

REPORT TO COUNCIL

SUBJECT

Authorize the City Manager to Execute three Site Agreements with EVgo Services LLC allowing the installation of four Electric Vehicle (EV) Fast-Charging Stations at each of the following sites: the Community Center, Downtown Parking Lot at the southwest corner of W. Evelyn Avenue and S. Sunnyvale Avenue and Downtown Parking Lot at the southeast corner of S. Frances Street and W. Evelyn Avenue, in Sunnyvale and find that the Project is Exempt from CEQA

BACKGROUND

On August 13, 2019, City Council voted to adopt the Climate Action Playbook (CAP) to reduce greenhouse emissions and address climate change. Pursuant to the Playbook, Play 3.3 aims to increase zero-emission vehicles to 20% of all vehicles on the road by 2030 and 75% by 2050. To facilitate this transition to zero-emission vehicles and, more specifically, electric vehicles (EV), the City is aiming to develop a Community Electric Vehicle Readiness and Infrastructure Plan that would guide the City's strategy for enhancing EV infrastructure (Move 3.J in the CAP).

As a first step towards this broader EV infrastructure strategy, the City is focused on increasing the availability of publicly accessible EV charging stations to support the transition to EVs. Through soliciting proposals from various vendors, EVgo the vendor with the largest public fast charging network in the country that utilizes 100% renewable energy, was selected as the provider of the EV fast-charging stations.

EXISTING POLICY

General Plan, Chapter 3, Land Use and Transportation and Chapter 7, Environmental Management

- GOAL LT-2.2 Reduce Greenhouse Gas Emissions that affect climate and the environment through land use and transportation planning and development.
- GOAL LT-2.2a Actively maintain and implement the Climate Action Plan, which outlines impacts, policies, and reduction measures related to public and private land use and transportation.
- GOAL EM-11.5 Reduce automobile emissions through traffic and transportation improvements.

ENVIRONMENTAL REVIEW

The installation of EV charging stations is categorically exempt from environmental review pursuant to Section 15301(b) (Existing Facilities) of the State CEQA Guidelines, which exempts minor alteration of existing facilities involving negligible or no expansion of use.

DISCUSSION

To start the discussion with potential vendors to install EV infrastructure within the City, staff

evaluated several City-owned properties suitable for EV fast-charging or Level 2 charging infrastructure. This list was refined based on anticipated public usage, frequency of turnover of vehicles, availability of electrical infrastructure, city planning considerations and other factors, and a shorter list of locations was identified.

The refined list of locations was used to directly solicit proposals from vendors. Vendor proposals received were for those sites that met their individual financing criteria (i.e., their ability to generate revenue). After internal discussion and evaluation, staff selected EVgo as the vendor based on their extensive experience with fast-charging stations, past collaborations with local municipalities, complete service from start to finish, and competitive license fee offer. As part of the site agreement, the City must grant EVgo unrestricted access to the charging stations and the right to use the licensed area.

A total of four EV Fast-Charging Stations, with one being ADA van-accessible, will be installed at each of the following three locations. Each location will have its own site agreement.

- A. Community Center, North Lot (4 charging stations)
- B. Downtown Parking Lot located at the southwest corner of the intersection of W. Evelyn Avenue and S. Sunnyvale Avenue (4 charging stations)
- C. Downtown Parking Lot located at the southeast corner of the intersection of S. Frances Street and W. Evelyn Avenue (4 charging stations)

Each parking lot will have four single port charging stations, one at each parking space. These will consist of two (2) single port Delta Fast Charging Stations and two (2) higher capacity single port Signet Dispensers Fast Charging Stations. Every station is equipped with two standardized plugs so any EV capable of fast charging can be charged. The City will be able to access metrics on monthly usage reports and electricity used via an online web portal provided by EVgo.

It should be noted that the Agreement terms and revenue are based upon EVgo being able to install four fast charging stations at each of the three sites.

