

BOARD MEETING DATE: December 3, 2021

AGENDA NO. 3

PROPOSAL: Approve Awards for Lower-Emission School Bus Program and Transfer Funds for Development of Lower Emission School Bus Grant Management System

SYNOPSIS: In October 2020, the Board issued a Program Announcement to solicit applications for the replacement of pre-2001 model year diesel school buses with new alternative fuel or zero emission buses. This action is to approve awards to replace pre-2001 diesel school buses with new, near-zero or zero emission school buses and infrastructure in an amount not to exceed \$47 million from the Carl Moyer Program AB 923 Fund (80). This action is to also appropriate up to \$81,000 from the administrative portion of the Carl Moyer Program AB 923 Fund (80) into Information Management's FY 2021-22 Budget, Professional and Special Services and/or Capital Outlays Major Objects and reimburse the General Fund (01) using administrative funds for enhancement for the Lower Emission School Bus Program grant management system.

COMMITTEE: Technology, November 19, 2021; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Chairman to:
 - a. Execute contracts with 46 public school districts, as listed in Table 1, to replace 178 pre-2001 diesel school buses with new alternative fuel or zero emission buses and infrastructure totaling an amount not to exceed \$47 million from the Carl Moyer Program AB 923 Special Revenue Fund (80); and
 - b. Execute contracts from the backup projects as listed in Table 2, in the event that funding amounts are reduced, not implemented, or returned from any of the Table 1 recipients approved for projects in this Board letter.

2. Appropriate up to \$81,000 from the administrative portion of the Carl Moyer Program AB 923 Fund (80) into Information Management's FY 2021-22 Budget, Professional and Special Services and/or Capital Outlays Major Objects and reimburse the General Fund (01) using administrative funds for enhancement for the Lower Emission School Bus Program Grant Management System (GMS).

Wayne Natri
Executive Officer

MMM:AK:WS:YT

Background

Since the start of the Lower-Emission School Bus Program in 2001, South Coast AQMD has awarded nearly \$325 million in local, state and federal funds to replace over 1,800 highly polluting publicly owned diesel school buses with alternative fuel or zero emission buses and retrofit 3,400 diesel school buses with particulate traps. This program has resulted in helping thousands of school children commute in some of the cleanest school buses in the country.

On October 2, 2020, the Board issued a Program Announcement (PA) #PA2021-02 to solicit applications for replacement of pre-2001 model year diesel school buses owned by public school districts and joint power authorities with new alternative fuel or zero-emission school buses. To be eligible, the existing school buses must have a Gross Vehicle Weight Rating (GVWR) over 14,000 lbs and have continuous California Highway Patrol certification for the past three years. Public school districts and joint power authorities had the option under #PA2021-02 to purchase alternative fuel and zero-emission school buses. Alternative fuel buses purchased under this program are required to have engines certified at or below the optional low NOx standard of 0.02 g/bhp-hr.

During this process additional functionalities have been developed for the Lower-Emission School Bus Program Grant Management System (GMS) to help facilitate and streamline the application and program evaluation process. Functionalities include the development of program project tracking functionalities, authorization forms, dashboard, applications context, application review, application messages, applications tasks and the calculation and ranking modules. These developments further maximize efficiencies with the application processes, internal review and approvals.

Proposal

Under #PA2021-02, 47 public school districts applied for the replacement of 361 school buses for a total request amount of \$100,757,550. Staff determined that one school district was not eligible as it did not meet the GVWR requirement of the Lower-

Emission School Bus Program. Also, due to the high demand and limited funding available under the Lower-Emission School Bus Program, staff recommends awards and the execution of contracts with 46 public school districts not exceeding seven buses per school district in over-subscribed counties. This would result in awards for 178 pre-2001 diesel school buses as listed in the attached Table 1, in an amount not to exceed \$47 million from the Carl Moyer Program AB 923 Special Revenue Fund (80).

As the Program was heavily over-subscribed, funding of eligible school bus projects was made based on several factors, including distribution of program funds across Los Angeles, Orange, Riverside, and San Bernardino counties based on county population, school bus model year, benefits to disadvantaged and/or low-income communities, replacement technology, and project cost effectiveness. To optimize the distribution of funds for school districts, at least two school buses were awarded per school district (if requested at the time of application).

