



**MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE  
THURSDAY, MARCH 18, 2021 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

**MEMBERS PRESENT:**

(Chair) Larry McCallon, representing San Bernardino County Transportation Authority (SBCTA)  
(Vice-Chair) Brian Berkson, representing Riverside County Transportation Commission (RCTC)  
Ben Benoit, representing South Coast AQMD  
John Dutrey, representing Regional Rideshare Agency  
Jed Leano, representing Southern California Association of Governments (SCAG)  
Tim Shaw, representing Orange County Transportation Authority (OCTA)  
Sydney Vergis, representing California Air Resources Board (CARB)  
Mark Henderson (Alt.), representing SCAG  
Ray Marquez (Alt.), representing Regional Rideshare Agency  
John Valdivia (Alt.), representing SBCTA  
Mark Yamarone (Alt.), representing Los Angeles County Metropolitan Transportation Authority (Metro)

**MEMBERS ABSENT:**

Steve Veres, representing Metro

**MSRC-TAC MEMBERS PRESENT:**

Chair AJ Marquez, representing Orange County Board of Supervisors  
Adriann Cardoso, representing OCTA  
Derek Winters, representing CARB  
Nicole Soto, representing Regional Rideshare Agency  
Rongsheng Luo, representing SCAG  
Tim Olson, Air Pollution Control Expert  
Vicki White, representing South Coast AQMD

**OTHERS PRESENT:**

Brandy Sickler  
Carrie Schindler  
Claire Garcia  
D. Thornburg  
Elizabeth Tom  
Elliott Popel  
Jack Symington  
Janice Thomas  
Jennifer Farinas  
Lauren Dunlap  
Meg Sandquist  
Ramine Cromartie  
Rose Szoke  
Sarah Ward  
Vincent Pellecchia

**SOUTH COAST AQMD STAFF & CONTRACTORS PRESENT:**

Alejandra Vega, MSRC Administrative Liaison  
Anthony Tang, Information Technology Specialist  
Ash Nikravan, Sr. Staff Specialist  
Cynthia Ravenstein, MSRC Contracts Administrator  
Daphne Hsu, Sr. Deputy District Counsel  
Donna Vernon, Secretary  
John Kampa, Financial Services Manager  
Lane Garcia, Program Supervisor  
Lawrence Brown, AQ Specialist  
Leah Alfaro, MSRC Contracts Assistant  
Maria Allen, Secretary  
Matt MacKenzie, MSRC Contracts Assistant  
Matt Miyasato, Deputy Executive Officer  
Nydia Ibarra, Public Affairs Specialist  
Patricia Kwon, Program Supervisor  
Paul Wright, Information Technology Specialist  
Penny Shaw Cedillo, Senior Administrative Secretary  
Ray Gorski, MSRC Technical Advisor - Contractor  
Todd Warden, Sr. Public Information Specialist

**CALL TO ORDER**

- Chair McCallon called the meeting to order at 2:01 p.m.
- Roll call was taken at the start of the meeting.
- Chair McCallon asked for opening comments.

There were no opening comments.

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

Cynthia Ravenstein highlighted that the Voucher Incentive Program update was recently released by CARB and MSRC is partnering with South Coast AQMD on their implementation for the Plus Up program.

- Chair McCallon asked for disclosures.

Item #4 – MSRC Member Sydney Vergis commented she is required to identify for the record that she is a staff member of CARB which is involved in this item and due to her financial interest with CARB recused herself from this item.

Item #4 – MSRC Member John Dutrey commented he does not have a financial interest, but is required to identify for the record that he is a Board Member of the SBCTA which is involved in this item.

Item #4 – MSRC Alternate Member John Valdivia commented he does not have a financial interest, but is required to identify for the record that he is a Board Member of the SBCTA which is involved in this item.

Item #4 – MSRC Alternate Member Ray Marquez commented he does not have a financial interest, but is required to identify for the record that he is a Board Member of the SBCTA which is involved in this item.

Items #4 and #5 – MSRC Member Ben Benoit commented he does not have a financial interest, but is required to identify for the record that he is a Board Member of South Coast AQMD which is involved in these items.

Item #4 – Chair McCallon commented he does not have a financial interest, but is required to identify for the record that he is a Board Member of South Coast AQMD and SBCTA which are involved in this item.

Item #5 – Chair McCallon commented he does not have a financial interest, but is required to identify for the record that he is a Board Member of the South Coast AQMD which is involved in this item.

