



Office of the City Manager

CONSENT CALENDAR
March 19, 2024

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Andrew Murray, Interim Director of Public Works
Subject: Grant Application: GFO 23-606 - Charging Infrastructure for Government Fleets

RECOMMENDATION

Adopt a Resolution:

- Authorizing the City Manager or their designee to submit a Grant application in response to the California Energy Commission's solicitation GFO 23-606 - Charging Infrastructure for Government Fleets Grant Program for City electric vehicle (EV) charging infrastructure projects; and
- Authorizing the City Manager to sign a Letter of Commitment for the local matching funds; and
- Referring the required local match, 30% of the total project cost, to the FY 2025-2026 Budget process for consideration of the City's General Fund (Fund 011).

FISCAL IMPACTS OF RECOMMENDATION

The City is transitioning its fleet from traditional fossil fuel vehicles to EVs in order to comply with City Council directives and State regulations. To support these new EVs, the City will need to expand its EV charging infrastructure. The City has not yet identified a source of funding to install the many new EV chargers that will be needed by the new fleet vehicles. The California Energy Commission (CEC) recently issued a solicitation for applications for the Charging Infrastructure for Government Fleets Grant Program (Grant) for the planning, design, and installation of electric vehicle (EV) charging stations. If authorized, City Staff will submit an application in April 2024 in an amount up to \$6 million, the maximum award, for this Grant. The Grant requires a local match of at least 30% of the total project cost, which could amount to a maximum of \$2.5 million (30% of a total project budget of \$8.5 million), which would be funded by the City's General Fund (Fund 011) subject to approval by City Council and appropriation as part of the FY 2025 – 2026 Budget Development process and in future fiscal year budgets. The actual timing of when project expenses will be incurred and Grant and local funds would be used would be subject to the Project schedule. Per the Grant requirements, all work must be completed by June 30, 2028.

CURRENT SITUATION AND ITS EFFECTS

The City does not have any future funding allocated for the installation of EV charging infrastructure required to support its goal of operating an all-electric fleet. The City's goal is guided by City Council directive and State regulation. To support the implementation of the City's Climate Action Plan, members of City Council submitted a referral to the Energy and Transportation Commissions on June 12, 2018, to establish a date by which the City could commit to becoming a fossil fuel-free city, and further consider fleet electrification. Subsequently, based on the report issued from the Energy Commission, on June 25, 2019, City Council issued a directive (An Action Plan for Greening the City of Berkeley Fleet of Vehicles) for the Public Works Department and the City Manager to collaborate on an action plan to aggressively accelerate electrification of the City's municipal fleet to eliminate fossil fuel use in municipal vehicles, where technically feasible, by 2030. On July 21, 2020, City Council adopted the Electric Mobility Roadmap (Resolution No. 69,504-N.S.), which outlined an action plan to electrify the City's fleet. Staff is currently on track to purchase an estimated 30 light-duty EVs by 2028. In addition, the California Air Resources Board's (CARB's) Advance Clean Fleet (ACF) regulation requires local municipalities to transition their medium- and heavy-duty fleet to zero-emission vehicles by 2045. The City will be required to purchase an estimated 30 medium- and heavy-duty EVs by 2029 to remain compliant.

The City currently owns and operates 27 fleet charging ports at two City locations. The City has 56 hybrid and all-electric light-duty vehicles either in service or planned to be delivered. In addition to these EVs, future fleet EVs would be domiciled across 24 City locations. EV operations will require EV charging infrastructure to be installed where EVs are domiciled. Without sufficient funding to implement an expansion of EV charging infrastructure, the City will not be able to operate its planned EV fleet in the next five years. The grant would allow the City to install at least 100 charging ports. A limited scope five-year EV charger project has been proposed for the installation of 40 charging ports. Staff have identified staffing resources to plan and design EV charging stations to meet minimum requirements for compliance with City directive and State regulation. Project funding, which is estimated at \$3.5 million, has not yet been secured. Additional funding would also be required after Fiscal Year 2029 to continue the necessary EV charging infrastructure buildout. Funding provided by this grant opportunity would allow the City to install enough EV charging ports to accelerate the transition to an all-electric fleet. The deadline to submit the Grant application is April 5, 2024.

If the City successfully obtains and executes a Grant, the resulting Project would help the City meet its Strategic Goal of being a global leader in addressing climate change, advancing environmental justice, and protecting the environment. City of Berkeley's current goal is to reduce greenhouse gas emissions by 80% by 2050.

