RESOLUTION NO._____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING THE PROPOSED FEES FOR USE OF ELECTRIC VEHICLE CHARGING STATIONS LOCATED ADJACENT TO CITY HALL

WHEREAS, as part of the "United States v. Volkswagen Group" diesel emissions settlement, Volkswagen subsidiary Electrify America has committed to invest \$2 billion dollars in grant funding over the next tend (10) years in zero emission vehicle infrastructure and awareness; and

WHEREAS, the City of Commerce met the eligibility requirements and received 100% grant funding for three (3) new dual-port Level 2 EV charging stations and two (2) single-port Level 2 charging stations, which includes installation, training, system platform maintenance, and software expenses at no cost to the City; and

WHEREAS, electric utility fees associated with use of EV charging stations are difficult to estimate because they vary depending on the Southern California Edison (SCE) rate schedule, time of day, day of the week, and season (summer or winter) in which charging occurs. Electric utility fees include both energy charges for the electricity consumed (\$ per kWh) and demand charges (\$ per kW); and

WHEREAS, Staff completed a thorough analysis of the City's electricity bills over the past twelve-month period; and determined the proposed fees, assumes an average energy charge of \$0.13 per kWh for 305 days of the year, and an average energy charge of \$0.15 per kWh for the remaining days; and

WHEREAS, staff is recommending that the City implement a free-of-charge session fee for the first two hours and \$2.00 per hour thereafter for the general-public;

WHEREAS, establishing session fees allows the City to recover electricity expenses associated with the public use of the Level 2 EV charging stations. The cost estimate for the City to provide electricity to the EV charging stations is \$22 per month, per port (approximately \$2,112 annually); and

WHEREAS, the proposed session fees will cover on-going electricity costs based on usage and public demand. Staff recommends that the revenue from the EV charging stations be placed into an enterprise account; whereas, surplus funds can be used to replace and/or upgrade EV equipment as needed, after the term of the agreement expires; and

WHEREAS, the agreement between the City and Electrify America expires December 31, 2026. Upon expiration of the agreement, the City shall bear all responsibility for the equipment, operations and maintenance.

WHEREAS, the EV charging stations parking spaces will be signed and marked as to its intended use; and

WHEREAS, staff will periodically complete data analysis reviews to ensure that the recommended fee structure achieves and remains a self-sustaining program status.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY RESOLVE, DECLARE AND DETERMINE AS FOLLOWS:

<u>Section 1:</u> The City Council of the City of Commerce hereby approves the free-ofcharge for the first two hours and \$2.00 per hour thereafter session fees, for public use of the new Level 2 Electric Vehicle (EV) charging stations located adjacent to City Hall.

<u>Section 2:</u> The City Clerk shall certify the passage of this resolution and assign it the next number in order.

PASSED, APPROVED and ADOPTED, this 16th day of October, 2018.

Hugo A. Argumedo, Mayor

ATTEST:

Lena Shumway, City Clerk