Consistent with the requirements of AB 1390, staff ensured that not less than 50 percent of the funds appropriated under the Lower-Emission School Bus Program are expended in a manner that directly reduces air contaminants and/or associated public health risks in disadvantaged and low-income communities. Utilizing CalEPA's CalEnviroScreen mapping tool, which helps identify disadvantaged and low-income communities in California, over 60 percent of the school districts that are proposed for replacement awards include disadvantaged or low-income communities.

The proposed awards will fund 89 zero emission, 83 CNG and six propane school buses for a total of 178 replacements. All school buses recommended for funding are Type C or D. The recommended awards provide up to \$370,000 for a Type C or D zero emission school bus, \$205,000 for a Type C or D CNG school bus and \$155,000 for a Type C propane school bus, including sales tax. In addition, the award will include fueling or charging infrastructure funding up to \$15,000 per CNG, \$5,000 per propane, and \$20,000 per zero emission bus for those school districts that have requested it.

School districts will have to pay for any discretionary options they choose to include on the bus. The diesel buses being replaced are required to be permanently destroyed by licensed dismantlers.

To help offset the cost of zero emission school buses, school districts may apply for funding through the California Hybrid and Zero Emission Truck and Bus Voucher Incentive Project (HVIP). The combined award amount from South Coast AQMD and HVIP cannot exceed \$400,000 for each zero emission school bus and the funding amounts may be reduced if the project also receives HVIP funding. In the event that project funding amounts are reduced, not implemented, or returned from any of the funding sources identified in this Board letter, staff recommends execution of contracts from the backup project list in Table 2 based on project cost-effectiveness and the county where the project is located.

Lastly, this action is to appropriate up to \$81,000 from the administrative portion of the Carl Moyer Program AB 923 Fund (80) into Information Management's FY 2021-22 Budget, Professional and Special Services and/or Capital Outlays Major Objects and reimburse the General Fund (01) using administrative funds for the enhancement for the Lower Emission School Bus Program GMS. This appropriation will reimburse expenses incurred for the development of additional features for the Lower Emission School Bus Program GMS to further enhance user interface, program dashboard, staff review and approval processes.

Outreach

In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the PA and inviting bids was 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.

Notice of the PA was emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations and placed on the Internet at South Coast AQMD's website (<http://www.aqmd.gov>).

Also, staff released several email notifications to over 300 recipients, including all public school districts within South Coast AQMD jurisdiction, dealerships and school bus manufacturers, announcing the opening of #PA2021-02. Subsequent email notifications were sent in January 2021 to remind potential applicants to apply prior to the application deadline of January 26, 2021.

Benefits to South Coast AQMD

The successful implementation of the Lower-Emission School Bus Replacement Program will provide less polluting and safer transportation for school children and reduce exposure to toxic diesel particulate matter emissions. This program is also expected to reduce criteria and toxic air pollution in disadvantaged and low-income communities in the South Coast AQMD.

Resource Impacts

Sufficient funding is available in the Carl Moyer Program AB 923 Special Revenue Fund (80) for the recommended awards that will not exceed \$47 million.

Sufficient funding of \$81,000 is available in the administrative portion of the Carl Moyer Program AB 923 Fund (80) for enhancement of the Lower Emission School Bus Program GMS.

