

AGENDA REPORT

TO: Jestin D. Johnson FROM: Josh Rowan

City Administrator Interim Director, OPW

SUBJECT: The Metropolitan Transportation **DATE:** January 24, 2025

Commission Grant

City Administrator Approval

Date:

Jan 31, 2025

RECOMMENDATION

Staff Recommends That City Council Adopt A Resolution (1) Authorizing The City Administrator To Accept And Enter Into A Grant Agreement With The Metropolitan Transportation Commission (MTC) Grant Program In The Amount Up To Two Hundred Fifty Thousand For (\$250,000), To Provide Technical Planning Assistance For City's Fleet Electrification Assessments; And (2) Adopting Appropriate California Environmental Quality Act (CEQA) Findings

EXECUTIVE SUMMARY

The City of Oakland's (City) fleet is transitioning to alternatively fueled, zero-emission, renewable, or low-carbon fuel powered vehicles. This transition is being driven by the City policy and guidance provided in the Equitable Climate Action Plan (ECAP) and Zero Emission Vehicle (ZEV) Action Plan, as well as State of California Executive Orders and mandates such as the Advanced Clean Fleet (ACF) Rule, Advanced Clean Trucks (ACT) Rule, Innovative Clean Transit (ICT) Rule, and off-road zero emission regulations currently under development. The fleet currently consists of approximately 1,570 on-road vehicles, of which approximately 1,045 are currently suitable for electrification.

Oakland Public Works has been awarded a grant by the Metropolitan Transportation Commission (MTC), for the Local Public Fleet Electrification Planning Technical Assistance Program. This program provides consulting assistance for City fleet electrification planning, such as assessing fleets, fleet replacement options, fueling and charging needs, infrastructure siting, costs and impacts, and transition actions.

Approving this proposed resolution will support the City fleet's transition on track, help mitigate harmful environmental impacts by lowering vehicle tailpipe emissions, displace petroleum fuel consumption, and reduce vehicle fuel expenditures.

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BACKGROUND / LEGISLATIVE HISTORY

Per City Resolution No. <u>77842 C.M.S.</u>, adopted on June 3, 2003, the City will develop and implement a "Green Fleet" policy and direct the staff to purchase vehicles powered by alternative fuels whenever possible, and actively pursue federal and state, and other incentive program related to clean air and energy efficiency.

Per City Resolution No. <u>88268 C.M.S.</u>, adopted on July 28, 2020, that the City shall establish a goal to achieve community-wide action carbon neutrality no later than 2045, and maintain netnegative emissions thereafter.

To implement a "Green Fleet" policy and to achieve the City's goal, recently adopted two resolutions by the City Council; 1) on November 12, 2024, Resolution No. 90511 C.M.S., to enter into a grant agreement with Pacific Gas & Electric (PG&E) to upgrade Electric Vehicles Transformer at the Municipal Service Center, and 2) on December 17, 2024, Resolution No. 90576 C.M.S to accept \$2,300,000 grant from California Energy Commission, for the installation of 100 EV chargers throughout the City.

With **1,570** on-road vehicles in the City's fleet and **five** fleet site multiple service centers, fleet electrification planning, such as assessing fleets, fleet replacement options, fueling and charging needs, infrastructure siting, costs and impacts, and transition actions **are necessary**.

An electrification road map is crucial to the City's fleet transition, and the technical assistance offered on MTC grant program will keep City on track to achieving its clean energy vehicle goals.

ANALYSIS AND POLICY ALTERNATIVES

As driven by the City policy and guidance provided in the Equitable Climate Action Plan (ECAP) and Zero Emission Vehicle (ZEV) Action Plan, as well as State of California Executive Orders and mandates such as the Advanced Clean Fleet (ACF) Rule, Advanced Clean Trucks (ACT) Rule, Innovative Clean Transit (ICT) Rule, City must continue its effort toward electrification, including the planning the transition, assessing fleet potential, and projecting fleet replacement cost.

The Metropolitan Transportation Commission will administer the consultant service contracts and will incur 100% of the consulting cost up to \$250,000, and the grant will provide planning technical assistance to the City, the scope of work includes:

- Fleet Baseline Conditions, to review existing fleet plans and applicable policies, assess the current fleet, engage fleet stakeholders to understand and address all relevant needs and concerns in developing a robust fleet electrification plan.
- Fleet Electrification Assessment, to evaluate vehicle and equipment replacement options, as well as fleet charging needs and locations.

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• Fleet Transition Plan, to develop vehicle replacement, procurement, infrastructure development, operations & maintenance, assess costs and impacts, financing plan, and implementation guidance plans.

The approval of this proposed resolution to enter into an agreement and accept MTC grant will accelerate the City fleet electrification and keep the City's long-term goals on track.

The use of these funds will advance the citywide priorities of improving the **quality of life** and a **vibrant sustainable infrastructure**.

FISCAL IMPACT

If this resolution is approved, this grant would provide a City fleet electrification assessment in the amount up to \$250,000 which will be fully funded and administered by the grantor and has no impact to the City's budget.

PUBLIC OUTREACH / INTEREST

No outreach was deemed necessary for the proposed policy action beyond the standard City Council agenda noticing procedures.

COORDINATION

The Oakland Public Works Department prepared the requested action. This report and resolution were reviewed by the Office of the City Attorney and Budget Bureau.

SUSTAINABLE OPPORTUNITIES

Economic: The approval of this resolution is expected to have a positive effect on the City of Oakland, where accepting this grant reduces the funding required by the City to assess, plan, and construct EV charging infrastructure, fleet readiness toward electrification.

Environmental: By approving this proposed resolution, City Council ensures that the City of Oakland continues to reduce greenhouse emissions and improve local air quality in Oakland.

Race and Equity: The technical assistance provided by this grant will accelerate City's long-term goal to achieve zero emission vehicle which will improve the health of all residents.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

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This action is exempt from California Environmental Quality Act ("CEQA") based on the following CEQA Guidelines Sections: Section 15060(c)(2) (No Direct or Reasonably Foreseeable Indirect Physical Change in the Environment); Section 15061(b)(3) (No Significant Effect on the Environment); Section 15301 (Existing Facilities); Section 15304 (Minor Alterations to Land); Section 15307 (Protection of Natural Resources); Section 15308 (Protection of the Environment); and Section 15309 (Inspections), each of which provides a separate and independent basis for CEQA clearance and when viewed collectively provide an overall basis for CEQA clearance. The project, as designed, that will benefit from this grant funding involves minor public or private alterations to the condition of existing facilities through the addition of electric vehicle charging stations throughout the City. The project also serves to protect the City's and region's environment and natural resources through the production and use of alternative sources of energy other than fossil fuels.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That City Council Adopt A Resolution (1) Authorizing The City Administrator To Accept And Enter Into A Grant Agreement With The Metropolitan Transportation Commission (MTC) Grant Program In The Amount Up To Two Hundred Fifty Thousand For (\$250,000), To Provide Technical Planning Assistance For City's Fleet Electrification Assessments; And (2) Adopting Appropriate California Environmental Quality Act (CEQA) Findings

For questions regarding this report, please contact Joseph Williams, Equipment Services. Manager, at (510) 615-5489.

Respectfully Submitted,

Josh Rowan (Jan 29, 2025 20:10 PST)

Josh Rowan Interim Director, OPW

Reviewed by:

Richard Battersby, Assistant Director Oakland Public Works

Prepared By:

Joseph Williams, Equipment Services Manager Oakland Public Works

Attachment (1): A. Scope of Work - MTC Grant