BACKGROUND

On October 7, 2023, the State of California Assembly Bill 126 was enacted, which reauthorized the CEC's Clean Transportation Program through July 1, 2035 and focused the program on zero-emission transportation. On December 21, 2023, the CEC released GFO-23-606, a solicitation for applications for the Charging Infrastructure for Government Fleets Grant Program, which opened the availability of up to \$30 million in grant funds for projects that will provide electric vehicle charging infrastructure for government fleets. The purpose of the Charging Infrastructure for Government Fleets Grant Program is to:

1. Support electrification of government fleets in California by providing reliable and readily accessible electric vehicle charging infrastructure dedicated for these fleets.
2. Support local government goals of sustainability and/or climate action plans.
3. Reduce vehicle emissions in disadvantaged and/or low-income communities.

The Clean Transportation Program would provide needed funding to meet the City's fleet electrification goal. Funding provided by this Grant would expand the currently proposed EV charger project scope from 40 charging ports to at least 100 charging ports with no additional City funding request required. Rather than meeting minimum EV charging needs in the short-term, the expanded project scope would better position the City to execute a more comprehensive fleet electrification strategy in the long-term, thus facilitating the rapid transition to an electrified fleet. If selected for this Grant, such work would be performed shortly after executing a contract, which is anticipated in Quarter 3 2024. Staff's schedule for planning, design, and installation is feasible and in compliance with the grant project deadlines of June 30, 2028.

In FY 2023, the City allocated \$1,150,000 in funding for a project to install fleet EV charging infrastructure at the Corporation Yard. The project, which will install 11 charging ports, is expected to be complete by December 2023. Additional funding is needed to meet future EV charging needs.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

This Grant would support the City's Climate Action Plan and its goal of becoming a Fossil Fuel Free city as established through the June 12, 2018 City Council referral. This grant would support the City's goal of reducing its greenhouse gas emissions by 80% by 2050, which would result in cleaner air for residents.

RATIONALE FOR RECOMMENDATION

In order to meet City Council directive and State regulation, the City must electrify its entire fleet. No funding is available to furnish sufficient EV chargers to support the existing and future electrified fleet. This Grant would provide the necessary funding for

comprehensive EV charging infrastructure buildout. The allocation of local match funds will allow the City to be eligible for this grant.

ALTERNATIVE ACTIONS CONSIDERED

The City could choose not to pursue this funding opportunity. The City would forego up to \$6 million that could be used to support its fleet electrification goals in alignment with City Council directive and State regulation. If the City chooses to pursue this funding opportunity and is not selected for funding, the City would still need to allocate a similar amount of local funding towards the more limited short-term EV charger project in order to operate current and future EVs.

CONTACT PERSON

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Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

GRANT APPLICATION: GFO 23-606 – CHARGING INFRASTRUCTURE FOR
GOVERNMENT FLEETS

WHEREAS, On October 7, 2023, State of California AB 126 was enacted, which reauthorized the Clean Transportation Program through July 1, 2035 and focused the program on zero-emission transportation; and

WHEREAS, On June 25, 2019, City Council issued a directive (An Action Plan for Greening the City of Berkeley Fleet of Vehicles) for the Public Works Department and the City Manager to collaborate on an action plan to aggressively accelerate electrification of the City's municipal fleet to eliminate fossil fuel use in municipal vehicles, where technically feasible, by 2030; and

WHEREAS, The City does not have funding allocated for the installation of electric vehicle charging infrastructure required to support its goal of operating an all-electric fleet; and

WHEREAS, The City does not have electric vehicle charging infrastructure to support the operation of fleet EVs anticipated to be purchased in the next five years.

WHEREAS, In April 2024, City staff plan to submit a grant application to the CEC Charging Infrastructure for Government Fleets Grant Program for the planning, design, and installation of electric vehicle charging stations in the amount up to the maximum award of \$6 million with a minimum 30% local match not to exceed \$2.5 million using the City's General Fund (Fund 011).

WHEREAS, the grant would fulfill the City's need for electric vehicle charging infrastructure for existing and future fleet.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager or her designee is authorized to submit a Grant application in response to the California Energy Commission's solicitation GFO 23-606, Charging Infrastructure for Government Fleets Grant Program, for City electric vehicle charging infrastructure projects in the amount of \$6 million; and

BE IT FURTHER RESOLVED that Council authorize the City Manager to sign a Letter of Commitment for the local matching funds; and

BE IT FURTHER RESOLVED that Council refer the required local match of 30% of the total project cost to the FY 2025-2026 Budget process for consideration of the City's General Fund (Fund 011).

