

SCOPE CHANGES SUBCOMMITTEE OF THE TECHNICAL ADVISORY COMMITTEE OF THE MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE

AGENDA

Thursday, February 3, 2022 at 12:30 p.m.

Pursuant to <u>Assembly Bill 361</u>, the Scope Changes Subcommittee meeting will only be conducted via video conferencing and by telephone. Please follow the instructions below to join the meeting remotely.

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION AT BOTTOM OF AGENDA

<u>Join Zoom Webinar Meeting - from PC or Laptop</u> https://scaqmd.zoom.us/j/95514671868

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Audience will be allowed to provide public comment through telephone or Zoom connection during public comment periods

PUBLIC COMMENT WILL STILL BE TAKEN

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't Code Section 54954.3(a)). If you wish to comment on an agenda item or during the public comment period, please "raise your hand" on Zoom or dial *9 on your phone. All agendas for regular meetings are posted at District Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes each.

CALL TO ORDER

Roll Call

ACTION CALENDAR

 Consider Twelve-Month Term Extension by Riverside County Transportation Commission (RCTC), Contract #MS14059 (\$1,250,000 – Implement Various Signal Synchronization Projects)

RCTC indicates that one of their project partners, Coachella Valley Association of Governments, has experienced delays. Additional information regarding the delays will be provided at the meeting if available. RCTC requests an twelve-month term extension.

 Consider Two-Year Term Extension by San Bernardino County Transportation Authority (SBCTA), Contract #MS14072 (\$1,250,000 – Implement Various Signal Synchronization Projects)

SBCTA indicates that one of their project partners, the City of Yucaipa, has experienced extensive delays involving re-distributed staffing hours and the COVID-19 pandemic's impact on goods and services nationwide. The City is currently coordinating with contractors to begin evaluating where gaps remain in the signal synchronization system, and to create a plan to repair the gaps and complete the project. SBCTA requests a two-year term extension.

3. Consider 18-Month Term Extension by Cathedral City, Contract #ML16006 (\$25,000 – Conduct Bicycle-Related Outreach)

The City of Cathedral City requests an 18-month extension because the COVID-19 pandemic prevented them from conducting the types of outreach events specified in the contract.

 Consider Three-Year Term Extension by City of Yucaipa, Contract #ML18129 (\$63,097 – Install EV Charging Infrastructure)

The City of Yucaipa requests a three-year term extension due to staffing issues, both preexisting and exacerbated by the COVID-19 pandemic, and funding shortfalls. 5. Consider Reduced Inland Empire Operational Requirement by 4 Gen Logistics, LLC, Contract #MS21013 (proposed) (\$7,000,000 – Deploy 40 Zero Emission Trucks)

4 Gen's original proposal indicated that 100% of subject vehicle trips would serve Inland Empire goods movement facilities. The evaluators relied upon this in scoring the proposal, and consequently the proposed contract calls for at least 90% of the funded vehicles' annual trips to include destinations within Riverside and/or San Bernardino County. 4 Gen indicates that their statement was misunderstood, and was not intended to indicate that all trips would lead into/out of the Inland Empire. Given that their containers originate from the San Pedro Bay Port Complex and the trucks' driving distance constraints, the time required to charge, and the truck drivers' hours and job needs, the trucks might not reach or return from the Inland Empire every day. Therefore, 4 Gen requests that this requirement be reduced to 80%, coupled with a reimbursement for noncompliance provision that is proportional to the percentage of trips that 4 Gen falls short of the 80%, if any.

OTHER BUSINESS

6. *Any member of the Subcommittee, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Gov't Code Section 54954.2)

<u>PUBLIC COMMENT PERIOD</u> - (Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3)

At the end of the regular meeting agenda, an opportunity is provided for the public to speak on any subject within the Subcommittee's authority that is not on the agenda. Speakers may be limited to three (3) minutes each.

ADJOURNMENT

Next Meeting: Date: Thursday, March 3, 2022, 12:45 p.m., location TBD

Americans with Disabilities Act and Language Accessibility

Disability and language-related accommodations can be requested to allow participation in the MSRC-TAC meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language-related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to the District. Please contact Alejandra Vega at (909) 396-2264 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to avega @aqmd.gov

Pursuant to SB 343

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the Agenda is posted, are available by contacting Alejandra Vega at (909) 396-2264 or send the request to avega@aqmd.gov

Contacts: Cynthia Ravenstein, MSRC Contracts Administrator – (909) 396-3269

Ray Gorski, MSRC Technical Advisor – (909) 396-2479

Alejandra Vega, MSRC Administrative Liaison – (909) 396-2264

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INSTRUCTIONS FOR ELECTRONIC PARTICIPATION

Instructions for Participating in a Virtual Meeting as an Attendee

As an attendee, you will have the opportunity to virtually raise your hand and provide public comment. Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

Please note: During the meeting, all participants will be placed on mute by the host. You will not be able to mute or unmute your lines manually.

