



**MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE
THURSDAY, JUNE 20, 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 Air Quality Management District (AQMD)
- William Robertson, representing California Air Resources Board (CARB)
- Linda Krupa, representing Regional Rideshare Agency
- Patrick Harper, representing Orange County Transportation Authority (OCTA)
- Rena Lum (Alt.), representing Los Angeles County Metropolitan Transportation Authority (Metro)
- Mark Henderson, representing Southern California Association of Governments (SCAG)

MEMBERS ABSENT:

- Cindy Allen (Alt.), representing SCAG
- Steve Veres, representing Metro
- John Dutrey (Alt.), representing SBCTA
- Peter Christensen (Alt.), representing CARB

MSRC-TAC MEMBERS PRESENT:

- Adriann Cardoso, representing OCTA
- Rongsheng Luo, representing SCAG
- Scott Strelecki (Alt.), representing SCAG

OTHERS PRESENT:

- | | |
|--------------------------------------|------------------|
| Lijin Sun, SCAG | Philip Law, SCAG |
| Ruben Aronin, Better World Group | Ryan Laws, SCAG |
| Suzanne Cafilish, Better World Group | Clair Garcia |
| Daneil Schweizer, Zeem Solutions | |

SOUTH COAST AQMD STAFF & CONTRACTORS PRESENT:

Aaron Katzenstein, Deputy Executive Officer
Cynthia Ravenstein, MSRC Contracts Administrator
Daphne Hsu, Principal Deputy District Counsel
De Groeneveld, Information Technology Supervisor
Debra Ashby, Sr. Public Affairs Specialist
Ghislain Muberwa, Information Technology Specialist
John Kampa, Financial Services Manager
Maria Allen, Administrative Assistant
Marjorie Eaton, Administrative Assistant
Nydia Ibarra, Public Affairs Specialist
Ray Gorski, MSRC Technical Advisor-Contractor
Sindy Enriquez, MSRC Contracts Assistant

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 disclosures.

Items Nos. 2 and 8 – MSRC Member Curt Hagman said he does not have a financial interest in Item No. 2, but is required to identify for the record that he is a member of the Board of Directors for SBCTA, which is involved in the item. In addition, he does not have a financial interest in Item No. 8 but is required to identify for the record that he is a Regional Council member for SCAG, which is involved in the item.

Items Nos. 2 and 8 – MSRC Vice-Chair Brian Berkson said he does not have a financial interest in Item No. 2 but is required to identify for the record that he is a member of the Board of Directors for the Southern California Regional Rail Authority (SCRRA), which is involved in the item. In addition, he does not have a financial interest in Item No. 8 but is required to identify for the record that he is a Transportation Committee Member for SCAG, which is involved in the item.

Item No. 8 – MSRC Member Linda Krupa said she does not have a financial interest, but is required to identify for the record that she is a Regional Council member for SCAG, which is involved in Item No. 8. In addition, for Item No. 8 she is required to identify for the record that she is recusing herself from Item No. 8. because of a financial interest in PepsiCo, which is affected by the item.

Item No. 2 – MSRC Alternate Member Rena Lum said she does not have a financial interest in Item No. 2 but is required to identify for the record that she is an employee for the Los Angeles County Metropolitan Transportation Authority, which is involved in the item.

Item No. 8 – MSRC Member Mark Henderson said he does not have a financial interest in Item No. 8 but is required to identify for the record that he is a Regional Council member for SCAG, which is involved in the item.

Items Nos. 2 and 8 – MSRC Chair Larry McCallon said he does not have a financial interest in Item No. 2 but is required to identify for the record that he is a Director for SBCTA, which is involved in the item. In addition, he does not have a financial interest in Item No. 2 but is required to identify for the record that he is the Chair of the Board of Directors for SCRRA, which is involved in the item. Lastly, he said he does not have a financial interest in Item No. 8 but is required to identify for the record that he is a Regional Council member for SCAG, which is involved in the item.

Item Number 3 of the Consent Calendar was pulled for discussion.