### **CONSENT ITEMS (Items 1 through 3):**

#### **Receive and Approve**

##### **1. Minutes of the October 15 and November 19, 2020 MSRC Meetings**

Moved by Dutrey; seconded by Benoit; under approval of Consent Calendar Items #1 through #3, item unanimously approved.

Ayes: Benoit, Berkson, Dutrey, Leano, McCallon, Shaw, Vergis, Yamarone

Noes: None

Action: Staff will include the minutes of the October 15 and November 19, 2020 MSRC Meetings in the MSRC Committee Report for the April 2, 2021 South Coast AQMD Board meeting.

#### **Information Only – Receive and File**

##### **2. MSRC Contracts Administrator's Report**

The MSRC AB 2766 Contracts Administrator's Report for January 28 through March 3, 2021 was included in the agenda package.

Moved by Dutrey; seconded by Benoit; under approval of Consent Calendar Items #1 through #3, item unanimously approved.

Ayes: Benoit, Berkson, Dutrey, Leano, McCallon, Shaw, Vergis, Yamarone

Noes: None

Action: Staff will include the MSRC Contracts Administrator's Report in the MSRC Committee Report for the April 2, 2021 South Coast AQMD Board meeting.

##### **3. Financial Report on AB 2766 Discretionary Fund**

A financial report on the AB 2766 Discretionary Fund for February 2021 was included in the agenda package.

Moved by Dutrey; seconded by Benoit; under approval of Consent Calendar Items #1 through #3, item unanimously approved.

Ayes: Benoit, Berkson, Dutrey, Leano, McCallon, Shaw, Vergis, Yamarone

Noes: None

Action: No further action is required.

#### **ACTION ITEMS (Items 4 through 8):**

#### **4. Consider Project Concepts Received under the Hydrogen Infrastructure Partnership Program**

As an element of their FYs 2016-18 Work Program, the MSRC allocated \$3,000,000 for the implementation of hydrogen refueling stations within South Coast AQMD's jurisdiction. A Program Opportunity Notice was released on April 6, 2018, which has a closing date of April 9, 2021. The PON encourages partnerships with regulatory agencies such as the California Energy Commission, South Coast AQMD, and CARB, but also allows participation by other public and private stakeholders. A geographic funding minimum of \$500,000 per county has been established, and \$1,000,000 has been awarded to date. Project concepts have been received from California State University Los Angeles Auxiliary Services and San Bernardino County Transportation Authority. The MSRC-TAC reviewed the project concepts and recommends that the MSRC seek the submission of full proposals from these project proponents, to include the specific information discussed in the staff report.

John Dutrey asked if the funding allocated was \$3 million or \$2 million. MSRC-TAC Chair AJ Marquez confirmed \$3 million was allocated for this project. \$1 million was awarded to UC Irvine which leaves a balance of \$2 million.

Moved by Dutrey; seconded by Leano; item unanimously approved.

Ayes: Benoit, Berkson, Dutrey, Leano, McCallon, Shaw, Yamarone

Recusal: Vergis

Noes: None

Action: MSRC staff will contact the project proponents and request submission of full proposals

#### **5. Receive Status Update and Consider Midcourse Adjustment for Voucher Incentive Program (VIP) Plus Up**

As an element of their FYs 2018-21 Work Program, the MSRC allocated \$5,000,000 to partner with the South Coast AQMD for a VIP Plus Up Incentive. The baseline VIP offers incentives to encourage the replacement of older, higher-polluting vehicles with newer, lower-emission vehicles. The Plus Up offers an increased incentive to achieve additional surplus emission reductions.

Sydney Vergis inquired about the terminology of low NOx referred in the presentation. Cynthia Ravenstein confirmed she was referring to 0.02 g/bhp-hr NOx. Sydney Vergis noted that CARB's Omnibus Low NOx Rulemaking is anything that meets the Omnibus Low NOx standard of .01.

There was slow uptake for the VIP Plus Up during 2020. There was later than usual release of CARB VIP Guidelines, and fleets may have been cautious about embracing new fuel types during the uncertain times of the pandemic. For Class 8 vehicles, particularly, with the average cost of a qualifying new vehicle in the \$180,000 range, it seemed that the incentive amount might not be sufficient to overcome the cost differential and fleet concerns. It was considered that increasing the maximum combined incentive amount for Class 8 vehicles from \$100,000 to \$125,000 would revive interest in the Program. Simultaneously, \$2,500,000 of the funding previously allocated to VIP Plus Up could be redeployed to address immediate MSRC funding needs.

