



CITY COUNCIL AGENDA REPORT

Meeting Date: December 5, 2024

From: Adrienne Etherton, Sustainability Manager

Subject: Application for Peninsula Clean Energy (PCE) Member Agency Grant Funds

This application for grant funds is exempt from further CEQA review because it is not a project (CEQA Guidelines, §15378 (b) (2))

Community Goal/Result

Ecological Sustainability; Fiscally Prudent

Purpose

Receive council support for proposed PCE Member Agency Grant application.

Recommendation

Authorize city staff to submit the application and, if the grant is awarded, authorize the City Manager to sign PCE grant documents.

Background

In December 2023 the Peninsula Clean Energy Board of Directors authorized a one-time allocation of \$11.5 million in surplus funds for member agencies to implement local energy projects. Each agency has been allocated a specific funding level, based on year-end 2023 load share/customer count in each jurisdiction, for its use in a manner consistent with PCE's mission. Brisbane's allocation is \$205,664.

The allocations are one-time grants and no repayment is required. Grants are based on proposed project costs as submitted by the agency and approved by PCE. Funds will be made available 50% up front and 50% on the successful completion of the project. Annual and post expenditure completion reports will be required. Proposals are requested by December 31st.

Discussion

Sustainability staff recommends the City utilize this funding for three projects focused on transportation electrification in an effort to reduce the largest source of local emissions.

Proposal 1: Brisbane Village L3 EV Charger Replacement - \$70,293

Since June 2022, a first-generation ChargePoint Level 3 EV Charging Station owned by the City at the Brisbane Village Shopping Center has been inoperable. Grant funding for a replacement charger has been investigated since its failure, but replacement chargers are not generally grant eligible, and it has not yet been prioritized through the Capital Improvement Program. The site electrical infrastructure is in place, there are amenities (i.e. restaurants, park) nearby, and when the charger was operable, it received moderate to heavy usage. The cost listed is based on a

quote from Chargeie, the provider used for recent city sites, and includes a 5-year warranty and service level agreement. Additional quotes were sought from ChargePoint, which was higher, and EVgo, who declined as the site did not meet their criteria.

Proposal 2: City Fleet EV Charging at the Corporation Yard - \$75,371

CA Advanced Clean Fleets requires new non-emergency vehicles purchased by local agencies to be 50% Zero Emissions Vehicles (ZEV) starting Jan 2024, and 100% ZEV starting Jan 2026. Fleet and sustainability staff have been participating in PCE’s GovEV Fleet Planning to prepare, and identified the Corp Yard as the highest priority site infrastructure to support future EV purchases. The project includes design and installation of a total of six level two (L2) EV charging stations, including four “high-power” ports with up to 19.2 kW capacity, and would supplement the one existing L2 already on site. This would support the 11 EVs expected in the Public Works (PW) fleet by 2030. The vehicle fleet represented 25% of the City’s municipal operations emissions, of which PW vehicles were one-third, in the latest (2015) inventory.

Proposal 3: City Staff Electrification Incentive Program - \$60,000

Staff recommends creating a staff transportation electrification incentive program to further address the City’s municipal operations emissions; employee commutes represent ~21% of city operations emissions. Rebates would be provided for electric vehicle (EV) and e-bike purchases. All current full-time staff of the City of Brisbane except executive management would be eligible, first-come first-served, limit 1 rebate per employee unless excess funds remain with 6 months or less remaining in the 2-year grant term. Incentives would vary by device: \$5000 for a new or used EV, \$1000 for an e-bike, and \$500 for home EV chargers or other micro-mobility devices; and could cover no more than two-thirds of the total cost.

Fiscal Impact

The requested grants in Proposal 1 and 3 fully will fully fund those activities.

The requested grant funding for Proposal 2 is expected to be paired with a PCE EV Charging Grant (\$30,000) and IRS Elective Pay (~\$44,000) to fully cover the estimated cost of \$147,800 for Corp Yard EV infrastructure.

Environmental Review

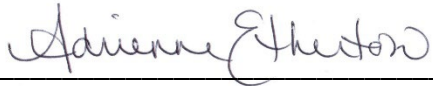
Submitting an application for grant funds does not need further environmental review under the California Environmental Quality Act (CEQA) as it is a continuing administrative activity not applied to a specific instance and therefore it is not a “project” (CEQA Guidelines, §15378 (b) (2)). In the event that grant funds are awarded, an initial study will be conducted prior to implementation of any funded proposal to determine if it is a project and whether or not it is subject to further CEQA review.

Measure of Success

Receipt of PCE grant funds and successful implementation of the three proposed projects.

Attachments

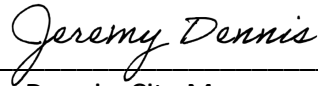
1. PCE Local Agency Grant Proposal



Adrienne Etherton, Sustainability Manager



Randy Breault, Public Works Director



Jeremy Dennis, City Manager

ATTACHMENT 1

PCE Member Agency Grant Proposal for City of Brisbane

The City of Brisbane thanks Peninsula Clean Energy for the allocation of \$205,664 through the Member Agency Grant program, and requests to allocate it accordingly:

- \$70,293 - Brisbane Village L3 EV Charger Replacement
- \$75,371 - City Fleet EV Charging at the Corporation Yard
- \$60,000 – City Staff Electrification Incentive Program

All of the proposed projects are focused on transportation electrification in an effort to reduce the largest source of emissions. The City requests the flexibility to make slight shifts in the specific dollar amounts between these projects as they are executed.