After each agenda item, the Chair will announce public comment.

A countdown timer may be displayed on the screen for each public comment.

If interpretation is needed, more time will be allotted.

Once you raise your hand to provide public comment, your name will be added to the speaker list. Your name will be called when it is your turn to comment. The host will then unmute your line.

Directions for Video ZOOM on a DESKTOP/LAPTOP:

- If you would like to make a public comment, please click on the "Raise Hand" button on the bottom of the screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list

Directions for Video Zoom on a SMARTPHONE:

- If you would like to make a public comment, please click on the "Raise Hand" button on the bottom of your screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for TELEPHONE line only:

• If you would like to make public comment, please **dial** *9 on your keypad to signal that you would like to comment.



DATE: February 3, 2022

FROM: Cynthia Ravenstein, MSRC Contracts Administrator

SUBJECT: Twelve-Month Term Extension by Riverside County

Transportation Commission (RCTC), Contract #MS14059

SYNOPSIS: RCTC indicates that one of their project partners, Coachella Valley

Associated Governments (CVAG), has experienced delays. More information regarding the delays, if available, will be made known at the meeting. RCTC requests an twelve-month term extension

as part of the FYs 2014-16 Traffic Signal Coordination CTC

Partnership Program.

FINANCIAL IMPACT: None

RECOMMENDATIONS: The MSRC-TAC Scope Changes Subcommittee will review the

request and their recommendations will be brought forward at

the MSRC-TAC meeting.

ATTACHMENTS: Contractor's letter requesting modification

DISCUSSION:

Contractor: Riverside County Transportation Commission

Project Title: Implement Various Signal Synchronization Projects

MSRC Funding: \$1,250,000

Contract Term: September 5, 2014 to April 4, 2022

Current Request: Twelve-month term extension

Previous Requests: 24-month term extension; correct project description; reallocate \$74,625

from the Hamner Avenue Project in Eastvale to the Magnolia Avenue Project in Riverside; expand scope of Highway 111 project; 25-month

term extension

<u>Project Description:</u> The MSRC awarded RCTC \$1,250,000 to implement a number of signal synchronization projects which would be carried out by RCTC member jurisdictions. The City of Eastvale and the City of Riverside's projects are completed; \$899,594.08 has been paid to date on this contract.

<u>Previous Requests:</u> RCTC determined that they had provided incorrect description data for the Magnolia Avenue project during the contract preparation process, and requested correction of the amount of copper wire to be replaced and the project endpoint. This change

was processed administratively. Subsequently, RCTC requested to reallocate \$74,625 from the Hamner Avenue Project in Eastvale to the Magnolia Avenue Project in Riverside, with no change to the project budget. The MSRC approved this change at their March 16, 2017 meeting. Shortly thereafter, RCTC requested to expand the scope of the Highway 111 project in the Coachella Valley to cover nine cities as well as unincorporated areas. The MSRC approved this change at their May 18, 2017 meeting. Next, RCTC indicated that two of the subject projects experienced unforeseen delays in the planning and environmental phases. RCTC requested a 25-month term extension which the MSRC approved in February 2018. Lastly, RCTC indicated that the CVAG Regional Synchronization project had taken even longer than previously anticipated due to the necessary coordination with the numerous jurisdictions, the wide variety of existing equipment, and planning for synchronization that will be utilizing rapidly changing technology. CVAG anticipated construction would commence by June 2020. RCTC requested a 24-month term extension to ensure that all projects were complete. The MSRC approved this request in April 2020.

<u>Contract Request:</u> RCTC indicates that CVAG has continued to experience delays and is scheduled to complete construction by December 2022. More information regarding the delays, if available, will be made known at the meeting. RCTC requests a twelve-month term extension.