Moved by Dutrey; seconded by Benoit; item unanimously approved.

Ayes: Benoit, Berkson, Dutrey, Leano, McCallon, Shaw, Vergis, Yamarone

Noes: None

Action: This item will be considered by the South Coast AQMD Board at its meeting on April 2, 2021.

**6. Consider Proposals Received under Cargo Handling Equipment & Infrastructure at Warehouse, Distribution & Intermodal Facilities in Riverside & San Bernardino Counties RFP**

As an element of their FYs 2018-21 Work Program, the MSRC initially allocated \$6,000,000 to partner with owners and/or operators of warehouses, distribution centers, logistics facilities and intermodal hubs located in Riverside or San Bernardino County to implement air pollution reduction strategies that reduce emissions generated from cargo handling equipment during shipping container movement and bulk material processing. RFP #P2021-08 was released on November 6, 2020 with a closing date of January 15, 2021. Six proposals were received by the deadline and found to meet the requirements of the RFP. The MSRC-TAC Inland Ports Subcommittee reviewed the proposals and recommended awards to Penske Truck Leasing, CMA CGM (America), and ITS Technologies and Logistics. The Subcommittee further recommended that the proposals from MHX and RDS Logistics be placed on the Backup List, and suggested that the MSRC consider further actions as described in the staff report should the MSRC allocate additional funds to this category. The MSRC-TAC reviewed the Subcommittee's recommendations and recommends approval.

MSRC Member Tim Shaw inquired about the cost effectiveness of proposers who did not score as high as others. Ray Gorski explained that the three higher scoring proposals offered a greater percentage of overall co-funding towards the total project cost and also scored higher in the project readiness scores. The three lower scoring proposals required substantive modifications. Tim Olson added that the higher scoring proposals also had greater detail about who their supply chain partners were.

Sydney Vergis noted she was excited about this particular category and asked if 70% was the cut-off line of what is considered satisfactory versus unsatisfactory. She asked if it's the case for this RFP or does that line change depending on the RFP. Ray Gorski explained that a firm cut-off is specific to the work program category and how the solicitation and the scoring criteria are designed. A 70 point threshold is specific to a specific RFP work program category and the evaluation criteria which are associated with that work program category.

Moved by Dutrey to approve the recommendations made by the MSRC-TAC to allocate \$2,537,775 of funds previously unallocated and approve both the recommended projects and recommended backup list projects; seconded by Benoit; item unanimously approved.

Ayes: Benoit, Berkson, Dutrey, Leano, McCallon, Shaw, Vergis, Yamarone

Noes: None

Action: This item will be considered by the South Coast AQMD Board at its meeting on April 2, 2021.

#### **7. Consider Proposals Received under Trucking to Warehouse, Distribution & Intermodal Facilities in Riverside & San Bernardino Counties RFP**

As an element of their FYs 2018-21 Work Program, the MSRC initially allocated \$14,000,000 to partner with businesses which frequently transport goods to warehouses, distribution centers, logistics facilities and intermodal hubs located in Riverside or San Bernardino County to partially offset the cost of acquiring zero or near-zero emission heavy-duty trucks and associated infrastructure. RFP #P2021-07 was released on November 6, 2020 with a closing date of January 15, 2021. Eleven proposals were received by the deadline, and ten were found to meet the requirements of the RFP. The MSRC-TAC Inland Ports Subcommittee reviewed the proposals. The MSRC-TAC reviewed the Subcommittee's recommendations and recommends awards to Amazon Logistics, 4 Gen Logistics, Green Fleet Systems, Premium Transportation Services, and Ryder System. The Subcommittee further recommends that the proposals from MHX, Pac Anchor Transportation, Volvo Financial Services, Sea Logix, and CMA CGM (America) be placed on the Backup List, and suggests that the MSRC consider further actions as described in the staff report should the MSRC allocate additional funds to this category.

Chair McCallon commented that this is a good program and funding should be provided, especially with the warehouse activities that are going on in the Inland Empire.

John Dutrey inquired about new revenue coming in the next fiscal year. Ray Gorski explained that the new fiscal year for the MSRC commences on July 1. John Kampa added that at that point, MSRC's anticipated annual revenue would be approximately \$16.2 million. John Dutrey further asked if the \$16.2 million was in addition to the \$17.3 million balance MSRC currently has. Ray Gorski confirmed.

