

BOARD MEETING DATE: October 3, 2025

AGENDA NO. 14

PROPOSAL: Approve Agreement and Modification and Recognize Revenue as Approved by MSRC

SYNOPSIS: Previously, the MSRC awarded \$3,000,000 to Los Angeles County Cleantech Incubator to support a zero-emission heavy-duty truck refueling project at the Port of Los Angeles. The MSRC approved entering into an agreement with Los Angeles County Metropolitan Transportation Authority to receive an additional \$3,000,000 towards this project. These funds would be recognized, upon receipt, into the Mobile Sources Air Pollution Reduction Fund (23), Account 45800. Conditioned upon successful execution of this agreement, the MSRC approved increasing the value of the previous award to Los Angeles Cleantech Incubator from \$3,000,000 to \$6,000,000. The MSRC seeks Board approval of the agreement and modification as part of the FYs 2021-24 Work Program.

COMMITTEE: Mobile Source Air Pollution Reduction Review, September 18, 2025; Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve entering into an agreement with Los Angeles County Metropolitan Transportation Authority for receipt of \$3,000,000 in support of zero-emission heavy-duty truck refueling project at the Port of Los Angeles, as part of approval of the FYs 2021-24 Work Program, as described in this letter;
2. Recognize revenue, upon receipt, up to \$3,000,000 from Los Angeles County Metropolitan Transportation Authority, into Mobile Sources Air Pollution Reduction Fund (23), Account 45800;
3. Conditioned upon successful execution of the agreement in Recommended Action 1 above, increase award to Los Angeles County Cleantech Incubator from \$3,000,000 to an amount not to exceed \$6,000,000 to implement zero-emission truck refueling at the Port of Los Angeles, as part of approval of the FYs 2021-24 Work Program, as described in this letter; and
4. Authorize the Chair, or the Chair's designee, to execute the agreement with Los Angeles County Metropolitan Transportation Authority and the modified contract

with Los Angeles County Cleantech Incubator as described above and in this Board Letter.

Larry McCallon
Committee Chair, MSRC

AK:CR

Background

In September 1990, Assembly Bill 2766 was signed into law (Health & Safety Code Sections 44220–44247) authorizing 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 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.

Proposals

At its September 18, 2025 meeting, the MSRC considered recommendations from its MSRC-TAC and approved the following:

FYs 2021-24 Publicly Accessible Goods Movement Zero-Emission Infrastructure Program

In August 2023, the MSRC approved an award to the Los Angeles County Cleantech Incubator (LACI) in an amount not to exceed \$3,000,000 to implement zero-emission truck refueling providing a total of 40 charging ports at two locations at the Port of Los Angeles (POLA). The award was conditioned upon successful selection of a site developer and operator and securing co-funding commitments. Subsequently, POLA selected Prologis Mobility to be the developer and operator, and the MSRC approved modifying the project description to a single location. One co-funding commitment, a \$1,500,000 contract to support this project with the US Department of Housing and Urban Development, was already executed by LACI in June 2023. Los Angeles County Metropolitan Transportation Authority (LA Metro) had previously indicated their intention to provide co-funding to the project. In April 2025, LA Metro approved a \$3,000,000 contribution from Measure R Highway Capital Funds. The MSRC considered and approved LA Metro's request to authorize an agreement to receive the funds. Revenue will be recognized upon receipt, up to \$3,000,000 from Los Angeles County Metropolitan Transportation Authority, into Mobile Sources Air Pollution Reduction Fund (23), Account 45800.

The MSRC further approved that upon successful execution of such agreement with LA Metro, the value of the proposed award to LACI would be increased to an amount not to exceed \$6,000,000.

Resource Impacts

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 the contracts specified herein will be drawn from this fund.