DEPARTMENT OF FINANCE
Notice of a Special Meeting of the
FINANCE COMMITTEE
4:30 p.m. – Monday, July 9, 2018
Pasadena City Hall - Council Chambers Room S249

NOTICE IS HEREBY GIVEN that a special meeting of the Finance Committee will be held **Monday, July 9, 2018** at **4:30 p.m.** in the Council Chambers Room S249, at City of Pasadena City Hall, 100 N. Garfield Ave., Pasadena, California.

A. CALL TO ORDER

B. PUBLIC COMMENT

C. NEW BUSINESS

1. Amendments to the Fiscal Year 2019 General Fee Schedule to Add Electric Vehicle Charging Fees

D. INFORMATION ONLY

1. Advancing Residential Impact Fee

E. ADJOURN

Terry Tornek, Mayor
Finance Committee Chair

This notice, in its entirety, was posted at City Hall and distributed as indicated below by 5:30 p.m., Thursday, July 5, 2018.

Lori Eubanks, Recording Secretary
Finance Committee

Distribution:

City Council	Central Library	Pasadena Now
City Manager	Pasadena Independent	Pasadena Star News
City Attorney	Los Angeles Times	Pasadena Weekly
Public Information Officer	Pasadena Journal	La Opinion

Agenda Report

July 9, 2018

TO: Honorable Mayor and City Council

FROM: Department of Finance

THROUGH: Finance Committee

SUBJECT: **AMENDMENTS TO THE FISCAL YEAR 2019 GENERAL FEE SCHEDULE TO ADD ELECTRIC VEHICLE CHARGING FEES**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA"), pursuant to State CEQA Guidelines per Section 15061 (b)(3), the "General Rule" that CEQA only applies to projects that may have an effect on the environment; and,
2. Adopt a resolution amending the Fiscal Year 2019 General Fee Schedule for Electric Vehicle ("EV") charging as detailed in the "Proposed Fee Schedule Amendments" section of this report.

BACKGROUND:

The General Fee Schedule includes all charges that have been established based on the cost to provide the service such as processing land use approvals and building permits as well as entrepreneurial type activities such as facility rentals. While the General Fee Schedule is typically reviewed and updated annually, revisions may be made periodically throughout the year as needed. The General Fee Schedule was last updated and adopted by resolution on June 18, 2018.

Several City departments currently have publicly-available EV charging stations at their facilities. The Water and Power Department ("PWP") is developing plans to significantly expand the number of publicly-available charging stations in the near future. It is necessary to adopt a fee schedule to recover the growing annual costs of installing, operating, and maintaining these EV charging stations. By recovering the associated costs otherwise borne by the City, proceeds from the proposed fees will provide opportunities to expand the availability of affordable EV charging stations in the City. These charging stations are necessary to encourage and accelerate the community's budding demand for EVs as a clean alternative to fossil-fueled transportation. Transitioning from gasoline to EVs supports the City's Climate Action Plan and other sustainability goals.

Proposed Fee Schedule Amendments

Staff is recommending the establishment of three new fees for public EV charging as specified below and in Attachment A. Fees may vary for each location or charging station, and authorization to implement specific amounts for each location or charging station will be delegated to the City Manager within the ranges specified in the proposed fee schedule and Attachment A. Staff recommends the City Council adopt a resolution approving the following EV Charging Fees to recover the cost for use of EV charging stations *that are equipped to collect revenues* at City facilities as follows:

1. "**Electric Vehicle Charging Fee**" in the amount of $0.05 to $0.35 per kilowatt hour ("kWh") or $0.15-$6.00 per hour to recover the cost of installation, operation, and maintenance of EV charging stations. The Electric Vehicle Charging Fee will vary based on several factors such as, but not limited to, policies to incentivize electrification of transportation, reduction of emissions in Pasadena, location, costs and funding sources used to construct a given station, operating and maintenance costs incurred, electricity costs, usage patterns, and other business considerations. Approved fees may also vary based on the level of electric intensity used by the vehicle and the time of day to encourage more use during "off peak" periods when energy demand and/or EV charging station use patterns are relatively low.
2. "**Electric Vehicle Charger Connection Fee**" in the amount of $0.00-$2.00 per connection (i.e., once for each charging session) to a City EV charging station to recover transaction costs associated with collecting revenues (e.g. charging station account management and operating fees imposed by third party operators) at public EV charging stations provided by the City; and
3. "**Electric Vehicle Charger Connection Overstay Fee**" in the amount of $0.00-$6.00 per hour to commence after the vehicle has finished charging or has been charging for the posted maximum time duration. A grace period of up to 60 minutes may be authorized at those stations for which this fee will be applied. Application of this fee will encourage turnover at the chargers and maximize the public's benefit from the chargers while maintaining cost recovery.

