

BOARD MEETING DATE: May 4, 2018

AGENDA NO. 29

REPORT: Technology Committee

SYNOPSIS: The Technology Committee held a meeting on Friday, April 20, 2018. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Joe Buscaino, Chair
Technology Committee

MMM:pmk

Committee Members

Present: Council Member Joe Buscaino/Chair (videoconference), Mayor Larry McCallon, Mayor Pro Tem Judith Mitchell, Council Member Dwight Robinson

Absent: Supervisor Janice Rutherford and Supervisor Hilda L. Solis

Call to Order

Chair Buscaino called the meeting to order at 12:22 p.m.

ACTION ITEMS:

1. Execute Contract to Develop and Certify Near-Zero Emission Propane Engine for On-Road Medium-Duty Vehicles

The SCAQMD helped to develop near-zero emission CNG engines that are 90% cleaner than the current heavy-duty engine standard, and those engines are now available in the market. There is a need, however, to develop and certify near-zero engines for medium-duty vehicles. Roush CleanTech proposes to modify an existing Ford 6.8-liter propane engine to achieve certification at near-zero NOx for use in Type C school buses and cutaway trucks and vans. This action is to execute a contract with Roush CleanTech to develop, demonstrate and certify a 6.8-liter near-zero emission propane engine in an amount not to exceed \$488,750 from the Clean Fuels Fund (31).

Mayor Pro Tem Mitchell inquired about the ability to retrofit existing engines, incentive funds available for the proposed engines and the status of battery electric school buses. Staff informed the committee that the subject project is for new engines or for repowers, and after certification, the near-zero propane engine will be eligible for incentive funds. Additionally, five OEMs currently offer battery electric buses, and SCAQMD has previously provided funding for battery electric buses and staff is currently seeking feedback from school districts on overall performance and costs.

Council Member Robinson asked a question about the deployment prospects for an electric bus and the time frame involved. Staff informed the committee that the battery electric buses are anticipated to be deployed over the next 12 months.

Based on an inquiry by Council Member Buscaino about co-pay for battery electric buses, staff indicated that between the District's AB 923 and CARB's Hybrid Voucher Incentive Project (HVIP), the school district is provided the full cost of the bus with some funds for the infrastructure. Javier Rodriguez, Garden Grove School District, commented that funds for infrastructure, especially facility upgrades, are insufficient. Staff informed the committee that additional infrastructure funds are available from the HVIP program, and CEC is also working on a plan to support electrical infrastructure.

Moved by Mitchell; seconded by Robinson; unanimously approved.

Ayes: Buscaino, McCallon, Mitchell and Robinson

Noes: None

Absent: Rutherford and Solis

2. Approve Awards for Alternative Fuel School Bus Replacement Program

On October 6, 2017, the Board issued a Program Announcement to solicit applications for replacement of pre-1994 diesel school buses with alternative fuel school buses. Subsequently, on April 6, 2018, the Board recognized \$3,184,875 from U.S. EPA's 2017 Targeted Air Shed Grant Program to replace diesel school buses with near-zero emission CNG buses. This action is to approve awards to replace pre-1994 diesel school buses with new, near-zero or optional low NOx alternative fuel buses in an amount not to exceed \$35,638,000, comprised of \$32,533,300 from the Carl Moyer Program AB 923 Special Revenue Fund (80) and \$3,104,700 from U.S. EPA's 2017 Targeted Air Shed Grant in the Clean Fuels Program Fund (31). This action is to also reimburse the General Fund for administrative costs up to \$80,000 for implementation of these school bus replacements.

Council Member Robinson asked how many pre-'94 school buses are left in the inventory. Staff explained that due to CARB rule and incentives, the number of pre-

'94 buses has declined significantly since last year. Last year, there were about 800-900 pre-'94 buses, and this year due to CARB's school bus regulation the number is about 300 to 400. With these incentive awards, the number of pre-'94 buses is expected to reduce to less than 200 buses.

Council Member Robinson also asked if the funding level for fueling infrastructure is reasonable and will school districts need to provide any additional funds for the infrastructure. Staff explained the \$14,000 funding level is adequate for a slow-fill system which most school districts can use since the school buses can fill overnight. With the availability of other funding sources, such as CEC and HVIP, many schools have not requested the available incentive funding from the SCAQMD.

Council Member Robinson expressed a concern for the scrapping requirement and asked if the old school buses could be considered for re-use in other states or even other countries. Staff commented that school buses may not be as suitable for re-use as older trucks due to the optional equipment and designs. Trucks may be more appropriate for re-use, however staff will work with CARB to see if re-use is an option. This would require a guideline change by CARB.

