

BOARD MEETING DATE: October 7, 2016

AGENDA NO. 4

PROPOSAL: Transfer and Appropriate Funds, Amend Contract to Enhance Website Application Process for Enhanced Fleet Modernization Program, and Reimburse Administrative Costs

SYNOPSIS: Last month, the Board approved continuation of the AB 118 Enhanced Fleet Modernization Program (EFMP) and EFMP Plus-Up for FY 2016-17. Staff proposes to streamline its implementation through an enhanced website application process, which will allow applicants to track their application status. Funds need to be transferred to the General Fund for this effort and to cover other administrative and outreach efforts associated with EFMP implementation. Thus, these actions are to: 1) transfer and appropriate \$175,000 from the HEROS II Special Revenue Fund (56) into Information Management's FY 2016-17 Budget; 2) amend a contract with Varsun eTechnologies to develop an in-house web-based application process for the EFMP in an amount not to exceed \$150,000 and provide EFMP website maintenance for \$25,000; 3) reimburse the General Fund up to \$10,000 from the HEROS II Special Revenue Fund (56) for administrative costs to operate a communications/call-in center; and 4) transfer and appropriate \$70,000 from the HEROS II Special Revenue Fund (56) to Science & Technology Advancement's FY 2016-17 or FY 2017-18 Budget for EFMP marketing and outreach efforts.

COMMITTEE: Technology, September 16, 2016; Recommended for Approval

RECOMMENDED ACTIONS:

1. Transfer \$150,000, upon receipt of the FY 2016-17 revenue from CARB for EFMP, from the HEROS II (High Emitters Repair or SCRAP Program) Special Revenue Fund (56) into the General Fund and appropriate \$150,000 to Information Management's FY 2016-17 Budget, Capital Outlays Major Object, Capital Outlays Account, for development of an in-house web-based application process for the EFMP.
2. Transfer \$25,000, upon receipt of the FY 2016-17 revenue from CARB for EFMP, from the HEROS II Special Revenue Fund (56) into the General Fund and appropriate \$25,000 to Information Management's FY 2016-17 Budget, Services

- and Supplies Major Object, Professional and Special Services Account, for EFMP website maintenance.
3. Authorize the Executive Officer to amend a contract with Varsun eTechnologies for an amount not to exceed \$175,000:
 - a. From Information Management's FY 2016-17 Budget, Capital Outlays Major Object, Capital Outlays Account, for an amount not to exceed \$150,000 to develop an in-house web-based application process for the EFMP; and
 - b. From Information Management's FY 2016-17 Budget, Services and Supplies Major Object, Professional and Special Services Account, for \$25,000 to provide EFMP website maintenance.
 4. Reimburse the General Fund up to \$10,000 from the HEROS II Special Revenue Fund (56) for administrative costs to operate a communications/call-in center for a one-year period.
 5. Transfer, as needed, up to \$70,000 from the HEROS II Special Revenue Fund (56) into the General Fund and appropriate up to \$70,000 to Science and Technology Advancement's FY 2016-17 or 2017-18 Budget (Org 44), Services and Supplies Major Object, Professional and Special Services Account, for EFMP marketing and outreach efforts.

Wayne Natri
Acting Executive Officer

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Background

At its September 2, 2016 meeting, the Board approved the continuance of the Enhanced Fleet Modernization Program (EFMP) and EFMP Plus-Up for the South Coast Air Basin and Coachella Valley with the recognition of up to \$13,700,000 in revenues from CARB for FY 16-17 and the release of a RFP for case management and vehicle emissions testing services. Staff will return to the Board on the results of the RFP at a date in the near future.

Up to 15 percent (\$2,055,000) of the \$13,700,000 FY 16-17 EFMP and EFMP Plus-Up funds may be used to cover administrative costs and conduct consumer outreach. As part of the Board's approval of the EFMP in December 2014, \$70,000 was transferred from the HEROS II Special Revenue Fund (56) to the General Fund and appropriated to Science and Technology Advancement's Budget to cover the cost of print outreach, educational and marketing materials and supporting special outreach efforts at community events. There have been several special events that the SCAQMD has participated at that included the promotion of the EFMP. The most recent events occurred in Assembly Member Burke's District. In addition, the SCAQMD has been invited to several community events to promote the EFMP.

