

BOARD MEETING DATE: December 6, 2024

AGENDA NO. 4

PROPOSAL: Execute Contracts to Implement Zero-Emission Infrastructure Projects Under Carl Moyer and Community Air Protection Programs

SYNOPSIS: In December 2023, Carl Moyer Program Announcement PA2024-02 was released to solicit zero-emission infrastructure project applications and closed in February 2024. The solicitation was oversubscribed and received close to \$400 million dollars in applications. These actions are to: 1) Execute contracts for zero-emission infrastructure projects under the Carl Moyer and Community Air Protection Programs for a total of \$109,125,778, and back up projects if funds become available; and 2) Authorize the Executive Officer to redistribute the source of funds for the various incentive program grants to ensure program liquidation targets are met.

COMMITTEE: Technology, November 15, 2024; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Executive Officer to:
 - a) Execute contracts for zero-emission infrastructure projects under the Carl Moyer Program as listed in Tables 2 & 3 for a total not to exceed amount of \$109,125,778, which is comprised of \$49,780,486 from the Carl Moyer Program SB 1107 Fund (32), \$7,467,074 from the Carl Moyer AB 923 Match Fund (80), \$10,000,000 from interest earned and available in the Carl Moyer Program Fund (32), \$31,878,218 from the Community Air Protection AB 134 Fund (77) and \$10,000,000 from interest earned and available in the Community Air Protection AB 134 Fund (77); and
 - b) Execute contracts from the backup projects as listed in Table 4 should returned funds become available from any of the approved funding sources, or should any additional funds become available from the Carl Moyer, State Reserve, Community Air Protection programs, and Ocean-Going Vessel At Berth Remediation Fund (88);

2. Authorize the Executive Officer to redistribute the source of funds for approved projects from the following funding sources as needed: SB 1107, SB 129, State Reserve, and associated interest funds in Fund (32), Carl Moyer AB 923 Fund (80), and the Community Air Protection Fund (77); and reassign Carl Moyer Program projects between funding years, as needed; in order to expeditiously meet program funding liquidation requirements to the extent that such actions are not in conflict with any applicable guidance, requirement or direction from CARB.

Wayne Natri
Executive Officer

AK:MW:TL:KM

Background

In December 2023, the Board approved the issuance of the Program Announcement (PA) PA#2024-02 to solicit infrastructure projects. A total of 84 project applications were received requesting \$396 million. As listed in Table 1, approximately \$109 million is available to fund the recommended project awards. These funds are made available from withdrawn projects under the Carl Moyer program years 23 & 24 and Community Air Protection Program (CAPP) year 3 program funds. In addition, the Board approved the allocation of \$22 million from Carl Moyer Year 26 fund for the solicitation PA#2024-02. Also, the Ocean-Going Vessel At Berth Remediation Fund (88) is available to support the additional projects received under this solicitation.

All the projects received under this solicitation were evaluated using the Carl Moyer Program guidelines.

Outreach

In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the PA and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach. Additionally, potential applicants were notified utilizing South Coast AQMD's own electronic listing of certified minority vendors. Notices of the PA were emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations and placed on South Coast AQMD's website (<http://www.aqmd.gov>) where it can be viewed by making menu selection "Grants & Bids." South Coast AQMD posts pre-recorded presentations and host meetings to provide program information and application assistance for applicants interested in participating in the Carl Moyer Program.

Proposal

Staff is recommending projects in Table 2 to be funded with Carl Moyer Program funds (Funds 32 and 80). All the infrastructure projects were evaluated based on criteria scoring published in the PA, and the selected projects will help accelerate the transition to zero-emission fleets in the South Coast Air Basin. Table 3 represents the recommended projects to be funded by Community Air Protection Program funds (Fund 77). Each project in this table is located within the boundaries of an AB 617 community and will offer emission reduction and other benefits to the community. The remaining projects were placed on a backup list in Table 4 and may be funded if additional funding becomes available or projects in Tables 2 and 3 fall through. Staff also recommends that eligible Table 4 backup projects be funded from Ocean Going Vessel At Berth Remediation Fund (Fund 88).

To ensure program funding liquidation targets are met, staff recommends the Board authorize the Executive Officer to redistribute the source of funds as needed and reassign Carl Moyer projects between funding years, for projects approved under this Board Letter.

Overburdened Communities

The Carl Moyer Program Guidelines include the requirement that at least 50 percent of the program funds to be expended on projects that will reduce emissions in disproportionately impacted areas, which is tracked on a cumulative basis for all air districts. At least half of the funding allocated under SB 1107 and collected under AB 923 will be awarded to projects in disproportionately impacted areas. The Carl Moyer Guidelines also require that at least 50 percent of all funding available for the Carl Moyer Program, including roll-over funds from previous years and any returned funds from projects that fall through, be allocated to projects that will reduce emissions in disproportionately impacted areas. AB 617 Community Air Protection Program funds must be expended on projects that impact designated AB 617 communities.

