



**TECHNICAL ADVISORY COMMITTEE TO THE MSRC
THURSDAY, JUNE 7, 2018 MEETING MINUTES
21865 Copley Drive, Diamond Bar, CA 91765 - Room CC8**

MSRC-TAC MEMBERS PRESENT:

MSRC-TAC Chair Dan York, Cities of Riverside County
MSRC-TAC Vice-Chair Anthony (AJ) Marquez, Orange County Board of Supervisors
Martin Buford, Regional Rideshare Agency
Gretchen Hardison, City of Los Angeles
Jaime Lai, Cities of Orange County
Steven Lee, Los Angeles County Metropolitan Transportation Authority
Lorelle Moe-Luna, Riverside County Transportation Commission
Kelly Lynn, San Bernardino County Transportation Authority
Nicholas Nairn-Birch, California Air Resources Board
Stephan Patchan (Alt.), Southern California Association of Governments
Sean O'Connor, Cities of San Bernardino
Tim Olsen, California Energy Commission
Andy Silva, San Bernardino County Board of Supervisors
Rick Teebay (Alt.), Los Angeles County Board of Supervisors
Cliff Thorne, Orange County Transportation Authority
Eddie Washington, Los Angeles County Board of Supervisors

OTHERS PRESENT:

Adriann Cordoso, Orange County Transportation Authority
Lauren Dunlap, SoCalGas
Jason Farin, Riverside County Board of Supervisors
Steve Hillman, City of Los Angeles

SCAQMD STAFF & CONTRACTORS

Leah Alfaro, Contracts Assistant
Penny Shaw Cedillo, MSRC Liaison
Ray Gorski, MSRC Technical Advisor-Contractor
John Kampa, Financial Analyst
Megan Lorenz, Principal Deputy District Counsel
Cynthia Ravenstein, MSRC Contracts Administrator

CALL TO ORDER

- Call to Order
MSRC-TAC Chair Dan York called the meeting to order at 1:33 p.m.

OPENING COMMENTS

MSRC-TAC Chair Dan York introduced Tim Olsen who is replacing John Kato.

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 (Items 1 through 4)

Receive and Approve

Agenda Item #1 – Minutes for the April 5 and May 3, 2018 MSRC-TAC Meetings

The Minutes for the April 5 and May 3, 2018 MSRC-TAC meetings were distributed at the meeting.

ON MOTION BY MSRC-TAC MEMBER SEAN O’CONNOR AND
SECONDED BY MSRC-TAC MEMBER GRETCHEN HARDISON, UNDER
APPROVAL OF CONSENT CALENDAR ITEMS #1 – #4, THE MSRC-TAC
UNANIMOUSLY RECEIVED AND APPROVED THE MINUTES OF THE
APRIL 5 AND MAY 3, 2018 MSRC-TAC MEETINGS.

ACTION: MSRC staff will place the approved meeting minutes on the MSRC’s website.

Agenda Item #2 – Summary of Final Reports by MSRC Contractors

Five final reports were submitted for MSRC-TAC review and approval during January:

- Bonita Unified School District MS12008 (\$175,000 – Construct New Limited-Access CNG Station)
- Brea Olinda Unified School District MS12083 (\$59,454 – Install New CNG Infrastructure)
- Los Angeles County MTA MS14001 (\$1,216,637 – Clean Fuel Transit Service to Dodger Stadium)

- Arrow Services, Inc. MS 16103 (\$100,000 – Construct a Limited-Access CNG Station)
- City of Norwalk MS16114 (\$45,000 – Repower 3 Transit Buses)

ON MOTION BY MSRC-TAC MEMBER SEAN O’CONNOR AND SECONDED BY MSRC-TAC MEMBER GRETCHEN HARDISON, UNDER APPROVAL OF CONSENT CALENDAR ITEMS #1 – #4, THE MSRC-TAC UNANIMOUSLY VOTED TO RECEIVE AND APPROVE THE FINAL REPORT SUMMARIES LISTED ABOVE.

ACTION: The final report summaries 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 April 26, 2018 through May 30, 2018 was included in the agenda package.

