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OFFICE OF THE CITY CLERK
OAKLAND
2015 JUL 16 AM 9:39

AGENDA REPORT

TO: Sabrina B. Landreth
CITY ADMINISTRATOR

FROM: Brooke A. Levin

SUBJECT: Accepting an Electric Vehicle Code
Development Grant and Awarding a
Subcontract to Energy Solutions

DATE: June 26, 2015

City Administrator
Approval

Date

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council adopt:

- 1) A Resolution Authorizing The City Administrator, Or Her Designee, To Apply For, Accept And Appropriate A California Energy Commission (CEC) Alternative And Renewable Fuel Vehicle And Technology Program (ARFVTP) Grant Award Of One Hundred Seventy Thousand Three Hundred Twenty-Four Dollars (\$170,324.00) From The State Of California Other Fund (2159) To Prepare Building Code Amendments Which Will Increase The Number Of Plug-In Electric Vehicle (PEV) Charging Stations In Oakland, The City And County Of San Francisco, And The Town Of Tiburon
- 2) A Resolution Waiving The Request For Proposals/Qualifications ("RFP/Q") Requirement And Authorizing The City Administrator, Or Her Designee, To Execute A Professional Services Contract With Energy Solutions, In An Amount Of One Hundred Fifty-Two Thousand Six-Hundred Nineteen Dollars (\$152,619.00) For A Term Of Twenty Six (26) Months, To Assist Oakland, The City And County Of San Francisco, And The Town Of Tiburon To Prepare Building Code Amendments Which Will Increase The Number Of Plug-In Electric Vehicle (PEV) Charging Systems Within These Jurisdictions

OUTCOME

Approval of the first resolution will authorize the City Administrator to apply for, accept and appropriate \$170,324 in ARFVTP funds for Fiscal Year (FY) 2015-16. No matching funds are

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required to receive these grant funds, which must be expended by March 31, 2017. The grant funds will be used to:

- Determine which building code changes are necessary for each participating agency to accommodate the anticipated demand for PEV-ready parking spaces in new residential and commercial projects. The estimated demand in Oakland is 38,000 PEV-ready parking spaces by 2025.
- Draft building code changes to reduce the cost of permitting and installation to project developers and electric vehicle owners.
- Streamline the permitting process for building PEV-ready parking spaces.
- Create training materials for local government staff and educational materials for the public about any building code changes.

Approval of the second resolution will waive the OMC requirement for a Request for Proposals/Qualifications (RFP/Q), and authorize the City Administrator to execute a contract with a local firm, Energy Solutions (City is primary contractor), for an amount not to exceed \$152,619 for a term of 26 months to provide professional services to assist staff at each of the three participating local government agencies with the activities of the grant.

EXECUTIVE SUMMARY

This grant award is the result of a partnership proposal of the City of Oakland and Energy Solutions, a well-recognized expert and local company focused on electric vehicle technologies and policies. Proposing for the grant required a rapid response from both parties, and was deemed the necessary arrangement to be competitive for the first-come, first-served nature of the funding.

The CEC is offering the City a \$170,324 grant to work with the City and County of San Francisco, the Town of Tiburon and Energy Solutions (headquartered in Downtown Oakland) to improve building codes and permitting practices to increase the number of PEV-ready parking spaces in new construction to meet increasing demand for such facilities. These building code and permitting modifications are intended to reduce the cost and complexity for vehicle owners as they install PEV charging devices at their homes and businesses, and should thereby stimulate the use of electric vehicles. PEV-ready parking spaces include all of the electrical equipment and electrical capacity that are necessary to install and operate a PEV charging device, except the actual charging device, which may be supplied by the property owner or the vehicle owner. For the purposes of this report, PEV charging stations are places where a fully operational PEV charging device is available to charge an electric vehicle.

San Francisco and Tiburon are participating in the activities of this grant without receiving direct funding. This Agenda Report focuses on the activities that are specific to Oakland.

The CEC grant will provide funds for the City to hire Energy Solutions to provide the following professional services:

- Analyze options for actions that meet the PEV goals for 2025, such as building code changes and process improvements that are likely to help meet the demand.
- Adapt model code language that the State of California (State) published for local governments for use in drafting proposed building code amendments.
- Provide recommendations and best practices for revising and optimizing the permit process.
- Train staff and create educational materials for permit applicants about the new requirements.