MSRC member William Robertson stated that at a previous meeting we discussed the potential modification of a contract related to vehicle deliverables and infrastructure funding. Staff were tasked with further discussions, and an update on their progress was requested, along with any other relevant information.

Cynthia Ravenstein, MSRC Contracts Administrator, answered that a recent discussion revealed that Ryder will be seeking an extension for vehicle deliveries and infrastructure. Tesla has delivered some vehicles from a pilot production facility but is not ready for mass production until 2026. Also, infrastructure development is expected to take over 18 months. A revised request from Ryder is anticipated.

MSRC member Curt Hagman stated that he recently attended the Advanced Clean Transportation (ACT) Conference where he explored various prototype vehicles. A standout was a Japanese company showcasing eight vehicles, focusing on hydrogen and electric technology. Despite their innovations, there's a lack of U.S. manufacturing, which restricts market access. There are existing technologies available in other countries that have been tested extensively. Despite the comparable costs of these technologies to current diesel trucks, frustration arises because these technologies cannot access federal grants, hindering their implementation.

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

No public comment.

CONSENT ITEMS (Items 1 through 7):

Receive and Approve

1. Minutes of January 18, 2024 MSRC Meeting

The January 18, 2024 MSRC meeting minutes were included in the agenda package.

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-7, item unanimously approved.

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

Noes: None

Action: Staff will include the MSRC minutes with the MSRC Committee Report for the August 2024 South Coast AQMD Board meeting.

2. Summary of Final Reports by MSRC Contractors

- San Bernardino County Transportation Authority, Contract #MS18065 – San Bernardino Line Discount Program

- 4Gen Logistics, Contract #MS21013 – Purchase of Forty (40) Volvo VNR Electric Trucks

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-7, item unanimously approved.

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

Noes: None

Action: No further action is necessary

Information Only – Receive and File

3. MSRC Contracts Administrator's Report

The MSRC AB 2766 Contracts Administrator's Report for April 25 through May 29, 2024 was included in the agenda package.

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-7, item unanimously approved.

Ayes: Hagman, Krupa, 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 August 2024 South Coast AQMD Board meeting.

4. Financial Report on AB 2766 Discretionary Fund

A financial report on the AB2766 Discretionary Fund for May 2024 was included in the agenda package. Results of the 15th Biennial AB 2766 Audit covering FYs 2019-20 and 2020-21 were included in the agenda package.

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-7, item unanimously approved.

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

Noes: None

Action: No further action is required.

FYs 2014-16 Work Program

5. Consider 4-Month Term Extension by City of San Fernando, Contract #ML16075 (\$354,000- Install Class I Bikeway)

The City requests a four-month term extension because discrepancies in elevations necessitated plan revisions and heavy rains further delayed the project. The contract has previously been extended by five years and six months.

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-7, item unanimously approved.

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

Noes: None

Action: Staff will amend the above contract accordingly.

FYs 2016-18 Work Program

6. Consider 3-Month Term Extension by City of San Dimas, Contract #ML18148 (\$50,000 – Implement Bicycle Detection Measures)

The City requested a six-month contract term extension due to the need to install additional conduit. Because the request was not received in sufficient time prior to the termination date, a three-month contract term extension was processed administratively to allow sufficient time for the MSRC to consider the remainder of the request. Therefore, an additional three-month contract term extension would fulfill the City's request. This contract had previously been extended by one year.

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-7, item unanimously approved.

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

Noes: None

Action: Staff will amend the above contract accordingly.

7. Consider 2-Year Term Extension by City of Rancho Cucamonga, Contract #ML18051 (\$91,500 – Procure 6 Light-Duty ZEVs and Install EV Charging Infrastructure)

In April 2024, the MSRC approved modifications to the City's contract including substituting the installation of some publicly accessible Level III stations for Level II stations. This project is part of the FYs 2016-18 Local Government Partnership Program, which has a five-year operational requirement for Level III stations. This item would extend the term of Contract #ML18051 by two years only to cover the longer requirement; there would be no change to the required in-service date.

