

BOARD MEETING DATE: July 12, 2019

AGENDA NO. 11

PROPOSAL: Approve Contract Modification Approved by MSRC and Approve Fund Transfer for Miscellaneous and Direct Expenditures Costs in FY 2019-20 as Approved by MSRC

SYNOPSIS: As part of their FYs 2018-21 Work Program, the MSRC approved a contract value increase to the MSRC's Programmatic Outreach Coordinator, Better World Group Advisors, to conduct research and outreach in support of Work Program development. Additionally, every year the MSRC adopts an Administrative Budget which includes transference of funds to the South Coast AQMD's Budget to cover administrative expenses. At this time the MSRC seeks Board approval of the fund transfer and the contract modification as part of the FYs 2018-21 Work Program.

COMMITTEE: Mobile Source Air Pollution Reduction Review, June 20, 2019; Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve a \$15,000 contract value increase to existing contract #MS16030 with Better World Group Advisors, the MSRC's Programmatic Outreach Coordinator, for research and outreach in support of Work Program development as part of FYs 2018-21 Work Program, as described in this letter;
2. Recognize \$56,000 revenue in the General Fund from the AB 2766 Discretionary Fund, Special Fund 23, and appropriate \$56,000 to the FY 2018-19 Budget of Science and Technology Advancement, Services and Supplies Major Object, to facilitate the payment of MSRC Miscellaneous Direct and Travel Costs, as provided in Table 1 of this letter;
3. Authorize the Chairman of the Board to execute the modified contracts under the FYs 2018-21 Work Program, as described above and in this letter.

Larry McCallon,
Chair, MSRC

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 South Coast AQMD be placed into an account to be allocated pursuant to a work program developed and adopted by the MSRC and approved by the Board.

At its June 20, 2019 meeting, the MSRC considered a recommended contract modification. Details are provided below in the Proposals section.

Proposals

At its June 20, 2019 meeting, the MSRC considered recommendations from its MSRC-TAC and approved the following:

FYs 2018-21 Programmatic Outreach

The MSRC has been concentrating on developing a Regional Goods Movement Program as the centerpiece of their FYs 2018-21 Work Program. Using resources from the existing contract, they tasked their Programmatic Outreach Coordinator, the Better World Group (now Better World Group Advisors or BWG), to perform research and outreach on behalf of MSRC under Contract #MS16030. BWG's initial efforts focused on assessing other funding providers' active and potential programs that would most closely align with the MSRC's goods movement priorities. BWG prepared a report which included recommended next steps to further develop and explore relationships with the first entities contacted, as well as additional collaborative opportunities to be pursued. BWG provided a proposal to implement this second phase of research and outreach for a total estimated cost of \$25,165. It is projected that, with some reallocation between tasks, approximately \$10,000 of these costs may be met under the existing contract value. The MSRC approved a value augmentation of \$15,000 to contract #MS16030. BWG will only be paid based upon actual hours expended and direct costs incurred; any funds not expended at the close of the contract will revert to the AB 2766 Discretionary Fund.

At this time the MSRC requests the South Coast AQMD Board to approve the contract modification as part of approval of the FYs 2018-21 Work Program as outlined above.

FY 2019-20 Administrative Budget

Every year the MSRC adopts an Administrative Budget for the upcoming fiscal year to ensure costs remain within the limitation, currently 6.25 percent. For FY 2019-20, the MSRC adopted an Administrative Budget in the amount of \$782,049, which is \$236,701 below the 6.25 percent cap. Administrative expenditures are not directly drawn, however, from the MSRC fund account, but instead from the South Coast AQMD's budget. To

cover these expenses, the MSRC approved a fund transfer (see Table 1 for further details).

Table 1. Estimated FY 2019-20 MSRC Miscellaneous and Direct Expenditures Proposed to be Allocated to South Coast AQMD Science and Technology Advancement FY 2019-20 Budget

	Work Program Code	Account	Amount
Professional & Special Services	44003	67450	\$9,000
Public Notice	44003	67500	\$8,000
Communications	44003	67900	\$5,000
Postage	44003	68060	\$7,500
Office Expense/Supplies	44003	68100	\$12,000
Miscellaneous Expense	44003	69700	\$7,000
Conference- Related Expense	44003	69700	\$5,000
Travel Costs	44003	67800	\$2,500
Total			\$56,000

Resource Impacts

The South Coast AQMD 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 any contracts awarded in response to the solicitation will be drawn from this fund.