Existing Site Adjustments

To install four (4) EV Fast Charging Stations, EVgo will use between six to seven (6-7) existing parking stalls at each site. Refer to the Preliminary Site Layouts (Attachment 2). EVgo may request to remove small on-site trees to limit the impact on existing parking stalls for charging station support equipment and approval of the removal will be made by staff. EVgo shall be required to provide the City with a replacement tree for each tree approved for removal.

Charging Station Use Fees

EVgo provides competitive market rates for EV charging that are posted on their website for full transparency. The revenue from the charging stations is distributed back to EVgo.

General Timeframe

The License Agreement is active for a term of ten years. Chargers will be operational seven days a week/365 days a year with the exception of short times for repair or maintenance. EVgo will notify the City in the event that repairs cannot be completed within 30 days. It is in EVgo's best interest to keep the chargers operational from a business and revenue standpoint.

There are several termination clauses within the Agreement (Attachment 1). Two notable clauses are:

1) that the City has the right to terminate the Agreement in the event the EV chargers are not operational within twelve (12) months following the execution of each Site Agreement. This allows for sufficient time to procure the units and obtain power from PG&E; and 2) if the City terminates the License Agreement for reasons other than those listed in the Agreement, City is obligated to repay EVgo for loss of anticipated revenue on a diminishing scale as outlined in the Agreement exhibits.

FISCAL IMPACT

The City shall receive a monthly license fee from EVgo for each site during the 10-year term of each Site Agreement with the possibility for renewal at the end of the term.

Site	Fee per Month/site	Fee per Year/site	Total Fee for 10 years/site	Total Fee for all sites after 10 years
Community Center	\$1,500.00	\$18,000.00	\$180,000.00	\$612,000.00
Downtown Parking Lot at W. Evelyn/S. Sunnyvale	\$1,800.00	\$21,600.00	\$216,000.00	
Downtown Parking Lot at S. Frances/W. Evelyn	\$1,800.00	\$21,600.00	\$216,000.00	

Funding Source

The project will be completely funded by EVgo. All ongoing operations and maintenance will also be provided by EVgo. The City will not incur any operating costs, including costs for electricity used, service fees, or maintenance costs once the stations are installed. EVgo has also applied for incentives offered by the California Electric Vehicle Infrastructure Project (CALeVIP) grant to help fund the cost of this project. However, this project will proceed regardless of whether the grant is awarded to EVgo for these sites.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, Sunnyvale Public Library and Department of Public Safety. In addition, the agenda and report are available at the Office of the City Clerk and on the City's website.

ALTERNATIVES

1. Authorize the City Manager to Execute three Site Agreements in substantially the same form as Attachment 1 of the report, with EVgo Services LLC allowing the installation of four Electric Vehicle (EV) Fast-Charging Stations at each of the following sites: the Community Center, Downtown Parking Lot at the southwest corner of W. Evelyn Avenue and S. Sunnyvale Avenue and Downtown Parking Lot at the southeast corner of S. Frances Street and W. Evelyn Avenue, in Sunnyvale and find that the Project is Exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301(b).
2. Do not authorize the City Manager to execute the three Site Agreements for fast charging stations and provide alternate direction to enter agreements for one or two sites only. Should agreement terms and revenue change, staff will return to Council for approval.
3. Take other action as determined by City Council.

STAFF RECOMMENDATION

Staff recommends Alternative 1:

Authorize the City Manager to Execute three Site Agreements in substantially the same form as

Attachment 1 to the report, with EVgo Services LLC allowing the installation of four Electric Vehicle (EV) Fast-Charging Stations at each of the following sites: the Community Center, Downtown Parking Lot at the southwest corner of W. Evelyn Avenue and S. Sunnyvale Avenue and Downtown Parking Lot at the southeast corner of S. Frances Street and W. Evelyn Avenue, in Sunnyvale and find that the Project is Exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301(b).

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Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Sample Site Agreement
2. Preliminary Site Plans