



BOARD MEETING DATE: October 2, 2015

AGENDA NO. 15

PROPOSAL: Approve Contract Awards and Allocation Approved by MSRC

SYNOPSIS: As part of their FYs 2014-16 AB 2766 Discretionary Fund Work Program, the MSRC approved eleven new contracts under the Local Government Program and one new contract under the Alternative Fuel Infrastructure Program. The MSRC also approved a funding allocation towards the Enhanced Fleet Modernization Program, with the funds to support vehicle replacement, transit and car-sharing vouchers. At this time the MSRC seeks Board approval of the contract awards and allocation.

COMMITTEE: Mobile Source Air Pollution Reduction Review, September 17, 2015; Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve the award of 11 contracts totaling \$2,581,925 under the Local Government Match 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. A contract with the City of Azusa in an amount not to exceed \$474,925 to implement a "Complete Streets" pedestrian access project, contingent upon pre- and post-project collection of vehicle and pedestrian counts;
 - b. A contract with the Coachella Valley Association of Governments in an amount not to exceed \$250,000 to conduct street sweeping operations in the Coachella Valley;
 - c. A contract with the City of Riverside in an amount not to exceed \$500,000 to implement a "Complete Streets" pedestrian access project, contingent upon pre- and post-project collection of vehicle and pedestrian counts;
 - d. A contract with the City of Wildomar in an amount not to exceed \$500,000 to install bicycle lanes;
 - e. A contract with the City of Brea in an amount not to exceed \$500,000 to install a Class 1 Bikeway;
 - f. A contract with the City of Rancho Cucamonga in an amount not to exceed \$30,000 to purchase one heavy-duty natural gas vehicle;
 - g. A contract with the City of Palm Springs in an amount not to exceed \$110,000 to install bicycle lanes;

- h. A contract with the City of Torrance in an amount not to exceed \$32,000 to install EV charging infrastructure;
 - i. A contract with the City of Eastvale in an amount not to exceed \$110,000 to install EV charging infrastructure;
 - j. A contract with the City of Moreno Valley in an amount not to exceed \$20,000 to install EV charging infrastructure; and
 - k. A contract with the City of San Dimas in an amount not to exceed \$55,000 to install EV charging infrastructure;
2. Approve an award under the Alternative Fuel Infrastructure Program to LBA Realty Company LLC in an amount not to exceed \$100,000 for the installation of a limited access CNG station, as part of approval of the FYs 2014-16 AB 2766 Discretionary Fund Work Program, as described in this letter;
 3. Approve MSRC allocation in an amount not to exceed \$6,201,000 for partnership with SCAQMD on implementation of AB118 Enhanced Fleet Modernization Program, with funding to support vehicle replacement, transit and car-sharing vouchers in accordance with the Program terms, as part of approval of the FYs 2014-16 AB 2766 Discretionary Fund Work Program, as described in this letter;
 4. Authorize MSRC the authority to adjust contract awards up to five percent, as necessary and previously granted in prior work programs; and
 5. Authorize the Chairman of the Board to execute new contracts under FYs 2014-16 Work Program, as described above and in this letter.

Greg Pettis,
Chair, MSRC

MM:HH:CR

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.

In November 2014, the MSRC selected initial categories for the FYs 2014-16 Work Program, with the understanding that additional project categories would continue to be developed and brought forward for consideration at a later date. At its September 17, 2015 meeting, the MSRC considered recommended awards under the Local Government Match and Alternative Fuel Infrastructure Programs. In response to an expanded partnership opportunity for the Enhanced Fleet Modernization Program, the MSRC also

considered a recommendation to make a new 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 Local Government Match and Alternative Fuel Infrastructure Program Announcements were published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin. In addition, the Program Announcements 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 solicitations was emailed 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 solicitations were 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 September 17, 2015 meeting, the MSRC considered recommendations from its MSRC-TAC and approved the following:

