



**TECHNICAL ADVISORY COMMITTEE TO THE MSRC
THURSDAY, NOVEMBER 5, 2020 MEETING MINUTES
21865 Copley Drive, Diamond Bar, CA 91765**

**All participants attended the meeting remotely pursuant to
Executive Orders N-25-20 and N-29-20**

MSRC-TAC MEMBERS PRESENT:

MSRC-TAC Chair Anthony (AJ) Marquez, representing Orange County Board of Supervisors
MSRC-TAC Vice-Chair Jenny Chan, representing Riverside County Transportation Commission
Adriann Cardoso, representing Orange County Transportation Authority
Jason Farin, representing Riverside County Board of Supervisors
Steve Hillman, representing City of Los Angeles
Jamie Lai, representing Cities of Orange County
Minh Le, representing Los Angeles County Board of Supervisors
Laura Iannaccone (Alt.), representing Los Angeles County Board of Supervisors
Steven Lee, representing Los Angeles County Metropolitan Transportation Authority
Rongsheng Luo, representing South California Association of Governments
Scott Strelecki (Alt.), representing Southern California Association of Governments
Kelly Lynn, representing San Bernardino County Transportation Authority
Sean O'Connor, representing Cities of San Bernardino County
Tim Olson, Air Pollution Control Expert
Nicole Soto, representing Regional Rideshare Agency
Vicki White, representing South Coast Air Quality Management District
Derek Winters, representing California Air Resources Board
Dan York, representing Cities of Riverside County

OTHERS PRESENT:

Ian Stewart, RPS
Elliott Popel
Mark Abramowitz
Marwa Zughbi
Ellis Chiu
Lauren Dunlap
Alek Van Houghton
P. Timothy French
Katrina Kunkel
Amanda Meere

Eddie Camano
Charles Williams
Jack Symington
Annie Nam
Erika Chavez

SCAQMD STAFF & CONTRACTORS PRESENT:

Leah Alfaro, MSRC Contracts Assistant
Maria Allen, MSRC Administrative Liaison
Marjorie Eaton, Secretary
Ray Gorski, Technical Advisor
John Kampa, Financial Analyst
Daphne Hsu, Senior Deputy District Counsel
Matt MacKenzie, MSRC Contracts Assistant
Cynthia Ravenstein, MSRC Contracts Administrator
Penny Shaw-Cedillo, Sr. Administrative Secretary
Alejandra Vega, MSRC Administrative Liaison
Donna Vernon, Secretary

CALL TO ORDER

- Call to Order
MSRC-TAC Chair Anthony (AJ) Marquez called the meeting to order at 1:30 p.m.

STATUS REPORT

- Clean Transportation Policy Update

The Clean Transportation Policy Update provides information on key legislative and regulatory initiatives of potential interest to the MSRC. The report can be viewed at www.cleantransportationfunding.org.

CONSENT CALENDAR

Receive and Approve

Agenda Item #1 – Summary of Final Reports by MSRC Contractors

Two final reports were submitted for MSRC-TAC review and approval during November:

- Riverside County Transportation Commission, MS16124
(\$253,239 – Extended Freeway Service Patrols)
- City of San Bernardino, MS18117
(\$240,000 – Expansion of Existing CNG Infrastructure)

ON MOTION BY MSRC-TAC MEMBER SEAN O’CONNOR AND
SECONDED BY MSRC-TAC MEMBER JAMIE LAI, UNDER APPROVAL
OF CONSENT CALENDAR ITEMS #1 - #4, THE MSRC-TAC RECEIVED
AND APPROVED THE MSRC CONTRACTORS’ FINAL REPORTS
SUMMARY LISTED ABOVE.

ACTION: The Summary of Final Reports by MSRC Contractors will be included on the MSRC’s next agenda for final action.

Agenda Item #2 – Consider Adoption of 2021 Meeting Schedules

The proposed 2021 MSRC and MSRC-TAC meeting schedule was included in the agenda package.

ON MOTION BY MSRC-TAC AND MEMBER SEAN O’CONNOR AND
SECONDED BY MSRC-TAC MEMBER JAMIE LAI, UNDER APPROVAL
OF CONSENT CALENDAR ITEMS #1 – #4, THE MSRC-TAC
UNANIMOUSLY VOTED TO RECOMMEND APPROVAL OF THE 2021
MEETING SCHEDULES

ACTION: The 2021 MSRC Meeting Schedules will be included on the MSRC’s next agenda for final action.

