance facility, both in Perris, California;
  - g. A contract with CR&R Inc. in an amount not to exceed \$175,000 for expansion of their existing limited access CNG fueling station and modifications to their vehicle maintenance facility, both in Garden Grove, California;
  - h. A contract with Pomona Valley Transfer Station in an amount not to exceed \$150,000 to expand their existing public access CNG fueling station;
  - i. A contract with Hacienda La Puente Unified School District in an amount not to exceed \$175,000 for installation of a new limited access CNG fueling station;
  - j. A contract with U.S. Air Conditioning in an amount not to exceed \$100,000 for expansion of their existing limited access CNG fueling station;
  - k. A contract with Prologis, L.P. in an amount not to exceed \$100,000 for installation of a new limited access CNG fueling station; and
  - l. A contract with San Gabriel Valley Towing in an amount not to exceed \$150,000 for installation of a new public access CNG fueling station;
4. Approve the award of two contracts totaling \$323,605 under the Major Event Center Transportation Program, as part of approval of the FYs 2012-14 AB 2766 Discretionary Fund Work Program, as described in this letter and as follows:
- a. A contract with Orange County Transportation Authority in an amount not to exceed \$239,645 to provide special Metrolink service for 2015 Angels games; and
  - b. A contract with Southern California Regional Rail Authority to provide special Metrolink service in an amount not to exceed \$83,960 for the 2015 NASCAR Sprint Cup Series event at Auto Club Speedway;
5. Approve MSRC allocation totaling \$800,000 for partnership with SCAQMD on implementation of AB118 Enhanced Fleet Modernization Program, as part of approval of the FYs 2014-16 AB 2766 Discretionary Fund Work Program, as described in this letter and as follows:
- a. The award of a contract with Top Shelf Consulting, LLC. in an amount not to exceed \$200,000 to conduct a portion of the administration, marketing and outreach for the Program, and
  - b. Contributing the remaining \$600,000 to support vehicle replacement, transit and car-sharing vouchers in accordance with the Program terms.
6. Authorize MSRC the authority to adjust contract awards up to five percent, as necessary and previously granted in prior work programs; and

7. Authorize the Chairman of the Board to execute new and modified contracts under FYs 2012-14 and 2014-16 Work Programs, as described above and in this letter.

Larry McCallon,  
Vice Chair, MSRC

MM:HH:CR

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### **Background**

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

The MSRC completed selecting categories and targeted funding amounts for the FYs 2012-14 Work Program in May 2013. At its November 20, 2014 meeting, the MSRC considered recommended awards under the Alternative Fuel Infrastructure and Major Event Center Transportation Programs, as well as recommended contract modifications. In response to a partnership opportunity for the Enhanced Fleet Modernization Program, the MSRC also considered a recommendation to make the first allocation under the FYs 2014-16 Work Program. Details are provided below in the Proposals section.

### **Outreach**

In accordance with SCAQMD's Procurement Policy and Procedure, public notices advertising the Alternative Fuel Infrastructure and Major Event Center Transportation Program Announcements were published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin. In addition, the solicitations were advertised in the Desert Sun newspaper for expanded outreach in the Coachella Valley.

Additionally, potential bidders may have been notified utilizing SCAQMD'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 the Internet at SCAQMD'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 November 20, 2014 meeting, the MSRC considered recommendations from its MSRC-TAC and approved the following:

### **FYs 2012-14 Alternative Fuel School Bus Incentives Program**

As part of the FYs 2012-14 Work Program, the MSRC allocated \$2.0 million for the implementation of an Alternative Fuel School Bus Incentives Program. The MSRC previously deemed BusWest qualified for Program participation and authorized them to offer buy-down incentives to qualifying school districts or private providers of pupil transportation. The MSRC approved an initial award to BusWest in January 2014, and in subsequent actions the MSRC approved contract value increases to incentivize additional buses ordered. In November, the MSRC approved a new request from BusWest for an additional \$31,000 to incentivize a full-sized CNG school bus ordered by Banning Unified School District as part of the FYs 2012-14 AB 2766 Discretionary Fund Work Program.