Local Government Match Program

As an element of the FYs 2014-16 Work Program, the MSRC allocated \$13.0 million for the Local Government Match Program. A Program Announcement was developed and released on May 1, 2015. As in the previous Work Program, the Local Government Match Program offers to co-fund qualifying medium- and heavy-duty alternative fuel vehicles, alternative fuel infrastructure projects, electric vehicle charging infrastructure, and regional street sweeping in the Coachella Valley. The bicycle projects category was expanded to include "active transportation" projects, and commercial zero emission riding lawnmowers was added as a new category. In all categories, funding is provided on a dollar-for-dollar match basis, and funding for all eligible entities shall be distributed on a first-come, first-served basis with a geographic minimum per county of \$1.625 million. The Program Announcement includes an open application period commencing June 2, 2015 and closing September 4, 2015. To date, the MSRC has awarded a total of \$5,114,228 to 25 applications. The MSRC approved 11 additional applications totaling \$2,581,925 as part of the FYs 2014-16 AB 2766 Discretionary Fund Work Program, as follows:

- a. A contract with the City of Azusa in an amount not to exceed \$474,925 to implement a "Complete Streets" pedestrian access project, contingent upon pre- and post-project collection of vehicle and pedestrian counts;

- b. A contract with the Coachella Valley Association of Governments in an amount not to exceed \$250,000 to conduct street sweeping operations in the Coachella Valley;
- c. A contract with the City of Riverside in an amount not to exceed \$500,000 to implement a “Complete Streets” pedestrian access project, contingent upon pre- and post-project collection of vehicle and pedestrian counts;
- d. A contract with the City of Wildomar in an amount not to exceed \$500,000 to install bicycle lanes;
- e. A contract with the City of Brea in an amount not to exceed \$500,000 to install a Class 1 Bikeway;
- f. A contract with the City of Rancho Cucamonga in an amount not to exceed \$30,000 to purchase one heavy-duty natural gas vehicle;
- g. A contract with the City of Palm Springs in an amount not to exceed \$110,000 to install bicycle lanes;
- h. A contract with the City of Torrance in an amount not to exceed \$32,000 to install EV charging infrastructure;
- i. A contract with the City of Eastvale in an amount not to exceed \$110,000 to install EV charging infrastructure;
- j. A contract with the City of Moreno Valley in an amount not to exceed \$20,000 to install EV charging infrastructure; and
- k. A contract with the City of San Dimas in an amount not to exceed \$55,000 to install EV charging infrastructure.

Alternative Fuel Infrastructure Program

As part of the FYs 2014-16 Work Program, the MSRC allocated \$5.0 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, #PA2015-12, was developed and released on May 1, 2015, with an open application period commencing that day and closing July 29, 2016. One application was received prior to the September 3, 2015 MSRC-TAC meeting. As part of the FYs 2014-16 AB 2766 Discretionary Fund Work Program, the MSRC approved a contract award to LBA Realty Company LLC, in an amount not to exceed \$100,000, for the installation of a limited access CNG station.

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. In conjunction, the EFMP Plus-Up supplements the EFMP by increasing incentives for certain advanced technology replacement vehicles.

The MSRC previously allocated \$800,000 to partner with SCAQMD in its implementation of the EFMP. Of this amount, \$200,000 was awarded to one of the four contractors implementing the program, and \$600,000 was to cover vouchers. Since implementation began in May 2015, the EFMP has generated significant interest from the public and is currently oversubscribed. SCAQMD staff initiated discussions with CARB staff regarding the availability of additional funding from the State, and in a separate item at its October 2, 2015 meeting, the SCAQMD Board will be considering allocation of additional SCAQMD funds. SCAQMD staff also initiated discussions with MSRC staff regarding potential expansion of the current partnership. The MSRC considered this partnership opportunity and approved an allocation of up to \$6,201,000 to augment the SCAQMD funds to implement the EFMP and EFMP Plus-Up as an element of the FYs 2014-16 AB 2766 Discretionary Fund Work Program. The MSRC contribution would be for the voucher program only.

At this time, the MSRC requests the SCAQMD Board to approve the contract awards as part of approval of the FYs 2014-16 AB 2766 Discretionary Fund Work Program 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.