Currently, the EFMP Web application site (ReplaceYourRide.com) and call-in center is maintained by the Foundation for California Community Colleges, one of the contractors implementing the EFMP. Based on the experience to date in implementing the EFMP and EFMP Plus-Up, staff proposes to improve the efficiency of the Program with enhancements to the application process, including revamping the program website (ReplaceYourRide.com) and maintaining the website on the SCAQMD computer servers. In addition, staff proposes to operate the call-in center at the SCAQMD rather than through an outside contractor. To facilitate the web enhancements and move the website to SCAQMD's servers, staff worked with Information Management (IM) staff to develop a scope of work and seek informal bids from IM's level-of-effort (LOE) software development contractors with the intent to issue a task order to the winning bidder to perform the services.

Bid Evaluation

The scope of work for the enhancements to the website and online application process is attached. Four proposals were received from the following entities:

- AgreeYa Solutions, Inc.
- Prelude Systems, Inc.
- Sierra Cybernetics, Inc.
- Varsun eTechnologies Group, Inc.

The proposals were reviewed and evaluated by a five-member panel, in accordance with established SCAQMD guidelines, using technical and cost criteria outlined in the scope of work soliciting informal bids from IM's LOE software development contractors. The five-member panel consisted of a Fleet Rule Implementation Manager, a Technology Implementation Manager, and three Systems & Programming Supervisors from SCAQMD. The panel's composition was one African-American, two Asian-Americans and two Caucasians; four males, one female. Varsun eTechnologies was the lowest bidder.

Proposal

These actions include the transfer of \$175,000 from the administrative portion of the HEROS II Special Revenue Fund (56) into the General Fund and appropriation of \$175,000 into Information Management's FY 2016-17 Budget: \$150,000 to the Capital Outlays Major Object, Capital Outlays Account, and \$25,000 to the Services and Supplies Major Object, Professional and Special Services Account. These actions are to also amend a contract with Varsun eTechnologies for an amount not to exceed \$175,000 to develop an in-house web-based application for the EFMP in an amount not to exceed \$150,000 from Information Management's FY 2016-17 Budget, Capital Outlays Major Object, Capital Outlays Account, and to provide EFMP website maintenance for a cost of \$25,000 from Information Management's FY 2016-17 Budget, Services and Supplies Major Object, Professional and Special Services Account. Furthermore, these actions are to reimburse the General Fund up to \$10,000 from the HEROS II Special Revenue

Fund (56) for administrative costs to operate a communications/call-in center for a one-year period. Finally, these actions are to transfer and appropriate \$70,000, as needed, from the administrative portion of the HEROS II Special Revenue Fund (56) to Science & Technology Advancement’s FY 2016-17 or 2017-18 Budget, Services and Supplies Major Object, Professional and Special Services Account, for SCAQMD to conduct outreach and marketing through various media similar to the successful Lawn Mower Exchange Program.

	FY 2016-17 EFMP and EFMP Plus-Up
Available Funding*	\$2,055,000 max
Proposed Use (General Fund):	
Web Based Application Process	
Development	\$150,000
Maintenance	\$25,000
Call Center Operations	\$10,000
Outreach and Marketing	\$70,000

*FY 2016-17 funding will be 15% of the up to \$13.7M in EFMP and EFMP Plus-Up revenue as allowed by CARB; Funding will be recognized in Fund 56 (Admin)

Benefits to SCAQMD

Successful continued implementation of the EFMP and EFMP Plus-Up will reduce emissions by accelerating the turnover of high-emitting vehicles with cleaner, more environmentally friendly replacement vehicles or use of alternative mobility options. Incentives for program participation will be provided to low- and middle-income vehicle owners to ensure that disadvantaged communities benefit from cleaner replacement vehicles. This program is included in the *Technology Advancement Office Clean Fuels Program 2016 Plan Update* under “Electric/Hybrid Technologies & Infrastructure.”

Resource Impacts

Last month, the Board recognized CARB revenue up to \$13,700,000 into the HEROS II Special Revenue Fund (56) for the EFMP and EFMP Plus-Up. Up to 15 percent (\$2,055,000) may be used to cover administrative costs and conduct consumer outreach. Once this revenue is received, there will be sufficient funds available in the HEROS II Special Revenue Fund (56) for these actions. The contract amendment with Varsun eTechnologies will not exceed \$175,000.