Information Only - Receive and File

Agenda Item #3 – MSRC Contracts Administrator’s Report

The Contracts Administrator’s Report for September 24, 2020 through October 28, 2020 was included in the agenda package.

ON MOTION BY MSRC-TAC AND MEMBER SEAN O’CONNOR AND SECONDED BY MSRC-TAC MEMBER JAMIE LAI, UNDER APPROVAL OF CONSENT CALENDAR ITEMS #1 – #4, THE MSRC-TAC UNANIMOUSLY VOTED TO RECEIVE AND FILE THE MSRC CONTRACTS ADMINISTRATOR’S REPORT LISTED ABOVE.

ACTION: The Contracts Administrator’s Report will be included on the MSRC’s next agenda for final action.

Agenda Item #4 – Financial Report on AB 2766 Discretionary Fund

The Financial Report on the AB 2766 Discretionary Fund for September 2020 was included in the agenda package.

ON MOTION BY MSRC-TAC AND MEMBER SEAN O’CONNOR AND SECONDED BY MSRC-TAC MEMBER JAMIE LAI, UNDER APPROVAL OF CONSENT CALENDAR ITEMS #1 – #4, THE MSRC-TAC UNANIMOUSLY VOTED TO RECEIVE AND FILE THE FINANCIAL REPORT ON AB 2766 DISCRETIONARY FUND FOR THE MONTH OF SEPTEMBER 2020.

ACTION: No further action is required.

ACTION CALENDAR

Agenda Item #5 – Consider Seven-Month No-Cost Term Extension by County of Los Angeles, Internal Services Department, Contract #ML14030 (\$425,000 – Bicycle Racks, Outreach & Education)

No comments were made from any MSRC-TAC members or MSRC staff. No public comments were made.

ON MOTION BY MSRC-TAC MEMBER DAN YORK AND SECONDED BY MSRC-TAC MEMBER STEVEN LEE TO APPROVE ITEMS #5 AND #6, THE MSRC-TAC VOTED TO RECOMMEND TO APPROVE FOR THE CITY OF LOS ANGELES, INTERNAL SERVICES DEPARTMENT, CONTRACT #ML14030, A SEVEN-MONTH NO-COST TERM EXTENSION. MSRC-TAC MEMBER MINH LE ABSTAINED.

ACTION: MSRC staff will include this contract modification on the next MSRC agenda for approval.

Agenda Item #6 – Consider One-Year No-Cost Term Extension by City of Yucaipa, Contract #ML16057 (\$380,000 – Implement “Complete Streets” Pedestrian Access Project on County Line Road)

No comments were made from any MSRC-TAC members or MSRC staff. No public comments were made.

ON MOTION BY MSRC-TAC MEMBER DAN YORK AND SECONDED BY MSRC-TAC MEMBER STEVEN LEE TO APPROVE ITEMS #5 AND #6, THE MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND TO APPROVE FOR THE CITY OF YUCAIPA, CONTRACT #ML16057, A ONE-YEAR NO-COST TERM EXTENSION.

ACTION: MSRC staff will include this contract modification on the next MSRC agenda for approval.

Agenda Item #7 – Consider Reduced Scope and Value by County of Los Angeles Department of Public Works, Contract #ML14027 (\$500,000 – Construct New CNG Stations in Canyon Country and La Puente)

Cynthia Ravenstein, MSRC Contracts Administrator explained that the County of Los Angeles Department of Public Works was awarded \$500,000 from the 2012-14 Local Government Match Program. Originally a CNG station was going to be installed in Downey. that was later changed to divide the funding to install stations in both Canyon Country and La Puente. The work hasn't been completed yet and the MSRC has not paid anything yet. But the County's indicating that for the station that they're installing in the Canyon County location, they're going to install time-fill hoses in a really congested area with limited space where they have to accommodate parking, staging and storage for trucks, equipment and material. They are asking instead of the six time-fill hoses that the contract calls for, to only put in four time-fill hoses, with a corresponding \$8,000 reduction in the contract value. They would like to add four time-fill hoses in the future, but since they have to remove an existing structure that is something that won't happen anytime soon.

MSRC-TAC Member Tim Olson asked if the diminished need for the station in Downey is because of proximity to Pico Rivera or is it due to reduced number of vehicles?

Ms. Ravenstein explained the decision to not have the station in Downey was made in a previous request, this contract was already amended to two stations in Canyon Country and La Puente. The current request is to reduce the scope of the Canyon Country station by two time-fill hoses and reduce the value of the contract by \$8,000.