4080 Lemon Street, 3rd Floor • Riverside, CA
Mailing Address: P.O. Box 12008 • Riverside, CA 92502-2208
951.787.7141 • 951.787.7920 • www.rctc.org

January 27, 2022

Cynthia Ravenstein
MSRC Contracts Administrator
21865 Copley Drive
Diamond Bar, CA 91765
cynthia@cleantransportationfunding.org

VIA E-MAIL

SUBJECT: Request for Extension of Contract No. MS14059A (Agreement No. 14-65-106-01) under the FY2012-2014 Discretionary Funds for Signal Synchronization Projects

Dear Ms. Ravenstein,

The Riverside County Transportation Commission (RCTC) was awarded \$1,250,000 of funding through the MSRC FY2012-2014 Discretionary Funds to implement Signal Synchronization Projects in regionally significant corridors throughout Riverside County. RCTC allocated the funds to the cities of Riverside and Moreno Valley and the Coachella Valley Association of Governments (CVAG). The current term of the contract ends April 2022 and RCTC is requesting a 12-month extension. A summary of the status for each project is as follows:

- The City of Riverside's Magnolia Avenue Traffic Signal Interconnect System replaces existing outdated copper interconnect with new fiber optic cable to improve signal synchronization and communications between Buchanan and First Streets encompassing 49 signalized intersections and spanning approximately 10.4 miles. The improved signal coordination will improve traffic flow, incident response, and will reduce vehicle emissions. The project is completed and City claimed final reimbursement.
- The City of Moreno Valley's Transportation Management Center project includes the installation of an Ethernet fiber-optic backbone system, television cameras at 16 key intersections, and new traffic signal controllers at 45 existing signalized intersections. The project originally anticipated environmental clearance by 2015, however, was not achieved until October

2017. The project is completed and City claimed final reimbursement.

 CVAG's Regional Synchronization project spans eleven different jurisdictions and will include signal upgrades, communication systems, hardware and software improvements, and a Traffic Management Center. The completion of the Traffic Signal Interconnect Master Plan took longer than anticipated due to the coordination with the numerous jurisdictions, all with different existing equipment, and planning for synchronization that will be utilizing rapidly changing technology. Project is currently in construction and is scheduled to be completed by December 2022. Due to large complexity of the project, CVAG requires additional time to reconcile contractor invoices, complete close out and submit final reimbursement.

In summary, the cities of Riverside and Moreno Valley have completed their projects and CVAG is in construction. The additional 12 months will provide CVAG the time to complete construction, and close out the project. RCTC will continue to work closely with the agencies throughout the implementation stages.

If you have any questions, please do not hesitate to contact me at (951) 787-7934 or at jchan@rctc.org

Sincerely,

Jenny Chan

Planning and Programming Manager



DATE: February 3, 2022

FROM: Cynthia Ravenstein, MSRC Contracts Administrator

SUBJECT: Two-Year Term Extension by San Bernardino County

Transportation Authority (SBCTA), Contract #MS14072

SYNOPSIS: SBCTA indicates that one of their project partners, the City of

Yucaipa, has experienced extensive delays involving re-distributed staffing hours and the COVID-19 pandemic's impact on goods and services nationwide. The City is currently coordinating with contractors to begin evaluating where gaps remain in the signal synchronization system, and to create a plan to repair the gaps

synchronization system, and to create a plan to repair the gaps and complete the project. SBCTA requests a two-year term extension as part of the FYs 2012-14 Traffic Signal Coordination

CTC Partnership Program.

FINANCIAL IMPACT: None

RECOMMENDATIONS: The MSRC-TAC Scope Changes Subcommittee will review the

request and their recommendations will be brought forward at

the MSRC-TAC meeting.

ATTACHMENTS: Contractor's letter requesting modification

DISCUSSION:

Contractor: San Bernardino County Transportation Authority

Project Title: Implement Various Signal Synchronization Projects

MSRC Funding: \$1,250,000

Contract Term: March 27, 2015 to March 26, 2022

Current Request: Two-year term extension

Previous Requests: Two-year term extension; two-year term extension

<u>Project Description:</u> SBCTA was awarded \$1,250,000 to implement a number of signal synchronization projects in partnership with their member jurisdictions. The Baseline/5th/Greenspot, Five Corridors, West Valley TMC, Chino Traffic Control System, and Mt. Vernon/Washington projects have been completed and \$1,023,566.17 has been reimbursed to date.

