



City of Culver City

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Staff Report

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CC - CONSENT ITEM: Approval of a Five-Year Agreement with Carbon Solutions to Install Electric Vehicle Charging Stations for Public Use at Various City Facilities and Curbside in the Public Right-of-Way.

Meeting Date: November 14, 2022

Contact Person/Dept.: Joe Susca, Public Works-Administration
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Fiscal Impact: Yes No **General Fund:** Yes No

Attachments: Yes No

Commission Action Required: Yes No **Date:**
Commission Name:

Public Notification: (E-Mail) Meetings and Agendas - City Council (11/9/2022); Carbon Solutions (10/19/2022)

Department Approval: Yanni Demitri, Public Works Director/City Engineer (10/31/2022)

RECOMMENDATION

Staff recommends the City Council approve a five-year agreement with Carbon Solutions to explore the technical and financial feasibility of installing Electric Vehicle Charging Stations (EVCS) for public use at various City-owned facilities and curbside in the public right-of-way and, where feasible, install, own, operate and maintain the EVCS at Carbon Solutions expense.

BACKGROUND

In 2015, the City executed 10-year agreements with [EVgo](https://www.evgo.com/) <<https://www.evgo.com/>> who owns, operates and maintains four EVCS for public use at City Hall and the Ince Parking Structure at EVgo expense. In 2019, the City executed similar 10-year agreements with EVgo for another six EVCS at the Senior Center and the Veterans Memorial Complex.

Electric vehicle (EV) sales continue their upward trend and now comprise 15% of new passenger vehicle sales in California and 5.6% of sales nationwide. Starting in 2035, internal combustion engine (ICE) vehicles will no longer be sold in California. To meet the ever-growing demand by EV

drivers for publicly available EVCS, the City's Adopted Budget for Fiscal Year 2022/2023 included a workplan directing staff to continue to assess public EVCS infrastructure needs and where deficient, to bring recommendations to the City Council to expand them.

EV battery recharging needs vary depending on where a driver is located at any given time. EV drivers with the ability to recharge their battery at home often do so by using a Level 1 (a 110-volt outlet everyone has) or a Level 2 (480-volt outlet) EVCS. EV drivers who cannot charge at home, however, exclusively rely upon public EVCS and/or they charge at work when available. All EV drivers, however, who travel distances that exceed their battery range require use of public EVCS.

In many cases, the lack of ubiquitous and non-proprietary Level 3 Direct Current Fast Charging (DCFC) stations nationwide has led to the relegation of EVs as transportation for local trips and the use of ICE vehicles to travel longer distances. The 2022 Inflation Reduction Act and the \$1.2 trillion 2021 Infrastructure Investment and Jobs Act (collectively the "Acts") are federal infrastructure programs that aim to build a national network of user-friendly, reliable and accessible DCFC stations; first by establishing National Electric Vehicle Infrastructure (NEVI) standards and second by providing grants to install DCFC stations adjacent to the nation's highways. To encourage the transition from ICE to EV, the primary objective of the Acts is to create a network of DCFCs that provide convenient and seamless EV recharging for interstate travel in an amount that exceeds peak demand so that EV drivers are assured an EVCS is available for their use while travelling.

Transitioning from ICE vehicles to EVs nationwide for long distance travel requires faster recharging rates to compete with the speed, availability, and convenience of filling ICE gasoline tanks. Most Tesla models now absorb electricity at a rate of 250 kWh, allowing them to recharge their empty batteries to 80% in 10-15 minutes and their competition is making strides to do the same. As EV automobile manufacturers increase the speed by which their models absorb electricity, the number of DCFCs needed to support their public charging needs decreases since less time is required at the EVCS to recharge their batteries.

DISCUSSION

In August 2022, staff released a Request for Qualifications (RFQ) to partner with a qualified EVCS operator to explore expanding EVCS citywide for public use at City-owned facilities and curbside in the public right-of-way.

The primary objective of releasing the RFQ is to install Level 2 and DCFC stations to meet the needs of EV drivers who are unable to recharge their batteries at home, while at work, and when they travel distances that exceed their battery's range. The partnership will explore expansion of the City's existing network of Level 2 charging stations where dwell time warrants their installation (such as in employee parking areas) and 300 kW or faster DCFC stations at City-owned facilities, within one mile of the Interstate 10 and 405 corridors, and curbside near large employers and mixed use/multi-family dwellings where employers, landlords, or homeowners' associations will not install them on-site themselves.

In addition to posting the RFQ on PlanetBids, staff personally invited 13 firms to reply. Six responses were received from Carbon Solutions Group, ChargePoint, Skycharger, Universal EV Chargers, Charge, and Tiger Construction. After reviewing their level of experience, existing partnerships with other municipalities, operational capabilities, track records, and calling their references, staff recommends selecting Carbon Solutions ("CS") as the most qualified EVCS operator to partner with for the following reasons:

- **Experience:** CS has 25 employees and has been in business for 15 years. They have completed 520 EVCS projects nationwide. CS has also entered into similar partnerships with ten other local governments, all of whom provided CS a favorable reference (a few of which are located in Southern California).
- **Revenue:** In exchange for using the City's parking spaces, CS is willing to enter into a revenue sharing agreement for each EVCS they install, which is anticipated to generate from a few hundred to a few thousand dollars annually for the City.
- **DCFC Commitment:** Per the newly established NEVI requirements, CS is willing to install 300 kW DCFC (or faster) EVCS within a one-mile radius of the 10/405 corridors to meet the needs of EV drivers who are just passing through and need a quick recharge before continuing their journey.

