

BOARD MEETING DATE: May 4, 2018

AGENDA NO. 5

PROPOSAL: Approve Awards for Alternative Fuel School Bus Replacement Program

SYNOPSIS: On October 6, 2017, the Board issued a Program Announcement to solicit applications for replacement of pre-1994 diesel school buses with alternative fuel school buses. Subsequently, on April 6, 2018, the Board recognized \$3,184,875 from U.S. EPA's 2017 Targeted Air Shed Grant Program to replace diesel school buses with near-zero emission CNG buses. This action is to approve awards to replace pre-1994 diesel school buses with new, near-zero or optional low NOx alternative fuel buses in an amount not to exceed \$35,638,000, comprised of \$32,533,300 from the Carl Moyer Program AB 923 Special Revenue Fund (80) and \$3,104,700 from U.S. EPA's 2017 Targeted Air Shed Grant in the Clean Fuels Program Fund (31). This action is to also reimburse the General Fund for administrative costs up to \$80,000 for implementation of these school bus replacements.

COMMITTEE: Technology, April 20, 2018; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Chairman to execute contracts with 42 public school districts, as listed in the attached table, to replace 206 pre-1994 diesel school buses with new, near-zero or optional low NOx alternative fuel buses and infrastructure totaling an amount not to exceed \$35,638,000, comprised of \$32,533,300 from the Carl Moyer Program AB 923 Special Revenue Fund (80) and \$3,104,700 from U.S. EPA's 2017 Targeted Air Shed Grant in the Clean Fuels Program Fund (31).
2. Reimburse the General Fund up to \$80,000 from the Clean Fuels Program Fund (31) for administrative costs necessary to implement the lower-emission school bus projects funded by the EPA 2017 Targeted Air Shed Grant.

Wayne Nastri
Executive Officer

Background

Since the commencement of the Lower-Emission School Bus Program in 2001, SCAQMD has provided over \$280 million in state and local funds to replace over 1,600 highly polluting school buses with alternative fuel buses and to retrofit 3,400 newer diesel school buses with particulate traps.

On October 6, 2017 meeting, the Board issued a Program Announcement to solicit applications for replacement of pre-1994 diesel school buses with alternative fuel school buses. It was stated in the Program Announcement that in case of commercial availability at the time of awards, school buses certified at optional low NOx standard would be prioritized. Subsequently, on April 6, 2018, the Board recognized \$3,184,875 from U.S. EPA's 2017 Targeted Air Shed Grant Program into the Clean Fuels Program Fund (31) to replace diesel school buses with near-zero emission CNG buses.

Outreach

In accordance with SCAQMD'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 to the South Coast Basin.

Additionally, potential bidders may have been notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the PA was emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>).

Proposal

A total of 42 public school districts applied requesting 248 school buses. Staff recommends awards to all 42 school districts not exceeding 15 buses per school district. This would result in awarding a total of 206 school buses, with 38 school districts receiving all of their requested buses.

This action is to execute contracts with 42 public school districts for the replacement of 206 pre-1994 diesel school buses with new, near-zero or optional low NOx alternative fuel buses, as listed in the attached table, in an amount not to exceed \$35,638,000, comprised of \$32,533,300 from the Carl Moyer Program AB 923 Special Revenue Fund (80) and \$3,104,700 from U.S. EPA's 2017 Targeted Air Shed Grant in the Clean Fuels Program Fund (31).

The U.S. EPA Targeted Air Shed Grant targets the replacement of pre-1994 diesel school buses in disadvantaged communities or environmental justice areas with CNG buses certified to meet CARB's optional low NOx or near-zero emission standard.

Using CalEPA's CalEnviroScreen mapping tool, which helps identify disadvantaged communities in California, over 76 percent of the school districts that are proposed for replacement awards include disadvantaged communities.

This program will fund 115 Type D CNG school buses certified to meet the optional low NOx standard of 0.02 g/bhp-hr and 91 Type C propane school buses certified to meet the optional low NOx standard of 0.05 g/bhp-hr for a total of 206 replacements. The recommended awards provide up to \$192,000 for a Type D CNG bus and \$121,000 for a Type C propane bus, including sales tax. The school districts will be required to provide a minimum local match of \$15,000 per CNG bus and \$10,000 per propane bus. In addition, the award will include \$4,500 per bus for the optional fire suppressant system as well as fueling infrastructure funding up to \$14,000 per CNG and \$5,000 per propane bus for those school districts that have requested it. School districts will have to pay for any discretionary options they may choose to include on the bus. The diesel buses will be permanently destroyed by licensed dismantlers.