Attachments

Table 1: Recommended Awards for Pre-2001 School Bus Replacements

Table 2: Recommended List of Backup Projects

Table 1: Recommended Awards for Pre-2001 School Bus Replacements

#PA2021-02 Applicant	County	Number of Buses	Replacement School Bus Fuel Type	Maximum Bus Award AB923 Funds	Maximum Infrastructure Award AB923 Funds	Total Maximum Award
ABC Unified School District	LA	3	CNG	\$615,000	\$45,000	\$660,000
Baldwin Park Unified School District*	LA	2	Electric	\$380,000	\$40,000	\$420,000
Bonita Unified School District	LA	4	Electric	\$1,480,000	\$80,000	\$1,560,000
El Monte Union High School District	LA	1	CNG	\$205,000	\$15,000	\$220,000
Monrovia Unified School District	LA	2	Electric	\$740,000	\$40,000	\$780,000
Montebello School District	LA	6	Electric	\$2,220,000	\$120,000	\$2,340,000
Newhall School District*	LA	3	Electric	\$606,000	\$60,000	\$666,000
Norwalk - La Mirada Unified School District*	LA	8	Electric	\$1,520,000	\$160,000	\$1,680,000
Saugus Union School District	LA	2	Propane	\$310,000	\$0	\$310,000
Sulphur Springs Union School District*	LA	2	Electric	\$404,000	\$40,000	\$444,000
Torrance Unified School District	LA	5	CNG	\$1,025,000	\$75,000	\$1,100,000
Walnut Valley Unified School District	LA	1	CNG	\$205,000	\$0	\$205,000
Whittier Union High School District*	LA	4	Electric	\$760,000	\$80,000	\$840,000
William S. Hart Union High School District*	LA	14	Electric	\$2,828,000	\$280,000	\$3,108,000
Total Los Angeles County		57		\$13,298,000	\$1,035,000	\$14,333,000
Anaheim Elementary School District	OC	2	Electric	\$740,000	\$40,000	\$780,000
Anaheim Union High School District	OC	2	Electric	\$740,000	\$40,000	\$780,000
Buena Park School District	OC	1	Electric	\$370,000	\$20,000	\$390,000
Capistrano Unified School District	OC	7	CNG	\$1,435,000	\$0	\$1,435,000
Centralia School District*	OC	2	Electric	\$380,000	\$40,000	\$420,000
Fountain Valley School District	OC	2	CNG	\$410,000	\$0	\$410,000
Fullerton Joint Union High School	OC	2	CNG	\$410,000	\$30,000	\$440,000
Fullerton School District	OC	2	Propane	\$310,000	\$0.00	\$310,000
Garden Grove Unified School District	OC	3	Electric	\$1,110,000	\$60,000	\$1,170,000
Huntington Beach City School District	OC	2	CNG	\$410,000	\$0	\$410,000
Huntington Beach Union High School District	OC	7	CNG	\$1,435,000	\$105,000	\$1,540,000
La Habra City School District	OC	2	CNG	\$410,000	\$0	\$410,000

#PA2021-02 Applicant	County	Number of Buses	Replacement School Bus Fuel Type	Maximum Bus Award AB923 Funds	Maximum Infrastructure Award AB923 Funds	Total Maximum Award
Los Alamitos Unified School District	OC	2	CNG	\$410,000	\$0	\$410,000
Newport-Mesa Unified School District	OC	2	CNG	\$410,000	\$0	\$410,000
Ocean View School District	OC	4	CNG	\$820,000	\$0	\$820,000
Orange Unified School District*	OC	2	Electric	\$380,000	\$60,000	\$420,000
Placentia-Yorba Linda Unified School District	OC	7	Electric	\$2,590,000	\$140,000	\$2,730,000
Westminster School District	OC	2	Propane	\$310,000	\$10,000	\$320,000
Total Orange County		53		\$13,080,000	\$525,000	\$13,605,000
Coachella Valley Unified School District	RC	4	CNG	\$820,000	\$0	\$820,000
Coachella Valley Unified School District	RC	2	Electric	\$740,000	\$40,000	\$780,000
Desert Sands Unified School District	RC	2	CNG	\$410,000	\$0	\$410,000
Hemet Unified School District	RC	7	CNG	\$1,435,000	\$105,000	\$1,540,000
Lake Elsinore Unified School District	RC	7	CNG	\$1,435,000	\$105,000	\$1,540,000
Moreno Valley Unified School District**	RC	4	Electric	\$1,480,000	\$80,000	\$1,560,000
Murrieta Valley Unified School District	RC	7	Electric	\$2,590,000	\$140,000	\$2,730,000
Temecula Valley Unified School District	RC	2	Electric	\$740,000	\$40,000	\$780,000
Total Riverside County		35		\$9,650,000	\$510,000	\$10,160,000
Bear Valley Unified School District	SB	7	CNG	\$1,435,000	\$105,000	\$1,540,000
Chaffey Joint Union High School District	SB	5	CNG	\$1,025,000	\$0	\$1,025,000
Colton Joint Unified School District	SB	3	CNG	\$615,000	\$45,000	\$660,000
Fontana Unified School District	SB	5	CNG	\$1,025,000	\$75,000	\$1,100,000
Fontana Unified School District	SB	1	Electric	\$370,000	\$20,000	\$390,000
Ontario-Montclair School District	SB	3	Electric	\$1,110,000	\$60,000	\$1,170,000
Redlands Unified School District	SB	6	Electric	\$2,220,000	\$120,000	\$2,340,000
Rim of The World Unified School District	SB	3	CNG	\$615,000	\$45,000	\$660,000
Total San Bernardino County		33		\$8,415,000	\$470,000	\$8,885,000
Total		178		\$44,443,000	\$2,540,000	\$46,983,000