Moved by Hagman; seconded by Harper; under approval of Consent Calendar Items #1-7, item unanimously approved.

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

Noes: None

Action: Staff will amend the above contract accordingly.

For Approval – As Recommended

8. Consider Modified Scope and Reallocation of Funding Between Projects by Southern California Association of Governments (SCAG), Contract #MS21005 (\$16,751,000 – Implement Last Mile and Freight Program)

Linda Krupa recused herself from the meeting due to a financial interest in PepsiCo and left the room.

Cynthia Ravenstein, MSRC Contracts Administrator, presented that this contract, valued at \$16,751,000, is part of the MSRC's FYs 2018-21 Work Program focused on goods movement. It involves the Last Mile Freight Program with 22 projects currently in deployment. While only \$132,000 has been paid out, over \$1.4 million is reserved for reallocation. The reallocation request seeks to shift funds to New Bern Transport in Buena Park, increasing its project scope from 10 to 20 Tesla Class 8 zero emission tractors. This project meets geographic funding targets for

Orange County and offers additional matching funds.

MSRC Member Hagman expressed excitement about seeing the Tesla at a conference but was concerned about delays in the project. He mentioned the company's frequent issues with delivering new vehicles on time.

Ravenstein continued that Zeem Solutions is modifying its project to deploy 42 zero-emission vehicles across three sites (two in Inglewood, one in Long Beach) and install 42 dual-port fast chargers in Long Beach. This adjustment comes after challenges in securing a site in Santa Ana, where initially 72 vehicles and 13 fast chargers were planned. The reallocation of funds aims to meet program timelines effectively.

Zeem's business model for vehicle charging involves a blend of customer-owned vehicles and leased vehicles from Zeem. They estimate that 40% of the 42 vehicles in the project will be owned by Zeem, but there's no minimum commitment. Additionally, Zeem seeks approval for a wide range of vehicle models, including about 59 classes of trucks eligible under the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program (HVIP) standards.

Ray Gorski, MSRC Technical Advisor, explained that HVIP is a program administered by Calstart on behalf of the California Air Resources Board, aimed at providing incentives for purchasing zero emission medium and heavy-duty vehicles. The transaction for these incentives occurs at the point of sale, making it a practical and lucrative ongoing program for buyers in California.

MSRC Vice-Chair Berkson expressed concerns about the potential approval of a modification expanding the types of vehicles under the program. He sought clarification on whether expanding the program would maintain the anticipated environmental benefits, such as reduced diesel particulates, or if it might diminish the expected return on investment.

Gorski continued that the chargers and vehicles deployed at Long Beach will be Class 8 tractors for container drayage, ensuring compliance with port requirements. Funding for charging infrastructure at Long Beach has been requested. Inglewood will cater to a broader range of vehicles, primarily supporting LAX operations, as there are currently no publicly accessible heavy-duty chargers at LAX. Zeem is seeking flexibility for various vehicle types at Inglewood.

The discussion revolves around whether certain vehicles, particularly delivery vans, fit the original vision for the last mile freight program. While the initial focus was on heavy-duty vehicles (Class 4 to 8), it did encompass a broader range of freight

movement, including neighborhood delivery vehicles, if they are zero-emission.

MSRC Member Henderson asked whether the project's scope remains unchanged aside from the venue change.

Ravenstein answered there is some flexibility regarding the types of vehicles and their ownership. The number of vehicles has been reduced from 72 to 42, but there will be an increase in the number of chargers available.

Ryan Laws of SCAG commented Zeem initially planned to partner with three vehicle types but sought flexibility in their procurement choices. At the time, there was uncertainty regarding specific makes and models, which were not defined in the contract until later discussions with Ravenstein.

Ravenstein continued she recommends reallocating resources to the New Bern project. She suggests two options regarding the Zeem project: allowing SCAG some discretion to implement the program if requirements are met, or rejecting the proposal, which would lead to a modified request from SCAG.