<u>Previous Requests</u>: SBCTA indicated that for one of the project elements, the Mt. Vernon Avenue/Washington Street project in partnership with the City of Colton, signals at the three of

the affected intersections first needed to be modified as part of a separate project not funded by the MSRC. The signal modification project had encountered funding issues. Therefore, SBCTA requested a two-year contract term extension while they worked with Caltrans. The MSRC considered and approved SBCTA's request.

Subsequently, SBCTA indicated that the delays with the Caltrans project in Colton had been even greater than anticipated. SBCTA anticipated that several additional months would be needed to complete this project. However, to minimize the potential for additional requests, SBCTA requested a two-year term extension.

<u>Contract Request:</u> SBCTA now states that another of their project partners, the City of Yucaipa, has experienced extensive delays involving re-distributed staffing hours and the COVID-19 pandemic's impact on goods and services nationwide. The City's portion of the project involved upgrading signal communications technology along Yucaipa Boulevard by installing interconnect conduit and fiber optic cables. The conduit installation has been completed. The City is currently putting together the construction contract documents to obtain a contractor to complete the final phase of the work. A two-year term extension is requested.



January 26, 2022

Matt Mackenzie
MSRC Contracts Administration
Southern California Air Quality Management District
Sent electronically to MMackenzie@aqmd.gov

Subject: Extension Request for AB 2766/MSRC Signal Synchronization Partnership Program Contract with San Bernardino County Transportation Authority and the City of Yucaipa (MS14072B/15-1001101)

Dear Mr. Mackenzie,

San Bernardino County Transportation Authority (SBCTA) respectfully requests an extension on contract MS14072B from March 26, 2022, to March 26, 2024, to accommodate for unexpected delays experienced by the City of Yucaipa (\$90,000). These delays resulted from enormous logistical issues stemming from the COVID-19 Pandemic. The City's logistical issues (including re-distributed staffing hours) and the Pandemic's effect on goods and services nationwide. The latest affecting the installation/replacement of stoplights at two (2) separate intersections within the synchronization system and availability of equipment/materials (fiberoptic cable).

To date, the City has completed 75% percent of the overall project. City staff is in the process of coordinating with contractors to begin evaluating where we currently have gaps in the signal synchronization system and then creating a plan to repair the gaps and complete the project.

If any additional information is needed, please feel free to contact me at gkoblasz@gosbcta.com or 951-743-6711.

Sincerely,

Ginger Koblasz Senior Planner



DATE: February 3, 2022

FROM: Cynthia Ravenstein, MSRC Contracts Administrator

SUBJECT: 18-Month Term Extension by City of Cathedral City, Contract

#ML16006

SYNOPSIS: The City of Cathedral City indicates that the COVID-19 pandemic

prevented them from conducting the types of outreach events specified by the contract during 2020 and most of 2021. The City requests an 18-month term extension to allow them to complete the work, as part of the FYs 2014-16 Local Government Match

Program.

FINANCIAL IMPACT: None

RECOMMENDATIONS: The MSRC-TAC Scope Changes Subcommittee will review the

request and their recommendations will be brought forward at

the MSRC-TAC meeting.

ATTACHMENTS: Contractor's letter requesting modification

DISCUSSION:

Contractor: City of Cathedral City

Project Title: Conduct Bicycle-Related Outreach

MSRC Funding: \$25,000

Contract Term: April 27, 2016 to April 26, 2022

Current Request: 18-month term extension

Previous Requests: Eliminate tasks and funding associated with heavy-duty natural gas

vehicle

<u>Project Description:</u> The MSRC originally awarded the City \$55,000: \$25,000 to perform bicycle-related outreach and education, and \$30,000 to purchase a heavy-duty natural gas vehicle. At the City's request, the scope was later reduced to eliminate the vehicle purchase and the value reduced to \$25,000. Two events including bicycle education have been conducted and nothing has been paid to date under this contract.

<u>Previous Request</u>: Citing budget issues, in January 2019 the City requested to remove the tasks and funding associated with the vehicle purchase from the contract. At this time the City also requested additional time to complete the bicycle education through a new partnership they had created with Riverside University Health Systems/Public Health. Because the original

contract term was set to allow for an operational period for the vehicle, it was possible to adjust the deadline for completing bicycle outreach without any need for a contract term extension.

