



Legislation Text

File #: 14-350, **Version:** 1

Staff Report for a Resolution Authorizing the City Manager to Execute a Bay Area Charge Ahead Project 2 - Approval to Proceed with ABM to Install Three Electric Vehicle Charging Stations (two at the Downtown Parking Garage and one at the Water Pollution Control Plant); for an Ordinance Amending Title 6, Chapter 2 of the San Leandro Municipal Code Relating to Electric Vehicle Charging Stations (adds definitions, requirements and penalties for parking in electric vehicle charging station parking stalls); and for a Resolution Amending Title 6, Chapter 4 of the San Leandro Administrative Code Relating to Fees for Electric Vehicle Charging

SUMMARY AND RECOMMENDATIONS

The California Energy Commission awarded grant funding to “Bay Area Charge Ahead Project 2” via California EV Alliance, for the installation of Electric Vehicle Charging Stations (EVCSs). As a participant in the project, the City will receive three EVCSs (estimated value of \$35,000) fully installed and ready for use. In order to facilitate equipment procurement and installation staff recommends that the City Council:

1. Authorize the City Manager to execute a Bay Area Charge Ahead Project 2 - Approval to Proceed with ABM to procure and install three electric vehicle charging stations in the City of San Leandro.
2. Approve an Ordinance authorizing the designation of parking spaces for the exclusive purpose of charging plug-in electric vehicles, establishing penalties for infractions, and authorizing the collection of fees for use of the chargers.
3. Adopt a Resolution to set the fees to be charged at public EVCSs.

BACKGROUND

The City’s Climate Action Plan outlines the City’s goal of encouraging the use of fuel efficient vehicles, low carbon fuels and more efficient traffic operations (Goal 4.5). Specifically, recommendations are to provide preferred and designated parking for fuel efficient vehicles (zero emissions and hybrid vehicles), to continue working towards implementing plug-in stations at various locations throughout the City, to provide incentives in City parking and transportation demand management policies for developers and business owners that provide charging stations for plug-in electric vehicles, and to install plug-in stations at the Water Pollution Control Plant upon completion of the current capital improvement project. The Plan further states that “While a variety of other low carbon fuel sources, such as hydrogen and compressed natural gas, have been previously under development for use to replace gasoline and diesel, electric vehicles are believed to be one of the most viable emerging low carbon fuel sources. This is due to the relatively low infrastructure barriers to entry, mainly an existing power grid infrastructure and commercially available hybrid electric vehicles already highly popular on the market.”

There is a broad array of factors that will likely influence mass plug-in electric vehicle adoption. Gas

prices, technology developments, customer value perception, macroeconomic conditions, and legislative action are all key variables, and these are largely outside the control of local authorities. However, many market drivers can be influenced by local action through policies and incentives. By aligning our initiatives with state and national efforts, the City can help advance its own climate action goals.

In late 2013, the California Energy Commission (CEC) solicited grant applications for Electric Vehicle Charging Infrastructure. This grant solicitation was an offer to fund electric vehicle charging infrastructure to support growth of electric vehicles as a conventional method of transportation and adoption of plug-in electric vehicles over a wide range of California's population and socio-economic classes. This grant solicitation provided the opportunity to make progress on alternative fuel vehicle adoption in San Leandro.

Bay Area Charge Ahead Project 2 (BayCAP2) is a multi-jurisdictional collaboration led by the California EV Alliance (CEVA). CEVA brings together public/private partnerships to accelerate development of EV charging infrastructure, build EV awareness, and plan for the EV transition, in alignment with the state's goal to ensure that 80% of all vehicles are electric drive by the year 2050. CEVA managed the grant application on behalf of ten qualified Bay Area entities. Each applicant was required to provide a 25% grant match. The joint application was approved by the CEC in May 2014 and includes three dual charging stations (for a total of six charging ports) in the City of San Leandro: two at the Downtown Parking Garage and one at the new control building at the Water Pollution Control Plant. The EVCSs are Level-2 type stations, which provide a standard full charge in three to four hours.

