

BOARD MEETING DATE: January 8, 2021

AGENDA NO. 21

REPORT: Technology Committee

SYNOPSIS: The Technology Committee held a meeting remotely on Friday, December 18, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

Joe Buscaino, Chair  
Technology Committee

MMM:psc

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**Committee Members**

Present: Council Member Joe Buscaino/Chair  
Supervisor Lisa Bartlett  
Board Member Gideon Kracov  
Mayor Larry McCallon  
Council Member Judith Mitchell  
Mayor Pro Tem Member Carlos Rodriguez

Absent: None

**Call to Order**

Chair Buscaino called the meeting to order at 12:00 p.m.

Council Member Mitchell chaired for Item No. 1.

## **ACTION ITEMS:**

### **1. Implement Year 22 Carl Moyer, SOON, Rule 2202 AQIP, FARMER and Community Air Protection Programs by Recognizing Funds from CARB, Executing and Amending Contracts, and Reimbursing Administrative Costs**

In August 2020, the Program Announcements for the Year 22 Carl Moyer and Surplus Off-Road Op-In for NOx (SOON) Programs closed. This year, in addition to the traditional sources of Carl Moyer and AB 923 funds, funding from the Community Air Protection Program (CAPP), Rule 2202 Air Quality Investment Program (AQIP) and Funding Agricultural Replacement Measures for Emission Reductions (FARMER) will also be available to fund Carl Moyer and SOON projects. These actions are to: 1) amend a Resolution to recognize additional Community Air Protection Program funds from CARB; 2) execute contracts for Year 22 Carl Moyer, SOON, Rule 2202 AQIP, FARMER and Community Air Protection Programs; 3) amend a contract for continued technical assistance related to implementation of the Carl Moyer Program, 4) authorize the Executive Officer to redistribute the source of funds for the various incentive program grants to ensure program liquidation targets are met; and 5) reimburse administrative costs for the Community Air Protection Program.

Council Member Buscaino recused himself from participating in the discussion for Item #1 due to a campaign contribution from Clean Energy within the past 12 months.

Board Member Kracov recused himself from participating in the discussion for Item #1 due to financial interest in California Waste Services, Inc., Kirk Tahmizian dba Arrow Disposal Services, Inc., Nasa Services, Inc. and Universal Waste Systems, Inc., which are materially affected by this item.

Mayor McCallon commented that he does not have a financial interest or conflict of interest but is required to identify for the record that he is an Alternate Board Member of Omnitrans which is involved in this item.

Council Member Mitchell commented that she does not have a financial interest or conflict of interest but is required to identify for the record that she is a Board Member of CARB which is involved in this item.

Mayor McCallon inquired about the level of funding for communities under the Community Air Protection Program (CAPP) funding, with the specific amount for the AB 617 San Bernardino/Muscoy community and suggested that more outreach be conducted during application solicitation. Staff replied that awards are based on the applications received and committed to more outreach in future years based on AB 617 Community Steering Committee input.

Supervisor Bartlett suggested potential revisions to the criteria for domiciled location, especially if the mobile sources operate in disadvantaged communities (DAC), as this approach would promote more equitable distribution of funds throughout the region. Staff informed the committee that discussions pertaining to domiciled locations have been initiated with CARB staff, and that staff commits to revise the Board letter with the marine projects domiciled in non-DACs included in the back-up list, as well as an effort to assess alternative sources of funding, and will consider overall cost-effectiveness to promote equity for the next solicitation expected to be available in March 2021. Mayor Pro Tem Rodriguez supported Supervisor Bartlett's suggestions.

Council Member Mitchell inquired about the limited number of on-road truck projects. Staff explained that on-road projects are included under the CAPP awards but the current Moyer guidelines, which require scrapping and additional reporting requirements, may be deterrents to potential applicants. Staff is working with the CAPCOA Grants Committee to recommend adjustments to the guidelines, including the need to scrap, to increase Moyer participation.

Donna Kalez, Dana Wharf Sportfishing & Whale Watching, Michael Reinsch, Betty-O, Marina Del Rey Sportfishing, Ken Frank, Sportfishing Association of California, and Don Brockman, testified in support of funding marine vessels that are not domiciled in DAC communities but reduce emissions and provide services to people located in DAC communities.

Ranji George, a member of the public, commented to support zero-emission and hydrogen fuel cell technology and to prioritize both greenhouse gases and criteria pollutants.