MSRC-TAC Chair A.J. Marquez asked if this was part of 2014 Work Program and when the contract expires?

Ms. Ravenstein answered Chair Marquez by stating that it is part of the 2014 Work Program and the contract has already been extended previously. They are not asking for an extension at this time. Their contract expires in 2024.

ON MOTION BY MSRC-TAC MEMBER TIM OLSON AND SECONDED BY MSRC-TAC MEMBER STEVE HILLMAN, THE MSRC-TAC VOTED TO RECOMMEND TO APPROVE FOR THE COUNTY OF LOS ANGELES, DEPARTMENT OF PUBLIC WORKS, CONTRACT #ML14027, A REDUCED SCOPE AND VALUE. MSRC-TAC MEMBER MINH LE ABSTAINED.

ACTION: MSRC staff will include this contract modification on the next MSRC agenda for approval.

Agenda Item #8 – Consider Reduced Scope and Value and Two-Year Term Extension by Los Angeles Department of Water and Power (LADWP), Contract #ML16022 (\$360,000 – Purchase 12 Heavy-Duty Natural Gas Vehicles)

Cynthia Ravenstein, MSRC Contracts Administrator explained that the Los Angeles Department of Water and Power (LADWP) was awarded \$360,000 under the 2014-16 Local Government Match Program to purchase 12 heavy duty CNG vehicles at a \$30,000 incentive per vehicle. They've had some extensions previously, but they are now indicating that they've reassessed the number of units they need. They want to reduce the number of CNG tree trimming vehicles and purchase more bucket trucks for power restoration. This in itself would not necessitate a contract change; the contract does not specify the kind of vehicles they're going to buy. But now they want to decrease the number of vehicles under the contract from twelve to eight. MSRC staff has confirmed with them their understanding that when they do that, because they can only get \$30,000 per vehicle, it would correspond to a \$120,000 contract value decrease. The LADWP also indicated that their procurement process took longer than expected due to limited staff, modifications to the specification template, and changes in available technology. Also, the bidding process was impacted by the pandemic and civil unrest earlier this year, so they awarded the purchase orders September 4th and they are requesting a 24-month term extension.

ON MOTION BY MSRC-TAC MEMBER MINH LE AND SECONDED BY MSRC-TAC MEMBER SEAN O'CONNOR, THE MSRC-TAC VOTED TO RECOMMEND TO APPROVE FOR THE LOS ANGELES DEPARTMENT OF WATER AND POWER CONTRACT #ML16022, A REDUCED SCOPE AND VALUE AND TWO-YEAR TERM EXTENSION. MSRC-TAC MEMBER STEVE HILLMAN ABSTAINED.

ACTION: MSRC staff will include this contract modification on the next MSRC agenda for approval.

Agenda Item #9 – Consider Substitution of Three (3) Level III Charging Stations for Two (2) Level II Charging Stations and Two-Year Term Extension by City of Beaumont, Contract #ML18081 (\$31,870 – Install EV Charging Infrastructure)

Cynthia Ravenstein, MSRC Contracts Administrator explained that the City of Beaumont was awarded \$31,870 under the 2016-18 Local Government Partnership Program to install EV charging stations. Their contract is to install two publicly accessible Level II EV charging stations. They are now requesting for three public access Level III charging stations. These are Charge Point Level III charging stations that are not proprietary, anybody could use these if their car can use a Level III charger. They have already completed the installations, and the MSRC

staff have reminded them that they should request modifications before they go ahead and do the work. It appears there were able to leverage funding from RCTC and the California Energy Commission to support the higher cost of the installation. The MSRC would be getting more charging stations that are more powerful for the same investment. Because the MSRC's Local Government Partnership Program requires a five-year operational period for Level III stations, the City has also requested a two-year term extension to cover that longer operational period.

ON MOTION BY MSRC-TAC MEMBER MINH LE AND SECONDED BY MSRC-TAC MEMBER DAN YORK, THE MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND TO APPROVE FOR THE CITY OF BEAUMONT, CONTRACT #ML18081, A SUBSTITUTION OF THREE LEVEL III CHARGING STATIONS AND A TWO YEAR TERM EXTENSION.

ACTION: MSRC staff will include this contract modification on the next MSRC agenda for approval.