Under the terms of the CEC grant, the City would be the prime contractor, subcontracting to Energy Solutions in an amount not to exceed \$152,619 for professional services. San Francisco and Tiburon would receive services from Energy Solutions without directly receiving any grant funds. San Francisco and Tiburon partnered with the City because jointly the three agencies could request \$40,000 of funding more than Oakland could have applied for alone. Partnering with San Francisco and Tiburon created economies of scale and synergies among three leading local governments in the field of clean technology, and was intended to make the application more attractive to the CEC, and more likely to be awarded funding in this competitive grant process.

BACKGROUND/LEGISLATIVE HISTORY

Support for increasing the number of PEVs in the state comes from a variety of sources. Governor Jerry Brown set a goal of placing 1.5 million zero-emission vehicles on California roads by 2025. Regionally, Bay Area Air Quality Management District (BAAQMD) published a PEV Readiness Plan in 2013, and currently provides rebates for installing PEV charging stations and procuring electric vehicles. Locally, the Oakland City Council adopted the Energy and Climate Action Plan (ECAP) in December 2012 to identify and prioritize actions that Oakland can take to reduce its energy consumption and greenhouse gas (GHG) emissions. The ECAP outlined a 10-year plan to achieve a 36% reduction in GHG emissions relative to 2005 levels, including action “Engaging in Electric Vehicle Infrastructure Planning” (TLU-33).

To fund these efforts, the California Legislature adopted Assembly Bill (AB) 118 in 2007 to create the ARFVTP. This statute authorizes the CEC to develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the state’s climate change policies. In 2013, AB 8 re-authorized the ARFVTP through January 1, 2024. The ARFVTP has an annual budget of approximately \$100 million, including grants to local government agencies for encouraging the use of PEVs.

The CEC issued its solicitation for proposals in Program Opportunity Notice (PON) 14-607 on February 11, 2015. The CEC’s grant application allowed local governments to submit the proposal at any time, to be evaluated on a “first-come, first-served basis.”

Oakland Public Works staff, with the support of Planning and Building Department staff, and Energy Solutions, applied for the grant in partnership with San Francisco and Tiburon. The CEC awarded the grant, naming the City of Oakland as the prime contractor and Energy Solutions as a subcontractor, at its June 10, 2015 meeting. Staff in the Oakland Public Works, Bureau of Facilities and Environment, Environmental Services Division will administer the grant.

ANALYSIS

According to BAAQMD PEV Readiness Plan of 2013 and the Center for Sustainability Clean Vehicle Rebate Project, demand for PEV charging stations in the Bay Area is growing. Oakland has far fewer than the estimated 38,000 PEV charging stations needed by 2025. The primary reasons for this lack of PEV charging systems include insufficient building codes, and the high cost of installation and complexity that electric vehicle users face if they need to install their own PEV charging device in a parking space that is not PEV-ready.

Requiring developers of new construction projects to provide a certain number of PEV-ready parking spaces will make it easier and more cost effective for property owners and electric vehicle owners to install PEV charging devices in those parking space after building construction is complete.

To accommodate the demand for PEV charging stations, the BAAQMD PEV Readiness Plan recommended increasing the number PEV-ready parking spaces by amending local building codes and streamlining the permit process. The plan noted that PEV-ready building codes will dramatically lower the cost of constructing PEV-ready parking spaces, but that most local governments do not have adequate codes in place to meet the demand in 2025. The plan also noted that local governments can facilitate increasing the PEV-readiness by streamlining permitting requirements and providing guidance to project developers and building permit applicants. The City's ECAP is aligned with the State and BAAQMD, stating the City will engage in electric vehicle infrastructure planning.

This grant will help Oakland modify its building codes to require a higher number of PEV-ready parking spaces in construction projects, which will help Oakland meet the future demand for PEV charging stations. The City will work with Energy Solutions to:

- Develop and propose building code amendments to maximize installation of PEV charging stations by 2025. The foundation for these amendments is model building code language published by the State. For the City, changes would be recommended to Oakland Municipal Code (OMC) Title 15 Buildings and Construction.
- Prepare submittals to the State confirming that adopted building code amendments conform to the State's regulatory requirements.
- Revise and optimize the building permit process associated with PEV-ready parking spaces, and educate project developers about these changes.

