



**MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE
THURSDAY, JANUARY 18, 2024 MEETING MINUTES
21865 Copley Drive, Diamond, Bar, CA 91765**

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)
Rena Lum (Alt.), representing Los Angeles County Metropolitan Transportation Authority (Metro)
Peter Christensen (Alt.), representing California Air Resources Board (CARB)

MEMBERS ABSENT:

Mark Henderson representing SCAG
William Robertson, representing CARB
Cindy Allen (Alt.), representing SCAG
Steve Veres, representing Metro
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
Kelly Lynn, representing SBCTA
Minh Le, representing County of Los Angeles
Adriann Cardoso, representing OCTA

OTHERS PRESENT:

Avinash Chung
Chris Yu
Edwin Harte, So Cal Gas
Lauren Dunlap
Louis Zhao, OCTA

Mike Martinez
Owen Frazier, TRC Companies
Paul Lin
Sam Emmersen, Better World Group
Samira R, So Cal Gas
SBCCOG
Valerie Rivera
Jack Symington, LACI
Jereas Musharbash, Airport Mobil Towing

SOUTH COAST AQMD STAFF & CONTRACTORS PRESENT:

Anish Pathak, Financial Analyst
Cynthia Ravenstein, MSRC Contracts Administrator
Daniel Penoyer, Air Quality Specialist
Daphne Hsu, Principal Deputy District Counsel
Debra Ashby, Sr. Public Affairs Specialist
Donna Vernon, Administrative Assistant
Karen Sandoval, Financial Analyst
Kristin Remy, Sr. Administrative Assistant
Lane Garcia, Program Supervisor
Laurence Brown, Air Quality Specialist
Marjorie Eaton, Administrative Assistant
Matt Mackenzie, MSRC Contracts Assistant
Michael Miller, Board Member Assistant
Paul Wright, Sr. Information Technology Specialist
Ray Gorski, MSRC Technical Advisor-Contractor
Sindy Enriquez, MSRC Contracts Assistant
Walter Shen, Planning & Rules Manager

CALL TO ORDER

- Chair McCallon called the meeting to order at 2:00 p.m.
- Roll call was taken at the start of the meeting.
- Chair McCallon asked the committee for any opening comments.

No opening comments.

- Chair McCallon asked for disclosures.

Item #3 – MSRC Member Curt Hagman said he does not have a financial interest, but is required to identify for the record that he is a member of the Board of Directors for Omnitrans, which is involved in this item.

Items #9 and 10 – MSRC Member Curt Hagman said 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 #3 – MSRC Chair Larry McCallon said he does not have a financial interest, but is required to identify for the record that he is a member of the Board of Directors for Omnitrans, which is involved in this item.

Items #9 and 10 – MSRC Chair Larry McCallon said 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 #9 – MSRC Alternate Member Rena Lum said she does not have a financial interest, but is to identify for the record that she is an employee for the Los Angeles County Metropolitan Transportation Authority, 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 October 9, 2023 MSRC Meeting

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-8, item unanimously approved.

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

Noes: None

Action: Staff will include the minutes of the October 9, 2023 MSRC Meeting in the MSRC Committee Report for the February 2, 2024 South Coast AQMD Board meeting.

2. Consider Adoption of 2024 Meeting Schedules

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-8, item unanimously approved.

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

Noes: None

Action: No further action is required.

3. Summary of Final Reports by MSRC Contractors

- Omnitrans, Contract #MS18180 (\$83,000 - Maintenance Facility Improvements)
- Costco Wholesale Corp., Contract #MS21025 (\$160,000 - Install Five EV Charging Units)

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-8, item unanimously approved.

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

Noes: None

Action: No further action is required.

Information Only – Receive and File**4. MSRC Contracts Administrator's Report**

The MSRC AB 2766 Contracts Administrator's Report for September 28, 2023 through January 3, 2024 was included in the agenda package.

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-8, item unanimously approved.

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

Noes: None

Action: Staff will include the MSRC Contracts Administrator's Report in the

MSRC Committee Report for the February 2, 2024 South Coast AQMD Board meeting.

5. Financial Report on AB 2766 Discretionary Fund

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

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-8, item unanimously approved.

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

Noes: None

Action: No further action is required.

6. Report on Outreach Activities

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

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-8, item unanimously approved.

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

Noes: None

Action: No further action is required.

