



# City of San Antonio

## Agenda Memorandum

**File Number:**21-1105

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**Agenda Item Number:** 24.

**Agenda Date:** 2/4/2021

**In Control:** City Council A Session

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**DEPARTMENT:** Office of Sustainability

**DEPARTMENT HEAD:** Douglas R. Melnick, AICP, ISSP-SA, CNU-A

**COUNCIL DISTRICTS IMPACTED:** All

### **SUBJECT:**

An Ordinance approving an agreement between the City of San Antonio and Blink Charging Company for Publicly-Accessible Electric Vehicle (EV) Charging Infrastructure on City Property (RFP 20-076).

### **SUMMARY:**

In accordance with the SA Climate Ready Climate Action and Adaptation Plan (CAAP), the City will consider an agreement with Blink Charging Company (Blink) to install, own and operate electric vehicle charging infrastructure on City property and manage associated software, marketing and customer interface elements in a manner that is cost neutral to the City. The agreement will facilitate a City contractor to be able to apply for funding through the Texas Volkswagen Environmental Mitigation Program (TxVEMP) for Light Duty Zero Emission Vehicle Level 2 Charging Equipment projects. The project supports the City's goals to reduce greenhouse gas emissions and ground-level ozone attributed to the transportation sector by encouraging cleaner fuel technologies, including electric vehicles. City staff works closely with CPS Energy to share information and best practices related to energy and utility policy.

### **BACKGROUND INFORMATION:**

Promoting clean and efficient technologies, including electric vehicles, is a mitigation strategy for reducing transportation consumption in the City of San Antonio's SA Tomorrow Sustainability Plan, the Climate Action & Adaptation Plan, the Ozone Attainment Master Plan and the American Cities Climate Challenge.

In collaboration with both internal departments, external partners and advisors through the American Cities Climate Challenge, the Office of Sustainability has conducted studies and analyses to understand the community's and municipality's EV needs. The City of San Antonio Electric Vehicle Fleet Conversion and City-Wide Electric Vehicle Infrastructure Study, completed in December 2019, explains that charger availability is a major barrier to EV ownership in San Antonio. Large areas of San Antonio have no access to fast forms of public charging. In order to accelerate EV adoption and support EV drivers, the City needs to expand its EV charging infrastructure. CPS Energy estimates 50,000 EVs within the CPS Energy service territory by 2030. As

of October 2020, there are 4,400 registered EVs within Bexar County.

In December 2019, the City reviewed proposals submitted through a Request for Information (RFI) to gain clarity on elements to include in a potential future Request for Proposals (RFP) and/or within a grant application for charging infrastructure through the TxVEMP administered by the Texas Commission on Environmental Quality (TCEQ).

The Finance Department, on behalf of the Office of Sustainability, released a Request for Proposal on Wednesday July 1, 2020 to select a firm to supply Publicly-Accessible Electric Vehicle (EV) Charging Infrastructure on City Property. The City of San Antonio's Office of Sustainability requested proposals for cost-neutral business models with third-party electric vehicle supply equipment (EVSE) providers to install, operate, maintain, and own publicly accessible EV charging infrastructure on City property. A list of potential City sites, including surface parking lots, libraries, parks and Pre-K 4 SA Education Centers was included with the intention that locations would be further vetted for suitability by the awarded contractor.

The RFP was advertised in the San Antonio Express-News, TVSA channel, the City's Bidding & Contracting Opportunities website, the San Antonio e-Procurement System and an email notification was released to a list of potential Respondents. Responses were due on July 31, 2020 and a total of five firms responded and were deemed eligible for review. On September 3, 2020, the proposals were reviewed by the evaluation committee which included representatives from the City of San Antonio Office of Sustainability, the Public Works Department, the Center City Development & Operations Department, and the Finance Department. The committee also included advisory members representing CPS Energy and the Natural Resources Defense Council. Proposals were evaluated and scored on criteria which included: Experience, Background, and Qualifications (35 points); Proposed Plan (30 points); Price (20 points); the Local Preference Program (10 points) and the Veteran-Owned Small Business Preference Program (5 points). After initial scoring, the evaluation committee selected the top three respondents for interviews and final evaluation. Blink received the top score and was recommended for award.

Due diligence conducted for the respondents to the above solicitation included a search of federal and state debarment lists, prohibited political contributions, conflicts of interest, delinquent City/County taxes, outstanding payments to the City, payment of state franchise fees as well as a search of the internet for pertinent business information. No material findings were noted that would prevent the City from awarding to the selected vendor.

On November 16, 2020, after a briefing by the Office of Sustainability, the City Council Community Health and Equity Committee approved a motion for full City Council consideration of the contract with Blink Charging.

On December 10, 2020, after a briefing by the Office of Sustainability, the City Council approved a motion to delay consideration of the contract until additional briefings could be held.