* Award amounts have been adjusted to ensure that the total award amount from South Coast AQMD and HVIP does not exceed \$400,000.

**School District's EPA 2021 Targeted Airshed Grant award has been factored in during the selection process.

Table 2: Recommended List of Backup Projects

#PA2021-02 Applicant	County	Replacement School Bus Fuel Type	Maximum Bus Award AB923 Funds	Maximum Infrastructure Award AB923 Funds	Total Maximum Award
Los Angeles County*					
<i>*All eligible projects located in Los Angeles County were recommended for funding. Any returned funds from projects in Los Angeles County will be reallocated to projects in the other three counties within the South Coast AQMD air basin.</i>					
Orange County					
Ocean View School District	OC	CNG	\$205,000	\$0	\$205,000
Ocean View School District	OC	CNG	\$205,000	\$0	\$205,000
Ocean View School District	OC	CNG	\$205,000	\$0	\$205,000
Westminster School District	OC	Propane	\$155,000	\$5,000	\$160,000
Centralia School District	OC	Electric	\$190,000	\$20,000	\$210,000
Fullerton Joint Union High School District	OC	CNG	\$205,000	\$15,000	\$220,000
Fullerton Joint Union High School District	OC	CNG	\$205,000	\$15,000	\$220,000
Orange Unified School District	OC	Electric	\$190,000	\$20,000	\$210,000
Orange Unified School District	OC	Electric	\$190,000	\$20,000	\$210,000
Orange Unified School District	OC	Electric	\$190,000	\$20,000	\$210,000
Orange Unified School District	OC	CNG	\$205,000	\$15,000	\$220,000
Orange Unified School District	OC	Electric	\$190,000	\$20,000	\$210,000
Garden Grove Unified District	OC	Electric	\$370,000	\$20,000	\$390,000
Garden Grove Unified District	OC	Electric	\$370,000	\$20,000	\$390,000
Garden Grove Unified District	OC	Electric	\$370,000	\$20,000	\$390,000
Anaheim Union High School District	OC	Electric	\$370,000	\$20,000	\$390,000
Newport-Mesa Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Huntington Beach City School District	OC	CNG	\$205,000	\$0	\$205,000
La Habra City School District	OC	CNG	\$205,000	\$0	\$205,000
Anaheim Elementary School District	OC	Electric	\$370,000	\$20,000	\$390,000
Anaheim Elementary School District	OC	Electric	\$370,000	\$20,000	\$390,000
Fullerton School District	OC	Propane	\$155,000	\$0	\$155,000
Fullerton School District	OC	Propane	\$155,000	\$0	\$155,000
Anaheim Elementary School District	OC	Electric	\$370,000	\$20,000	\$390,000