Agenda Item #10 – Consider Substitution of Level III Charging Station for Level II Charging Station and One-Year Term Extension by City of South Gate, Contract #ML18146 (\$127,400 – Purchase Five Light-Duty ZEVs and Install EV Charging Infrastructure)

Cynthia Ravenstein, MSRC Contracts Administrator explained that the City of South Gate was awarded \$127,400 under the Local Government Partnership Program. \$50,000 of that award was used to purchase light duty EVs. They were going to install three Level II charging stations, but they are currently requesting to substitute a Level III charging station for one of those. This one is actually in their City Yard so it does not have public access. They expect to purchase more EVs, but they don't expect to be installing any more charging stations after this. They want something that can serve several vehicles and they want to have them available in case of emergency. They are requesting to be able to substitute the Level III charger for the Level II at their City Yard as well as a one-year term extension. The one-year extension is to let them complete the installations and submit their final report. Ms. Ravenstein noted that the City did not take into account the longer operational period, so staff is recommending that if the MSRC grants the City's request, that there be approval of a three year-term extension to allow for that longer operational period that goes with a Level III station.

MSRC-TAC Member Minh Le asked the rationale from originally requesting Level III chargers to two Level II is so that vehicles can be ready a moment's notice? That doesn't seem right.

Ms. Ravenstein answered Mr. Le by clarifying that the City is going from Level II to Level III.

Mr. Le wanted further clarification because the title reads as substitution of level three charging station for level two charging station and one year term extension. Mr. Le wants to make sure he understands so that it is clear.

Ms. Ravenstein answered Mr. Le by stating that she can add some clarifying language. The use of "substituting" and "for" is a thing that gets a lot of people confused. She has had to clarify her language on some other documents, so there isn't a most common understanding of what people mean on that. She will try to make certain that there can't be any doubt.

MSRC-TAC Member Derek Winters stated that he shared this concern with Mr. Le. He stated that he read the title three times, so he understands Mr. Le's confusion as well.

ON MOTION BY MSRC-TAC MEMBER TIM OLSON AND SECONDED BY MSRC-TAC MEMBER KELLY LYNN, THE MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND TO APPROVE FOR THE CITY OF SOUTH GATE, CONTRACT #ML18146, A SUBSTITUTION OF LEVEL III CHARGING STATION AND A THREE-YEAR TERM EXTENSION.

ACTION: MSRC staff will include this contract modification on the next MSRC agenda for approval.

Agenda Item #11 – Consider Modified Scope by City of Riverside, Contract #ML18063 (\$383,610 – Expand Existing CNG Stations)

Cynthia Ravenstein, MSRC Contracts Administrator explained that the City of Riverside wants to change the scope of work on their award of \$383,610 that is going to expand their existing CNG stations at Lincoln Ave. and Acorn St. At the Lincoln Avenue location, originally they wanted to put in a separate fueling island for the police department, but the City says it's not going to work because they would have to move a bunch of unleaded gasoline equipment. The MSRC funds cannot be used towards those costs and even their own money spent would not count as co-funding. Instead of installing the fueling island they just want to add a dual hose CNG dispenser at that station. At the Acorn Street Station, instead of putting in a dual hose CNG dispenser, they want to add two CNG storage spheres. Ms. Ravenstein explained that even with the changes in the kind of work to be done, there will be the same overall budget for the expansion of these stations. There is going to be a little bit different split between the two locations, but the total cost of the MSRC remains the same.

ON MOTION BY MSRC-TAC MEMBER JASON FARIN AND SECONDED BY MSRC-TAC VICE-CHAIR JENNY CHAN, THE MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND TO APPROVE FOR THE CITY OF RIVERSIDE, CONTRACT #ML18063, A MODIFIED SCOPE SUBSTITUTING THE INSTALLATION OF AN ADDITIONAL DISPENSER FOR THE ORIGINALLY PROPOSED INSTALLATION OF A SEPARATE FUELING ISLAND AT THE LINCOLN AVENUE STATION, AND SUBSTITUTING THE INSTALLATION OF ADDITIONAL STORAGE FOR THE ORIGINALLY PROPOSED INSTALLATION OF A DISPENSER AT THE ACORN STREET STATION

ACTION: MSRC staff will include this contract modification on the next MSRC agenda for approval.

Agenda Item #12 – Consider Modified Project List and One-Year Term Extension for Southern California Associate of Governments (SCAG), Contract #MS18015 (\$2,000,000 – Future Communities Partnership Program)

Cynthia Ravenstein, MSRC Contracts Administrator explained that the MSRC awarded \$2 million towards SCAG's Future Communities Partnership Program, which supports city and county agencies implementing pilot projects to reduce vehicle miles traveled (VMT). SCAG is indicating that the pandemic has significantly delayed implementation of most of the projects in the program. There have been tremendous declines in transit ridership and operations and mobility options, and this caused major implications. SCAG is requesting a one-year term extension to allow their partnering agencies the flexibility to compensate for lost time and determine if additional modifications may be necessary for them to complete the project work.