Based on the recommended awards, over 75 percent of the projects under the Carl Moyer and CAPP, as well as all the recommended projects listed as backup, will provide emission benefits to overburdened and low-income communities, surpassing program requirements.

Benefits to South Coast AQMD

Successful implementation of zero-emission infrastructure projects is essential in deploying zero-emission equipment in the goods movement and other sectors within South Coast AQMD jurisdiction. The infrastructure equipment funded will operate for many years, providing charging and hydrogen fueling for zero-emission vehicles and equipment that will reduce emissions in the South Coast Basin.

Resource Impacts

Total funding for projects under the Carl Moyer Program will not exceed \$109,125,778 comprised of the following funding sources:

Program	Total Funds Awarded
Carl Moyer SB 1107 (Fund 32)	\$49,780,486
Carl Moyer/State Reserve Interest Funds (Fund 32)	\$10,000,000
Carl Moyer AB 923 Match Funds (Fund 80)	\$7,467,074
Community Air Protection Funds (Fund 77)	\$31,878,218
Community Air Protection Interest Funds (Fund 77)	\$10,000,000
Total	\$109,125,778

Attachments

Table 1: Total Amount of Available Funds

Table 2: Carl Moyer Program Awards

Table 3: CAPP Incentive Awards in AB 617 Communities

Table 4: Recommended List of Backup Projects

Table 1: Total Amount of Available Funds			
Funding Source	Available Project Funds	Grant Number	Comment
Carl Moyer Program	\$22,000,000 (Year 26)	G23-MO-28	
	\$23,500,000 (Year 24)	G21-MO-27	
	\$4,280,486 (Year 23)	G20-MO-30	
Carl Moyer Interest Fund	\$10,000,000	N/A	Total unobligated interest funds in Fund 32 as of 9/30/2024 including interest from both Carl Moyer and State Reserve Programs.
AB 923 Match Funds	\$7,467,074	N/A	Required match for Carl Moyer Program, less 15% as South Coast AQMD's in-kind contribution allowed by the Carl Moyer Program.
Community Air Protection Program	\$31,878,218 (Year 3)	G19-MCAP-03	
	\$10,000,000	N/A	Total unobligated interest funds in Fund 77 as of 9/30/2024
Total:	\$109,125,778		

Table 2: Carl Moyer Program Awards		
Applicant	Project Category	Recommended Award
FirstElement Fuel, Inc. (Buena Park)	Infrastructure - Hydrogen	\$1,731,000
FirstElement Fuel, Inc. (Riverside)	Infrastructure - Hydrogen	\$1,731,000
FirstElement Fuel, Inc. (San Bernardino)	Infrastructure - Hydrogen	\$1,731,000
Los Angeles Unified School District (Sun Valley)	Infrastructure - Electric	\$8,000,000
Lemon King III, LLC* (Coachella Valley)	Infrastructure - Electric	\$137,813
Moreno Valley Unified School District	Infrastructure - Electric	\$5,000,000
OLAM Palm Springs, LLC	Infrastructure - Electric	\$2,500,000
Penske Truck Leasing Co., L.P. (Fontana)	Infrastructure - Electric	\$1,460,213
Penske Truck Leasing Co., L.P. (Santa Ana)	Infrastructure - Electric	\$857,301
Penske Truck Leasing Co., L.P. (Temecula)	Infrastructure - Electric	\$471,325
Pilot Travel Centers LLC (Rialto)	Infrastructure - Hydrogen	\$4,000,000
Prologis Mobility LLC (Van Nuys)	Infrastructure - Electric	\$8,934,090
Southern California Gas Company (Pico Rivera)	Infrastructure - Hydrogen	\$9,000,000
Tom's Truck Center North County, LLC (Santa Fe Springs)	Infrastructure - Hydrogen	\$9,428,571
Voltera Power, LLC (Rialto)	Infrastructure - Electric	\$6,090,302
WATTEV CA6, Inc. (Perris)	Infrastructure - Electric	\$6,174,945
Total		\$67,247,560**

*This project is pending CARB case-by-case approval and/or South Coast AQMD qualification check.