<u>Contract Request:</u> The City indicates that during 2020 and most of 2021, they were unable to conduct the types of outreach events specified in the contract due to the COVID-19 pandemic. In late 2021, they began implementing community events incorporating safety provisions, and thus were able to make progress on these tasks. The City has additional events planned through June 2022. If all goes as planned, they expect to complete the project soon thereafter. However, in order to minimize the potential for additional extensions in the event of unanticipated delays, the City requests an 18-month contract term extension.



January 13, 2022

Cynthia Ravenstein South Coast Air Quality Management District / MSRC 21865 Copley Drive Diamond Bar, CA 91765

RE: REQUEST TO EXTEND CONTRACT AB 2766 / ML16006

Dear Ms. Ravenstein:

The City of Cathedral City is requesting the revision of contract AB 2766 / ML16006 with the Mobile Source Air Pollution Reduction Review Committee (MSRC).

The City is requesting an 18-month extension for the completion of the Bicycle Education Program. Due to the current environment and restrictions regarding the COVID-19 pandemic, Cathedral City was unable to host any events in 2020 and most of 2021.

Late 2021, Cathedral City approved moving forward with community events incorporating safety provisions because of the on-going pandemic. The City hosted multiple events, two of which (Spooktacular and 40th Anniversary) included bicycle education. The City has approved and distributed marketing material for upcoming community events in February, March and April 2022, all events will include bicycle distribution and education.

In addition to the community special events, Cathedral City has also organized bicycle education events with Palm Springs Unified School District and the Boys and Girls Club during the month of May and June 2022.

If there are no cancellations as a result of the pandemic, the current plan to implement a Bicycle Education Program should be completed by June 2022.

Thank you for your consideration.

Sincerely.

Deanna Pressgrove

Environmental Conservation & Public Works Manager

Office: 760.770.0369 Email: dpressgrove@cathedralcity.gov



DATE: February 3, 2022

FROM: Cynthia Ravenstein, MSRC Contracts Administrator

SUBJECT: 3-Year Term Extension by City of Yucaipa, Contract #ML18129

SYNOPSIS: The City of Yucaipa indicates that staffing issues, both pre-existing

and exacerbated by the COVID-19 pandemic, and funding

shortfalls have delayed progress on the project. The City requests a three-year term extension to allow them to complete the work,

as part of the FYs 2016-18 Local Government Partnership

Program.

FINANCIAL IMPACT: None

RECOMMENDATIONS: The MSRC-TAC Scope Changes Subcommittee will review the

request and their recommendations will be brought forward at

the MSRC-TAC meeting.

ATTACHMENTS: Contractor's letter requesting modification

DISCUSSION:

Contractor: City of Yucaipa

Project Title: Install EV Charging Infrastructure

MSRC Funding: \$63,097

Contract Term: December 14, 2018 to March 13, 2023

Current Request: 3-year term extension

Previous Requests: None

<u>Project Description:</u> The MSRC awarded the City \$63,097 to install a total of six Level II, publicly accessible EV charging stations. No work has been completed and nothing has been paid to date under this contract.

Contract Request: The City indicates that from 2019 to early 2021, their Public Works, Engineering and Development Services departments underwent a fluctuation in staffing. Vacant positions critical to progress on the project were not filled until mid-2021. Additionally, the City has determined that costs to install the charging stations will be higher than originally anticipated. They are in the process of researching additional funding opportunities including those offered by Southern California Edison. The City is confident that the project can be completed and requests a three-year contract term extension to allow them to complete the required operational period.

December 7, 2021

Leah Alfaro MSRC Contracts Administration 21865 Copley Drive, Diamond Bar, CA 91765



Re: Contract #ML18129 - EV Charging Station Infrastructure

The purpose of this letter is to respectfully request an extension of time to deliver the City of Yucaipa's (City) MSRC funded project. Per the email dated September 23, 2021, the expiration date for the subject contract is March 13, 2023. The City of Yucaipa is requesting that this expiration date be extended for an additional thirty-six (36) months to April 2026.

In December of 2018, the City of Yucaipa received the Clean Transportation Funding from MSRC which approved the installation of six (6) EV charging station. Since then (2019 – early 2021), the City's Public Works, Engineering, and Development Services Departments have seen a fluctuation in staffing numbers as a result of retirements and/or staff leaving for new employment opportunities.

Consequently, the appearance of COVID-19 and the unprecedented uncertainty accompanied by the pandemic resulted in the City not filing these newly vacant position till mid-2021. Without this critical support for approximately 18 months, current department staff have been working after hours in order to keep up with existing City-wide projects. Unfortunately, the City's MSRC EV grant was one project that fell thru the cracks during this hectic time. Current staff continued to be aware of the project and made every effort to complete the necessary Quarterly Reports; however, those reports became more of a rubber stamp when compared to the previous reports.