ON MOTION BY MSRC-TAC MEMBER SEAN O’CONNOR AND SECONDED BY MSRC-TAC MEMBER GRETCHEN HARDISON, UNDER APPROVAL OF CONSENT CALENDAR ITEMS #1 – #4, THE MSRC-TAC UNANIMOUSLY VOTED TO RECEIVE AND FILE THE CONTRACTS ADMINISTRATOR’S REPORT FOR APRIL 26, 2018 THROUGH MAY 30, 2018.

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 May 2018 was included in the agenda package.

ON MOTION BY MSRC-TAC MEMBER SEAN O’CONNOR AND SECONDED BY MSRC-TAC MEMBER GRETCHEN HARDISON, UNDER APPROVAL OF CONSENT CALENDAR ITEMS #1 – #4, THE MSRC-TAC UNANIMOUSLY VOTED TO RECEIVE AND FILE THE FINANCIAL REPORT FOR THE MONTH OF MAY 2018.

ACTION: No further action is required.

ACTION CALENDAR (Items 5 through 9)

Agenda Item #5 – Consider One-Year Term Extension by City of San Dimas, Contract #ML16042 (\$55,000 – Install EV Charging Infrastructure)

Cynthia Ravenstein, MSRC Contracts Administrator, reported this request comes from the City of San Dimas. They were awarded \$55,000 from the MSRC as part of the FYs 2014-16 Local Government Match Program to install a total of four "Level II" publicly-accessible chargers. The City has completed the majority of the site design and permitting, but with recent feedback from SCE, the City indicates that they need to have a separate meter installed for the charging stations. Not only does this require additional work to complete the project but also additional time for SCE to review the plans. The project is expected to be ready this month. The City requests a one-year contract term extension to complete the project.

MSRC-TAC Member Andy Silva inquired is it common for SCE to require separate meters per charger? Ray Gorski, MSRC Technical Advisor-Contractor, responded it can be depending upon how you're going to build out electricity and if you're going to use a time of use rate or if you're going to be opting for one of the new rates which is going to be allowed by the CPUC as a function of EV9.

ON MOTION BY MSRC-TAC MEMBER ANDY SILVA AND SECONDED BY MSRC-TAC MEMBER MARTIN BUFORD, THE MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND TO APPROVE FOR THE CITY OF SAN DIMAS, CONTRACT #ML16042, A ONE-YEAR TERM EXTENSION.

ACTION: MSRC staff will include this recommended contract term extension on the next MSRC agenda for approval by the MSRC.

Agenda Item #6 – Consider Modified Scope of Work by City of Eastvale, Contract #ML18064 (proposed) (\$80,400 – Purchase Two Medium-Duty Zero Emission Vehicles and Install EV Charging Stations)

Cynthia Ravenstein, MSRC Contracts Administrator, reported this request comes from the City of Eastvale. The MSRC recently awarded Eastvale \$80,400 towards the purchase of two medium-duty zero emission vehicles and the installation of electric vehicle charging stations. Subsequent to the MSRC's support, the City has had some changes in their procurement priorities; instead of the two medium-duty zero emission vehicles, the City is requesting to procure two light-duty zero emission vehicles and one medium-duty zero emission vehicle, with no change to the EV charging stations that were proposed in this project, nor to the total award amount. In accordance with the terms of the Local Government Partnership Program each of the light-duty vehicles would be eligible for reimbursement of 50% of the net purchase cost not to exceed \$10,000 per vehicle. The medium-duty zero emission vehicles would be eligible for 50% of the net purchase cost not to exceed \$100,000. If the City does not utilize all the funds originally awarded because the net purchase cost ended up being low, remaining funds would revert to the AB2766 Discretionary Fund.

ON MOTION BY MSRC-TAC MEMBER GRETCHEN HARDISON, AND

SECONDED BY MSRC-TAC MEMBER KELLY LYNN, THE MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND TO APPROVE THE MODIFIED SCOPE FOR THE CITY OF EASTVALE, CONTRACT #ML18064, TO PURCHASE TWO LIGHT-DUTY ZERO EMISSION VEHICLES AND ONE MEDIUM-DUTY ZERO EMISSION VEHICLE.

