

**MOORPARK CITY COUNCIL  
AGENDA REPORT**

**TO:** Honorable City Council

**FROM:** Jeremy Laurentowski, Parks and Recreation Director 

**BY:** Jessica Sandifer, Management Analyst 

**DATE:** January 30, 2014 (CC Meeting of February 5, 2014)

**SUBJECT:** Consider Report on Electric Vehicle Supply Equipment Usage and Continuing Availability for Use by the Public; and Resolution Amending the Fiscal Year 2013/14 Budget by Appropriating \$1,180 from the Traffic System Management Fund

**SUMMARY**

Although estimates vary, most analysts agree that electric vehicles (EVs) will account for approximately 2% to 5% of all vehicles on the road in the United States by the year 2020. 5% of vehicle sales in the U.S. will account for an estimated 1,000,000 electric vehicles by 2020. It is difficult to predict the overall impact that the electric vehicle will have on California, but according to the California Center for Sustainable Energy (CCSE), there are currently more than 12,000 EVs driven in California today, which is equivalent to approximately 35% of all the EVs sold across the United States. As the proportion of the total EV car sales spread throughout the U.S., California car owners will most likely continue to dominate the majority of the market and may account for approximately 4.5% to 8% of the ownership of EVs by 2020.

On December 19, 2012, the City Council approved the installation of two Blink Level 2 Commercial Pedestal Chargers and two ChargePoint Dual Level Charging Stations, collectively known as Electric Vehicle Supply Equipment (EVSE). On January 31, 2013, the two Blink charging stations were installed at the Metrolink Station on High Street, one ChargePoint charging station was installed at the Civic Center parking lot and one was installed at the public parking lot adjacent to the Post Office on High Street. As discussed in the December 19, 2012 staff report, the City funds the electrical costs and service fees in order to provide this equipment for public use. ECOtality North America, the manufacturer of the Blink EVSE, has established fees, predetermined by the manufacturer, for use of the equipment by the individual subscriber or user. However, Coulomb Technologies, Inc. (CTI), the manufacturer of ChargePoint EVSE, charges fees predetermined by the City, and

both manufacturers reimburse the City a percentage of the revenue generated by the use of the EVSE. The revenue that the City receives is based on a percentage of use, predetermined by the manufacturer, and has been established to compensate for electrical and annual subscription fees.

**DISCUSSION**

It has been one year since the four EVSE's were put in service and it is time to consider renewing the network service agreements. One major change with the EVSE network is that EcoTotality, the parent company of Blink, filed for bankruptcy in 2013. The Blink chargers are those that are installed at the Metrolink station. The Blink charging network has subsequently been purchased by CarCharging, Inc.

One Blink Network charger installed at the Metrolink station and one ChargePoint charger installed at the Post Office are the most heavily used of the four chargers and comprise the bulk of the charge time and kwh usage of all four chargers. Even still, as expected, the usage at the charging stations the first year was low. Over the last year, all four chargers were used for a total of 59 sessions for the ChargePoint chargers and 61 sessions for the Blink Chargers or on average, 2.3 sessions per week at all locations. A summary of the actual usage and costs for all locations can be found below.

**FISCAL IMPACT**

<b>ACTUAL (February 2013 – January 2014)</b>						
Charger	Sessions (both stations)	KWH Usage	Gross Revenue *	KWH Cost** (approx.)	Fees***	Net Revenue/ Cost
ChargePoint	59	371.596	\$107.49	\$63.17	\$10.75	\$33.57
Blink	61	518.55	\$0	\$88.15	\$0	\$-88.15

\* revenue for the Blink chargers is retained by Blink for the first year.

\*\* estimated \$0.17 per kwh

For the first year, the costs of providing the ChargePoint stations for public use were covered by the revenue received. For the Blink stations, the first year of operation cost the City \$88.15 in electrical costs. Since the chargers were provided to the City free by Ecototality and no service fees were charged, the company retained all revenues for the first year. During the second year, the company will share revenues at an estimated 50% with the City. The revenue sharing was to be determined by the company, likely based on the usage and costs of operating the Blink Network after the first year. To-date staff has not received any information from the new owner's, Car Charging Inc., regarding what the revenue sharing will be. If the revenue sharing is below the estimated 50%, staff will return to the City Council to determine if we want to continue the service with a lower revenue share.