#PA2021-02 Applicant	County	Replacement School Bus Fuel Type	Maximum Bus Award AB923 Funds	Maximum Infrastructure Award AB923 Funds	Total Maximum Award
Anaheim Elementary School District	OC	Electric	\$370,000	\$20,000	\$390,000
Anaheim Elementary School District	OC	Electric	\$370,000	\$20,000	\$390,000
Newport-Mesa Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Ocean View School District	OC	CNG	\$205,000	\$0	\$205,000
La Habra City School District	OC	CNG	\$205,000	\$0	\$205,000
Newport-Mesa Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Fountain Valley School District	OC	CNG	\$205,000	\$0	\$205,000
Fountain Valley School District	OC	CNG	\$205,000	\$0	\$205,000
Huntington Beach City School District	OC	CNG	\$205,000	\$0	\$205,000
Westminster School District	OC	Propane	\$155,000	\$5,000	\$160,000
Garden Grove Unified District	OC	Electric	\$370,000	\$20,000	\$390,000
Anaheim Elementary School District	OC	Electric	\$370,000	\$20,000	\$390,000
Westminster School District	OC	Propane	\$155,000	\$5,000	\$160,000
Westminster School District	OC	Propane	\$155,000	\$5,000	\$160,000
Capistrano Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Capistrano Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Capistrano Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Capistrano Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Capistrano Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Huntington Beach Union High School District	OC	CNG	\$205,000	\$15,000	\$220,000
Huntington Beach Union High School District	OC	CNG	\$205,000	\$15,000	\$220,000
Capistrano Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Capistrano Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Capistrano Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Capistrano Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Capistrano Unified School District	OC	CNG	\$205,000	\$0	\$205,000
Huntington Beach Union High School District	OC	CNG	\$205,000	\$15,000	\$220,000
Huntington Beach Union High School District	OC	CNG	\$205,000	\$15,000	\$220,000
Ocean View School District	OC	CNG	\$205,000	\$0	\$205,000
Ocean View School District	OC	CNG	\$205,000	\$0	\$205,000

#PA2021-02 Applicant	County	Replacement School Bus Fuel Type	Maximum Bus Award AB923 Funds	Maximum Infrastructure Award AB923 Funds	Total Maximum Award
Huntington Beach Union High School District	OC	CNG	\$205,000	\$15,000	\$220,000
Placentia-Yorba Linda Unified School District	OC	CNG	\$205,000	\$15,000	\$220,000
Placentia-Yorba Linda Unified School District	OC	CNG	\$205,000	\$15,000	\$220,000
Placentia-Yorba Linda Unified School District	OC	Electric	\$370,000	\$20,000	\$390,000
Riverside County					
Moreno Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Moreno Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Moreno Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Temecula Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Temecula Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Coachella Valley Unified School District	RC	CNG	\$205,000	\$0	\$205,000
Temecula Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Temecula Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Murrieta Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Murrieta Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Moreno Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Hemet Unified School District	RC	CNG	\$205,000	\$15,000	\$220,000
Murrieta Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Lake Elsinore Unified School District	RC	CNG	\$205,000	\$15,000	\$220,000
Lake Elsinore Unified School District	RC	CNG	\$205,000	\$15,000	\$220,000
Lake Elsinore Unified School District	RC	CNG	\$205,000	\$15,000	\$220,000
Hemet Unified School District	RC	CNG	\$205,000	\$15,000	\$220,000
Murrieta Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Hemet Unified School District	RC	CNG	\$205,000	\$15,000	\$220,000
Coachella Valley Unified School District	RC	CNG	\$205,000	\$0	\$205,000
Coachella Valley Unified School District	RC	CNG	\$205,000	\$0	\$205,000
Lake Elsinore Unified School District	RC	CNG	\$205,000	\$15,000	\$220,000
Murrieta Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
Lake Elsinore Unified School District	RC	CNG	\$205,000	\$15,000	\$220,000
Murrieta Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000

#PA2021-02 Applicant	County	Replacement School Bus Fuel Type	Maximum Bus Award AB923 Funds	Maximum Infrastructure Award AB923 Funds	Total Maximum Award
Murrieta Valley Unified School District	RC	Electric	\$370,000	\$20,000	\$390,000
San Bernardino County					
Ontario-Montclair School District	SB	Electric	\$370,000	\$20,000	\$390,000
Ontario-Montclair School District	SB	Electric	\$370,000	\$20,000	\$390,000
Ontario-Montclair School District	SB	Electric	\$370,000	\$20,000	\$390,000
Bear Valley Unified School District	SB	CNG	\$205,000	\$15,000	\$220,000
Bear Valley Unified School District	SB	CNG	\$205,000	\$15,000	\$220,000