



## AGENDA REPORT

**Meeting Date:** September 6, 2016

**Item Number:** H-1

**To:** Honorable Mayor & City Council

**From:** Chad Lynn, Assistant Director of Public Works  
Genevieve Row, Parking Services Manager  
Logan Phillippo, Management Analyst

**Subject:** RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS AMENDING THE COMPREHENSIVE SCHEDULE OF TAXES, FEES AND CHARGES TO ADD FEES RELATED TO ELECTRIC VEHICLE CHARGING FOR FISCAL YEAR 2016-2017

**Attachment:** 1. Resolution

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### **RECOMMENDATION**

Staff recommends that City Council move to approve a Resolution of the Council of the City of Beverly Hills Amending the Comprehensive Schedule of Taxes, Fees and Charges to Add Fees Related to Electric Vehicle Charging for Fiscal Year 2016-2017.

### **INTRODUCTION**

This City of Beverly Hills Resolution will establish fees related to electric vehicle charging at parking facilities owned by the City. The same fees are being recommended for parking structures owned by the Parking Authority in a separate Parking Authority Resolution.

During the July 5, 2016, City Council Study Session, staff presented a proposed electric vehicle ("EV") charging policy approved by the Traffic and Parking Commission ("TPC") 5-0 at the Regular Meeting on March 3, 2016. More information regarding the policy proposal may be found within the July 5, 2016, Study Session staff report.

The City Council directed staff to implement the proposed policy with no modifications. The first recommendation to adopt formal rate language requires the City Council to approve a Resolution to establish these fees for Parking Authority-owned parking facilities within Parking Authority Schedule of Parking Facility Rates.

**DISCUSSION**

Staff is proposing the adoption of formal rate language that includes a range with low and high limits for three types of fees: an Access Fee, Station Fee and Energy Fee.

- An Access Fee is a fee associated with gaining access to the charging station irrespective of if the vehicle is charging and/or how long it remains connected. It is essentially a flat rate for initiating a session by connecting to the charging station.
- A Station Fee is fee associated with the length of time a connection is established with the station, irrespective of whether the vehicle is charging or not. As long as the vehicle is connected to the charging station, this fee would apply.
- An Energy Fee is a fee associated with the amount of energy consumed by the connected vehicle. This is based on a per kilowatt-hour flat rate and only applies when the vehicle is actively charging. A kilowatt-hour is a measure of electrical energy equivalent to a power consumption of 1,000 watts for 1 hour. This fee is not applied when the vehicle is not receiving power even if the vehicle remains connected to the EV station.

These fees would be set by the Executive Director or designee (“Director”) and would be required to fall within the ranges listed below. Any such changes set to the rates set forth by the Director would need to be properly displayed to EV charging station users.

Proposed Formal Rate Language for Adoption

| <b>Fee Type</b> | <b>Fee Range</b>               |
|-----------------|--------------------------------|
| Access Fee      | up to \$20.00 per session      |
| Station Fee     | up to \$20.00 per hour         |
| Energy Fee      | up to \$1.00 per kilowatt-hour |

During the July 5, 2016, Study Session, the Council directed staff to implement the fees initially as shown in the table below, which only includes a Station Fee and Energy Fee. The initial fee structure does not include an Access Fee, which simplifies the fees from the customer perspective. This rate structure would be implemented uniformly in all City parking facilities initially but may be adjusted, along with the implementation of an Access Fee, if it is determined to be in the best interest of the City and parking customers. Any rate adjustment would fall within the range adopted by the City Council in the attached Resolution.

Proposed Initial Fee Structure at All City Parking Facilities

| <b>Type of Fee</b> | <b>Increment 1</b>       | <b>Increment 2</b>            |
|--------------------|--------------------------|-------------------------------|
| Station Fee        | First Two Hours<br>FREE  | Per Hour Thereafter<br>\$6.00 |
| Energy Fee         | \$0.25 per kilowatt-hour | \$0.25 per kilowatt-hour      |

The Energy Fee of \$0.25 per kilowatt-hour would recover the cost to provide electricity and the \$6.00 per-hour Station Fee would encourage turnover. “Turnover” describes a situation where a customer removes the vehicle from the parking space, which subsequently makes the parking space available for the next customer’s use.

The Station Fee would be prorated on a per-minute basis (10 cents per minute), so if a parking customer were to park in a designated EV space for a 2 hour and 10 minute period of time, a \$1.00 Station Fee would apply. Just as a customer would not leave his or her vehicle parked at a gas station pump longer than the time it took to fill his/her vehicle with gas, the \$6.00 per hour Station Fee would discourage a customer from occupying a designated EV charging space for excessive periods of time beyond what is needed to adequately "fuel up"/charge the EV. Staff will assess usage patterns after implementation of these fees under consultation of the TPC and the Director may adjust fees within the established Fee Range in order to maximize the usage of current EV charging stations for the benefit of all customers.

Customers can see the price to use a specific station as text that scrolls across the charging station's display, by using a ChargePoint mobile app or online at the ChargePoint website. ChargePoint is the current vendor for all City EV charging stations.

### **FISCAL IMPACT**

The City and public parking customers seeking charging in designated EV spaces would experience fiscal impacts. Funding for City expenses is available as part of the Fiscal Year 2016/17 parking operations budget.