For Approval – As Recommended

7. Consider Nine-Month Term Extension by City of Gardena (GTrans), Contract #MS8027 (\$365,000 - Install New Limited Access CNG Station, Modify Maintenance Facility & Train Mechanics)

GTrans requests approval of a nine-month term extension due to longer than anticipated time for delivery of electrical switchgear box and subsequent delays with permits and inspections. This contract was previously extended a total of 28 months.

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-8, item unanimously approved.

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

Noes: None

Action: MSRC staff will amend the above contract accordingly.

8. Consider 18-Month Term Extension by MHX, LLC, Agreement #MS21010 (\$569,275 - Deploy One Zero Emission Overhead Crane)

MHX requests an 18-month term extension due to supply chain challenges. This agreement has not previously been extended.

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-8, item unanimously approved.

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

Noes: None

Action: MSRC staff will amend the above contract accordingly.

ACTION ITEMS (Items 9 through 10):

9. Consider a Cooperative Agreement with Los Angeles County Metropolitan Transportation Authority (Metro) to Pursue Funding Opportunities and Proposals for a Los Angeles County Heavy-Duty Truck Electrified and Alternative Fuel Transportation System

Ray Gorski, MSRC Technical Advisor, said this item is to enter into a cooperative agreement with Metro to establish a framework for MSRC and Metro to pursue joint opportunities in the future. This could include partnering to develop and co-fund a joint Request for Proposals (RFP) or to pursue outside funding opportunities including co-funding MSRC projects.

Metro has recommitted \$50 million for an I-710 Clean Truck Program. Metro's CEO has issued direction to collaborate with local and regional stakeholders to develop programs to deploy zero-emission trucks in the I-710 corridor as soon as possible. This presents a great opportunity because the MSRC's interest in the development of publicly accessible zero-emission infrastructure is directly aligned with Metro's commitment to have zero-emission trucks deployed along the I-710.

The cooperative agreement has been fully vetted through both the South Coast AQMD legal office as well as the Los Angeles County Counsel. The MSRC-TAC recommends MSRC approve the cooperative agreement.

Chair McCallon asked if the agreement commits the MSRC to a certain amount of funds. Mr. Gorski answered that it does not. The MSRC has unallocated discretionary resources and we feel that there is a potential opportunity to partner and jointly co-fund projects which mutually benefit both parties.

Chair McCallon asked if third parties will be involved. Mr. Gorski answered absolutely third parties will be involved. The types of projects that both entities are

interested in pursuing are those which place zero emission infrastructure along the I-710 corridor to support goods movement between the maritime ports and the Inland Empire. This would include participation with infrastructure developers, site owners and potentially trucking firms which will utilize the charging infrastructure.

MSRC Member Patrick Harper asked why do we need an agreement and can we do this without an agreement? Mr. Gorski answered that the agreement is necessary for Metro to legally transfer money to the South Coast AQMD on behalf of the MSRC.

Mr. Harper asked why does the money need to be transferred from LA Metro to us? Mr. Gorski answered that, for example, the MSRC will take the responsibility for administering any programs which come out of that RFP and would utilize funding from both agencies.

Chair McCallon asked for public comments on this item.

No comments.

Moved by Hagman for the MSRC to approve and execute a joint cooperative agreement with Metro to pursue projects of mutual benefit; seconded by Berkson; item unanimously approved.

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

Noes: None

Action: MSRC staff will place the cooperative agreement on the February 2, 2024 South Coast AQMD Board agenda for approval

10. Consider Partnering with Respondents to MSRC RFI 2023-01, Publicly Accessible Goods Movement Zero-Emission Infrastructure, in seeking funding under the South Coast AQMD Carl Moyer Program Announcement PA2024-02, Zero-Emission Infrastructure Program

Ray Gorski, MSRC Technical Advisor, presented that in December 2023, South Coast AQMD released a Carl Moyer Program Announcement for the construction of zero-emission infrastructure. This program to support the development of electric charging and hydrogen refueling to support medium and heavy duty zero emission vehicles has a value of up to \$200 million. This funding flows from the California Air Resources Board to the South Coast AQMD. This solicitation has a closing date of February 6, 2024. Today's action is requested because of the timeliness of this program opportunity which is offered by the South Coast AQMD.

This is a good opportunity for the MSRC to work with the South Coast AQMD to fund projects which were submitted to the MSRC under MSRC's publicly accessible

zero-emission infrastructure RFI. This would allow the MSRC to leverage the amount of discretionary funds and expand the number of projects under this RFI.