Brisbane Village L3 EV Charger Replacement

Overview and description:

Since June 2022, a first-generation ChargePoint 50kW DCFC EV Charging Station owned by the City at the Brisbane Village Shopping Center has been inoperable. Initially city staff tried to work with ChargePoint on repairs, but ChargePoint had discontinued this model and would not provide support to it after March 2023. Grant funding for a replacement charger has been investigated since its failure, but unfortunately replacement chargers are not generally eligible.

The City sought quotes to “remove and replace” from ChargePoint, Chargeie and EVgo. EVgo declined to provide a quote, stating that the site did not fit their criteria. Chargeie’s quote was the lower of the two received, and desirable as the City has numerous other chargers in the Chargeie network and has had a positive experience with the company.

Outcomes and benefits:

The City would be able to replace an EV Charger that has been inoperable for nearly 2.5 years, with repeated calls from the community to have it replaced. This site has unfortunately contributed to the public perception that EV Charging is unreliable, which hinders the transition to EVs.

The electrical infrastructure is already in place, making the project less expensive than the development of a new EV charging site. During the 4+ years that the charger was operable, it received moderate to heavy usage due to its location in a shopping center with numerous restaurants and other services, in central Brisbane just off Bayshore Blvd (a major arterial) and easy access to Highway 101.

On-road transportation is far and away the City’s largest source of greenhouse gas emissions, and the City has limited sites available to provide EV infrastructure to support the transition. We expect the reintroduction of EV charging at this location to result in heavy usage.

Budget: \$70, 293

- \$49,633 - ABB L3 Charger and installation
- \$20,660 - 5-year service level agreement, including 5-year warranty (due upfront)

City Fleet EV Charging at the Corporation Yard

Overview and description:

Installation of EV Chargers at the City's Corporation Yard to support fleet electrification as required by CA Advanced Clean Fleets and recommended through PCE's GovEV Fleet Planning. The project would include design and installation of a total of six level two EV charging stations, including four "high-power" ports with up to 19.2 kW capacity, and would supplement the one existing L2 already on site. The Corp Yard is believed to have available electrical capacity to support this level of charging.

Outcomes and benefits:

The vehicle fleet represented 25% of the City's municipal operations emissions in the latest (2015) inventory, with Public Works vehicles representing approximately 1/3 of the total fleet emissions. The proposed charging stations would support the 11 EVs expected in the Public Works fleet by 2030 and domiciled at the Corp Yard. As the site is not owned by the City and is in an area slated for redevelopment, we are not currently looking to meet the long-term needs.

The ability to complete this infrastructure without reliance on general or Capital Improvement Project funds will support the ability of the City to meet our requirements under Advanced Clean Fleets; city funds can be allocated towards the increased upfront cost of new electric vehicles or infrastructure needs at other sites.

Budget: \$75,371

This funding is expected to be paired with PCE EV Charging Grant (\$30,000) and IRS Elective Pay (~\$44,000) to cover the estimated cost of \$147,800.

City Staff Electrification Incentive Program

Overview and description:

The City of Brisbane would dedicate \$60,000 for a program to reduce transportation emissions through incentives to City staff. Rebates would be provided for electric vehicle (EV) and bike/e-bike purchases, which will help reduce our municipal operations emissions due to employee commutes. All current full-time staff of the City of Brisbane except executive management would be eligible, while funds last. Incentives would vary by device and could cover no more than two-thirds of the total cost (see budget section for additional details).

Outcomes and benefits:

A primary goal of this effort is to reduce the City's municipal operations emissions; employee commutes represented 21% of city operations emissions in the last inventory (2015). The City has already installed EV charging at multiple city-owned sites, including city hall, and sustainability staff along with the internal Green Team are investigating reduced charging pricing as a further incentive to employees to electrify their commutes. City Hall parking is also impacted, so pushing more employees to EV to utilize available charging spaces, as well as e-bikes that can further reduce emissions and demand for car parking spaces, will make City Hall a more accessible facility for employees and visitors.

Budget: \$60,000

Incentive levels:

- \$5,000 for an electric vehicle (new or used)
- \$1,000 for an electric bike
- \$500 for a non-electric road or hybrid bike, electric scooter or similar micro-mobility device
- \$500 for a home EV charger

With ~95 FTE (including executive management that would not be eligible for the incentives) and employees having varying needs, we expect to accommodate most employees that wish to participate, with the first-come first-served nature encouraging early action.

Additional notes/restrictions:

- Incentives are capped at 2/3 of the total purchase cost or the above incentive level, whichever is lower, and can include installation by licensed contractors where applicable
- Purchases must be made after the program goes into effect
- Can be stacked with other eligible rebates, but total incentives cannot be more than the total cost
- One incentive per full-time employee; should additional funds remain in the budget after 18 months of the program start, employees may apply for additional incentives
- Rebates would be reviewed for approval by the City's Sustainability Manager
- Rebates would be processed by the City's Finance Department and considered taxable income, with reporting on employee W2

Timeline (all projects):

- October 2024 – proposal review by city staff Green Team
- Oct/Nov 2024 – proposal review by PW Dept Director and City Manager
- Dec 5, 2024 – City Council consideration
- December 2024 – Application to PCE and creation of application forms/finance processes
- Early 2025 / upon PCE approval & contract execution:
 - Installation agreement with Chargeit for L3 Installation at Brisbane Village
 - RFP for Design/Build of Corp Yard EV Charging
 - Staff incentives available for application
- June 2026 – Budget Review – potential reallocation of funds if needed and/or opening up Staff Incentive Program for second applications from prior employee participants
- December 31, 2026 – Program/grant concludes