The proposed fee schedule provides flexibility to charge different amounts at different locations, depending on a combination of factors including location-specific costs, type of equipment, usage patterns, desired parking time limits and turnover, economic development considerations, and market factors such as the prevailing fees charged by other providers for public EV charging services. For simplicity, not all fees are likely to be charged at most locations. For example, the connection costs may be rolled into the EV charging fee. Application of the overstay fee would likely be limited to areas where high turnover is needed or desired, such as fast charging locations, or where EV parking duration limits are posted. Fee schedules approved for specific EV charging stations will be displayed on each station and/or made available through web applications.

Collection of EV Charging Fees

At this time, only the DC fast charger at Del Mar is properly equipped to enable fee collection for EV charging. Staff anticipates that revenue collection at the Del Mar station will commence by October 1, 2018 utilizing the current vendor that is operating it (Green Lots). All other existing EV charging stations owned by the City will remain in service at no cost until they are replaced or retrofitted with new equipment to enable fee collection.

In the future, new EV charging station installations will be equipped to enable fee collection. Staff anticipates that collection of the fees and user account management services for these chargers will be performed by a third party provider (or providers) that will be selected through a competitive selection process in the coming months.

For reference, Table I provides a sampling of various EV charging fees and structures for currently available public charging stations in Pasadena as well as those adopted by other public agencies in California.

Table I – Comparison of EV Charging Fees

Revenue-Enabled Stations in Pasadena	Proposed EV Charging Fee
Proposed Pasadena EV Charging Fees	$0.00-$2.00 per connection (charging session); plus $0.05-$0.35/kWh; or $0.15-$6.00 per hour and Overstay fee of $0.00-$6.00 per hour after the EV has finished charging or has been charging for the posted maximum duration.
Existing Public Charging Stations in Pasadena	**EV Charging Fee**
55 S Lake	$0.50/kWh; plus parking (first 4 hours free, then $4.00/hour)
PMB, 65 N Madison	$2.50/hour (≥38¢/kWh)
Gateway Plaza	$1.00/hour (≥15.2¢/kWh) first 3 hours; $5.00/hour (≥76¢/kWh) thereafter
AT&T Building	$0.50/kWh
Other Cities Fees	**EV Charging Fee**
Burbank	$0.18/kWh and $0.31/kWh during peak hours
Berkeley	$1.50 per hour (≥22¢/kWh)*
Palo Alto	$0.00-$2.00 per connection; plus $0.25/kWh; and Overstay fee of $0.00-$5.00 per hour after the EV has finished charging
Mountain View	$1/hour for first two hours (≥22¢/kWh)*; $4/hour thereafter (≥88¢/kWh)*
Redwood City	Level I or II (120V/220V): $1.50/hour (≥22¢/kWh)* level III (500V): $5/hour
San Jose	$1.25/session and $0.25/kWh 8:30am to 9:30pm $1.25/session and $0.20/kWh all other times

* *Hourly fees have been converted to ¢/kWh assuming a typical 6.6kW charging power. Actual charging station power may be lower, resulting in a higher average ¢/kWh fee when hourly fees are applied.*

COUNCIL POLICY CONSIDERATION:

This proposed action supports the City Council's strategic planning goal of maintaining fiscal responsibility and stability through the periodic review and update of the General Fee Schedule and by ensuring that, where appropriate, the City is reimbursed for the cost of providing selected services. It further supports the City Council's Climate Action Plan and the General Plan with respect to reducing greenhouse gas emissions, expanding sustainable mobility and land use, and the City's commitment to a more sustainable community.

ENVIRONMENTAL ANALYSIS:

The recommended action is exempt from CEQA pursuant to State CEQA Guidelines per Section 15061 (b)(3), the "General Rule" that CEQA only applies to projects that may have an effect on the environment.

FISCAL IMPACT:

The proposed fees are expected to generate approximately $50,000 to $150,000 in annual revenue as more stations are installed and the necessary equipment and systems are in place to collect the revenues. Due to the time required to set up these systems, Fiscal Year 2019 fee collection is anticipated to generate approximately $25,000 in revenue (Electric Vehicle Charging Fee) to the Light and Power Fund. The initial startup costs are projected to be about $25,000 in Fiscal Year 2019 and will be addressed by the utilization of existing budgeted appropriation in the Light and Power Fund.

There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,

MATTHEW E. HAWKESWORTH
Director of Finance

Prepared by:

Byanca Banaga
Administrative Analyst
Department of Finance

Approved by:

STEVE MERMELL
City Manager

Attachments: (1)
1) Attachment A – Fiscal Year 2019 General Fee Schedule

FISCAL YEAR 2019 GENERAL FEE SCHEDULE

Fee	Description	FY 2019 Adopted Fee	FY 2019 Revised Fee
	WATER AND POWER DEPARTMENT - Utilities		
926	Engineering Document Reproductions per copy	$17.33	$17.33
927	Fraudulent Credit Card Use	$39.86	$39.86
928	Theft of Power - Removal of Unauthorized Utility Connection related to Power - Minimum Amount plus cost - P.M.C. [13.04.180B]	Min $300+Cost	Min $300+Cost
929	Theft of Water - Removal of Unauthorized Utility Connection related to Water - Minimum Amount plus cost - P.M.C. [13.20.250B]	Min $500+Cost	Min $500+Cost
930	Utility Reconnect Fees - Electric and/or Water	$42.06	$42.06
931	After-hour Service Fee (5:30pm - 7:30am)	$232.70	$232.70
932	Utility New Service Connection Fees - Electric and/or Water	$21.03	$21.03
933	Same Day Charge - New Service Connection and/or Reconnection	$42.06	$42.06
934	Utility Service Call or Appointment - Customer Requested	$42.06	$42.06
935	Delinquency Penalty - Energy Bill	3% of outstanding balance; Not accessed on Electric Utility Assistance Program (EUAP) or on balances of $25.00 or less.	3% of outstanding balance; Not accessed on Electric Utility Assistance Program (EUAP) or on balances of $25.00 or less.
936	Delinquency Penalty - Water Bill	3% of outstanding balance; Not accessed on Electric Utility Assistance Program (EUAP) or on balances of $25.00 or less.	3% of outstanding balance; Not accessed on Electric Utility Assistance Program (EUAP) or on balances of $25.00 or less.
	Electric Vehicle Charging		
937	Electric Vehicle Charging Fee	New	$0.05 to $0.35 per kWh or $0.15 to $6.00 per hour
938	Electric Vehicle Charger Connection Fee	New	$0.00-$2.00 per connection
939	Electric Vehicle Charger Connection Overstay Fee	New	$0.00-$6.00 per hour to commence after the vehicle has finished charging or has been charging for the posted maximum time duration.

MEMORANDUM - CITY OF PASADENA
Department of Public Works

DATE: July 9, 2018

TO: Finance Committee

FROM: Ara Maloyan, P.E., Director of Public Works

RE: Advancing Residential Impact Fee

During the May 7, 2018 discussion of the Capital Improvement Program Budget, the City Council asked staff to explore the possibility of advancing Residential Impact Fees (RIF) from one park district to another park district in order to fund capital projects. When funds are received by the "borrowing" park district, the "lending" park district would be "repaid" by a like amount. Specifically, City Council was exploring the possibility of the central park district advancing funds to the west park district until the Lincoln project RIF are received. Per the City Attorney, City Council may authorize such an action by way of resolution to conform to the New Residential Impact Fee Ordinance, Chapter 4.17 of the Pasadena Municipal Code.

As of May 23, 2018, the remaining RIF balance in the west park district is $114,384 and in the central park district $6,320,882. The Lincoln project (Parsons) in the west park district is anticipated to bring in approximately $7.9 million in RIF ($7.1 million to the west district and $797,000 to the citywide park district). Attached is a list of unfunded and partially funded projects in the west park district.

In regard to the Robinson Park Pool and Pool Building project, the amount listed on the attachment is $300,000 which was intended to fund design work for improvements to the pool and the pool house. The actual total cost of the project, including construction is estimated at $3.9 million for a deeper pool and $3.5 million for a pool at the same depth.

The two cost summary breakdowns below and the respective itemized cost estimates are based on the following:

- Complete tear-down and replacement of the pool building. The replacement pool building will be the same size as the existing facility (2,500 square feet).

- The Robinson Park Recreation Center Pool Assessment prepared by Jones & Madhavan dated April 19, 2016. The consultant's construction cost estimate includes the replacement of the entire pool (and associated systems), pool deck, shade structure, bleachers, and perimeter fencing. The assessment provides construction cost estimates for two pool renovation options:

    - $441,000 construction estimate to renovate the existing pool as-is, without any modifications to its footprint or depth

  - $671,000 construction estimate to replace the existing pool with a deeper one to accommodate lap swimming and/or 1-meter spring board diving. This estimate does not consider changing the footprint of the existing pool.
  - The construction cost estimates are based on industry costs at the time the assessment was created (2016).
  - The pool building replacement is not included in this estimate.

- Construction contingency of 20% based on initial construction costs. This number will be revised (lowered) as the project scope becomes more defined through the design process.

- Estimated start of construction in calendar year 2020. Based on previous annual construction industry cost increases, the estimate includes a 3% annual escalation in construction costs for four years starting in 2016 through the anticipated start date in 2020.

Project Cost Estimate Summary:	Same Size Pool	Deeper Pool
Design Costs (Soft Costs)	$ 329,000	$ 370,000
Construction (Hard Costs)	$2,628,000	$2,957,000
PM/CM/Inspection (incl. Program E)	$ 414,000	$ 466,000
Furniture, Fixtures & Equipment (FF&E)	$ 87,000	$ 87,000
TOTAL ESTIMATE	$3,458,000	$3,880,000

The estimated "Design Costs" includes the environmental and design phase of the project, including preparation of construction documents (plans, specifications and estimates) ready to bid out for construction.

The pool building is not in use currently and will remain closed this summer.

In the event the City Council wishes to proceed in funding any capital projects in the west district by advancing funds, staff recommends consideration of funding the full project costs, design and construction, of the pool and pool house.

cc: Steve Mermell, City Manager
Julie A. Gutierrez, Assistant City Manager
Matt Hawkesworth, Director of Finance

Attachment