- Train staff and create education materials for permit applications about building code amendments that affect requirements for PEV-ready parking spaces.

No solicitation was undertaken to identify other potential partners to provide professional services for this grant. The structure of the CEC's process for receiving and evaluating grants on a "first-come, first-served basis" necessitated the creation of a partnership between the City and Energy Solutions to craft a competitive grant proposal. Energy Solutions is not only a local company with significant experience in this industry, but crafted much of the model ordinance language upon which the CEC solicitation is based. Their input on the City's proposal was crucial to develop the scope of work and details of the approach, and the partnership was necessary to ensure the proposal would be both timely and competitive. In the time the City would have taken to solicit and select partners through a competitive process, the grant funds would likely have been awarded to other local governments. For these reasons, staff worked with Energy Solutions to develop the grant proposal jointly.

OMC Title 2, Chapter 2, Article I, Section 2.04.051.A requires the City to conduct a competitive RFQ/P selection process for the procurement of professional services. OMC Section 2.04.051.B permits the City Council to waive the competitive RFQ/P competitive selection requirement upon a finding and determination that it is in the best interests of the City to do so. Staff recommends that the Council find and determine that it is in the best interests of the City to waive the RFQ/P competitive selection requirement and award the ARFVTP sub-contract to Energy Solutions for the reasons cited above.

PUBLIC OUTREACH/INTEREST

This item did not require any additional public outreach other than the required posting on the City's website.

COORDINATION

The Environmental Services Division of Public Works coordinated the ARFVTP grant application with the Planning and Building Department and the Office of the City Attorney. If the City Council elects to accept the grant funds, Environmental Services Division staff will coordinate with the Office of Contracts and Compliance to execute the necessary agreements.

COST SUMMARY/IMPLICATIONS

No matching funds are required to receive these ARFVTP grant funds, which must be expended by March 31, 2017. The full grant amount of \$170,324 will be appropriated into the State of California Other Fund (2159), Environmental Services: Sustainability Organization (30684), Miscellaneous Contract Services Account (54919), and a new project number to be established. The project budget will fund \$17,705 of the City's costs in the Planning and Building

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Department and the Environmental Services Division for developing proposed Building Code language and grant administration. The project budget will also fund a \$152,619 subcontract from the City of Oakland to Energy Solutions for professional services associated with the grant.

FISCAL/POLICY ALIGNMENT

The City's Energy and Climate Action Plan calls for engaging in electric vehicle infrastructure planning for the purpose of promoting the use of electric vehicles. Requiring more electric vehicle infrastructure in building construction projects will help implement this policy.

SUSTAINABLE OPPORTUNITIES

Economic: Increasing the amount of plug-in electric vehicle infrastructure in the City of Oakland enhances Oakland's economic vitality by creating jobs to provide the products and services to build plug-in electric vehicle infrastructure. Electric vehicles reduce local air pollution, which reduces corresponding local health care costs for residents and businesses. Oakland businesses and multi-family housing developments should be in a better position to compete for customers when they are equipped with sufficient electric vehicle infrastructure.

Environmental: Improving electric vehicle infrastructure allows an increasing number of people to use zero tailpipe-emissions vehicles to move around the City and the region. Electric Vehicles are recognized by the BAAQMD and the California Air Resources Board as a critical strategy for achieving local air quality and state-wide greenhouse gas reduction goals, and by the City's ECAP as noted above.

Social Equity: Improving electric vehicle infrastructure in multi-family housing makes using an electric vehicle an option for many more residents of Oakland.

CEQA

The City Council's action would result in the study and preparation of state-approved enhancements beyond the current mandatory code requirements for PEVs. Planning and feasibility studies are exempt from CEQA (CEQA Guidelines Section 15262 ["feasibility and planning studies"], Section 15306 ["information collection"], Section 15061(b)(3) ["general rule"] and Section 15183 ["projects consistent with a General Plan or Zoning"]). Actual future adoption of the code requirements may be subject to CEQA review, which would be analyzed when the proposal comes to the City Council for adoption.

For questions regarding this report, please contact Daniel Hamilton, Sustainability Program Manager, at (510) 238-6179.