On January 19, 2021, after a briefing by the Office of Sustainability, the City Council Audit and Accountability Committee approved a motion for full City Council consideration of the contract with Blink Charging.

## **ISSUE:**

The SA Climate Ready Climate Action and Adaptation Plan implementation actions detail the City's commitment to lead by example and accelerate electric vehicle adoption rates in San Antonio. The implementation actions directly related to EVs are:

- Accelerate the adoption of carbon-free transportation in all sectors through education and encouragement;
- Assess the barriers to EV ownership, with a priority focus on equity;
- Invest in new EV charging infrastructure throughout the City, and
- Access existing EV group purchase programs.

The City of San Antonio Electric Vehicle Fleet Conversion and City-Wide Electric Vehicle Infrastructure Study includes a geospatial analysis of charging infrastructure needs in San Antonio, and there are currently large sections of San Antonio with limited or no access to public, workplace nor residential charging infrastructure. With limited options to fuel their vehicles, EV owners may experience “range anxiety” potentially resulting in delayed adoption of EVs. A well-planned and equitable charging network demonstrates the City’s support of zero emission transportation options for all residents.

The historic opportunity for grant funding through TxVEMP provides a pathway to not only more EV charging stations, but EV adoption among San Antonio’s community, a strategy for improved air quality and public health. TxVEMP allows grant applicants to apply for up to 50 activities every three months. Grantees must pay project costs upfront, after which TCEQ reimburses grantee for eligible activities, or up to \$2,500 per activity.

The Blink proposal is for a turn-key ownership model whereby Blink is responsible for all costs and operations and provides a revenue share to the City. This proposed structure guarantees cost neutrality for the City. Blink’s initial evaluation recommends 140 Level 2 (L2 AC) charging plugs distributed across City properties and six (6) Level 3 (L3 DC) Fast chargers at three (3) locations with direct access to Interstates 10/35/37. The number and location of the sites will be further vetted by the contractor team in coordination with City staff and may be implemented in phases in order to leverage funding opportunities and capital improvement projects. The terms of this contract cover only the infrastructure installed on City-owned property. Blink is free to locate additional EVSE in the San Antonio-area to further augment EVSE presence, brand awareness and network reach. In order to ensure cost-neutrality to the City, Blink will own and operate the EVSE, assume all costs incurred, and provide a revenue sharing arrangement with COSA as outlined in the Parking Agreement (Exhibit V). Revenue share values will be determined by mutual agreement based on actual projects selected, actual costs incurred to deploy, and incentives available. Blink intends to fully pursue all grants, rebates, and incentives available, including the anticipated support through the TCEQ under the TxVEMP program.

The Agreement with Blink is for one (1) year with four (4), one (1) year renewal options. If funding for the entire agreement is not appropriated at the time this Agreement is entered into, City retains the right to terminate this Agreement at the expiration of each of City’s budget periods, and any subsequent contract period is subject to and contingent upon such appropriation.

This contract is within the scope of the SBEDA Program. However, due to lack of available firms and/or subcontracting opportunities, the Goal Setting Committee was unable to apply a SBEDA tool to this contract.

The Local Preference Program was applied in the evaluation of responses received for this contract. However, none of the recommended firms were Local Businesses.

The Veteran-Owned Small Business Preference Program was applied in the evaluation of responses received for this contract. However, none of the firms that applied were Veteran-Owned Small Businesses.

## **ALTERNATIVES:**

City Council can decide not to approve the agreement between the City of San Antonio and Blink Charging Company at this time. A decision not to approve the agreement will be detrimental to SA Climate Ready Climate Action and Adaptation Plan implementation actions to reduce transportation greenhouse gas emissions.

**FISCAL IMPACT:**

City funding will not be required during the term of this Agreement. As provided in the contract documents, Blink will provide, install, operate and maintain all EVSE and manage associated software, marketing and customer service interface under this Agreement at no cost to the City. This project is cost neutral for the City, and Blink will pay the City a 50/50 charging revenue share of the proceeds once revenue exceeds costs, as provided in Exhibit V, section 4.

Where possible, Blink will establish a metered account with CPS Energy. Electric Vehicle charging stations at City-owned sites may hook into City's electrical service. Blink is responsible for paying all the electricity consumption and costs associated with the use of the electric vehicles. Blink will provide monthly reports of the electricity usage for each station. The amount charged to Blink is determined by multiplying kilowatt hours used by Blink by the tiered tariff achieved on the applicable utility bill.

**RECOMMENDATION:**

Staff recommends that City Council approve an agreement between the City of San Antonio and Blink Charging Company for Publicly-Accessible Electric Vehicle (EV) Charging Infrastructure on City Property (RFP 20-076). This contract is procured by means of Request for Proposals and the Contracts Disclosure Form is attached. [David McCary, Assistant City Manager; Doug Melnick, Chief Sustainability Officer]