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

Agenda Item #7 – Consider Modified Project Description and One-Year Term Extension by Riverside County Transportation Commission, Contract #MS16082 (\$590,759 – Extended Freeway Service Patrol (FSP) Service)

Cynthia Ravenstein, MSRC Contracts Administrator, reported this request comes from the Riverside County Transportation Commission (RCTC). The MSRC awarded RCTC \$590,759 to implement extended FSP service during mid-day periods and weekends. This service was to go beyond the regular FSP service already provided Monday through Friday during peak commute hours, and was to be provided during the expansion of State Route 91. RCTC proposed that MSRC funding be used during the last phase of construction, with other funding sources covering the earlier phases. State Route 91 construction concluded in March 2018. \$257,160 has been paid to date under this contract. RCTC is requesting a no-cost, one-year term extension, as well as a modification to the scope to allow for reimbursement of extended freeway service patrol beyond the construction period.

ON MOTION BY MSRC-TAC VICE-CHAIR AJ MARQUEZ, AND SECONDED BY MSRC-TAC MEMBER LORELLE MOE-LUNA, THE MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND TO APPROVE FOR THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION, A MODIFIED PROJECT DESCRIPTION AND A NO-COST ONE-YEAR TERM EXTENSION.

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

Agenda Item #8 – Consider Contract Replacement by City of Bellflower, Contract #ML12051 (\$100,000 – Install EV Charging Infrastructure)

Cynthia Ravenstein, MSRC Contracts Administrator, reported this request comes from the City of Bellflower. The City was originally awarded \$270,000 to install fifteen EV charging stations. They later requested to reduce the scope of the project and the value was reduced to \$100,000 for two fast charge stations. In January, the City requested a one-year term extension, which the MSRC approved, but unfortunately, the City did not get their contract modification back and the contract lapsed. South Coast AQMD has expressed concerns regarding executing extensions of lapsed contracts, so the modification could not be executed. The recommendation is to approve a replacement contract be executed to complete the project, should the MSRC grant the City's request.

MSRC-TAC Member Tim Olsen inquired is there a common criteria used by each jurisdiction and selection, is it a low-cost bid? Ray Gorski, MSRC Technical Advisor-Contractor, replied it depends on the jurisdiction. Looking through all the applications, the majority of them have an obligation as a public entity to do a competitive solicitation. Often times they will hire a company to come in and help them with the specifications and put together a list of potential bidders for doing that work. You may also see a “to be determined” as to who exactly is going to be the EVSE provider because they have to go through a bid process. There are examples where someone has already selected that entity, in those cases they need to give us a little bit more specificity as to which charger they are using and who's going to be installing the chargers.

Mr. Olsen added my agency is funding a lot of electric vehicle charging infrastructure, also hydrogen and it will increase very substantially starting July 1st. We are starting to make a standard requirement that all chargers have to be networked. The reason is the interconnection and avoiding things like demand charges but also generating, stimulating and spurring other revenue streams that networking allows you to do. We are finding that electric vehicle charging can be related to managing day-ahead renewable imbalance market contracts, storage and grid integration services. Some of those have matured quickly, others are going through some growing pains. All of these projects make a lot of sense for you to give as much revenue, not just base of return on selling electricity or acquiring this and having to put grants into it, but generating capital including low-carbon fuel standard credits that utilities control. They can be significant revenue streams to leverage your money or offset your cost. Mr. Gorski inquired has the Energy Commission published a standard? Mr. Olsen replied there's a lot of disagreement over what that standard could be and in the medium- heavy-duty area, it is custom design right now and there is no standard. The Ports of Los Angeles and Long Beach have a demonstration program to try to do that, but these are in ones and twos. You need performance data and that will take a few years before that happens. We want to avoid what happened in the light-duty arena, where you have on the fast chargers three different standards, and different technology. Interoperability is important to generate those revenue streams, if you're the host site owner or the vehicle owner. Originally, we were requiring EnergyStar rating approval. Only one charger company is confirmed for that, so we are basically allowing time for that to materialize with U.S. EPA and until other companies can get certified. This is designed to protect your interest and also to spur more revenue. I would recommend if you are interested in this, the Energy Commission has a vehicle grid integration road map process that is trying to get to a point where there is consensus. That might be something some of you can participate in.