### **FYs 2012-14 Local Government Match Program**

As part of the FYs 2012-14 Work Program, the MSRC approved an award to the City of San Fernando for the installation of a new publicly accessible CNG fueling station. The City subsequently determined that the original designated location for the station would not be suitable due to space constraints and land use compatibility issues. In order to meet their needs for additional fueling capacity, the City requested to substitute the expansion of their existing CNG station. The expansion would cost less than a new station, with a corresponding \$112,909 reduction in the City's funding request. The FYs 2012-14 Local Government Match Program offered funding for both new and expanded stations. The MSRC approved the substitution and reduced award amount of \$387,091 as part of the FYs 2012-14 AB 2766 Discretionary Fund Work Program.

### **FYs 2012-14 Alternative Fuel Infrastructure Program**

As part of the FYs 2012-14 Work Program, the MSRC allocated \$7.5 million for the implementation of new and expanded CNG and LNG refueling stations and modification of maintenance facilities to accommodate gaseous-fueled vehicles. A Program Announcement, #PA2014-05, was developed and released on September 6, 2013, with an open application period commencing October 8, 2013 and closing September 26, 2014. The MSRC previously considered fifteen applications and awarded a total of \$1,903,000 for those projects; one award for \$175,000 was subsequently declined. Fifteen additional applications were received by the deadline. Evaluations have been completed for twelve of these applications; evaluations are still underway for the remaining three applications and they will be considered by the MSRC in the near future. The MSRC approved twelve contract awards totaling \$2,049,954 as part of the FYs 2012-14 AB 2766 Discretionary Fund Work Program, as follows:

- a. A contract with Fullerton Joint Union High School District in an amount not to exceed \$300,000 for expansion of their existing public access CNG fueling station and modifications to their vehicle maintenance facility;

- b. A contract with Rialto Unified School District in an amount not to exceed \$225,000 for installation of a new public access CNG fueling station;
- c. A contract with County Sanitation District No. 2 of Los Angeles County in an amount not to exceed \$175,000 for installation of a new limited access CNG fueling station;
- d. A contract with American Honda Motor Company in an amount not to exceed \$150,000 for installation of a new public access CNG fueling station;
- e. A contract with Waste Resources Inc. in an amount not to exceed \$100,000 for installation of a new limited access CNG fueling station;
- f. A contract with CR&R Inc. in an amount not to exceed \$249,954 for expansion of their existing limited access, renewable natural gas fueling station and modifications to their vehicle maintenance facility, both in Perris, California;
- g. A contract with CR&R Inc. in an amount not to exceed \$175,000 for expansion of their existing limited access CNG fueling station and modifications to their vehicle maintenance facility, both in Garden Grove, California;
- h. A contract with Pomona Valley Transfer Station in an amount not to exceed \$150,000 to expand their existing public access CNG fueling station;
- i. A contract with Hacienda La Puente Unified School District in an amount not to exceed \$175,000 for installation of a new limited access CNG fueling station;
- j. A contract with U.S. Air Conditioning in an amount not to exceed \$100,000 for expansion of their existing limited access CNG fueling station;
- k. A contract with Prologis, L.P. in an amount not to exceed \$100,000 for installation of a new limited access CNG fueling station; and
- l. A contract with San Gabriel Valley Towing in an amount not to exceed \$150,000 for installation of a new public access CNG fueling station.

#### FYs 2012-14 Major Event Center Transportation Program

As part of the FYs 2012-14 Work Program, the MSRC allocated \$4.0 million for event center transportation programs and released a Program Announcement to solicit projects for traffic-impacted centers. In September 2013 and September 2014 the MSRC subsequently allocated an additional \$27,450 and \$54,087, respectively, to the Program, bringing the total Program allocation to \$4,081,537. To date, \$3,630,740 has already been awarded. The Program Announcement closed as of September 30, 2014. Two additional applications were received prior to the deadline. Orange County Transportation Authority (OCTA) requested the MSRC to consider an award of \$239,645 to implement special Metrolink service for the 2015 Angels season. The service would be provided in support of 48 Angels home games with two dedicated trains that would run along Metrolink's Orange County Line corridor from Oceanside in the south and Los Angeles Union Station in the north to the terminus at Anaheim Station. In addition, limited service would be provided on Metrolink's Inland Empire-Orange County line from Riverside Downtown to Orange, followed by a transfer at Orange to Anaheim, for 13 Friday games. Service would promote the use of public transit, including bus and rail, in lieu of personal automobile. Elimination of traffic congestion, especially reductions in automobile stop and go driving and queuing, has a direct link to reduced vehicle exhaust

emissions. OCTA would contribute at least \$241,400 in co-funding. In accordance with the Program terms, OCTA would only seek reimbursement for rail trips performed using Metrolink's cleanest locomotives, rated at Tier 2. The MSRC approved a contract award to OCTA in an amount not to exceed \$239,645 to implement the 2015 Angels Express service.