As mentioned the service fees associated with these units were covered by the manufacturers for the first year. Starting in the second year, in order to keep the chargers available for public use, the City will need to pay an annual service fee for each charger. The cost for the ChargePoint chargers is \$230/charger/year for a total of \$460. Since Car Charging, Inc. has not supplied the actual service fee rate, the service fee for the Blink chargers is estimated to be \$360/charger/year for a total of \$720. As with the estimated revenue sharing, if the actual service fee is higher, staff would return to City Council to determine if we want to continue service at the Blink chargers.

PROPOSED***						
Charger	KWH Usage	Gross Revenue	KWH Cost* (approx.)	Fees**	Service Fees**	Net Revenue/ Cost
ChargePoint	371.596	\$107.49	\$63.17	\$10.75	\$460.00	\$426.43
Blink	518.55	\$160.00	\$88.15	\$80.00	\$720.00	\$-728.15

\* estimated \$0.17 per kwh

\*\* estimated fees are 10% of gross revenue for Chargepoint and 50% of gross revenue for Blink

\*\*\* assumes same amount of usage as the current period

At the proposed usage rate, the costs of providing the ChargePoint chargers would exceed expected revenue by \$426.43 and for the Blink charger (using the 50% estimation) it would exceed expected revenue by \$728.15. It is expected that this deficit will continue until electric vehicles become more mainstream and usage at the chargers increases to approximately 10 hours or more per week at the current fee for the ChargePoint charger and 15 hours or more per week at the Blink chargers. Currently users are averaging 2 hours of use per week at the ChargePoint chargers and 3 hours of use per week at the Blink chargers. As mentioned in the December 19, 2012 staff report, revenue generated by the charging stations is not expected to cover the service plan fees for the first several years of use.

Staff is recommending continuing the public charging service for an additional year at a total cost of \$460/year with no adjustments to the usage fee rates for the ChargePoint chargers and \$720/year for the Blink chargers. Funds for these services for the one year period (February 2014 to February 2015) have not been included in the FY 2013/14 budget. A budget amendment is being requested from the Traffic System Management Fund (2001) for the total amount of \$1,180 to fund the service fees for the next 12 months.

Prior to the end of the next one-year period, staff will provide the City Council with an analysis of the programs and future projection of overall costs and revenue, based on the data collected after one additional year of use and recommendations for continuing or discontinuing the service. Since the City sets the usage fees for the ChargePoint chargers, it may be prudent to review the usage fees again to determine if a change is warranted based on revenue and usage at the stations.

**STAFF RECOMMENDATION (ROLL CALL VOTE)**

1. Approve renewal of service fees for public charging at the ChargePoint Electric Vehicle Charging Stations located at City Hall and the Post Office and the Blink Electric Vehicle Charging Stations located at the Metrolink station, and authorize the City Manager to sign all documents relevant to the renewal.
2. Adopt Resolution No. 2014-\_\_\_\_\_.

Attachment - Resolution

## ATTACHMENT 1

### RESOLUTION NO. 2014-\_\_\_\_\_

A RESOLUTION OF CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AMENDING THE FISCAL YEAR 2013/2014 BUDGET BY APPROPRIATING \$1,180.00 FROM THE TRAFFIC SYSTEM MANAGEMENT FUND (TSM) (2001) TO FUND THE SERVICE FEES FOR THE ELECTRIC VEHICLE CHARGING STATIONS AT CITY HALL, THE POST OFFICE, AND THE METROLINK STATIONS

WHEREAS, on June 19, 2013, the City of Moorpark adopted the Operating and Capital Improvement budget for Fiscal Year 2013/14; and

WHEREAS, on December 19, 2012, the City Council approved the installation of ChargePoint Electric Vehicle Charging Stations at City Hall and the Post Office, and Blink Network Electric Vehicle Charging Stations at the Metrolink Station; and

WHEREAS, for the first year of use, the service fees were waived by the manufacturers; and

WHEREAS, in order to continue providing the electric vehicle charging stations, both manufacturers require an annual service fee be paid; and

WHEREAS, a budget adjustment for additional appropriation of \$1,180.00 from the Traffic System Management Fund (2001) is requested to fund the service fees; and

WHEREAS, Exhibit "A", attached hereto and made a part hereof, describes said budget amendment and the resultant impact to the budget line items.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. A budget amendment in the amount of \$1,180.00 from the Traffic System Management Fund (2001) as more particularly described in Exhibit "A", attached hereto, is hereby approved.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 5<sup>th</sup> day of February, 2014

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Janice S. Parvin, Mayor

ATTEST:

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Maureen Benson, City Clerk

Exhibit A – Budget Amendment

