



county of ventura

David J. Sasek, P.E.
Director

GENERAL SERVICES AGENCY

800 South Victoria Avenue, L#1000
Ventura, CA 93009
(805) 654-3700

July 23, 2019

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Receive and File the General Services Agency (GSA) Fleet Services Department's Strategy for Electric Vehicle Transition; Approval of, and Authorization for the GSA Director or Designee to Sign, the Agreement with Southern California Edison (SCE) for Participation in the Charge Ready Program; Approval of the Grant of an Easement for Vehicle Charging Station Infrastructure to SCE, and Authorization for the County of Ventura Public Works Agency Director or Designee to Execute the Easement, to be Located in Parking Lot E at the County Government Center; Approval of a Contribution from the General Fund to GSA in the Amount of \$146,668 and Related Budgetary Transactions to Offset the Purchase of Electric Vehicles and Purchase and Installation Costs for Electric Vehicle Charging Stations (Recommendation Nos. 4-5 Require 4/5ths Vote).

RECOMMENDATIONS:

1. Receive and file the County of Ventura General Services Agency (GSA) Fleet Services Department's Strategy for Electric Vehicle Transition (Exhibit 1);
2. Approve, and authorize the GSA Director or his designee to sign, the agreement with Southern California Edison (SCE) for participation in the Charge Ready Program (Exhibit 4);

Paul R. Young
Chief Deputy Director
Facilities & Materials

Greg Bergman
Deputy Director
Administrative Services

Ron Van Dyck
Deputy Director
Parks Department

Christopher Melton
Deputy Director
Fleet Services

Board of Supervisors

General Services Agency Fleet Services' Strategy for Electric Vehicle Transition;
Participation in SCE Charge Ready Program

July 23, 2019

Page 2

3. Approve the grant of an easement (in a form substantially similar to Exhibit 5) for vehicle charging station infrastructure (Easement), subject to review and approval of County Counsel, from the County of Ventura to SCE and authorize the Public Works Agency Director or his designee to execute the Easement;
4. Approve a contribution of \$146,668 from the General Fund to GSA Fleet Services to fund a partial offset of the cost of electric vehicles, electric vehicle charging units, and installation of charging units (REQUIRES 4/5ths VOTE); and
5. Authorize the Auditor Controller to process the necessary budgetary transactions to revise the following appropriations and revenues (REQUIRES 4/5ths VOTE):

General Services Agency – Transportation Fund I210

INCREASE Unit 4571	Equipment	\$ 83,668
INCREASE Unit 4571	Vehicles	\$ 63,000
INCREASE Unit 4571	Other Financing Sources	\$146,668

County Executive Office – General Fund

INCREASE Unit 1050 Other Financing Uses	\$146,668
DECREASE General Fund – Fund Balance Assigned for Fixed Asset Acquisitions	\$146,668

FISCAL/MANDATES IMPACT:

Mandatory:	No
Source of Funding:	General Fund
Fund Matching Requirement:	No
Impact on Other Departments:	None

Summary of Revenues and Costs

	<u>FY 2019-20</u>	<u>FY 2020-21</u>
Revenue:	\$ 146,668	\$ 0
Costs:		
Direct	\$ 146,668	\$ 0
Indirect-Agency/Dept.	\$ 0	\$ 0
Indirect – CAP	\$ 0	\$ 0
Total Costs	\$ 146,668	\$ 0
Net Gain/(Loss):	\$ 0	\$ 0

FY 2019-20 Budget Projection				
GSA – Fleet Services (Budget Unit 4571)				
	Adopted Budget	Adjusted Budget	Projected Budget	Est. Savings/ (Deficit)
Appropriations	\$ 19,151,675	\$ 19,151,675	\$ 19,151,675	\$ 0
Revenue	\$ 17,878,563	\$ 17,878,563	\$ 17,878,563	\$ 0
Operating Gain/(Loss)*	(\$ 1,273,112)	(\$ 1,273,112)	(\$ 1,273,112)	\$ 0

*Projected Operating Loss will be covered by unrestricted net position. The table above includes interest earnings and interest expense.

FISCAL/MANDATES IMPACT:

Mandatory: No
Source of Funding: General Fund – Fund Balance Assigned for Fixed Asset Acquisition
Fund Matching Requirement: No
Impact on Other Departments: None

Summary of Revenues and Costs	<u>FY 2019-20</u>	<u>FY 2020-21</u>
Revenue:	\$ 0	\$ 0
Costs:		
Direct	\$ 146,668	\$ 0
Indirect-Agency/Dept.	\$ 0	\$ 0
Indirect – CAP	\$ 0	\$ 0
Total Costs	\$ 146,668	\$ 0
Net Cost	\$ 146,668	\$ 0

FY 2019-20 Budget Projection				
Special Accounts and Contributions – Budget Unit 1050				
	Adopted Budget	Adjusted Budget	Projected Budget	Est. Savings/ (Deficit)
Appropriations	\$ 59,304,395	\$ 59,304,395	\$ 59,304,395	\$ 0
Revenue	\$ 8,334,779	\$ 8,334,779	\$ 8,334,779	\$ 0
Net Cost	\$ 50,969,616	\$ 50,969,616	\$ 50,969,616	\$ 0

EXECUTIVE SUMMARY

GSA Fleet Services provides a variety of vehicle support services to County of Ventura (County) agencies, including vehicle acquisition services, collecting and analyzing data from vehicle telematics units, providing County fuel, and operating the County's Central Motor Pool (CMP), located at the main Government Center campus. GSA Fleet Services has researched alternative fuel propulsion systems and presents your Board with a

proposed strategy (see Exhibits 1 and 2) for transitioning the County vehicle fleet to electric vehicles (EVs) over time, with a specific focus on the CMP in the near future. The proposed strategy for EV transition also contains recommendations to continue the transition of fleet vehicles for the County to EVs over the coming years.