Moved by McCallon; seconded by Bartlett; unanimously approved

Ayes: Bartlett, McCallon, Mitchell, Rodriguez

Recused: Buscaino, Kracov

Noes: None

Absent: None

## **2. Transfer Funds and Amend Contracts for the Commercial Electric Lawn and Garden Equipment Incentive and Exchange Program**

In October 2017, the Board recognized funds from the U.S. EPA's 2016 Targeted Air Shed Grant Program for the Commercial Electric Lawn and Garden Equipment Incentive and Exchange Program. Subsequently, in April 2018, the Board approved additional funding from Rule 2202 AQIP Special Revenue Fund (27), and execution of contracts with qualified manufacturers and suppliers of zero emission commercial

lawn and garden equipment. In October 2019, the Board approved the transfer of funds from Rule 1111 Air Quality Investment Fund (27) to provide a Plus Up Discount for eligible lawn and garden equipment. Due to the continued high demand for the Plus Up Discount, staff is requesting to further augment funding in an amount not to exceed \$350,000 from Fund 27; transfer \$350,000 to the Advanced Technology, Outreach and Education Fund (17); and amend contracts to provide additional Plus Up Discount funds.

Mayor McCallon asked staff about the selection criteria and outreach for the Lawn and Garden Program. Staff replied that the program eligibility is for commercial landscapers and gardeners, schools and non-profit organizations, with the requirement to scrap an older piece of equipment. The program is implemented on a first-come first-served basis. As part of outreach, staff works with vendors to advertise in the various communities, virtual advertisements in the SCE Marketplace website, and other events. Mayor McCallon suggested staff further broaden the selection scope and consider commercial landscapers and gardeners who work in disadvantaged communities, but are located in non-disadvantaged communities.

Ranji George, a member of the public, commented about urging the committee to expand the scope of the program to hydrogen as an alternative fuel source.

Moved by Mitchell; seconded by Kracov; unanimously approved.

Ayes: Bartlett, Buscaino, Kracov, McCallon, Mitchell, Rodriguez

Noes: None

Absent: None

**3. Recognize Revenue, Transfer Funds and Execute Contract and MOU to Develop and Demonstrate Capture and Control System for Oil Tankers Project**

South Coast AQMD received an award of \$10,000,000 to develop and demonstrate Capture and Control System for Oil Tankers Project under CARB's FY 2019-20 Low Carbon Transportation Program, with additional cost share from the San Pedro Bay Port. These actions are to: 1) recognize up to \$10,000,000 from CARB and up to \$666,667 from San Pedro Bay Ports into Clean Shipping Technology Demonstration Special Revenue Fund (83); 2) transfer up to \$333,354 of South Coast AQMD project cost-share and up to \$9,500,000 as a temporary loan from the Air Quality Investment Fund (27) into Fund 83; 3) execute a contract with STAX Engineering, Inc. in an amount not to exceed \$10,500,021 to demonstrate Capture and Control System for Oil Tankers; 4) execute an MOU with San Pedro Bay Ports; and 5) reimburse the General Fund up to \$500,000 from Fund 83 for administrative costs.

Council Member Mitchell commented that she does not have a financial interest or conflict of interest but is required to identify for the record that she is a Board Member of CARB which is involved in this item.

Heather Tomley, Port of Long Beach, commented on the need for ocean-going vessel emission reduction technologies, especially when shore power is not available, but also requested that the item postpones one month so the Ports could seek approval from the Board of Harbor Commissioners.

Based on an inquiry by Supervisor Bartlett, staff informed the committee that the project is expected to be completed by the end of 2023, well before the CARB regulation implementation starting in 2025.

Board Member Michell inquired why more vessels could not use terminals with shore-power. Staff explained that the proposed project will control both auxiliary engine and boiler emissions, whereas shorepower cannot address both sources of emissions. Council Member Buscaino also informed the committee that most tankers are older, have limited calls to the ports and retrofits are not cost-effective.

Board Member Mitchell also asked about the unique nature and barge emissions of the proposed project. Staff explained that there would be a focus on the safety aspects of the tankers and will define the design of the barge and capture and control design and that the barge will be powered by renewable or zero-carbon fuel that minimizes the emissions.

Based on an inquiry about the possibility of postponing the item by Council Member Buscaino, staff explained that CARB's solicitation has a tight deadline, and a delay could jeopardize the preliminary award. Staff further noted that both ports had provided a support letter, and it was understood that they still needed to get their respective Board approvals. Staff suggested that in order move the project forward without delay, the South Coast AQMD funding could be increased to cover the ports' cost-share while staff worked with the ports to resolve any concerns or issues. Should the port funding materialize, South Coast AQMD funding will be reduced.

