



**MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE
THURSDAY, OCTOBER 19, 2023 MEETING MINUTES
21865 Copley Drive, Diamond, Bar, CA 91765**

Pursuant to Assembly Bill 361 the MSRC meeting was held at 2:00 p.m. on Thursday, October 19, 2023 through a hybrid format of in-person attendance in Conference Room CC-8 at the South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, and/or virtual attendance via videoconferencing and by telephone.

MEMBERS PRESENT:

(Chair) Larry McCallon, representing San Bernardino County Transportation Authority (SBCTA)
(Vice-Chair) Brian Berkson, representing Riverside County Transportation Commission (RCTC)
Curt Hagman, representing South Coast AQMD
Patrick Harper, representing Orange County Transportation Authority (OCTA)
Mark Henderson, representing Southern California Association of Governments (SCAG)
Rena Lum (Alt.), representing Los Angeles County Metropolitan Transportation Authority (Metro)
William Robertson, California Air Resources Board (CARB)

MEMBERS ABSENT:

Cindy Allen (Alt.), representing SCAG
Steve Veres, representing Metro
Peter Christensen (Alt.), representing CARB
Katrina Foley (Alt.), representing OCTA
Linda Krupa (Alt.), representing RCTC
John Dutrey (Alt.), representing SBCTA

MSRC-TAC MEMBERS PRESENT:

Steven Lee, representing Metro
Rongsheng Luo, representing SCAG

OTHERS PRESENT:

Bryan Ochoa, City of Los Angeles
Claire Garcia
Jason Kang, City of Long Beach

Jivar Afshar
Mark Abramowitz
Mike Martinez
Sam Emmersen, Better World Group
Tommy Cottingham, JBHT
Sina Taghavee

SOUTH COAST AQMD STAFF & CONTRACTORS PRESENT:

Anish Pathak, Financial Analyst
Cynthia Ravenstein, MSRC Contracts Administrator
Daphne Hsu, Principal Deputy District Counsel
De Groenveld, Sr. Information Technology Specialist
Debra Ashby, Sr. Public Affairs Specialist
Donna Vernon, Administrative Assistant
Fan Xu, Program Supervisor
Kristin Remy, Sr. Administrative Assistant
Lane Garcia, Program Supervisor
Marjorie Eaton, Administrative Assistant
Matt Mackenzie, MSRC Contracts Assistant
Mei Wang, Assistant Deputy Executive Officer
Michael Miller, Board Member Assistant
Ray Gorski, MSRC Technical Advisor-Contractor
Sindy Enriquez, MSRC Contracts Assistant

CALL TO ORDER

- Chair McCallon called the meeting to order at 2:02 p.m.
- Roll call was taken at the start of the meeting.
- Chair McCallon, as part of opening comments, presented Mark Yamarone with a certificate of appreciation from the MSRC.

Chair McCallon asked the committee for any other opening comments.

No other opening comments.

- Chair McCallon asked for the status report on the Clean Transportation Policy Update.

Cynthia Ravenstein, MSRC Contracts Administrator, reported on the Clean Transportation Policy Update, a report put together by the Outreach Coordinator on legislative session bills, incentives, and regulatory programs of interest to the MSRC.

Brian Berkson requested that this Update be distributed earlier than right before the meeting. Ravenstein said that would be feasible.

- Chair McCallon asked for disclosures.

Items #11 – MSRC Member William Robertson commented he must recuse himself from participation in Agenda Item 11 because of a financial interest in his employment with the California Air Resources Board, which is involved in this item.

Item #2 - MSRC Vice-Chair Brian Berkson commented he does not have a financial interest, but is required to identify for the record that he is a Commissioner for Riverside County Transportation Commission which is involved in this item.

Item #11 – MSRC Member Curt Hagman commented he does not have a financial interest, but is required to identify for the record that he is a member of the Governing Board for the South Coast AQMD which is involved in this item.

Item #11 – MSRC Chair Larry McCallon commented he does not have a financial interest, but is required to identify for the record that he is a member of the Governing Board for the South Coast AQMD which is involved in this item.

- Chair McCallon asked for public comment on the Consent Calendar.

No public comment.

CONSENT ITEMS (Items 1 through 9):

Information Only – Receive and Approve

1. Minutes of February 16, 2023 MSRC Meeting

Moved by Hagman; seconded by Henderson; under approval of Consent Calendar Items #1-9, item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Robertson, Berkson, McCallon

Noes: None

Action: Staff will include the minutes of the February 16, 2023 MSRC Meeting in the MSRC Committee Report for the November 3, 2023 South Coast AQMD Board meeting.

