File #: 22-264, **Version:** 1 **Item #:** C-6.

CC - Approval of an Amendment to the Existing Agreement with EVgo Services, LLC to (1) Upgrade the Electric Vehicle Charging Station Equipment Located at the Ince Parking Structure; (2) Commence EVgo's Payment of $720 Per Month with a 1% Annual Rate Escalation for Use of the City's Parking Spaces; and (3) Extend its Term from October 13, 2025 to October 13, 2031.

Meeting Date: October 11, 2021

Contact Person/Dept: Joe Susca, Public Works-Administration
Phone Number: 310-253-5636

Fiscal Impact: Yes [X] No [] **General Fund:** Yes [X] No []

Public Hearing: [] **Action Item:** [] **Attachments:** [X]

Commission Action Required: Yes [] No [X] **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (10/07/2021); Robb Lichtman from EVgo Services LLC (09/14/2021)

Department Approval: Charles D. Herbertson (10/29/2021)

RECOMMENDATION

Staff recommends the City Council approve an amendment to an agreement with EVgo Services LLC to (1) upgrade their existing Electric Vehicle Charging Station equipment located at the Ince Parking Structure (9099 Washington Blvd.); (2) commence EVgo's payment of $720 per month with a 1% annual escalation to the City for reserving parking spaces for their customers use; and (3) extend its term by six years (from October 13, 2025 to October 13, 2031).

BACKGROUND

In order to reduce greenhouse gas (GHG) emissions, which contribute to climate change, in 2019 the City began purchasing 100% renewable, carbon-free electricity from producers through its affiliation with the Clean Power Alliance and adopted certain building decarbonization measures. Transportation is the largest sector that emits GHGs nationwide and in California, amounting to nearly half of all GHG emissions. To foster the transition of the transportation sector from fossil fuel powered vehicles to zero-emission vehicles, the City adopted a Zero-Emission Rollout Plan to

electrify its fleet of 54 buses before the end of this decade and eventually, the remainder of the City's fleet when feasible. The City is also one of 17 other local jurisdictions who received a Southern California Association of Governments grant to prepare an Electric Vehicle (EV) Infrastructure Plan, currently being developed, that aims to build EV charging infrastructure curbside, at multi-unit residential dwellings, at City-owned parking facilities, and on commercial properties citywide.

During its meeting of May 11, 2015, the City Council approved a 10-year agreement with EVgo Services, LLC ("EVgo") to install EV charging stations for public use at the Ince Parking Structure, which is located at 9099 Washington Blvd. in downtown ("Ince"). The existing agreement terms and conditions include:

- EVgo's installation of a separate electric meter so they receive and pay their own Southern California Edison (SCE) invoices directly for their use of electricity.
- EVgo manufactured, installed, owns, and maintains the charging stations at EVgo expense.
- EVgo operates the network necessary for their customers to login and use the charging stations.
- Parking spaces are reserved on the first level next to Trader Joe's that are equipped with one Level 2 (240-volt) and two Level 3 (480-volt) dual charging stations.
- EVgo agreed to indemnify and hold the City harmless from property damage and personal injury and also names the City as additional insured on their insurance policy.
- Using various Smart Phone Apps and web browsers that EVgo participates in, members of the public can view these charging stations on a map along with their real-time availability. Drivers are also able to reserve an unused station 20 minutes in advance of their arrival or if it is actively being used, to reserve their place in line to use it next.
- EVgo has voluntarily entered into a Power Purchase Agreement with a producer to buy 100% renewable electricity which they currently use to power all their charging stations.

DISCUSSION:

Lithium-ion batteries used to store electricity in EVs are designed to last approximately 10 years. Although EV manufacturers allow their batteries to be fully charged for longer trips, to extend their life, most recommend they be charged to 80% of their capacity.

Currently, EVs absorb electricity at different rates. For example, a Nissan Leaf can absorb electricity at rate up to 50 kW/hour a Hyundai Kona is 75 kWh/hour, a Volkswagen ID.4 is 77 kW/hour, a Kia E-Niro is 100 kW/hour, a Ford Mustang Mach-E is 115 kW/hour, a Cadillac Lyriq is 190 kW/hour, Teslas are 150 to 250 kW/hour, and a Porsche Mission E is 350 kW/hour. EVgo plans to upgrade their existing charging stations at Ince by replacing their 50 kW fast charging stations with a combination of two 100 kW chargers and one 350 kW dual port charger. As more and more EV manufacturers increase the rates in which their EVs can absorb electricity, these new, faster charging stations will substantially shorten the time it takes to recharge their batteries. The 100-kW charger will provide up to 400 miles per hour of charging time and the 350 unit will provide up to 1,400 miles per hour. Most EVs on the market today will be able to recharge an empty battery to 80% in 10 - 45 minutes, depending on the vehicle's capacity to absorb electricity. For example, a Nissan Leaf with the ability to absorb electricity at a rate of 50 kWh (which is 200 miles per hour) with a battery range of 149 miles will charge up an empty battery to 80% in 36 minutes. On the other extreme, a Porsche Mission

-E with the ability to absorb electricity at a rate of 350 kWh (1,400 miles per hour) equipped with battery range of 300 miles will be able to charge up an empty battery to 80% in just over 10 minutes.

In addition to the charging station upgrades at Ince, EVgo will also upgrade the SCE transformer serving the immediate area businesses from 500 kW to 1,500 kW, install a new mini-transformer and panel in the Ince electrical room, and increase the size of some conduits leading from the electrical room to the new charging stations. To cover the significant capital outlay to implement these changes, EVgo has requested that their existing agreement be extended by six additional years (from October 13, 2025 to October 13, 2031).

EVgo has also agreed to begin paying the City's regular parking rate of $120 per month to reserve six parking spaces for their customer's use along with a 1% annual escalation in the rental rate. Previously, the parking spaces were provided at no cost to EVgo partly because their customers already paid the City's customary parking rates when they charged up at Ince, which at the time likely exceeded the one-hour free parking the City now provides. The significantly increased speed in which these new, faster chargers provide however, means that few customers will be charged a parking fee as their charging time will be less than one hour.

FISCAL ANALYSIS:

If approved, the EVgo agreement amendment will generate $90,354 in rent over the agreement's 10-year term.

ATTACHMENTS:

None.

MOTIONS:

That the City Council:

1. Approve an amendment to the existing agreement with EVGO to upgrade the existing electric vehicle charging stations at the Ince Parking Structure, commence EVgo's payment of $720 per month with a 1% annual escalation to the City for reserving parking spaces for their customers use, and extend its term from 2025 to 2031; and,

2. Authorize the City Attorney to prepare/review the necessary documents; and,

3. Authorize the City Manager to execute such documents on behalf of the City.