Benefits to SCAQMD

The successful implementation of the Lower-Emission School Bus Replacement Program will provide less polluting and safer transportation for school children and reduce public exposure to toxic diesel PM emissions. In addition, it would reduce air pollution in low-income, high-diesel and high-PM10 exposure areas as well as enhance the objectives of the Environmental Justice and Children's Health Initiatives adopted by the Board.

Resource Impacts

Total funding for the recommended awards will not exceed \$35,638,000, comprised of \$32,533,300 from the Carl Moyer Program AB 923 Special Revenue Fund (80) and \$3,104,700 from U.S. EPA's 2017 Targeted Air Shed Grant in the Clean Fuels Program Fund (31). In addition, the General Fund will be reimbursed up to \$80,000 from the Clean Fuels Program Fund (31) for administrative costs necessary to implement the lower-emission school bus projects funded by the EPA Targeted Air Shed Grant.

Any of the schools listed in the attached table may opt to replace a pre-1994 diesel school bus with an electric, zero emission school bus but will only receive the amount of funding shown in the table.

Attachment

Table: Recommended Awards for Pre-1994 School Bus Replacements

Table: Recommended Awards for Pre-1994 School Bus Replacements

#PA2018-02 Applicant	County	Number of Buses	Fuel Type	School Match Minimum (\$15,000/CNG) (\$10,000/Propane)	U.S. EPA Funds	Bus Award AB 923 Funds (Up to \$192,000/CNG & \$121,000/Propane)	Fire Suppressant AB 923 Funds (\$4,500/bus)	Infrastructure AB 923 Funds (\$14,000/CNG \$5,000/Propane)	Total AB 923 Funds	Total Award
ABC USD	LA	3	CNG	\$45,000	\$117,900	\$458,100	\$13,500	\$42,000	\$513,600	\$631,500
Baldwin Park USD	LA	4	Propane	\$40,000	\$0	\$484,000	\$18,000	Not requested	\$502,000	\$502,000
Bellflower USD	LA	1	CNG	\$15,000	\$39,300	\$152,700	\$4,500	\$14,000	\$171,200	\$210,500
Downey USD	LA	4	CNG	\$60,000	\$157,200	\$610,800	\$18,000	\$56,000	\$684,800	\$842,000
Inglewood USD	LA	4	Propane	\$40,000	\$0	\$484,000	\$18,000	\$20,000	\$522,000	\$522,000
Newhall SD	LA	1	Propane	\$10,000	\$0	\$121,000	\$4,500	Not requested	\$125,500	\$125,500
Pupil Transportation Coop.	LA	5	CNG	\$75,000	\$196,500	\$763,500	\$22,500	\$70,000	\$856,000	\$1,052,500
Rowland USD	LA	3	CNG	\$45,000	\$117,900	\$458,100	\$13,500	Not requested	\$471,600	\$589,500
Rowland USD	LA	1	Propane	\$10,000	\$0	\$121,000	\$4,500	Not requested	\$125,500	\$125,500
Saugus USD	LA	2	Propane	\$20,000	\$0	\$242,000	\$9,000	Not requested	\$251,000	\$251,000
Sulphur Springs USD	LA	3	Propane	\$30,000	\$0	\$363,000	\$13,500	Not requested	\$376,500	\$376,500
Walnut Valley USD	LA	4	CNG	\$60,000	\$0	\$768,000	\$18,000	\$56,000	\$842,000	\$842,000
West Covina USD	LA	1	Propane	\$10,000	\$0	\$121,000	\$4,500	Not requested	\$125,500	\$125,500
Total Los Angeles County		36		\$460,000	\$628,800	\$5,147,200	\$162,000	\$258,000	\$5,567,200	\$6,196,000
Anaheim Elementary SD	OR	9	Propane	\$90,000	\$0	\$1,089,000	\$40,500	\$45,000	\$1,174,500	\$1,174,500
Anaheim Union HSD	OR	15	Propane	\$150,000	\$0	\$1,815,000	\$67,500	\$75,000	\$1,957,500	\$1,957,500
Capistrano USD	OR	15	CNG	\$225,000	\$0	\$2,880,000	\$67,500	\$210,000	\$3,157,500	\$3,157,500
Cypress SD	OR	1	CNG	\$15,000	\$39,300	\$152,700	\$4,500	Not requested	\$157,200	\$196,500
Fountain Valley SD	OR	1	CNG	\$15,000	\$39,300	\$152,700	\$4,500	Not requested	\$157,200	\$196,500
Fullerton Joint Union HSD	OR	4	CNG	\$60,000	\$157,200	\$610,800	\$18,000	Not requested	\$628,800	\$786,000