Mauro Bologna of Creative Bus Sales asked if school districts would have to pay the \$15,000 if they opt to purchase an electric school bus and receive HVIP funding. Staff commented that HVIP funding could count toward the co-pay by the schools. Creative Bus Sales also asked if school districts can get the Type D funding level if they elect to purchase an electric school bus. Staff explained the funding levels were requested by the school districts, and would be capped at the Board-approved amounts.

Carlos Chicas of Capistrano Unified School District commended the SCAQMD on the success of this program and its fuel neutrality.

Javier Rodriguez of Garden Grove Unified School District asked if funding could be made available for a child check system, which will be required starting in August of this year. Staff explained that currently there is no provision to provide funding for a child check system. Current funding covers seat belts and fire suppression. The estimated cost for a child check system on a bus is about \$1,000. Staff said they will discuss this request with CARB.

Moved by McCallon; seconded by Robinson; unanimously approved.

Ayes: Buscaino, McCallon, Mitchell and Robinson

Noes: None

Absent: Rutherford and Solis

3. Establish Special Revenue Fund, Recognize AB 134 Grant Revenue, Transfer, Appropriate, Redistribute Funds, and Execute Contracts

The Board has previously recognized AB 134 revenue up to \$107.5 million from CARB into the Carl Moyer Program Fund (32); approved “Year 19” Carl Moyer Program awards from Fund 32 that include AB 134 revenues; and allowed a temporary loan up to \$51,701,413 from Carl Moyer Program AB 923 Fund (80) into Fund 32 until receipt of AB 134 revenue. To facilitate program tracking and auditing, this action is to instead 1) establish the Community Air Protection AB 134 Fund (77) and recognize CARB AB 134 grant funds into Fund 77 instead of Fund 32; 2) allow a temporary loan from Fund 80 into Fund 77 instead of Fund 32; 3) authorize the Chairman to execute contracts in an amount not to exceed \$51,701,413, as approved by the Board in November 2017, from Fund 77 instead of Fund 32; and 4) revise other previously approved transactions with AB 134 funding from the newly established Fund 77.

Mayor Pro Tem Mitchell disclosed that she does not have a financial interest but is required to identify for the record that she is a Board Member of the California Air Resources Board which is involved in Item #3.

Mayor Pro Tem Mitchell asked for clarification about the administrative cost. Staff confirmed the AB 134 Grant is \$107.5 million and the administrative cost is \$561,000.

Mayor McCallon asked if the Community Air Protection AB 134 Fund is being set up to be able to track AB 134 funds. Staff responded that a grant of this nature has its own fund for audit purposes. When CARB audits the program, they want to see revenue, expenditure, contracts and interest, which is easier to track if it is in its own fund.

Moved by Robinson; seconded by McCallon; unanimously approved.

Ayes: Buscaino, McCallon, Mitchell and Robinson

Noes: None

Absent: Rutherford and Solis

OTHER MATTERS:

4. Other Business:

There was no other business.

5. Public Comment Period:

There were no public comments.

6. Next Meeting Date

The next regular Technology Committee meeting is scheduled for Friday, May 18, 2018 at noon.

Adjournment

The meeting adjourned at 1:07 p.m.

Attachment

Attendance Record

ATTACHMENT

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT TECHNOLOGY COMMITTEE MEETING

Attendance Record – April 20, 2018

Council Member Joe Buscaino (videoconference)	SCAQMD Board Member
Mayor Larry McCallon	SCAQMD Board Member
Mayor Pro Tem Judith Mitchell	SCAQMD Board Member
Council Member Dwight Robinson	SCAQMD Board Member
Mark Abramowitz	Board Consultant (Lyou)
David Czamanske	Board Consultant (Cacciotti)
Jacob Haik	Board Consultant (Buscaino)
Ron Ketcham	Board Consultant (McCallon)
Andrew Silva	Board Consultant (Rutherford)
Mauro Bologna	Creative Bus Sales
Carlos Chicas	Capistrano USD
Jason Hohalek	Creative Bus Sales
Daniel McGivney	SoCalGas
Javier Rodriguez	Garden Grove USD
Ryne Shetterly	GreenPower Bus
Norma Sifuentes	Garden Grove USD
Jason Songer, Sr.	A-Z Bus
Susan Stark	Andeavor
Naveen Berry	SCAQMD Staff
Lily Garcia	SCAQMD Staff
Laura Garrett	SCAQMD Staff
Drue Hargis	SCAQMD Staff
Sujata Jain	SCAQMD Staff
Pat Krayser	SCAQMD Staff
Joe Lopat	SCAQMD Staff
Fred Minassian	SCAQMD Staff
Matt Miyasato	SCAQMD Staff
Ron Moskowitz	SCAQMD Staff
Wayne Nastri	SCAQMD Staff
Veera Tyagi	SCAQMD Staff
Donna Vernon	SCAQMD Staff
Vicki White	SCAQMD Staff
Vasken Yardemian	SCAQMD Staff