Respectfully submitted,



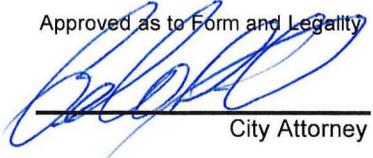
BROOKE A. LEVIN
Director, Oakland Public Works

Reviewed by:
Susan Kattchee, Assistant Director

Reviewed by:
Becky Dowdakin, Environmental Services Manager

Prepared by:
Scott Wentworth, Energy Engineer

Prepared by:
Daniel Hamilton, Sustainability Program Manager

OAKLAND CITY COUNCIL

City Attorney**RESOLUTION No. _____ C.M.S.**

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR, OR HER DESIGNEE, TO APPLY FOR, ACCEPT AND APPROPRIATE A CALIFORNIA ENERGY COMMISSION (CEC) ALTERNATIVE AND RENEWABLE FUEL VEHICLE AND TECHNOLOGY PROGRAM (ARFVTP) GRANT AWARD OF ONE HUNDRED SEVENTY THOUSAND THREE HUNDRED TWENTY-FOUR DOLLARS (\$170,324.00) FROM THE STATE OF CALIFORNIA OTHER FUND (2159) TO PREPARE BUILDING CODE AMENDMENTS WHICH WILL INCREASE THE NUMBER OF PLUG-IN ELECTRIC VEHICLE (PEV) CHARGING STATIONS IN OAKLAND, THE CITY AND COUNTY OF SAN FRANCISCO, AND THE TOWN OF TIBURON

WHEREAS, existing building codes are not sufficient to accommodate the need and demand for PEV charging systems needed in the Bay Area and Oakland by 2025; and

WHEREAS, potential PEV users in Oakland may be discouraged from buying PEVs due to the unavailability of PEV Charging stations and the high cost and complexity of installing PEV charging stations after initial building construction is complete; and

WHEREAS, the California Legislature adopted Assembly Bill 118 in 2007, creating the ARFVTP and authorizing the California Energy Commission to develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the state's climate change policies, and subsequently adopted Assembly Bill 8 in 2013 re-authorizing the ARFVTP through January 1, 2024; and

WHEREAS, the City Council adopted the Energy and Climate Action Plan in December 2012 to identify and prioritize actions that Oakland can take to reduce its energy consumption and greenhouse gas (GHG) emissions by 36% reduction relative to 2005 levels, including engaging in electric vehicle infrastructure planning; and

WHEREAS, the Bay Area Air Quality Management District (BAAQMD) published a PEV Readiness Plan in 2013 that included recommendations to local governments regarding meeting the future need and demand for PEV charging systems, such as adopting building codes that require PEV charging systems in more construction projects, and streamlining the permitting process; and

WHEREAS, the CEC issued its Program Opportunity Notice 14-607 on February 11, 2015 to solicit proposals from local government agencies requesting funding to support "new and existing planning efforts for PEVs" on a first-come, first-served basis; and

WHEREAS, the City of Oakland submitted a proposal to the CEC as the prime contractor in a partnership with the City and County of San Francisco, the Town of Tiburon and Energy Solutions, an Oakland energy consulting firm, to improve building codes and permitting practices to facilitate the permitting and construction of PEV-ready parking spaces to meet the increased demand for such facilities; and

WHEREAS, at its meeting on June 10, 2015, the CEC awarded the grant as proposed, in the amount of one hundred seventy thousand, three hundred twenty-four dollars (\$170,324.00) naming the City of Oakland as the prime contractor; and

WHEREAS, the requirements of the California Environmental Quality Act (CEQA) have been satisfied; now, therefore be it

RESOLVED: That the City Council hereby authorizes the City Administrator or a designee to apply for, accept and appropriate one hundred seventy thousand, three hundred twenty-four dollars (\$170,324.00) of ARFVTP grant funds; and be it

FURTHER RESOLVED: That the City Administrator, or her designee, is hereby authorized to execute any and all documents currently required by the CEC, and any amendments or extensions thereto required to secure grant funds; and to submit any grant applications for additional funding, and implement the approved grant activities; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to receive and appropriate the funds to California Other Fund (2159), Environmental Services Sustainability Organization (30684), Project number to be determined; and be it