As uncertainty quelled, the City has been able to fill vacant positions which has helped the department catch up on all City projects. Staff is currently in the process of researching additional funding opportunities that can be used to augment the current MRSC funding.

For the FY 21/22, City Council has placed the alternative fueling/power projects on its list of priorities. This includes the research, development, and implementation of EV programs. Due to this priority, and the increased staff levels, the Department now has an opportunity to focus on the EV Charging Station Infrastructure and give it the consideration it deserves. The City is also in the process of re-evaluating the EV charging station locations and quantities at each location (there will still be a total of six (6) electric vehicle charging stations). The City is preparing to present this to SCAQMD at a later date.

The City is confident that construction of the EV charging stations can be completed by the March, 2023 timeframe, however, and the extension will allow the City to also complete the three "3" year operation requirement.

Following is the proposed schedule for the completion of the City's "EV Charging Station Infrastructure" project:

Task	Completion Date
Go to bid for EVSE	July 2022
Award of Contract/Purchase Order for EVSE	August 2022
Purchase and Begin Installation of EVSE	September 2022
Completion of Installation of EVSE	March 2023
End of Three-Year Operational Availability	April 2026

If you have any questions, please contact me at (909) 797-2489 x240 or you may contact Todd Gutjahr at (909) 797-2489 x 289. Thank you in advance for your consideration.

Sincerely

Fermin G. Preciado, P.E.

Director of Development Services/City Engineer



DATE: February 3, 2022

FROM: Cynthia Ravenstein, MSRC Contracts Administrator

SUBJECT: Reduced Inland Empire Operational Requirement by 4 Gen

Logistics, LLC, Contract #MS21013 (proposed)

SYNOPSIS: 4 Gen's original proposal indicated that 100% of subject vehicle

trips would serve Inland Empire goods movement facilities. The

evaluators relied upon this in scoring the proposal, and

consequently the proposed contract calls for at least 90% of the funded vehicles' annual trips to include destinations within Riverside and/or San Bernardino County. 4 Gen indicates that their statement was misunderstood and was not intended to indicate that all trips would lead into/out of the Inland Empire. Given that their containers originate from the San Pedro Bay Port

Complex, the trucks' driving distance constraints, the time required to charge, and the truck drivers' hours and job needs, the trucks might not reach or return from the Inland Empire every day. Therefore, 4 Gen requests that this requirement be reduced

to 80%, coupled with a reimbursement for noncompliance

provision that is proportional to the percentage of trips that 4 Gen falls short of the 80%, if any, as part of the FYs 2018-21 On-Road

Inland Ports Program.

FINANCIAL IMPACT: None

RECOMMENDATIONS: The MSRC-TAC Scope Changes Subcommittee will review the

request, and their recommendations will be brought forth at the

MSRC-TAC meeting

ATTACHMENTS: Contractor's letter requesting modification

DISCUSSION:

Contractor: 4 Gen Logistics, LLC

Project Title: Deploy 40 Zero Emission Trucks

MSRC Funding: \$7,000,000

Contract Term: 74 months from date of execution

Current Request: Reduce Inland Empire operational requirement from 90% to 70%

Previous Requests: None

<u>Project Description:</u> The MSRC awarded 4 Gen \$7,000,000 under the FYs 2018-21 On-Road Inland Ports Program to procure and deploy 40 BYD 8TT Class 8 zero emission trucks. A proposed contract has been prepared and sent to 4 Gen for execution, but it has not yet been signed.

Contract Request: The MSRC's On-Road Inland Ports RFP required that proposers demonstrate that at least 70% of annual trips include destinations with Riverside and/or San Bernardino County in order to be eligible for funding. Beyond being a basic threshold for participation, the percentage of truck trips that serve facilities located in the Inland Empire was one of three scoring criteria, with a maximum of 20 points available for those projects in which 95% or more of the project vehicle trips would serve Inland Empire goods movement facilities. The evaluators used a flexible definition of "destination in the Inland Empire". To qualify as an Inland Empire trip, the vehicle would need to begin, end, and/or stop at an Inland Empire facility at some point during its shift.