MSRC-TAC Alternate Rick Teebay commented that SAE just adopted a standard for commercial trucks and buses. The new standard is J3068, and it is very much like the European standard. That will be great for truck and bus operators when they put in infrastructure; it is not vehicle-specific but now it is standard.

Ray Gorski questioned which manufacturers are actually going to adopt that standard. Mr. Teebay replied it's going to be like J1772. Clipper Creek supposedly already did. Mr. Gorski added that like the Energy Commission, we are experiencing that when you get the vehicles you get the EVSE with them and it is specific to the vehicles, whether it is BYD or the others.

ON MOTION BY MSRC-TAC MEMBER LORELLE MOE-LUNA, AND
SECONDED BY MSRC-TAC MEMBER KELLY LYNN, THE MSRC-TAC
UNANIMOUSLY VOTED TO RECOMMEND TO APPROVE A CONTRACT

REPLACEMENT FOR THE CITY OF BELLFLOWER.

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

2016-18 WORK PROGRAM

Agenda Item #9 – Consider Modified/Corrected Awards to Cities of Santa Ana, Perris and Mission Viejo under the Local Government Partnership Program

Cynthia Ravenstein, MSRC Contracts Administrator, reported under the Local Government Partnership Program the MSRC awarded funding to cities and we have since identified some elements that could entitle specific cities to higher awards. The total funding amount would increase by \$38,450.

The City of Santa Ana requested \$365,000 of their reserved funding allocation. They were going to purchase six light-duty zero emission vehicles. In their application, they indicated six vehicles at \$10,000 each, but totaled only \$40,000. It was an error in their application. They have submitted a revised application for \$385,000, this would increase their award by \$20,000.

The City of Perris was awarded \$86,174 of their reserved funding allocation of \$95,290. The City's original application had incorrectly listed \$46,474 as their match for the charging station, when that was actually the amount they were requesting. They confirmed that they wish to request a total of \$94,624, \$46,474 for the charging station and \$48,150 for the vehicle.

Lastly, the City of Mission Viejo originally proposed the installation of publicly accessible EV charging stations, the procurement of two light-duty zero emission vehicles, the expansion of an existing natural gas station, the implementation of a building permit fee waiver pilot program, and the implementation of an electric vehicle technology training pilot program. As the two proposed pilot programs did not clearly fit within the Local Government Partnership Program eligible categories, additional time was needed for their consideration and the balance of the project elements were brought forward for the MSRC to consider. The Subcommittee does not recommend funding the pilot programs under the Local Government Partnership Program, although they could be considered as input for the MSRC's new Work Program, as an idea of projects that the MSRC might want to fund. The City had requested, if those projects weren't recommended for funding, that the \$10,000 requested be added to the funding for the EV charging station. This would increase their total award by \$10,000. They will still be providing adequate match funding.

MSRC-TAC Chair Dan York stated regarding the pilot programs that some of them seem intriguing, something that may be of interest as we work through the next Work Program to leverage some other folks to help.

ON MOTION BY MSRC-TAC MEMBER GRETCHEN HARDISON, AND
SECONDED BY MSRC-TAC MEMBER EDDIE WASHINGTON, THE
MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND APPROVAL OF
THE MODIFIED AWARDS TO THE CITIES OF SANTA ANA, PERRIS AND
MISSION VIEJO FOR A TOTAL INCREASE OF \$38,450.

ACTION: MSRC staff will include these award modifications on the next MSRC agenda for approval.

Agenda Item #10 – Consider Funding For Applications Received Under the Local Government Partnership Program

Cynthia Ravenstein, MSRC Contracts Administrator, reported there are nine additional applications. A couple of these are cities that are coming back for an additional portion of their reserved funding--the Cities of Culver City and Beaumont both previously had an application. This includes the first chunk of the reserved funding for the City of Los Angeles. The total funding request is for \$1,855,906.