FURTHER RESOLVED: That the activities of the CEC grant are exempt from CEQA pursuant to CEQA Guidelines Section 15262 [“feasibility and planning studies”], Section 15306 [“information collection”], Section 15061(b)(3) [“general rule”] and Section 15183 [“projects consistent with a General Plan or Zoning”]); and be it

FURTHER RESOLVED: That a copy of this resolution shall be filed with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and PRESIDENT GIBSON MCELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

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OAKLAND

OAKLAND CITY COUNCIL


City Attorney

2015 JUL 16 AM 9:09 RESOLUTION No. _____ C.M.S.

RESOLUTION WAIVING THE REQUEST FOR PROPOSALS/QUALIFICATIONS (“RFP/Q”) REQUIREMENT AND AUTHORIZING THE CITY ADMINISTRATOR, OR HER DESIGNEE, TO EXECUTE A PROFESSIONAL SERVICES CONTRACT WITH ENERGY SOLUTIONS, IN AN AMOUNT OF ONE HUNDRED FIFTY-TWO THOUSAND SIX-HUNDRED NINETEEN DOLLARS (\$152,619.00) FOR A TERM OF TWENTY SIX (26) MONTHS, TO ASSIST OAKLAND, THE CITY AND COUNTY OF SAN FRANCISCO, AND THE TOWN OF TIBURON TO PREPARE BUILDING CODE AMENDMENTS WHICH WILL INCREASE THE NUMBER OF PLUG-IN ELECTRIC VEHICLE (PEV) CHARGING SYSTEMS WITHIN THESE JURISDICTIONS

WHEREAS, the California Energy Commission (“CEC”) issued its Program Opportunity Notice 14-607 on February 11, 2015 soliciting requests for grant funding to support new and existing planning efforts for PEVs, to be awarded on a first-come, first-served basis, leaving very little time for the City to successfully apply for the grant funds; and

WHEREAS, Energy Solutions is a highly qualified energy consulting firm headquartered in Oakland, with PEV planning expertise that is validated by the state’s acceptance of their recommended language for PEV codes on more than one occasion; and

WHEREAS, the City and County of San Francisco and the Town of Tiburon, are participating in the activities of this grant along with Oakland because jointly the three agencies could request \$40,000 of funding more than Oakland could have applied for alone; and

WHEREAS, under the terms of the CEC grant, the City would be the prime contractor, contracting to Energy Solutions in an amount of \$152,619 for professional services, but San Francisco and Tiburon would receive services from Energy Solutions without directly receiving any grant funds; and

WHEREAS, partnering with San Francisco and Tiburon created economies of scale and synergies among three leading local governments in the field of clean technology, and was intended to make the application more attractive to the CEC, and more likely to be awarded funding in this competitive grant process; and

WHEREAS, Oakland Municipal Code (O.M.C.) § 2.04.051.A. requires staff to conduct a competitive RFP/Q competitive selection process for professional services; and

WHEREAS, O.M.C. § 2.04.051.B permits the City Council to waive such RFP/Q requirement upon a finding that it is in the best interest of the City to do so; and

WHEREAS, staff believes that it is in the best interest of the City for the City Council to waive the RFP/Q requirement in this instance because the City needed to partner quickly with recognized PEV experts in order to compete successfully for a grant award; now, therefore be it

RESOLVED: That the City Council finds and determines that, pursuant to O.M.C. § 2.04.051A and for the reasons stated above and in the accompanying report, it is in the best interests of the City to waive the competitive RFP/Q competitive selection requirement of the O.M.C. for the award of a professional services agreement to the Energy Solutions, and so waives the requirements; and be it

FURTHER RESOLVED: That the City Administrator, or her designee, is hereby authorized to execute a professional services agreement with Energy Solutions in the amount of One Hundred Fifty-Two Thousand, Six Hundred and Nineteen Dollars (\$152,619.00) for a term of 26 months to assist the City of Oakland, to prepare Building Code amendments that will maximize the installation of PEV charging systems, to train staff, and create related educational materials for building permit applicants and the public; and be it

FURTHER RESOLVED: That the agreement is subject to City Attorney review and approval for form and legality and a copy of this resolution shall be filed with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and PRESIDENT GIBSON MCELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California