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Fullerton SD	OR	4	Propane	\$40,000	\$0	\$484,000	\$18,000	Not requested	\$502,000	\$502,000
Garden Grove USD	OR	15	Propane	\$150,000	\$0	\$1,815,000	\$67,500	\$75,000	\$1,957,500	1,957,500
Huntington Beach UHSD	OR	15	CNG	\$225,000	\$589,500	\$2,290,500	\$67,500	\$210,000	\$2,568,000	\$3,157,500
La Habra City SD	OR	1	Propane	\$10,000	\$0	\$121,000	\$4,500	Not requested	\$125,500	\$125,500
Los Alamitos USD	OR	4	CNG	\$60,000	\$0	\$768,000	\$18,000	\$56,000	\$842,000	\$842,000
Newport-Mesa USD	OR	6	CNG	\$90,000	\$0	\$1,152,000	\$27,000	Not requested	\$1,179,000	\$1,179,000
Ocean View SD	OR	10	Propane	\$100,000	\$0	\$1,210,000	\$45,000	\$50,000	\$1,305,000	\$1,305,000
Orange USD	OR	1	CNG	\$15,000	\$39,300	\$152,700	\$4,500	\$14,000	\$171,200	\$210,500
Placentia-Yorba Linda USD	OR	6	CNG	\$90,000	\$235,800	\$916,200	\$27,000	\$84,000	\$1,027,200	\$1,263,000
Savanna USD	OR	1	Propane	\$10,000	\$0	\$121,000	\$4,500	\$5,000	\$130,500	\$130,500
Westminster USD	OR	2	Propane	\$20,000	\$0	\$242,000	\$9,000	\$10,000	\$261,000	\$261,000
Total Orange County		110		\$1,365,000	\$1,100,400	\$15,972,600	\$495,000	\$834,000	\$17,301,600	\$18,402,000
Banning USD	RV	2	CNG	\$30,000	\$0	\$384,000	\$9,000	\$28,000	\$421,000	\$421,000
Beaumont USD	RV	3	CNG	\$45,000	\$0	\$576,000	\$13,500	\$42,000	\$631,500	\$631,500
Coachella Valley USD	RV	2	Propane	\$20,000	\$0	\$242,000	\$9,000	Not requested	\$251,000	\$251,000
Hemet USD	RV	5	CNG	\$75,000	\$196,500	\$763,500	\$22,500	\$70,000	\$856,000	\$1,052,500
Nuview Union SD	RV	5	Propane	\$50,000	\$0	\$605,000	\$22,500	\$25,000	\$652,500	\$652,500
San Jacinto USD	RV	2	CNG	\$30,000	\$78,600	\$305,400	\$9,000	\$28,000	\$342,400	\$421,000
Total Riverside County		19		\$250,000	\$275,100	\$2,875,900	\$85,500	\$193,000	\$3,154,400	\$3,429,500
Alta Loma SD	SB	2	CNG	\$30,000	\$78,600	\$305,400	\$9,000	Not requested	\$314,400	\$393,000
Bear Valley USD	SB	2	CNG	\$30,000	\$0	\$384,000	\$9,000	Not requested	\$393,000	\$393,000
Chaffey Joint Union HSD	SB	6	CNG	\$90,000	\$235,800	\$916,200	\$27,000	Not requested	\$943,200	\$1,179,000

#PA2018-02 Applicant	County	Number of Buses	Fuel Type	School Match Minimum (\$15,000/CNG) (\$10,000/Propane)	U.S. EPA Funds	Bus Award AB 923 Funds (Up to \$192,000/ CNG & \$121,000/ Propane)	Fire Suppressant AB 923 Funds (\$4,500/bus)	Infrastructure AB 923 Funds (\$14,000/CNG \$5,000/Propane)	Total AB 923 Funds	Total Award
Redlands USD	SB	11	Propane	\$110,000	\$0	\$1,331,000	\$49,500	\$55,000	\$1,435,500	\$1,435,500
Rialto USD	SB	13	CNG	\$195,000	\$510,900	\$1,985,100	\$58,500	\$182,000	\$2,225,600	\$2,736,500
Rim of the World USD	SB	3	CNG	\$45,000	\$117,900	\$458,100	\$13,500	\$42,000	\$513,600	\$631,500
Upland USD	SB	4	CNG	\$60,000	\$157,200	\$610,800	\$18,000	\$56,000	\$684,800	\$842,000
Total San Bernardino Co.		41		\$560,000	\$1,100,400	\$5,990,600	\$184,500	\$335,000	\$6,510,100	\$7,610,500
Total, all Applicants		206		\$2,635,000	\$3,104,700	\$29,986,300	\$927,000	\$1,620,000	\$32,533,300	\$35,638,000