- Customer Interface: The CS Smart Phone App provides drivers several payment options along with a map of their EVCS locations, their real-time availability, and the ability to reserve an unused EVCS in advance of their arrival to it. Where an EVCS is occupied however, the App allows them to reserve their place in line to use it next. CS maintains a 98% uptime for their network of EVCS and they respond to repair requests within 24 hours. Unlike some of their competitors, CS doesn't charge their customers a "per session" fee to use their EVCS and their per kWh rates are reasonable.
- Available Capital: CS has no debt, and they use in-house capital to cover the cost of the EVCS installations. CS will also take the lead to complete grant applications (in conjunction with staff) from various government agency programs to offset their cost to install the EVCS.
- Renewable Electricity: CS purchases 100% renewable energy credits through California's Low Carbon Fuel Standard program and uses that electricity to power their network of EVCS.
- Separate Meter: CS is willing to install their own, separate meter at each EVCS installation site so that they pay SCE/LADWP directly for their use of electricity.
- Wrapping: CS is open to wrapping their EVCS cabinets with the objective to either disguise them or, alternatively, draw attention to them as public art.
- Connectivity: CS EVCS are capable of charging all make and models of EVs on the market today as they are equipped with each type of electric connectors they use.
- Insurance: CS's insurance coverage amounts exceed the City's requirements.

Per the RFQ, the CS agreement with the City will contain the following terms and conditions:

- CS agrees to purchase, install, own, maintain and operate all the EVCS at its own expense.
- The placement of advertising upon any EVCS cabinet is prohibited.
- City agrees to provide use of its parking spaces for EVCS installation in exchange for sharing the revenue they generate.
- During the five-year term of the agreement, City agrees not to pursue partnerships with competing EVCS operators for public use. The City, however, reserves its right to meet employee and/or fleet vehicle EVCS needs in partnership with any EVCS manufacturer or operator.
- CS is required to provide quarterly activity/revenue reports for each EVCS they install.
- To provide sufficient time to receive a return on their capital investment, upon activation of a group of EVCS at a single location for public use, the City agrees CS will have exclusive use of that location for 10-years.
- CS has offered a discounted rate to City employees and City fleet vehicles for use of their network of public EVCS.

EV Infrastructure Plan:

The City was one of 17 other cities who received a Southern California Association of Government's ("SCAG") grant to prepare a citywide EV Infrastructure Plan (the "Plan") that will be completed by the end of this year. Among other deliverables, the Plan created specific criteria to identify the most suitable sites to pursue Level 2 and DCFCs installations on private and public property. The Plan identified 40 sites citywide that are deemed the most suitable to pursue EVCS installations, and a copy of that list was included in the RFQ. CS will evaluate the feasibility of installing EVCS at each of these 40 sites along with City-owned parking facilities, buildings, and parks.

Survey of Monthly Parkers:

The City owns approximately 1,800 parking spaces in parking structures and an additional 400 off-street spaces in several surface lots for public use (which spaces are primarily used by private sector employees, customers and visitors). The City conducted a monthly parker survey to determine the existing and future EVCS needs at two of its structured parking facilities downtown. CS will study the results of that survey and make a recommendation to the City regarding the number of Level 2

chargers to install for use by the monthly parkers (along with DCFC stations for use by visitors).

Next Steps:

Staff met with SCE and is in the process of determining the available capacity of the City's larger public parking facilities to handle the additional electrical load the new EVCS installations will require. Where upgrades to transformers or other equipment are necessary, staff will work with SCE, CS, and granting agencies to cover all or a portion of the cost to complete the necessary upgrades. In addition, the Transportation Department will soon hire a consultant to prepare a comprehensive facility charging infrastructure needs assessment at those City-owned facilities where fleet vehicles are garaged and subsequently develop an Implementation Plan that includes site designs. The Transportation consultant will also prepare a list of grants to pursue to offset the cost to install the EVCS and assist staff with procurement of the EVCS equipment to meet the demands of the City's EV fleet. With the exception of City Hall, none of the City's fleet vehicles are stored at the City's other public parking facilities. Where City fleet charging locations overlap installation of new EVCS by CS for public use, staff will work with the Transportation consultant and CS to submit a single, cohesive plan to implement a combined infrastructure upgrade to SCE. As part of their scope of work, the Transportation consultant will also contemplate the feasibility of jointly using the fleet EVCS by employees, who would use them when the fleet is not.

FISCAL ANALYSIS

In exchange for use of the City's parking spaces, CS has offered a revenue sharing arrangement that is anticipated to generate a few hundred to a few thousand dollars annually for each EVCS which CS installs. It is premature however, to estimate the total amount of revenue the City could receive as CS has yet to complete a citywide assessment to determine where and how many EVCS to install.

RECOMMENDED MOTIONS

That the City Council:

1. Approve a five-year partnership agreement with Carbon Solutions to explore the technical and financial feasibility of installing Electric Vehicle Charging Stations for public use at various City-owned facilities and curbside in the public right-of-way and, where feasible, install, own, operate and maintain them at Carbon Solutions expense; and,
1. Authorize the City Attorney to review/prepare the necessary documents; and,
2. Authorize the City Manager to execute such documents on behalf of the City.