MSRC-TAC Member Tim Olsen questioned the reference to near zero vehicles, is that natural gas trucks and buses and to what extent is renewable gas used as the source? Ray Gorski replied often times we have a box on the application which we ask the applicant to check whether or not they will be using renewable natural gas and if possible, the extent to which they will be using it. Some have multiple refueling stations and not all of them will be using renewable, they may come in at 50% or 75%, often times a lot of the larger fleets are running renewable natural gas. For this one, some have specified and some have not, we do not have as much clarity as to who is and who's not. Our definition of near zero is pretty much in keeping with most other regulatory agencies and that is 90% lower than the 2010 standard, it is at 0.02 gram NOx. Basically right now it's whatever is available, the Cummins 8.9 and 11.9 plus anything that emerges. What is interesting about this Local Partnership Program is that the MSRC has provided a very generous window to participate. There is up to 60 months to actually begin the project. We are expecting to have new vehicle options introduced within that time frame. Entities which may have specified, for example, a heavy duty or medium-duty electric vehicle--today they are having some difficulty identifying specifically what vehicle that is, but given the five years we are substantially sure that new products are going to be introduced to allow them to utilize their contribution from the MSRC. A lot of times you may give a little less detail than what we would like but in our dialogue with the cities we are suggesting that if you have the intent to purchase a medium-duty electric vehicle, but the vehicle you want is not commercially available quite yet, there is a window of opportunity for that vehicle to become commercialized and you can retain the right to the money so you can buy that vehicle when it is available. We give a lot of flexibility with this program.

Mr. Olsen added the point about renewable natural gas, going back to the financial aspects of this, in a side by side comparison it's more expensive to produce renewable gas than conventional natural gas. However, the credits pretty much make it a very lucrative approach depending on the daily trading. There are days when renewable gas credits are equal to \$7.80 a gallon, which mean the fuel producer is capturing that to offset their higher cost. You need to know as a host or a fleet owner that that is negotiable with you. It's worth doing some side-by-side comparison. We're going to see more renewable gas, right now from a diesel gallon equivalent stand point, we are consuming about 150 million gallons natural gas, of which two thirds of that is renewable gas. That was a small percent 5 years ago; now it has grown because of these credits, and most of that is distributed originally by Clean Energy. These are all out of state; there are only a few in-state projects. Now British Petroleum bought that wholesale

business. There are about 20 projects in-state that produce renewable gas, mostly dairy farms, wastewater treatment plants and electricity producers. To meet the short term goals, we are expecting 500 to 1000 in-state projects. The revenue stream is a choice on the use of the fuel.

Mr. Gorski stated we get so many mixed signals as it pertains to the heavy-duty sector zero emission versus near zero emissions, most recently with a decision by the Air Resources Board relative how the Volkswagen settlement money should be used. This Air District made a pitch to allow the near zero technology to receive those funds but the balance of the Air Resources Board members, voted to only allow that money to go to zero-emission for heavy-duty. As a policy committee, the MSRC is often saying is natural gas something we want to invest in, or has the regulatory boat left the dock and now we're only supposed to be focusing on zero emission, those are the type of conversations we will be looking to from both the Air Resources Board and the Energy Commission to help strike that balance.

ON MOTION BY MSRC-TAC MEMBER CLIFF THORNE, AND SECONDED BY MSRC-TAC ALTERNATE STEPHAN PATCHAN, THE MSRC-TAC UNANIMOUSLY VOTED TO RECOMMEND APPROVAL OF AWARDS TO THE CITIES OF BUENA PARK, ORANGE, (TWO APPLICATIONS), CULVER CITY, PASADENA, SANTA MONICA, BEAUMONT, AND LOS ANGELES, AS WELL AS THE COUNTY OF RIVERSIDE FOR A TOTAL OF 1,855,906.

ACTION: These awards will be included on the next MSRC agenda for approval.

OTHER BUSINESS

Agenda Item #11 – Other Business

No other business was introduced.

PUBLIC COMMENTS:

No public comment.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS, THE MSRC-TAC MEETING
ADJOURNED AT 2:05 P.M.

NEXT MEETING: Next meeting: Thursday, July 5, 2018, 1:30 p.m., at the South Coast Air Quality Management District.

(Minutes prepared by Penny Shaw Cedillo)