With respect to the project for the City of Monrovia, they have come up with something completely new, because their project was related to increasing shared rides on Lyft. Due to the pandemic Lyft has indefinitely suspended shared rides, so the City has been working on coming up with a different project to replace this. The City has proposed a new pilot project to increase bicycling within the City by incentivizing e-cargo bike delivery to offset VMT increases from the rising delivery services. This project would be getting \$300,000 in AB2766 Discretionary Funding through the MSRC contract. Ms. Ravenstein further explained that this project has co-funding from SCAG, and with the City's involvement it exceeds the amount that the MSRC would be putting in. The MSRC would need to approve this substitution of the Monrovia project.

MSRC-TAC Member Adrian Cardoso asked if this project was a competitive or a formula program and if the grant was awarded to the City or to the project?

Ms. Ravenstein answered Ms. Cardoso by stating it was a competitive program, but she does not know whether there were projects that did not get funded. Ms. Ravenstein stated that she does know that there was a geographic equity consideration that the MSRC had in their funding. She recalls that there were certain counties that had all of their projects funded, but she does not know whether Los Angeles County was one of those. In regards to the question whether there were other proposals, Ms. Ravenstein stated that Ray Gorski was involved in the original review process and may recall.

Ray Gorski, MSRC Technical Advisor stated he recalls that the evaluation was conducted by SCAG. The MSRC funded SCAG under a sole source award, but with the provisions that the MSRC would retain both technical and programmatic oversight. The MSRC did have a role not through direct evaluation, but through working with SCAG to review recommendations that they were going to bring forward to the TAC and MSRC. Mr. Gorski stated that to the best of his recollection that there were some projects that were not selected, but to his recollection he cannot dissect for each county whether that was the case. Mr. Gorski stated there were multiple iterations during the evaluation prior to achieving the selected project list. He also wanted to add that at this time we do not have the details of how the new substitute project would be implemented as compared to the level of detail we had on the original project.

Ms. Cardoso stated that without knowing what the project is, or if there were competitive projects on the original project list that could have moved in and use these funds, she's not sure that she could issue her support of a blanket authorization to the City of Monrovia to come up with a substitute project. She added that it seems more likely in a competitive program that the funding would go to the next most competitive project on the list, since their original project is no longer a viable project. Ms. Cardoso stated that based on her understanding it seems more

appropriate to cancel it, but states that maybe she is missing some information or there is some aspect that she is not understanding.

Ms. Ravenstein stated that the MSRC staff could seek some additional information to bring back to the TAC. She added that they did provide her with a little bit more information about what the project would entail, but that does not really get to the information about other projects that weren't funded.

MSRC-TAC Member Kelly Lynn stated that Ms. Ravenstein getting more information would be really helpful to her to know what to reference.

MSRC-TAC Chair A.J. Marquez summarized the TAC's feedback by stating the City had originally proposed a Lyft rideshare project. They are now requesting to substitute the project for a pilot program for bicycle transit and SCAG is asking for a one-year contract extension. Based on the TAC's feedback there could be other worthy projects that the TAC would like to hear about.

Ms. Ravenstein stated that the MSRC staff could investigate what the status was on the projects that were not selected in the previous process. The funding was allocated for this county and there is not an immediate need for the extension; the contract doesn't expire until August 2021.

MSRC-TAC Member Minh Le commented that usually the TAC approves minor contract changes, like level II charging station to a level III charging station or change of location, but generally within the scope of what was originally proposed. This item, it seems that due to the pandemic, they are unable to work on the original project, the new pilot project appears to be a significant departure away from what was originally proposed. Mr. Le asked what was the worth of the original application? Mr. Le stated that it could add more clarity from the applicants and see what should be done, if it is a dramatic departure it is worthwhile to evaluate the context of all the other things that could be done with those resources.

Tim Olson, asked that when MSRC staff look into the non-selected projects to check if they are still relevant and to check if they have already been funded through another source.

Mr. Gorski stated that since the MSRC made a sole source award to SCAG under the proviso that it would be conducted through a specific competitive format and evaluation criteria, we want to make sure that if a project is substituted that it still fulfills those procurement policies that SCAG had originally put forth to the committee. Mr. Gorski added that staff need to meet with SCAG to get additional information and affirmation that the substitution is in keeping with the process that they went through.