The MSRC did not meet in December, but the MSRC-TAC met. There was a vetting process for the RFI respondents to determine which projects should move forward for Carl Moyer consideration. The MSRC-TAC authorized staff to look at all the projects that were currently unfunded by the MSRC that were deemed near shovel-ready and conformed with the guidelines of the Carl Moyer program to negotiate a potential MSRC co-funding amount with that project respondent and seek approval from the MSRC-TAC. The MSRC-TAC recommends approval of the recommendations that were put forth to them.

MSRC Member Hagman stated that he understands what was done, but a special meeting could have been called. When looking for policy direction from a board, at least that should be brought up. It deserved a phone call to the Chair and ask if you want to hold a special meeting. We can ratify this action and take approval on it, but it is still a policy; it should take policy direction to move forward.

Ray Gorski answered that in the spirit of disclosure, what happened was there was an MSRC meeting scheduled, and it was canceled. There was the intent to bring this to you.

Under this process, there are three RFI responses which were both compatible with the requirements of the South Coast AQMD Carl Moyer program and were also entities which approached the MSRC for potential partnering on a joint program. The three respondents are Southern California Gas Company, Penske Truck Rental and Pilot Company/Flying J.

Southern California Gas Company is proposing to develop a hydrogen refueling station in Pico Rivera which would support heavy duty zero emission trucks. This would be co-located with an existing So Cal Gas renewable natural gas refueling facility. The final design is looking to produce 1,200 kg per day of refueling capacity and up to 48 hours of storage capacity.

Penske Truck Rental has proposed to develop 20 sites with a total of 114 DC fast-chargers. There is a broad-based geographic distribution through the South Coast AQMD region. The chargers are dual port, and the project will also include solar, electricity generation and energy storage using outside batteries.

MSRC Member Hagman asked if Penske has an electric truck fleet. Mr. Gorski answered that Penske is one of the larger fleets to deploy electric vehicles.

Chair McCallon asked if these chargers will be publicly accessible or just to Penske trucks. Mr. Gorski answered these are going to be accessible under a business model which will allow all the trucks which are leased through the Penske organization to charge anywhere throughout their entire charging network. Not unique to Penske, it will not be open 24 hours, 7 days a week to any truck. The different business models that are being looked at for doing zero emission truck charging usually have some restriction, due to liability concerns or access. Many do require having an agreement with the entity which owns that infrastructure.

Pilot/Flying J is a hydrogen station proposed for construction in Rialto along the I-210 corridor. This will be co-located with the Pilot Travel Center which is currently under construction. This has proximity to major distribution centers within a 1.5-mile radius. This will be available to the public but is more conducive to trucking since it is at a truck stop.

Chair McCallon commented that we need the ability to fuel cars too.

MSRC Vice-Chair Brian Berkson commented that he has a Flying J in his city and they segregate the truck area from the passenger vehicle area. He doesn't see anyone with a car fueling up at the Flying J.

Mr. Gorski responded that he could put together some information that shows what the hydrogen refueling availability is like for light duty passenger vehicles within the South Coast AQMD region.

Mr. Berkson asked if the MSRC could add a caveat which would require Pilot/Flying J, if approved, to provide a pump for passenger cars as well.

Mr. Gorski answered that the MSRC has the discretion to request anything they like. However, this solicitation is for goods movement trucks. They responded to the MSRC's RFI which focused on Class 8 tractors.

MSRC Member Patrick Harper commented that in the staff report it says the site is ideally located to address the fueling needs of large fleets, owner operators and everyday commuters.

Chair McCallon asked that we clarify and inquire about refueling passenger vehicles. We need something in that area to refuel hydrogen cars.

Ray Gorski continued with the funding requests for the three projects. He explained that in comparison to the funding requests that were in their original responses to MSRC's solicitation, the amounts now requested are 50% of those values. If you are able to leverage the MSRC funding with another color of money, it will allow you to

only spend half of what you would have under your own RFI.

The requests are as follows: Southern California Gas Company is requesting \$6 million to co-fund the hydrogen refueling station in Pico Rivera, Penske Truck Rental is requesting \$17.98 million to co-fund the construction of 20 electric vehicle charging facilities, and Pilot/Flying J is requesting \$3 million to implement the hydrogen station they are proposing for their travel center in Rialto. The MSRC funding contribution will be leveraged by at least 75%.

Mr. Gorski states that they have very detailed breakdown of costs that can be made available upon request. One of the things included in the RFI was for them to discuss the working relationship and the status of working with the power utility companies. In most cases, they are looking to utilize the Charge Ready transport funding which is available if you are in the SCE area, or working with the LADWP if you are in the greater Los Angeles area, or their municipal utility. They are all actively pursuing to ensure that power is available at the site for them to complete these projects.