In addition, GSA proposes teaming with SCE via its Charge Ready Program. This program aims to help enable vehicle electrification for fleets by reducing infrastructure investment costs. GSA submitted an online application to participate in the program to SCE. We received confirmation of receipt of our application (Exhibit 3) and have received a proposed agreement (Exhibit 4), which, if approved by your Board, and subject to program funding availability from SCE, will result in the installation of infrastructure to support 7 dual-port EV charging stations. Additionally, funds are being requested to offset the incremental cost of EVs compared to internal combustion engine vehicles, as well as the actual cost to purchase and install the EV charging stations – the costs of which are not included in the SCE Charge Ready Program.

These efforts support Focus Area 3, Goal 2 of the County's current Strategic Plan, to provide, operate, and maintain infrastructure, public facilities and associated services that protect and enhance our community, environment, and economic well-being.

DISCUSSION

A successful EV transition evaluates locations that are most suitable for the installation of EV infrastructure and charging units, finds the right vehicle for the job, and trains and supports drivers who might be hesitant to try a new technology, all while minimizing costs to County taxpayers. As these items cross several fields of expertise, the strategy outlined in Exhibits 1 and 2 was developed by GSA Fleet Services with support from GSA Facilities Projects and the County Executive Office.

Our research found that the County's CMP is the ideal next step in the electrification of County vehicles. The vehicles in the CMP are the most highly utilized vehicles in the County fleet, are centrally located at the Government Center, and are largely compact general use sedans with no customization. There are currently 33 vehicles in the CMP. As part of this analysis and in order to meet the high demand of the CMP, we have determined that the number of vehicles in the CMP should be increased to 40. After these vehicles are procured, there will be a total of 25 EVs or Plugin Hybrid EVs (PHEVs) in the CMP.

Current prices of EVs are higher than equivalently sized internal combustion engine vehicles. While there are cost savings that can be recouped over time, including fuel cost savings and reduced maintenance costs, many factors continue to keep EVs out of range based on current County policy regarding vehicle acquisitions. High acquisition costs for EVs, significant infrastructure investment required, and the current low price of oil are

examples of these cost factors. GSA has sought to mitigate the vehicle acquisition and infrastructure costs through outside funding and investment opportunities.

This board letter includes three opportunities for the County to reduce the cost of fleet electrification. The first is a reciprocal investment opportunity with SCE through its Charge Ready Program to install, at its expense, significant EV infrastructure with an approximate value of \$327,000; the second is a 25% rebate offered by SCE on the purchase price of the actual charging hardware (a value of approximately \$7,332.50); and the third is a California Clean Vehicle Rebate Project rebate of \$2,500 per new EV (a value of \$35,000). While these three incentives significantly help in reducing the relatively high costs of electrification, further funding is required to make this project cost competitive to the equivalent internal combustion vehicle. As such, GSA is asking for a one-time contribution from the General Fund to further offset the cost per vehicle and to purchase and install the EV charging stations required to participate in the SCE Charge Ready Program. In the event that the County is unable to participate in the Charge Ready Program, GSA will return to your Board at a later date with a proposal to transition the County's CMP to EVs.

This strategy lays out a proposal to purchase 14 EVs and 7 dual-port EV charging stations for use in the CMP. Assuming the approval of the County's participation in the Charge Ready Program, GSA asks for the following contributions from the General Fund to enable the project to go forward:

- \$146,668 in total to offset the purchase of 14 EVs and the purchase and installation of 7 dual-port charging stations:
 - \$63,000, which represents \$4,500 per new EV, making the purchase price of each EV cost-equivalent to the purchase price of similar-sized internal combustion vehicle. This will offset the purchase of 14 EVs.
 - \$83,668 to offset the purchase and installation of 7 dual-port EV charging stations.

GSA Fleet Services Strategy for Electric Vehicle (EV) Transition

The Strategy for Electric Vehicle Transition (Exhibit 1) outlines a proposal to purchase 14 EVs and 7 dual-port EV charging stations for use in the CMP, evaluates costs and benefits, and details our evaluation methods. This strategy was developed to support the County's Strategic Plan and adhere to County policy. The 2018 Administrative Policy Manual Chapter III-1 titled "Asset Management of County Vehicles Including Acquisition, Assignment, and Use" contains a specific clause on page 2, paragraph 1, that states, "Alternate technology vehicles shall be purchased and used in the County fleet when such vehicles are cost-effective and meet performance requirements." This policy provision requires that GSA Fleet Services evaluate the total cost of ownership (TCO) among differing vehicle propulsion technologies and vehicle manufacturers and purchase the

most cost-effective option that fulfills the mission of the customer. This strategy contains a TCO analysis and asks for a contribution to bridge the gap between the lower priced internal combustion sedan and the chosen EV for this project, the Chevrolet Bolt. Further details relating to vehicle selection and TCO analysis can be found in Exhibit 1.