The program is structured as a fully turnkey program in partnership with CEVA (project management and fiscal agent), ABM (installer) and ChargePoint (equipment and network provider). The primary requirements of the grant are:

- Any EVCS installed will be considered a public EVCS for a period of two years after installation and must be available to the public to charge electric vehicles.
- ChargePoint and ABM will meet most of the City's grant match by discounting the equipment and providing the first two years of maintenance at no cost to the City.
- The equipment installation cost to the City will be zero. However, mandated signage, wheel stops or bollards, striping, and ADA compliance costs are not covered items.
- ChargePoint will collect all payments at the charger, and submit monthly payments, less processing fees, to the City.
- The ChargePoint network services fee will be \$230 per year per port (\$460 per charging station), which includes software upgrades, station programming, cellular connections, and 24/7 driver support. The upfront payment of the first two years of network services fees will complete the City's grant match.
- A one-year warranty is provided, with a two-year extended warranty option available (parts only, \$660 per charging station per year).
- The City will be responsible for all electrical costs.
- The City is required to develop a plan to charge customers for the use of the EVCSs.

Analysis

The main purpose of installing electric vehicle charging stations is to encourage the use of electric vehicles in San Leandro. However, as part of the grant, site hosts are required to charge fees for charging. They are also encouraged to raise the fee for occupying the EVCS-equipped parking space by a sufficient increment to encourage turnover of the space and thus increase the availability and utilization for electric vehicle drivers. A Level-2 charger will provide a standard full charge in three to four hours. Therefore, recommended fees are \$1 per hour for the first four hours of charging, and \$5 per hour for fifth and successive hours.

The City will be responsible for operating and maintaining the stations. The first year will cost the City \$1,380. In the second year, operational costs could be up to \$5,340, and for the third year and after, operation and maintenance could cost \$6,140 annually, plus electricity. Fees would be set and reviewed after a year to ensure that expenses for sustaining charger operations are covered to the maximum extent feasible and appropriate. In most cases in the Bay Area, fees for charger operations are set in the \$1 - \$1.50 range, which are adequate to cover energy costs, transaction fees, the ChargePoint network services fee, and maintenance plans, as long as turnover in the parking spaces is adequate.

Fees can be charged at electric vehicle charging stations once an ordinance authorizing the fee is in effect.

Current Agency Policies

- Climate Action Plan, Goal 4.5

Applicable General Plan Policies

- General Plan, Policy 31.09, Alternative Fuel Vehicles. Promote the development of infrastructure which supports the use of alternative fuel (i.e., electric) vehicles.

Permits and/or Variances Granted

Building and Electrical permits from the Community Development Department will be procured for the installations.

Environmental Review

The project was determined Categorical Exempt under the California Environmental Quality Act (CEQA) pursuant to Section 15301(a), Existing Facilities.

Legal Analysis

Fees can be charged at electric vehicle charging stations once an ordinance authorizing the fee is in effect.

Fiscal Impacts

Two years of Network Service Charges for all three Electric Vehicle Charging Stations in the amount

of \$4,080 will be due upon agreement acceptance; \$2,240 to be funded from account 593-52-113-5240, the remainder to be funded from account 132-35-003-5240. Below are estimated operating costs for the three stations:

Signage, striping, ADA compliance, other miscellaneous	\$1,500
Operational Costs Year 1	\$1,380
Operational Costs Year 2*	\$5,340
Subtotal	\$8,220
(* \$2,040 of Year 2 costs are due upon Agreement execution)	
Operational Costs per Year (Year 3+)	\$6,140

Operational costs for the chargers are covered under the proposed contract during the first year, with maintenance covered for the first two years. Fund 132 is the Parking Fund which is projected to incur a deficit in FY 15-16. To the extent that the Parking Fund is unable to pay ongoing operating and maintenance costs, the General Fund would be an alternative source of payment for the two chargers located in the Downtown Garage. For the charger located onsite at the WPCP, ongoing operational and maintenance costs would be covered from the Plant's Enterprise Fund. Annual operational costs will be offset by revenues collected from user fees.

Budget Authority

Grant payments to be made directly to ABM by California EV Alliance. The 2014-15 adopted budget includes funds to cover the cost of this project in 593-52-113-5240 and in 132-35-003-5240.

ATTACHMENT(S)

Attachment(s) to Related Legislative File

Attached to Resolution Authorizing the City Manager to Execute a Bay Area Charge Ahead Project 2 - Approval to Proceed with ABM to Install Three Electric Vehicle Charging Stations

- Bay Area Charge Ahead Project 2 - Approval to Proceed Agreement with ABM
- ChargePoint Master Services and Subscription Agreement

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