2. Summary of Final Reports by MSRC Contractors

-Riverside County Transportation Commission, Contract #MS14059 (\$1,250,000-Implement Various Traffic Signal Synchronization Projects)

-City of Riverside, Contract #MS16110 (\$270,000-Expansion of Existing CNG Station and Maintenance Facility Improvements)

-Green Fleet Systems, LLC, Contract #MS21014 (\$300,000-Deploy Three Near-Zero Emission Trucks)

Moved by Hagman; seconded by Henderson; under approval of Consent Calendar Items #1-9, item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Robertson, Berkson, McCallon

Noes: None

Action: No further action is required.

Information Only – Receive and File

3. MSRC Contracts Administrator's Report

The MSRC AB 2766 Contracts Administrator's Report for July 27 through September 27, 2023 was included in the agenda package.

Moved by Hagman; seconded by Henderson; under approval of Consent Calendar Items #1-9, item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Robertson, Berkson, McCallon

Noes: None

Action: Staff will include the MSRC Contracts Administrator's Report in the MSRC Committee Report for the November 3, 2023 South Coast AQMD Board meeting.

4. Financial Report on AB 2766 Discretionary Fund

A financial report on the AB 2766 Discretionary Fund for September 2023 was included in the agenda package.

Moved by Hagman; seconded by Henderson; under approval of Consent Calendar Items #1-9, item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Robertson, Berkson, McCallon

Noes: None

Action: No further action is required.

5. Report on Outreach Activities

Summary of outreach, communications and policy activities undertaken by the Better World Group on behalf of MSRC for Summer 2023.

Moved by Hagman; seconded by Henderson; under approval of Consent Calendar Items #1-9, item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Robertson, Berkson, McCallon

Noes: None

Action: No further action is required.

For Approval – As Recommended

6. Consider Modified Scope of Work and Two-Year Term Extension by City of Long Beach, Contract #ML18055 (\$622,220-Install 50 Level II EV Charging Stations)

The City requests to increase the number of charging stations to be installed from 50 limited-access Level II stations to 74 limited-access Level II stations. The City also requests an initial two-year term extension.

Moved by Hagman; seconded by Henderson; under approval of Consent Calendar Items #1-9, item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Robertson, Berkson, McCallon
Noes: None
Action: MSRC Staff will amend the above contract accordingly.

7. Consider Modified Scope of Work and 17-Month Term Extension by City of Torrance, Contract #ML18069 (\$187,400-Purchase 4 Heavy-Duty Near-Zero Emission Vehicles and Install EV Charging Infrastructure)

The City requests to increase the number of charging stations to be installed from 6 dual-port Level II stations to 19 dual-port Level II stations. The City also requests an initial seventeen-month term extension.

Moved by Hagman; seconded by Henderson; under approval of Consent Calendar Items #1-9, item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Robertson, Berkson, McCallon
Noes: None
Action: MSRC Staff will amend the above contract accordingly.

8. Consider 9-Month Extension by City of Los Angeles, Contract #ML 18145 (\$1,400,000 – Purchase 11 Heavy-Duty Zero Emission Vehicles (ZEVs) & Provide 100 ZEV Taxi Rebates)

The City indicates that restrictions associated with the COVID-19 pandemic drastically reduced manufacturing capabilities at BYD, the manufacturer they had selected to supply their order of 130 electric buses. The City requests a 9-month term extension.

Moved by Hagman; seconded by Henderson; under approval of Consent Calendar Items #1-9, item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Robertson, Berkson, McCallon
Noes: None
Action: MSRC Staff will amend the above contract accordingly.

9. Consider One year Term Extension by City of Eastvale, Contract #MS 18064 (\$80,400 – Purchase 2 Light Duty and 1 Medium-Duty Zero-Emission Vehicles and Install EV Infrastructure)

The City states that the medium-duty ZEV is now scheduled for production in November and requests a one-year term extension.

Moved by Hagman; seconded by Henderson; under approval of Consent Calendar Items #1-9, item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Robertson, Berkson, McCallon
Noes: None
Action: MSRC Staff will amend the above contract accordingly.

ACTION ITEMS (Item 10 through 11):

10. Consider Option to Extend the Technical Advisor's Contract for Another Two-Year Term or Initiate Request for Proposals

Cynthia Ravenstein, MSRC Contracts Administrator, presented that the current Technical Advisor's contract expires December 31, 2023. This contract includes an option to extend the contract for two additional years for an amount of \$385,700. The alternative would be to develop an RFP to solicit for technical advisory services. The MSRC-TAC is recommending approval to exercise the two-year option to extend the contract until December 31, 2025.