Brian McDonald, Marathon Petroleum Corporation and Bob Sharp, STAX Engineering noted their support of the proposed projects. Comments from Jesse Marquez, Coalition for a Safer Environment and Mike Eveloff, Solibre - L.A., suggested a 90-day postponement and reconsideration of the technology provider and support for the sole-source selection. The Committee concurred with the staff recommendation to revise the Board letter, provide a summary of the issues and potential resolution to the issues raised at the Board meeting and provide a status report to the Technology Committee in 60 days.

Moved by McCallon; seconded by Bartlett; unanimously approved.

Ayes: Bartlett, Buscaino, Kracov, McCallon, Mitchell, Rodriguez

Noes: None

Absent: None

**OTHER MATTERS:**

**4. Other Business**

There was no other business.

**5. Public Comment Period**

Jesse Marquez, Coalition for a Safer Environment, commented that his company publishes a report which is a survey of zero emission technologies and emission captured technologies which includes all facets of private and public freight transportation.

**6. Next Meeting Date**

The next regular Technology Committee meeting is scheduled for Friday, January 22, 2021 at noon.

**Adjournment**

The meeting adjourned at 1:34 p.m.

**Attachment**

Attendance Record

## ATTACHMENT

### **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT TECHNOLOGY COMMITTEE MEETING Attendance Record – December 18, 2020**

Supervisor Lisa Bartlett.....	South Coast AQMD Board Member
Council Member Joe Buscaino .....	South Coast AQMD Board Member
Board Member Gideon Kracov .....	South Coast AQMD Board Member
Mayor Larry McCallon .....	South Coast AQMD Board Member
Council Member Judith Mitchell .....	South Coast AQMD Board Member
Council Member Carlos Rodriguez.....	South Coast AQMD Board Member
Council Member Michael Cacciotti .....	South Coast AQMD Board Member (observer)
James Dinwiddie .....	Board Consultant (Bartlett)
Jacob Haik .....	Board Consultant (Buscaino)
Matt Holder .....	Board Consultant (Rodriguez)
Debra Mendelsohn .....	Board Consultant (Rodriguez)
Fred Minassian .....	Board Consultant (Mitchell)
Mark Abramowitz .....	Public Member
Troy Alvarez.....	Public Member
Don Brockman .....	Public Member
Morgan Caswell .....	Public Member
Christina Chen.....	Public Member
Lauren Dunlap.....	Public Member
Steve Ernst.....	Marathon Petroleum Corporation
Mike Eveloff.....	Solibre – L.A.
George Fisher .....	Public Member
Ken Franke .....	Sportfishing Association of California
Ranji George.....	Public Member
Donna Kalez .....	Dana Wharf Sportfishing & Whale Watching
Kimberley Lancaster .....	Public Member
Jesse Marquez.....	Coalition for a Safer Environment
Brian McDonald.....	Marathon Petroleum Corporation
Dan McGiveny .....	SoCalGas
Randall Pasek .....	Public Member
Tiffany Rau.....	Public Member
Michael Reinsch.....	Maria del Rey Sportfishing
Barry Sedlik.....	Public Member
Bob Sharp.....	STAX Engineering
Jim Tomlinson.....	Public Member

Mike Walker.....	Public Member
Debra Ashby.....	South Coast AQMD Staff
Naveen Berry.....	South Coast AQMD Staff
Penny Shaw Cedillo .....	South Coast AQMD Staff
Mark Henninger .....	South Coast AQMD Staff
Joseph Impullitti.....	South Coast AQMD Staff
Cristina Lopez .....	South Coast AQMD Staff
Matt Miyasato.....	South Coast AQMD Staff
Ron Moskowitz .....	South Coast AQMD Staff
Wayne Nastri.....	South Coast AQMD Staff
Walter Shen .....	South Coast AQMD Staff
Veera Tyagi .....	South Coast AQMD Staff
Alejandra Vega.....	South Coast AQMD Staff
Mei Wang.....	South Coast AQMD Staff
Vicki White .....	South Coast AQMD Staff
Jill Whynot .....	South Coast AQMD Staff
Paul Wright.....	South Coast AQMD Staff
Fan Xu .....	South Coast AQMD Staff
Andrew Yoon .....	South Coast AQMD Staff