ON MOTION BY MSRC-TAC MEMBER DAN YORK AND SECONDED BY MSRC-TAC MEMBER MINH LE, THE MSRC-TAC VOTED TO RECOMMEND TO MOVE THE REQUEST FROM SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS, CONTRACT #ML18015, TO A FUTURE MEETING. SCOTT STRELECKI ABSTAINED.

ACTION: MSRC staff will contact SCAG to gather more information to present to the TAC.

Agenda Item #13 – Consider Contract Replacement for Los Angeles County Metropolitan Transportation Authority (Metro), Contract #MS16090 (\$2,500,000 – Willowbrook/Rosa Parks Station Improvements)

Cynthia Ravenstein, MSRC Contracts Administrator explained that the MSRC had approved a twelve-month extension for the Los Angeles County Metropolitan Transportation Authority. Though there was about a week and a half from the MSRC's approval before the contract expired, it was not enough time for the contract extension to be signed. This item is to authorize a replacement contract at \$2,500,000 for a twelve-month period.

ON MOTION BY MSRC-TAC MEMBER SEAN O'CONNOR AND SECONDED BY MSRC-TAC MEMBER MINH LE, THE MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND TO APPROVE FOR THE LOS ANGELES METROPOLITAN TRANSPORTATION AUTHORITY, CONTRACT #MS16090, A REPLACEMENT CONTRACT IN AN AMOUNT NOT TO EXCEED \$2,500,000 WITH A TWELVE-MONTH TERM.

ACTION: MSRC staff will include this action on the next MSRC agenda for approval.

FYs 2018-21 WORK PROGRAM

Agenda Item #14 – Consider \$2,000 Contract Value Increase and Four-Month Term Extension for Geographics, Contract MS#18003 (\$70,453 – Design, Host and Maintain MSRC Website)

Cynthia Ravenstein, MSRC Contracts Administrator explained this item is in regards to a contract modification with Geographics, who does the maintenance and hosting of the MSRC website. We were expecting to be coming forth with a recommendation for a long-term contract award. Now we expect that will be forthcoming in the next two months. We got a quote from Geographics for a four-month term extension that will cover maintenance and minor edits to keep the website operational. The four-month contract extension and \$2,000 value increase includes their current rate of \$373 a month and increases their 2018 hourly rate for edits. Ms. Ravenstein added that the term extension should give enough time to bring forth a longer-term contract to the MSRC for website hosting and maintenance.

ON MOTION BY MSRC-TAC MEMBER KELLY LYNN AND SECONDED BY MSRC-TAC MEMBER STEVE HILLMAN, THE MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND TO APPROVE FOR GEOGRAPHICS, CONTRACT #MS18003, A FOUR-MONTH TERM EXTENSION AND \$2,000 VALUE INCREASE.

ACTION: MSRC staff will include this contract modification on the next MSRC agenda for approval.

Agenda Item #15 – Consider Proposed Program Guidelines for Southern California Association of Governments (SCAG) Last Mile Freight Program

MSRC-TAC Alternate Scott Strelecki, Senior Transportation Planner with SCAG, gave a presentation on the Last Mile Freight Program. The MSRC created a Goods Movement Program,

which includes a component for the Last Mile Freight Program. SCAG will be partnering with the MSRC and serve as the implementer for the Last Mile component of that Goods Movement Program. One of the clearest goals of this is to achieve cost effective emissions reductions of criteria air pollutants, specific to last mile freight operations. As part of that SCAG is establishing a two-phased approach. The item being presented to the TAC is regarding Phase One, which is establishing a Call for Projects process focusing on the purchase and commercial deployment of zero emission or near-zero emission heavy- or medium-duty trucks. Phase Two will be to keep part of the original approach that was proposed to conduct robust outreach to expand on the Phase One projects, coordinating with both public and private sector stakeholders to deploy broader technology initiatives focusing on last mile ecommerce-based use cases. This presentation is regarding the actual commercial deployment of vehicles and supporting infrastructure.

During the August 2020 MSRC meeting, the MSRC approved the Last Mile Freight Program statement of work, which includes the following tasks: Task One is the development of Program Guidelines and issuance of the Call for Projects, Task Two is the screening and selection of the projects, Task Three is project implementation, and Task Four is the evaluation and reporting. Mr. Strelecki mentioned that during October's SCAG Regional Council meeting, they approved a resolution to authorize the acceptance of the \$10 million in grant funds from the South Coast AQMD to implement this program. This is contingent on contractor agreement finalization with the South Coast AQMD, which they are currently working on. SCAG has been working directly with the Last Mile Subcommittee of the MSRC-TAC to develop this program.