Currently, the cost of one Chevrolet Bolt (EV) sedan, including tax, is \$34,933 compared to a Ford Focus SE (internal combustion) sedan, including tax, priced at \$22,804. Assuming the California Clean Vehicle Rebate Project rebate of \$2,500 is applied to the EV purchase, the price difference is \$9,629. Accounting for anticipated fuel and maintenance savings over the lifespan of these vehicles, we are asking for a contribution of \$4,500 per new Chevrolet Bolt to adhere to this provision of County policy.

Participation in SCE Charge Ready Program

GSA Facilities and Materials Department proposes installing 7 dual-port EV charging stations at the Government Center, Parking Lot E (see Exhibit 6, Location Map) to support GSA Fleet Services CMP EVs. The infrastructure for the charging stations will be installed through the SCE Charge Ready Program at no cost to the County.

On May 15, 2019, GSA submitted notice of intent with SCE to participate in its Charge Ready Program (Exhibit 3). This notice of intent was the first step in expressing the County's interest in participating in SCE's Charge Ready Program. The notice is non-binding, and does not obligate the County to participate. Under this program, SCE will install the infrastructure necessary to support 7 dual-port EV charging stations that will be purchased and installed at County expense. The cost for installing this infrastructure has been a significant hurdle in the past. At the time GSA became aware of this program, we were informed that this was a bridge-funded program with limited funding available. Funding is awarded based on first-in-time, first-in-line – subsequent to GSA's submission of its notice of intent, we have been informed that the program is no longer accepting new filings.

GSA staff met with SCE representatives on site to perform an assessment of the potential location for the proposed EV charging stations, and to obtain information. If selected to participate, SCE will implement a design/build contract using one of its contractors. County personnel will review the infrastructure design and the SCE contractor will be required to obtain a plan check and building permit from County Resource Management Agency's Building and Safety Division prior to the work being performed. Upon County approval, SCE's contractor will install a new electrical service to the EV charging stations, including a step-down transformer, electric meter and electrical switchgear. The contractor will also install the branch wiring to the point of connection for the charging stations.

In order to participate in this program, the County will be required to grant SCE an easement for the property where the infrastructure is installed (Exhibit 5). SCE currently

Board of Supervisors

General Services Agency Fleet Services' Strategy for Electric Vehicle Transition;
Participation in SCE Charge Ready Program

July 23, 2019

Page 7

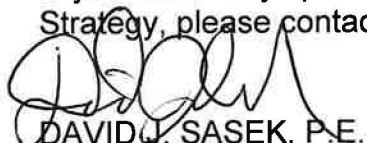
has an easement for other infrastructure on the Government Center property, and granting a new easement should not present any issues. The County will also need to provide proof of purchase for 14 electric vehicles and EV charging stations – the EV charging stations must be selected from an SCE-approved list. Further, the County must agree to a new electrical service account dedicated to the EV charging stations, to be responsible for the account, and to accept participation in a demand response program for that new account, which is a program to reduce electricity use when demand for electricity is high. The new charging stations must be networked so that SCE is able to access trend data from the network.

In the event that the County is unable to participate in the Charge Ready Program, GSA will return to your Board at a later date with a proposal to transition the County's CMP to EVs.

The total cost of charging stations installation is depicted in Exhibit 7A; the total cost of both infrastructure and charging stations installation is depicted in Exhibit 7B.

This item has been reviewed by the Public Works Agency Real Estate Services Division, the County Executive Office, the Auditor Controller's Office, and County Counsel. If you have any questions regarding the SCE Charge Ready Program, please contact Paul Young at (805) 654-3806.

If you have any questions regarding GSA Fleet Services' Electric Vehicle Transition Strategy, please contact Christopher Melton at (805) 672-2041.



DAVID J. SASEK, P.E.
Director

Exhibit 1 – GSA Fleet Services Strategy for Electric Vehicle Transition

Exhibit 2 – PowerPoint Presentation

Exhibit 3 – May 15, 2019 Notice of Intent to File for the SCE Charge Ready Program

Exhibit 4 – SCE Charge Ready Program Agreement

Exhibit 5 – SCE Grant of Easement for Vehicle Charging Station(s)

Exhibit 6 – Location Map: Planned EV Charging Stations

Exhibit 7A – GSA Project Estimate: Electric Vehicle Charging Stations Only

Exhibit 7B – GSA Project Estimate: Total Costs: Charging Stations and Infrastructure

ec: Jeff Pratt, Public Works Agency Director

Paul Young, Chief Deputy Director, Facilities and Materials, General Services Agency

Christopher Melton, Deputy Director Fleet Services, General Services Agency