Also in response to the Major Event Center Transportation Program Announcement, the Southern California Regional Rail Authority (SCRRA), in partnership with the Auto Club Speedway, requested the MSRC to consider an award of \$83,960 to implement special Metrolink service for the 2015 NASCAR Sprint Cup Series event to be held in March 2015. The service would provide, free of charge to end users, dedicated Metrolink service on the final day of the event, using locomotives powered by Tier 2-rated engines or better, on three rail lines: 1) from Oceanside; 2) from Oxnard; and 3) from Lancaster. The majority of stops would be located in SCAQMD's jurisdiction. As with the above project, service would promote the use of public transit in lieu of personal automobile. The Auto Club Speedway and SCRRA would collectively contribute no less than \$260,000 in co-funding towards service implementation, advertising and marketing purchases. The MSRC approved a contract award to SCRRA in an amount not to exceed \$83,960 to implement the special Metrolink service for the March 2015 NASCAR Sprint Cup Series event as part of the FYs 2012-14 AB 2766 Discretionary Fund Work Program.

#### FYs 2014-16 Enhanced Fleet Modernization Program

The Enhanced Fleet Modernization Program (EFMP) is a vehicle retirement and replacement program authorized by the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 (AB 118). The program focuses on providing greater incentives to eligible low- and middle-income owners of older vehicles to scrap their existing vehicle and receive a voucher either to help acquire a newer vehicle or cover the cost for transit passes or participation in car-sharing programs. The first year of the EFMP is a pilot demonstration program to determine effective ways to encourage low- and moderate-income consumers to participate in the program. As such, the SCAQMD issued an RFP to solicit proposals in July 2014. Six proposals were received at the close of the RFP submittal period. The proposals were evaluated and scored by a three member review panel that included the MSRC Technical Advisor. Five of the proposals met the minimum technical score for further consideration. Given the diverse and unique approaches for outreach and marketing, the proposal review panel recommended that consideration be given to fund the five technically qualified proposals. One of the applicants was not interested in splitting the available funding. Therefore, four of the qualified proposals are being recommended for funding.

As the SCAQMD Board will be considering the implementation of the EFMP in a separate item at its December 5, 2014 meeting, SCAQMD staff initiated discussions with MSRC staff regarding potential partnership. Given the flexibility of the use of the voucher for a replacement vehicle, transit passes, or car-sharing program, the EFMP is

consistent with the MSRC's goals and objectives to reduce motor vehicle emissions. SCAQMD staff would be responsible for program administration. The MSRC considered this partnership opportunity and approved an allocation totaling \$800,000 towards the EFMP as the first element of the FYs 2014-16 AB 2766 Discretionary Fund Work Program, to be divided as follows:

- a. The award of a contract with Top Shelf Consulting, LLC (one of the four entities that the proposal review panel recommended to SCAQMD staff to implement the EFMP) in an amount not to exceed \$200,000 to conduct a portion of the administration, marketing and outreach for the Program, and
- b. Contributing the remaining \$600,000 to support vehicle replacement, transit and car-sharing vouchers in accordance with the Program terms, as described more fully in the separate item concerning the EFMP.

At this time, the MSRC requests the SCAQMD Board to approve the contract awards and modifications as part of approval of the FYs 2012-14 and 2014-16 AB 2766 Discretionary Fund Work Programs as outlined above. The MSRC also requests the Board to authorize the SCAQMD Chairman of the Board the authority to execute all agreements described in this letter. The MSRC further requests authority to adjust the funds allocated to each project specified in this Board letter by up to five percent of the project's recommended funding. The Board has granted this authority to the MSRC for all past Work Programs.

### **Resource Impacts**

The SCAQMD 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, as well as any contracts awarded in response to the solicitation, will be drawn from this fund.