The funding would be allocated in a particular way. Because the Technical Advisor's work is not administrative, for future fiscal years it is proposed that the Technical Advisor's contract be completely under the Work Program. In the administrative budget that the MSRC has already approved for this fiscal year, funding is allocated for the Technical Advisor's contract. This action would not change what was already adopted in the administrative budget for this fiscal year. Accounting for the Technical Advisor's contract under the Work Program would allow for the more flexibility in the administrative budget.

Chair McCallon commented that the administrative budget is a certain amount now and a portion of it is the Technical Advisor's salary. He asked what is the plan for the amount to be available?

Ravenstein answered that there is no set plan yet. The cushion under the cap set by law has been shrinking over time.

Anish Pathak, Financial Analyst, commented with respect to the administrative budget over the past fiscal years. After all the expenses were accounted for, in FY 22/23 we had close to \$200,000 balance left, after accounting for the 6 ¼% administrative expense limit that we get allocated. In the most current budget, the amount has dropped down to approximately \$130,000. As we progress through the fiscal years with new labor negotiations coming in, that \$130,000 buffer is bound to decrease over time and eventually we will not be able to sustain the expected staff costs and expenses that are currently in the budget with the amount of administrative expenses we get from the state and DMV.

Chair McCallon asked if there was any intent to increase the account for the administrative budget?

Ravenstein could not say whether it would be contemplated or not. Pathak commented that the 6 ¼% administrative expense limit is under the Health and Safety Code.

Patrick Harper asked if we are allowed to allocate the salary to the Work Program portion?

Ravenstein and Pathak both answered yes. Pathak continued that we have certain staff that work exclusively for the MSRC. Any costs associated with their salaries and benefits are allocated to the MSRC administrative fund. Ravenstein further commented that her salary and those that work under her are completely covered under the administrative budget.

MSRC member Patrick Harper asked if any salaries are under the Work Program.

Ravenstein answered that 75% of the Technical Advisor's contract is currently under the Work Program and 25% under the administrative budget. The change would be after this fiscal year, 100% of the Technical Advisor's salary would be under the Work Program.

Vice Chair Brian Berkson asked who reports to Ray Gorski? Does Cynthia Ravenstein report to Ray Gorski?

Ravenstein answered no she does not. They collaborate but she does not answer to him.

Vice Chair Berkson wants it to be clear that there is a distinction between what Ray Gorski does and what Ravenstein and staff does.

MSRC member Harper addressed the attorney and asked if the MSRC has discretion to allocate between the administrative and Work Program accounts and are there certain rules they must follow.

Daphne Hsu, Principal Deputy District Counsel, answered it is based on the nature of Ray Gorski's work.

Mr. Harper stated that if we change it, it should be based on the nature of his work not what is in the budget.

Pathak commented that previously, decades ago, the Technical Advisor did do administrative work thus the 75/25 ratio allocated.

Ravenstein stated that this gives a preview of some of the policy changes she will be recommending. Out of date policy language dates from the time the Technical Advisor used to do some of the administrative work. The Technical Advisor no longer does and this is now handled by Ravenstein and her staff. Going back further, it used to be that the administrative expenses for the MSRC were capped at 5% of the total revenue. As the cost of staff and expenses went up over time the amount the MSRC was coming under that cap was slowly eroding. Then a change in the legislation increased the cap to 6 ¼%. As time goes on, even 6 ¼% may not necessarily be enough to cover those expenses.

Ray Gorski commented that the day-to-day administrative costs keep rising. As you bump up against the set cap you need to look to offload things. At one time the Technical Advisor had a different name and a different function and it was 100% out of the administrative budget. Back in the 1990s the CARB representative, Roberta Hughan, made a recommendation that based upon the nature of the work, that it would be more appropriate to move his position into the Work Program. They did keep a little under administration because there have been times when he had to step in to cover the administrative functions of this program.

Vice-Chair Berkson commented if that leads him to believe that we need to have a percentage of your salary within the administrative budget to cover those scenarios where your position has to take over for some administrative things.

MSRC member Curt Hagman asked how much are we talking about.

Pathak answered \$48,200 per fiscal year.

Mr. Hagman commented he is not worried about this too much. Ready to move when you are ready.

Chair McCallon addressed Ray Gorski and stated that he is doing an outstanding job. If we were to do an RFP we wouldn't be able to find anyone with the background that you have. This salary doesn't include any benefits, no retirement, no medical insurance, no vacation, etc.

Vice-Chair Brian Berkson commented that in typical scenarios of this type we get an idea of what you were making in the past year, an idea of any negotiations between the Chair and yourself or any committee assigned to have a negotiation. He asked that they be provided that information.

Ray Gorski answered that he can assure you that he has received no raises for four years, irrespective of what the cost of living or inflation is.