Mr. Gorski continued his presentation with the status of MSRC zero emission infrastructure RFI-completed actions. The targeted amount the MSRC set aside is \$50 million. More than 376 DC fast chargers and 19 hydrogen refueling dispensers are currently funded by the MSRC under MSRC's Work Program. The total project cost for these projects is \$215 million; the MSRC's investment is \$14.7 million. This illustrates what you have been able to fund for \$14.7 million out of your \$50 million.

MSRC did not do this all on its own. There was a partnership with the California State Transportation Agency, the Port of Los Angeles and Metro to bring \$45 million of additional funding to the table and this does not include the co-funding brought from the project implementers.

There are pending actions you will be asked to consider very soon. MSRC staff is working with the San Pedro Bay Ports to fund additional MSRC sites which would include 244 total charging stations at a total project cost of \$140.5 million. Staff is working with both ports to develop and execute a Memorandum of Understanding allowing funding to flow between the parties. The projects will be administered by the MSRC on behalf of the partnership with the San Pedro Bay Ports. Additional funding from the ports of \$28.5 million. The MSRC investment will be zero; this money which is flowing from the San Pedro Bay Ports to fund programs which are being solicited and implemented by the MSRC.

Today's action is the partnership with the MSRC, project proponents and the South Coast AQMD Carl Moyer program. This lists 22 locations and if are all successful, an additional 228 charging sites and 8 hydrogen refueling stations. Total amount of MSRC funding is \$26.98 million. Total project investment is greater than \$93

million.

Mr. Hagman asked of the \$26 million asking today in this item, is this all MSRC dollars?

[Mr. Gorski misspoke, apparently responding to all the types of funding which would be applied to the projects. \$26.9 million is the MSRC contribution towards the identified projects as stated in the staff report attached to the agenda.] It is going to be a combination of MSRC dollars, co-funding by project proponents and the South Coast AQMD Carl Moyer program.

If the MSRC is 100% successful and each of the three projects for your consideration today are funded by the Carl Moyer program, and the MSRC is able to move forward in developing relationships with the Ports, the total number of project locations will be 40. The number of electric vehicle chargers will be greater than 848. MSRC total funding would be \$41.6 million. Total project investment would be \$450 million.

The recommended steps are as follows: 1) approve the MSRC-TAC recommendation to enter into agreements and partner with Southern California Gas, Penske Truck Rental and Pilot Company/Flying J in pursuit of Carl Moyer funding, 2) complete MOU Partnership with San Pedro Bay Ports which will allow us to fund additional projects and, 3) monitor Carl Moyer award status to see which of those projects has the potential for moving forward.

MSRC Alternate Peter Christensen recommended both on the hydrogen and electric side to leverage our ability to ensure station reliability and minimize downtime because while these stations are great to have, they are no good if they are not operating. He encouraged the team to think about this as they prepare the agreements. His last recommendation is to coordinate, when appropriate, with the California Energy Commission as CARB's sister agency that plans and implements a lot of infrastructure development in California.

Mr. Gorski commented that if CARB has guidance for hydrogen station reliability, we want to work with you to use that as a point of departure for discussions with project proponents.

Chair McCallon asked for public comment on this item.

No public comment.

Moved by Hagman to 1) approve the MSRC-TAC recommendation to enter into agreements and partner with Southern California Gas, Penske Truck Rental and Pilot Company/Flying J in pursuit of Carl Moyer funding 2) complete MOU

Partnership with San Pedro Bay Ports which will allow MSRC to fund additional projects and 3) monitor Carl Moyer award status to see which of those projects has the potential for moving forward; seconded by Berkson, item unanimously approved.

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

Noes: None

Action: Staff will place the funding allocations on the February 2, 2024 South Coast AQMD Board agenda for approval

OTHER BUSINESS:

11. Other Business

PUBLIC COMMENT PERIOD

Jereas Musharbash of Airport Mobil Towing in Ontario, California. One of the first towing companies to convert all trucks to CNG. Asking for help with the Carl Moyer Program.

Ray Gorski stated that we have South Coast AQMD Technology Advancement Office (TAO) representatives currently participating and we can coordinate with them. Chair McCallon confirmed that TAO will reach out to Mr. Musharbash.

ADJOURNMENT

The meeting adjourned at 2:52 p.m.

NEXT MEETING

Thursday, February 15, 2024 at 2:00 p.m.

[Prepared by Marjorie Eaton]