4 Gen's original proposal indicated that "Of chief concern to this solicitation, 100% of subject vehicle trips would serve Inland Empire goods movement facilities". Based on this statement, the 4 Gen proposal was awarded the maximum possible of 20 points for "Percentage of Truck Trips that Serve Facilities Located in the Inland Empire". 4 Gen's proposal received a high overall ranking, tied for second with a total score of 92 points.

In recognition of the statement in the proposal and its contribution to the project's ranking, but with consideration that occasionally it might prove necessary for a truck to make a non-Inland Empire trip, the proposed contract prepared and sent to 4 Gen calls for at least 90% of the funded vehicles' annual trips to include destinations within Riverside and/or San Bernardino County. 4 Gen indicates that their statement was misunderstood and was not intended to indicate that all trips would lead into/out of the Inland Empire. Given that their containers originate from the San Pedro Bay Port Complex and the trucks' driving distance constraints, 4 Gen states that the trucks might not reach the Inland Empire every day. Therefore, 4 Gen requested that this requirement be reduced to 70%--the minimum set forth in the RFP.

1/13/22 Scope Change Subcommittee Consideration: The MSRC-TAC Scope Change Subcommittee considered the request at some length. The Subcommittee recognized that without the points for 100% Inland Empire trips, 4 Gen's proposal would have scored significantly lower, and there was a question as to how much funding the project would have received. The Subcommittee also wanted additional information concerning the technical and operational challenges which prevented 4 Gen from meeting the 90% Inland Empire trip requirement. They directed staff to pursue further discussions with 4 Gen and bring the matter back for consideration at a future meeting.

<u>Revised Contract Request</u>: Over the course of multiple additional discussion sessions with MSRC staff and South Coast AQMD Legal, 4 Gen provided further information regarding the technical obstacles which they anticipate might prevent them from achieving 90% Inland

Empire trips. In addition to the trucks' range, they also require from 3 to 5 hours to charge depending upon various factors. With drivers only able to work a maximum of 11 hours in a shift, and time spent charging not contributing to the drivers' ability to earn incentives, there is a disincentive to charging in the middle of a shift. Nevertheless, 4 Gen is laudably aiming to eliminate all diesel from their fleet by 2025.

4 Gen has modified their request, asking that the requirement for annual Inland Empire trips be reduced to 80%, coupled with a reimbursement for noncompliance provision that is proportional to the percentage of trips that 4 Gen falls short of the 80%, if any.



December 28, 2021

MSRC

Attn: MSRC Chairman Larry McCallon 21865 Copley Dr. Diamond Bar, CA 91765

Dear Chairman Larry McCallon,

We respectfully ask that MSRC-TAC and MSRC consider our request to place the percentage of trips into/out of the Inland Empire from the current 90% to a more reasonable 70%. The 70% number aligns with the provision of the grant language (Sec. 3.2 Minimum Operation within the South Coast AQMD Jurisdiction & Inland Empire) under the MSRC grant guidelines.

In our grant application, we stated some numbers that may not have been explained as clearly as they could have been. The detail may have erroneously led you to conclude that 4 Gen Logistics would have 100% of the trips into/out of the IE; this was not our intention. We stated that 100% of 4 Gen's project vehicle trips serve Inland Empire goods movement facilities, which meant that we serve the IE, but not all trips will lead into/out of the IE. With 100% of our containers originating from the San Pedro Bay Port Complex and the truck's inherent constraints on driving distances, we may not reach the IE every day. We will achieve 100% of the trips within the SCAQMD when originating to/from the Rialto facility, but not 100% of the trips each day would be in the IE. We need a 70% number, knowing we cannot (operationally) achieve an 80%, 90%, or 100% IE trip number daily. The constraints to meet our customer needs, the truck's ability, and present operational conditions in the supply chain make this refinement necessary. We will make every endeavor to achieve well over 70%; however, we wish to stay compliant and at 90% find it difficult to guarantee.

Again, the grant application did not clearly define what constitutes a "trip." We made inquiries in April 2021 when the contract language was being formulated on the definition of trips. We stated it might be challenging to reach numbers over 70% consistently. Nonetheless, we are committed to abiding by the rules established in the grant guidelines, agree with, and understand the reasons for the 70% requirement to the IE. We can happily commit to the 85% number within the SCAQMD and likely achieve percentages of the trips within the SCAQMD closer to 100%.

Sincerely yours,

M. David Duncan

Managing Member, 4 Gen Logistics LLC