Matt Miyasato noted there were a couple proposals with Tesla trucks and asked what happens when those don't materialize and if there is a time frame by which MSRC can then direct those funds to the backup list. Ray Gorski explained that staff understands there's a desire to get zero emission trucks deployed as soon as possible and that they are working internally to ensure that there is some flexibility which could at least entertain the substitution of another zero emission asset, should one become unavailable and would bring it to the MSRC TAC and MSRC for approval.

Sydney Vergis noted that the scoring methodology used the Carl Moyer cost effectiveness calculations and asked if all these programs are requiring scrappage. Ray Gorski explained they used the methodology for quantifying cost effectiveness, but the program itself does not have a requirement to do scrappage. Sydney Vergis further added that these projects include combustion trucks that are not meeting the new Omnibus standard. She asked the Members if they are thinking about that calculation, given that the State is driving to zero emissions, zero emission trucks are available now and communities need zero emissions for relief in the most impacted areas.

MSRC Member Brian Berkson asked if there was a way to determine the measurable benefit of the number of vehicles or the amount of total reduction. He also commented that there were only a couple companies that asked for more than 50% of the overall cost, but believes a discussion was never had about having a required minimum contribution by each of these companies and suggested having one in the future. He concluded by asking if there was any consideration for how this program might be utilized down the road. Chair McCallon responded by noting there will be a new Work Program and this program could potentially be included. Tim Olson also provided feedback and noted that if this Item was approved, there would be about three dozen off-road electric yard tractors and pieces of equipment, about 115 new electric trucks on the road, and 195 CNG trucks on the road. He concluded by stating that by leaving the choice up to the applicant he believes is the key to a more substantial commitment in this whole process.

Brian Berkson inquired about a program mentioned on the radio regarding South



Coast AQMD offering \$180,000 to \$200,000 to switch out trucks and asked if staff was aware about it. Matt Miyasato stated it was the Proposition 1B program and it's a different program that offers \$100,000 for near-zero or 0.02 trucks and \$200,000 for zero emission trucks and it's targeted for specific goods movement applications.

Moved by Berkson to approve the recommendations made by the MSRC-TAC to allocate \$14,704,189 of funds previously unallocated and approve both the recommended projects and recommended backup list projects; seconded by Dutrey; item unanimously approved.

Ayes: Benoit, Berkson, Dutrey, Leano, McCallon, Shaw, Vergis, Yamarone  
Noes: None  
Action: This item will be considered by the South Coast AQMD Board at its meeting on April 2, 2021.

**8. Consider Partnership Opportunities and Potential MSRC Funding Commitments to Participate in the California Energy Commission's Research Hub for Electric Technologies in Truck Applications (RHETTA) Program**

The MSRC has received two (2) unsolicited proposals seeking to establish a partnership in pursuit of funding from the California Energy Commission (CEC) under the RHETTA Program. The Los Angeles Cleantech Incubator (LACI) with project partner the Transportation Electrification Partnership (TEP) requests \$2.0M in MSRC co-funding; the University of California Riverside (UCR) requests \$1.5M in MSRC co-funding. Both LACI-TEP and UCR request that: 1) the MSRC partner with that entity in the pursuit of RHETTA funding, 2) the MSRC commit co-funding in the amount specified above towards implementation of the RHETTA project proposed to the CEC, and 3) the MSRC provide a letter for inclusion in their proposal stating the MSRC's commitment of project co-funding. If the MSRC determines that RHETTA participation is not within the MSRC's future work program pursuits, members can take no action at this time.

Chair McCallon noted he personally preferred the option to entertain future partnership with whoever gets the award.

Brian Berkson agreed with Chair McCallon and noted that it doesn't necessarily equate to what the MSRC's goals and policies are about how the money is spent and what Members are trying to get out of it, which is production of better air quality. He also noted that there's zero benefit in paying somebody to do some research and legwork, but don't get a product out in the market.

Chair McCallon added it would give members time to see if this would fit in the new program and it would be better to wait all the way around.

Moved by Berkson to take no action today and have the option to revisit this at a later time; seconded by Dutrey; item unanimously approved.

Ayes: Benoit, Berkson, Dutrey, Leano, McCallon, Shaw, Vergis, Yamarone

Noes: None

Action: MSRC Staff to monitor outcome of RHETTA selection process

**OTHER BUSINESS:**

**9. Other Business**

There was no other business.

**PUBLIC COMMENT PERIOD**

No comments were made on non-agenda items.

**ADJOURNMENT**

The meeting adjourned at 3:30 p.m.

**NEXT MEETING**

Thursday, April 15, 2021 at 2:00 p.m.

[Prepared by Alejandra Vega]