Mr. Strelecki anticipates a substantial ramp-up in zero emission vehicle production in the next two to four years, in both commercial and passenger vehicles. Mr. Strelecki stated that identifying critical barriers and measuring success are very important to create more transparency in investment impacts as well as furthering the important goal of air quality for this region, especially in the South Coast Air Basin, but also balancing the economy. He went on to say that in trying to understand the business path related to that, as well as scalability and how we can look at our region of Southern California and how to get something going at scale and be something that the rest of the nation can emulate.

Mr. Strelecki went over the high-level key components of the Call for Projects and the Program Guidelines, which were included in the agenda. The Guidelines were broken into three broad areas, the first area being investment matching and funding. They established a geographic funding minimum, making sure that all of the four counties in the South Coast Air Basin have a proportional opportunity for this program. There need to be some investment matching thresholds for applicants to commit to. There also are some funding minimums and maximums; they think this is really important to help support the program. Also, the Guidelines set some additional thresholds for fleet and infrastructure components. He mentioned that when talking about zero emission and near-zero emission vehicles operating in a commercial environment, there need to be supporting infrastructure considerations. We need to understand the procurement process and make sure that there is a pathway for success from that perspective. Mr. Strelecki stated that they will be monitoring and evaluating this program and producing a report on it. Data considerations will become a very important part of the reporting process. With regards to project expectations, having the ability to set what the project description is a big part of the delineating commercial vehicle operation infrastructure needs. Having a good set of

screening and selection criteria to help evaluators is important. Both the MSRC and SCAG will be participating in the process to evaluate, approve and select actual projects.

A total of \$10 million of Clean Transportation Funding will be available with \$3 million set aside for small businesses. They anticipate a lot of interest in this program. The projects must be engaged in the delivery of goods. Companies may cover multiple counties or may be within one county. This project calls for investment matching, a minimum of one to one based on cash or equivalents. They are also looking to consider leveraging with other funding programs. With regards to eligibility, they are looking at vehicle- and equipment- related eligible projects. They want to focus on last mile delivery vehicles supporting e-commerce industries, parcel deliveries to both residents and businesses, but also recognize there's a large business-to-business component of last mile as well. They are also looking to focus on supporting retail, wholesale trade, manufacturing, construction, other transportation, and logistics services from that perspective.

In regard to selection criteria, they've organized it into three core areas including: 1) Project Summary, 2) Project Readiness and Implementation, and 3) Funding Request and Cost Effectiveness. For Project Summary, it's critical that the proposed project clearly advances emission reductions for both particulate and oxides of nitrogen through commercial deployment. The applicants need to illustrate how their project will be capable of doing that. It's important for the evaluators to see how innovative the project is and how it can provide competitive advantages over conventional operations. For Project Readiness, they want to make sure that there is an aggressive yet still achievable schedule. As discussed in the Last Mile Subcommittee, there could be procurement-related issues on the vehicle side so they need to make sure that they are comfortable enough that the projects are on the right trajectory. Infrastructure could have CEQA, permitting, and other things that they want to make sure are at a good enough point where they're going to get these projects towards implementation. Lastly, on the criterion for Funding Request and Cost Effectiveness, a lot of these new technologies are really touting their ability to reduce costs for the private industry. This is a great opportunity to create more transparency. Will the project result in a lower cost of operation and maintenance? Or at a minimum they should be competitive with the traditional last mile operation maintenance costs that are currently being incurred by private industry, not necessarily incorporating capital as part of this criteria process. We are looking at a benefit cost score, defined as a ratio of NOx and PM to equivalent reduction per dollar of the Last Mile Freight Program investment.

They are seeking a recommendation to have an opportunity for approval at the November 19 MSRC meeting. Assuming that would occur, they would then be looking at putting out the Call for Projects in early December and then having a process of application workshops, deadline for questions, responses to questions posted, and giving a little over a two-month overall time period to the application deadline for submission. They feel like that's a good amount of time to make sure that all the different interested parties have an opportunity to go through the process and submit strong applications, especially for smaller businesses. Thereafter they would be looking at about a little over a month to go through the process to review all the projects. The MSRC Subcommittee would be involved in making a recommendation that would then go back to the TAC, then to the April MSRC meeting for approval. Mr. Strelecki mentioned that that morning the Transportation Committee of SCAG and Regional Council were provided the draft Guidelines and the recommendation was sent to the Regional Council who approved the Guidelines.