Chair McCallon asked for public comment on this item.

No public comment.

Moved by Hagman to extend the Technical Advisor's contract for additional two years; seconded by McCallon; item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Robertson, Berkson, McCallon

Noes: None

Action: MSRC Staff will place this item on the November 3, 2023 South Coast AQMD Board agenda for approval.

11. Consider Proposed Partnership with South Coast AQMD and Partners on a California Air Resources Board Proposal for Deployment of Battery-Electric Municipal Vehicles and Equipment

Dr. William Robertson recused himself from this item and left the meeting at 2:26 p.m.

Ray Gorski introduced today's presentation by the South Coast AQMD who is seeking to enter a partnership with the MSRC for two proposals to CARB.

Mei Wang, Assistant Deputy Executive Officer introduced Dr. Fan Xu, Program Supervisor, to make the presentation.

Dr. Xu related that CARB offers an Advanced Technology Demonstration and Pilot Project program. South Coast AQMD has received funding from this program in the past, including for the recent JETSI project for which the MSRC was one of the funding partners. This program will provide funding for demonstration and deployment of pre-commercial and commercial near zero and zero emission technologies. This year CARB created a separate project category for municipal vehicles and equipment. \$225 million available from CARB/CEC under this solicitation, CARB will fund up to 50% of the total project costs up to a cap of \$50 million per project. Awards are anticipated late this year or early 2024, and the proposal submission deadline is October 26, 2023. South Coast AQMD was approached by Volvo and Mightycomm for partnership to respond to this solicitation.

Two proposals have been developed as a result: Proposal number 1: Strategic Pathways for Extended Electric Drayage (SPEED) and Proposal number 2: California Transportation Electrification Advancement for Municipalities (CA TEAM). Together, these two proposals will create a network of electric goods movement across multiple air districts with local cities being supported with battery

electric refuse trucks, shuttle buses, and other vehicles and equipment.

The total project cost for the SPEED proposal is estimated at \$99 million. Majority of funding going to truck deployment and for fleets requiring new chargers. While they are still finalizing the cost share for the two proposals, South Coast AQMD plans to contribute at least \$3 million between the two. The Fleets and Volvo will also be contributing to the cost share. They would like to request \$2 million from the MSRC to fund the truck deployment in the South Coast.

In the CA TEAM proposal, there will be battery electric refuse trucks, shuttle buses, fire trucks and a few different types of construction equipment to be deployed. Cities of Los Angeles, Riverside, Sacramento and Clovis are participating. The total project cost is estimated at \$65 million. The cities will fulfill the majority of the cost share along with contributions from their respective air districts. South Coast AQMD plans to contribute at least \$2.5 million from the Clean Fuels Fund for this proposal. Would like to request \$1 million from the MSRC to fund the South Coast cities.

Ray Gorski commented that communication with the South Coast AQMD was extensive as they were going through the formation of their responses. High level of comfort that the MSRC's contribution would support the South Coast AQMD's proposals from a competitive standpoint. The allocation of the \$3 million which is requested from the MSRC, will align well with the MSRC's current Work Program, especially the drayage trucks deployment which will support goods movement. MSRC funding is available through the unallocated portion of the Discretionary Fund. This gives us the opportunity to leverage MSRC dollars in a competitive solicitation environment. Staff's recommendation is to move forward with this partnership.

Chair McCallon asked how much would be left in the unallocated portion of the Discretionary Fund?

Anish Pathak answered approximately \$36 million.

Chair McCallon asked for public comment on this item.

No public comment.

Moved by Harper to approve the \$3 million contribution for both proposals; seconded by Berkson; item unanimously approved.

Ayes: Hagman, Henderson, Harper, Lum, Berkson, McCallon

Noes: None

Action: Staff will place this item on the November 3, 2023 South Coast AQMD Board agenda for approval as part of the FYs 2021-24 Work Program

OTHER BUSINESS:

12. Other Business

Ray Gorski announced that staff is making a recommendation for your consideration. Understanding that there are new members to the MSRC and you have adopted a three-year Work Program, staff feels it might be beneficial to everyone that we update you on the progress on the current Work Program, update you on regulatory actions which have taken place within the state agencies and provide the MSRC or MSRC-TAC an opportunity to ask questions, provide feedback and guidance as it pertains to next steps. With the MSRC's blessing staff will prepare some presentations for the November meeting.

Chair McCallon thinks it's a good idea and very appropriate with the amount of turnover.

PUBLIC COMMENT PERIOD

No public comments.

ADJOURNMENT

The meeting adjourned at 2:40 p.m.

NEXT MEETING

Thursday, November 16, 2023 at 2:00 p.m.

[Prepared by Marjorie Eaton]