**Comprised of \$59,780,486 in Carl Moyer Program funds and \$7,467,074 in AB 923 match funding.

Table 3: CAPP Incentive Awards in AB 617 Communities

AB 617 Community	Applicant	Project Category	Recommended Award	Total
East Los Angeles/Boyle Heights/West Commerce	Cal State LA University Auxiliary Services, Inc.	Infrastructure - Hydrogen	\$2,207,818	\$2,207,818
San Bernardino/Muscoy	EV Realty, Inc. (San Bernardino)	Infrastructure - Electric	\$5,885,910	\$5,885,910
Southeast Los Angeles (SELA) Emission Boundary	Penske Truck Leasing Co., L.P. (Vernon)	Infrastructure - Electric	\$526,897	\$526,897
South Los Angeles	Voltera Power, LLC (Lynwood)	Infrastructure - Electric	\$5,347,414	\$5,347,414
Wilmington/Carson/West Long Beach	Forum Mobility, Inc. (Rancho Dominguez)	Infrastructure - Electric	\$8,424,868	\$27,910,179
	LBCT LLC	Infrastructure – Electric	\$2,869,924	
	Prologis Mobility LLC (Carson – Presidio)	Infrastructure - Electric	\$121,842	
	Prologis Mobility LLC (Carson – Wilmington)	Infrastructure - Electric	\$146,297	
	Prologis Mobility LLC (Long Beach)	Infrastructure - Electric	\$5,122,476	
	Prologis Mobility LLC (Rancho Dominguez)	Infrastructure – Electric	\$230,260	
	SSA Terminals (Pier A), LLC (Long Beach)	Infrastructure - Electric	\$5,994,512	
	Zeem Solutions Long Beach Depot LLC*	Infrastructure – Electric	\$5,000,000	
			Total	\$41,878,218

*This project is pending CARB case-by-case approval and/or South Coast AQMD qualification check.

Table 4: Recommended List of Backup Projects

Applicant	Project Category	Recommended Award
4 Gen Logistics, L.L.C. (Long Beach)	Infrastructure Expansion - Electric	\$12,227,280
4 Gen Logistics, L.L.C. (Rialto)	Infrastructure - Electric	\$9,793,056
4G Management, Inc.* (Long Beach)	Infrastructure - Hydrogen	\$8,267,025
City of Colton	Infrastructure - Electric	\$198,702
City of Pasadena	Infrastructure - Electric	\$2,446,125
Clean Energy Fuels Corp. (Wilmington)	Infrastructure - Hydrogen	\$8,297,107
County of Orange (Glassel)	Infrastructure - Electric	\$89,280
County of Orange (Grand)	Infrastructure - Electric	\$153,194
County of Orange (Santa Ana)	Infrastructure - Electric	\$894,875
Green Water and Power LLC (Sun Valley)	Infrastructure - Electric	\$356,920
Southern Counties Terminals DBA Griley Airfreight (Playa Vista)	Infrastructure - Electric	\$741,447
LBCT LLC (Long Beach)	Infrastructure - Electric	\$62,507,006
Penske Truck Leasing Co., L.P. (City of Industry – Arethe)	Infrastructure - Electric	\$606,238
Penske Truck Leasing Co., L.P. (Chino)	Infrastructure - Electric	\$430,975
Penske Truck Leasing Co., L.P. (City of Industry – Valley)	Infrastructure - Electric	\$497,997
Penske Truck Leasing Co., L.P. (La Mirada)	Infrastructure - Electric	\$586,684
Penske Truck Leasing Co., L.P. (Los Angeles)	Infrastructure - Electric	\$460,073
Penske Truck Leasing Co., L.P. (Mira Loma)	Infrastructure - Electric	\$1,414,468
Penske Truck Leasing Co., L.P. (Moreno Valley)	Infrastructure - Electric	\$1,520,542
Penske Truck Leasing Co., L.P. (Ontario)	Infrastructure - Electric	\$3,188,222
Penske Truck Leasing Co., L.P. (Riverside)	Infrastructure - Electric	\$1,471,925
Penske Truck Leasing Co., L.P. (Sun Valley)	Infrastructure - Electric	\$1,038,948
Prologis Mobility LLC (Compton)	Infrastructure - Electric	\$17,587,404
Prologis Mobility LLC (Mira Loma)	Infrastructure - Electric	\$661,076
Prologis Mobility LLC (Commerce)	Infrastructure - Electric	\$19,077,647
Prologis Mobility LLC (Ontario – Cucamonga)	Infrastructure - Electric	\$103,796

Table 4: Recommended List of Backup Projects		
Applicant	Project Category	Recommended Award
Prologis Mobility LLC (Ontario – Eucalyptus)	Infrastructure - Electric	\$18,646,590
Prologis Mobility LLC (Rancho Cucamonga)	Infrastructure - Electric	\$12,832,965
Republic Services of Southern California, LLC (Anaheim)	Infrastructure - Electric	\$947,750
San Gabriel Valley Water Company (El Monte)	Infrastructure - Electric	\$276,233
San Gabriel Valley Water Company (Fontana)	Infrastructure - Electric	\$40,590
Schneider Resources, Inc. (San Bernardino)	Infrastructure - Electric	\$8,054,365
Supra National Express, Inc. (San Bernardino)	Infrastructure - Electric	\$9,459,500
Voltera Power, LLC (Ontario)	Infrastructure - Electric	\$5,992,565
Total		\$210,868,570

*This project is pending CARB case-by-case approval and/or South Coast AQMD qualification check.