MSRC Member Henderson expressed support for the approval of requested changes, emphasizing the importance of continuing to deploy zero-emission vehicles and ensuring that the MSRC is kept informed of future requests. He advocated for transparency while acknowledging the need for SCAG to streamline its decision-making process.

Chair Larry McCallon asked for public comment on item number 8.

No public comment.

Moved by Hagman to consider modified scope and reallocation of funding between projects; seconded by Berkson; item approved.

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

Recuse: Krupa

Noes: None

Action: Authorization of the modifications will be placed on the South Coast AQMD Board agenda for approval

9. FYs 24-27 Work Program Development Update

Ray Gorski, MSRC Technical Advisor, presented to briefly update on the MSRC-TAC and staff's progress with the new Work Program. Since there's no meeting in July, we've moved some decision points to June to allow continued work. We seek input on investment ideas and will present initial recommendations for funding

categories. The MSRC-TAC proposes breaking the \$81 million work program into three categories, focusing on partnerships to leverage additional funding for projects.

Today's focus is on soliciting ideas from the MSRC regarding investment preferences and seeking approval for the recommendations of subcommittees and Work Program categories. The MSRC-TAC team has generated initial investment suggestions, and MSRC members are encouraged to provide feedback or propose adjustments.

The first category is a Partnership Subcommittee aimed at collaborating with other agencies to leverage funds and expand programmatic reach, ultimately funding more projects and fostering relationships. Discussions have already begun with entities like the South Coast AQMD. Three distinct projects are under investigation for potential joint pursuit with AQMD and their Technology Advancement Office. Collaborations with LA Metro are ongoing, including a memorandum of understanding for co-funding projects. The Port of Long Beach approved an MOU for a \$12.5 million investment to enhance ZEV infrastructure, with further support expected from the Port of Los Angeles. The San Pedro Bay ports are exploring additional operational work due to their commitment to a Clean Air Action plan, which includes aggressive deadlines for emissions reduction from both cargo handling equipment and on-road trucks. Also, recently MSRC and South Coast AQMD staff met with the California Energy Commission and Caltrans to discuss potential funding from the U.S. Department of Transportation. The Subcommittee will conduct further research and present specific project options for potential financial investment by MSRC.

Next the MSRC-TAC recommends a transportation demand management (TDM)/transportation control measures (TCM) Subcommittee. This Subcommittee would focus on measures to reduce vehicle miles traveled (VMT) in the four-county region. This involves promoting alternatives to regular car usage, such as transit and rideshare options, primarily to improve air quality and reduce greenhouse gas emissions. The emphasis is on innovative strategies for people movement rather than goods.

Finally, the MSRC-TAC recommends an Innovation Subcommittee. Historically, the MSRC avoided pre-commercial projects due to an agreement with the South Coast AQMD, but there's now a desire to collaborate more closely on innovative projects. The focus is on partnerships that can push the envelope to explore emerging technologies that could become mainstream in the next decade, addressing both goods and people movement.

The discussion emphasized the solicitation of recommendations from the MSRC for funding projects related to technology development. It highlighted the need for strategic planning to secure federal funds.

The discussion revolved around the need for a cohesive master plan for deploying various equipment in a sustainable manner. MSRC member Curt Hagman emphasized the importance of planning for future technologies, like hydrogen and electric vehicles, while also addressing the limitations of funding and infrastructure. By segmenting funds into categories and leveraging partnerships, a more effective strategy can be developed to meet the overall goals.

Chair Larry McCallon asked for public comment.

No public comment.

OTHER BUSINESS:

10. Other Business

Chair McCallon asked if anyone has other business.

Cynthia Ravenstein, MSRC Contracts Administrator, wanted to clarify that during the last meeting, she mistakenly stated that final reports were unavailable to the public. They can be found on the MSRC website.

PUBLIC COMMENT PERIOD

No public comments.

ADJOURNMENT

The meeting adjourned at 3:21 p.m.

NEXT MEETING

Thursday, August 21, 2024 at 2:00 p.m.

[Prepared by Marjorie Eaton]