#### Customer Experience

Based on the proposed implementation of rates, the average driver would be able to connect and charge for two hours for approximately \$3.60, which would provide approximately 50 miles of range with a 240-volt connection. If a vehicle was to complete charging within these two hours, but were to remain connected for a third hour, the fee would be approximately \$9.60. Applicable fees would vary depending on vehicle make and model as well as the amount of time parked in the designated EV parking space.

|                      |  |
|----------------------|--|
| Estimated Energy Fee | \$3.60 (\$1.80 per hour for 2 hours)           |
| Station Fee          | \$6.00 (1 full hour beyond first 2 free hours) |
| Total Fee            | \$9.60   |

#### City Impacts

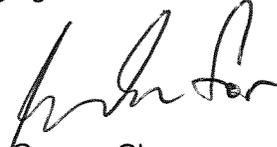
Staff estimates approximately \$104,500 annual costs associated with maintenance and operation of EV charging stations and \$1,100 of one-time expenses for new signage.

#### Estimated One-Time Expenses

|   |                 |
|---|-----------------|
| New Signage                             | \$1,100         |
| <u>Estimated Ongoing Expenses</u>       |                 |
| Hosting Fees                            | \$2,500         |
| Preventative Maintenance                | \$19,500        |
| Materials and Repairs                   | \$16,500        |
| Energy Costs (250,000 kilowatt-hours)   | \$52,500        |
| <u>Estimated Transaction Fees (10%)</u> | <u>\$13,500</u> |
| Total Estimated Ongoing Expenses        | \$104,500       |

Using current usage statistics, a \$0.25 per kilowatt-hour fee for actual energy usage and a conservative average Station Fee of \$5.00 (50 minutes at 10 cents per minute) for users that exceed 2 hours, revenues are estimated to be \$135,000 annually. Based on estimated expenses, this provides \$30,500 on an annual basis which may be accrued toward the upgrading and replacement costs associated with this infrastructure. Over a ten-year period this amount would be \$305,000.

The purchase and installation of a typical charging station costs approximately \$9,000 and each station is rated with a 10-year lifespan. Replacement costs over a ten year period for the 35 existing stations would cost approximately \$315,000. Trade-in discounts, historically \$1,250 per station, could apply depending on unit conditions at the time of trade-in, reducing this overall estimate. Most charging stations are currently in their fourth year of operations.



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George Chavez

Approved By

# **Attachment 1**

RESOLUTION NO. 16-R-\_\_\_\_\_

RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS AMENDING THE COMPREHENSIVE SCHEDULE OF TAXES, FEES AND CHARGES TO ADD FEES RELATED TO ELECTRIC VEHICLE CHARGING FOR FISCAL YEAR 2016-2017

The Council of the City of Beverly Hills does resolve as follows:

Section 1.     Electric Vehicle Charging Fees. The City desires to add fees for charging electric vehicles in the City-owned parking garages in the amounts set forth in Exhibit A hereto. Said fees shall be included and incorporated into the City's Comprehensive Schedule of Taxes, Fees and Charges and shall go into effect upon the adoption of this Resolution.

Section 2.     The City Council is taking action only on those fees set forth in Exhibit A. The remaining taxes, fees, permit fees, City service charges, and other fees, charges, extractions, and required payments for municipal services, inspections, enforcement activities or for other indicated purposes set forth in the Comprehensive Schedule of Taxes, Fees & Charges have not been readopted and remain in place.

Section 3.     The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and his certification to be entered in the Book of Resolutions of the Council of this City.

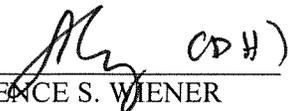
Adopted:

\_\_\_\_\_  
JOHN A. MIRISCH  
Mayor of the City of Beverly Hills, California

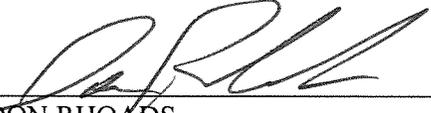
ATTEST:

\_\_\_\_\_(SEAL)  
BYRON POPE  
City Clerk

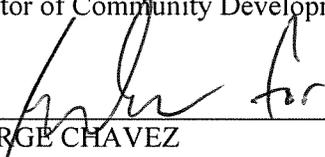
APPROVED AS TO FORM:

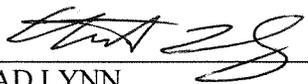
  
\_\_\_\_\_  
LAURENCE S. WIENER  
City Attorney

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
DON RHOADS  
Director of Administrative Services/  
Chief Financial Officer

  
\_\_\_\_\_  
SUSAN HEALY KEENE  
Director of Community Development

  
\_\_\_\_\_  
GEORGE CHAVEZ  
Assistant City Manager/Director of Public Works

  
\_\_\_\_\_  
CHAD LYNN  
Assistant Director of Public Works  
/Parking and Facilities Operations

# EXHIBIT A

## ELECTRIC VEHICLE CHARGING FEES

| <u>REFERENCE</u> | <u>TYPE OF FEE OR CHARGE</u>   | <u>2016/17<br/>Rate</u> |
|------------------|--|-------------------------|
|                  | <b>Parking Facility Rates:</b>   |                         |
|                  | Electric Vehicle Charging Rates:   |                         |
|                  | Access Fee<br>(upon initiation of charging station session, as posted)<br>As established by the City Manager or designee | up to 20.00             |
|                  | Station Fee<br>(per hour, as posted)<br>As established by the City Manager or designee                                   | up to 20.00             |
|                  | Energy Fee<br>(per kilowatt-hour, as posted)<br>As established by the City Manager or designee                           | up to 1.00              |