MSRC-TAC Member Minh Le stated he is really excited for the project but wishes there was more than \$10 million because of the magnitude of the problem is a lot bigger.

MSRC-TAC Member Tim Olson asked if they would be using onboard data collection methods? When getting into NOx and PM does this include any of the tailpipe emissions--actual measurements? Or would it be calculation based on triangulated data?

Mr. Strelecki stated that the triangulated data method would be one of the primary methods, then the tailpipe emission probe may come up. Though the tailpipe method could have some opportunities, he doesn't think it could be used unilaterally right now, but he is open to find an approach where they could get as strong of an indication as possible.

MSRC-TAC Chair AJ Marquez asked Ray Gorski what method is typically used to capture that data?

Ray Gorski, MSRC Technical Advisor, stated that when they receive the proposal, they are going to look first to see first what they propose from a data analytics perspective. It's relatively common for fleets to have onboard data logging systems and telemetric data acquisition systems. He would expect them to have a significant capability already in place. If the fleets don't have that in place, they could work with them to acquire that; it's not that expensive or difficult today. To answer Mr. Olson directly, it's going to be more analytical than empirical, meaning that they will be able to conduct a reasonable air quality benefits assessment using the data that's acquired through these telemetric systems. He doesn't think they will be doing any type of measurements per se, there's going to be enough characterization of the vehicle such that they will be able to get a reasonable answer by doing an analytical assessment.

Mr. Olson asked if a project may be eligible if the origin of the goods is the actual Port of LA/Long Beach, basically transport to a distribution point or is the definition of last mile from the hubs and the distribution centers to the actual businesses or households? He asked for any clarification on which project may be eligible.

Mr. Strelecki stated that when he thinks of business to business, it's coming from a warehouse or distribution facility and then going directly to a retail entity. That alone gives a wide opportunity within all the counties. At the same time it is open to companies like FedEx, UPS, Amazon or other independent owner-operators that are doing package deliveries to residents and businesses. If it is a port move going to a warehouse, he's not certain that it would fit the program; there are other programs that are looking into that potentially. A potential issue would be e-commerce, for example Amazon would have a container go to their fulfillment center, there's also a sortation facility connected to their fulfillment center, and then they have a delivery station. Some of the ecommerce may be a little more complicated, but he would think that the delivery station, which also like Amazon, would have those reflected throughout all the county areas in the air basin and would potentially make more sense as far as that final destination.

Mr. Le asked if the Los Angeles Cleantech Incubator (LACI) proposal is moving forward. Is there collaboration between the organizations, because even though the scope of work is slightly different and the target is different, there is some significant overlap and there should be some coordination between the efforts.

Mr. Gorski stated that there is a lot going on. The MSRC is going to the South Coast AQMD Governing Board on Friday of this week on an RFP to really target the goods which are coming into the Maritime Ports and being transferred out to the Inland Ports. In that respect, he thinks it would be fine if the Last Mile component focused more on the segment from the distribution center to final retail or other business enterprise. From the regional collaboration perspective, the MSRC is working on a regular basis with the South Coast AQMD and the partners which are looking to put together a program in response to the forthcoming solicitation from the Energy Commission and the Air Resources Board, which is going to look at specifically goods movement, container movement coming out of the ports. The MSRC continues to have dialogue with LACI. LACI is now a participant and member of the regional collaborative along with the MSRC. They will have regular meetings and regular dialogue. To answer Mr. Le's question directly, they are all in discussion.

ON MOTION BY MSRC-TAC MEMBER MINH LE AND SECONDED BY MSRC-TAC MEMBER TIM OLSON, THE MSRC-TAC VOTED TO RECOMMEND TO APPROVE FOR THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS, LAST MILE FREIGHT PROGRAM GUIDELINES. SCOTT STRELECKI ABSTAINED.

ACTION: MSRC staff will include the Last Mile Freight Program Guidelines on the next MSRC agenda for approval.

OTHER BUSINESS

No other business presented.

PUBLIC COMMENTS:

No public comment.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS, THE MSRC-TAC MEETING ADJOURNED AT 2:46 P.M.

NEXT MEETING: Next meeting: Thursday, December 10, 2020, 1:30 p.m.

(Minutes prepared by Maria M. Allen)