



TO: FRUITA CITY COUNCIL AND MAYOR

FROM: SHANNON VASSEN, ASSISTANT TO THE CITY MANAGER

DATE: JUNE 20, 2022

AGENDA TEXT: A REQUEST TO AUTHORIZE THE CITY MANAGER TO SIGN AN AGREEMENT WITH XCEL ENERGY FOR THE ELECTRIC VEHICLE SUPPLY INFRASTRUCTURE PROGRAM

BACKGROUND

In the 2022 Municipal Budget, the Fruita City Council approved \$125,000 in the Capital Projects Fund to install two fast, 62.5 kW Electric Vehicle Charging Stations in the north parking lot of the Fruita Civic Center. Once this project is complete, these stations will be the only two fast charging stations in Fruita.

To help with the costs of this project, early this year, staff applied for and was awarded (up to) \$70,000 from the Colorado Energy Office, Charge Ahead Program, to help pay for the two charging stations. In addition to the cost of the actual stations, to accommodate the fast chargers, a variety of electrical upgrades are needed at the Fruita Civic Center. The City's electric provider at the Civic Center, Xcel Energy, offers a program called the Electric Vehicle Supply Infrastructure Program (hereinafter "EVSI"), to pays for all of the electrical infrastructure needed for this project. The City applied for and was awarded the opportunity to participate in EVSI Program, meaning Xcel Energy will pay for all costs associated with the electrical upgrades needed at the Fruita Civic Center.

To participate in the EVSI program, the City of Fruita is required to sign an agreement with Xcel Energy. The purpose of this agenda item is to authorize the City Manager to enter into this agreement. The term of the agreement is 10 years, and as part of the program, staff will have to provide data to Xcel Energy on the usage of the Electric Vehicle Charging Stations throughout the agreement. In addition, if the charging stations are removed before the end of the contract, the City will have to pay back a portion of the costs of the electric vehicle infrastructure.

FISCAL IMPACT

Approving this agreement will significantly reduce the costs to the City to complete this project, as Xcel Energy will pay for all of the electric work needed to prepare the site for the installation of the two charging stations. Xcel Energy will also own of the electrical infrastructure and will maintain the upgrades into the future. Ongoing costs include the staff time to report usage data to Xcel Energy for the term of the agreement and general maintenance of the charging stations.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

Staff believes that this project will directly benefit the economic health of Fruita because it will encourage electric vehicles owners to patronize local businesses while their vehicles are charging. At this location, electric vehicles owners will be able to work, dine, and shop while using the stations. As far as electric vehicle charging stations, Fruita is considered a “desert” because of the limited availability. This project will allow people traveling, off of major corridors such as I-70 and the Dinosaur Diamond Highway, the ability to charge in Fruita as opposed to in other area.

OPTIONS AVAILABLE TO THE COUNCIL

- Authorize the City Manager to enter into an agreement with Xcel Energy for the Electric Vehicle Infrastructure Supply program.
- Propose changes to the agreement, or to the project.

RECOMMENDATION

It is the recommendation of staff that the Council by motion:

AUTHORIZE THE CITY MANAGER TO SIGN AN AGREEMENT WITH XCEL ENERGY FOR THE ELECTRIC VEHICLE SUPPLY INFRASTRUCTURE PROGRAM.