File #: HD-19-015, Version: 1

DATE: 1/14/2019

TO: Board of Harbor Commissioners

FROM: Matthew Arms, Acting Director of Environmental Planning

SUBJECT: Approve Subgrant Award Agreement with Tetra Tech, Inc., for the California Air Resources Board Zero- and Near-Zero Emissions Freight Facility Grant

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Executive Summary
The Port of Long Beach has received a grant award from the California Air Resources Board (CARB) for $50 million in funds for near-zero and zero-emissions vehicles and equipment in Long Beach, Port of Oakland, and Port of Stockton. The Board of Harbor Commissioners is requested to approve a subgrant agreement with Tetra Tech, Inc., (Tetra Tech) in order to pass through grant funds and terms to support the execution of this project.

Key Points
- The Port of Long Beach has received a $50 million grant under the Zero- and Near-Zero Emissions Freight Facility funding program (ZANZEFF). The Sustainable Terminals Advancing Regional Transformation (START) Project will deploy 102 pieces of zero-emissions cargo-handling equipment and trucks in Port of Long Beach, Port of Oakland, and Port of Stockton; deploy a near-zero-emissions tugboat in Long Beach, and deploy two Tier 3 ships - the cleanest in the world - to Long Beach and Oakland.
- The Board of Harbor Commissioners approved the CARB grant agreement on December 10, 2018.
- The total project cost is nearly $103,000,000, which includes nearly $53,000,000 in matching funds from public and private partners. The Port has committed $7,891,157 in matching funds, consisting of in-kind expenditures, $496,157 in cash, and funds expected from other partners.
- Tetra Tech will provide data collection services for the duration of the grant as required by CARB. Data collection involves baseline emissions testing for two ships and one tugboat; data logging for 102 trucks and pieces of terminal equipment purchased through the grant; analyzing data; providing monthly reports; and providing a final data collection report.
- The total data collection cost is $1,947,357. Tetra Tech will receive $1,000,000 in grant funds and provide $101,200 as in-kind match in the form of donated data loggers. Additionally, the South Coast Air Quality Management District (SCAQMD) is contributing $500,000 in match funding, and the Port will contribute $346,157 in match funding. The Port’s match funding was approved by the Board on December 10, 2018 along with the CARB grant agreement.
- The project must be completed by June 2021.
- The Port must enter into a subgrant agreement with Tetra Tech in order to pass through the grant funds and the terms and conditions of the grant.

Recommendation
Approve a subgrant award agreement with Tetra Tech for the California Air Resources Board Zero- and Near-Zero Emissions Freight Facility Grant...Body

Financial Impact
The Port will pass through $1,000,000 in grant funds to Tetra Tech for data collection. Tetra Tech will provide $101,200 as in-kind match in the form of donated data loggers. Additionally, SCAQMD is contributing $500,000 in match funding, and the Port will contribute $346,157 in match funding. These expenditures will take place largely in Fiscal Year 2020 and will be included in Environmental Planning’s yearly operating budget.

Background
The Port received a $50 million CARB grant under the Zero- and Near-Zero Emissions Freight Facility Grant program. The overall grant requires a 50% cost share of which 10% must be in cash. The project must be completed by June 2021. Under the START Project, operators will deploy 102 pieces of zero-emissions cargo-handling equipment and trucks in Port of Long Beach, Port of Oakland, and Port of Stockton; deploy a near-zero-emissions tugboat in Long Beach, and deploy two Tier 3 ships - the cleanest in the world - to Long Beach and Oakland.

The grant requires a third-party data collector approved by CARB to collect and analyze data on all equipment purchased under the grant in order to document emissions benefits, performance, energy usage, and other parameters specified by CARB. Additionally, emissions testing is required for all equipment that is not zero emissions, including testing of an equivalent diesel piece of equipment. For the START Project, emissions testing is required for the tugboat and container ships.

On April 24, the Port released a Request for Statement of Qualifications (RSOQ) for qualified data collectors to perform these services. The RSOQ was posted on PlanetBids for three weeks. The Port received three proposals. These responses were evaluated by one representative each from the Port of Long Beach, Port of Oakland, and Port of Stockton. Proposals were evaluated based on the firm’s qualifications, relevant experience, staff qualifications, charge rates, and match funds. Tetra Tech scored the highest and was selected for this work.

Tetra Tech will conduct emissions testing; collect data on 102 trucks and pieces of terminal equipment purchased through the grant; analyze data; provide monthly reports to CARB; and provide a final data collection report.

The total data collection cost is $1,947,357. Tetra Tech will receive $1,000,000 in grant funds and provide $101,200 as in-kind match in the form of donated data loggers. Additionally, the South Coast Air Quality Management District (SCAQMD) is contributing $500,000 in match funding, and the Port will contribute $346,157 in match funding. The Port’s match funding was approved by the Board on December 10 along with the CARB grant agreement.

Detailed Discussion of Current Issues
The Port must enter into a subgrant agreement with Tetra Tech in order to pass through the grant funds and the terms and conditions of the grant. The Board is asked to approve the Tetra Tech subgrant agreement.