

RESOLUTION NO. 2012-27

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK APPROVING AND ADOPTING A COST RECOVERY FEE FOR OPERATING THE ONE ELECTRIC VEHICLE CHARGING STATION AT CITY CENTER PLAZA

WHEREAS, the City of Rohnert Park will receive one (1) electric vehicle (EV) charging station as the recipient of the Coulomb ChargePoint America Grant program; and

WHEREAS, the grant program will pay all capital costs to purchase and to install one (1) EV charging station at the City Center Plaza Parking Lot; and

WHEREAS, by accepting the grant award, the City of Rohnert Park is required to maintain and operate the charging stations for a two-year term and pay all user fees; and

WHEREAS, the City of Rohnert Park could recover all the operating and maintenance costs and user fees by adopting a cost recovery fee; and

WHEREAS, the recommended cost recovery fee is based on an average use rate over a 10-year period with below average use in the initial years and above average use near the end of the ten-year cost recovery period, increasing EV's based on the California legislative mandate; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rohnert Park that it does hereby approve and adopt the recommended cost recovery fee set forth in the staff report; and


BE IT FURTHER RESOLVED that Staff returns an updated analysis of the cost recovery fee study in three year, sooner when necessary, to the City Council for review and approval; and

BE IT FURTHER RESOLVED that Staff has determined that the user fee is consistent with the requirements of Prop 26, because 1) it is a levy for service that does not exceed the reasonable cost, 2) is directly conferred on the payor (in this case the vehicle user) and 3) is not provided to those not charged; and

BE IT FURTHER RESOLVED that the adoption of this resolution is exempt from CEQA pursuant to CEQA Guidelines sections 15273, 15303, 15304, and 15311 for the reasons set forth in the staff report, which are hereby incorporated by this reference.

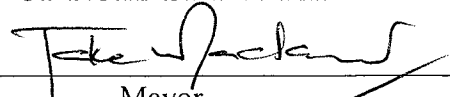
DULY AND REGULARLY ADOPTED this 28th day of February, 2012.

ATTEST:


City Clerk



CITY OF ROHNERT PARK


Mayor

AHANOTU: AYE BELFORTE: AYE CALLINAN: AYE STAFFORD: AYE MACKENZIE: AYE
AYES: (5) NOES: (0) ABSENT: (0) ABSTAIN: (0)

“Exhibit A”

ANALYSIS (Cost Recovery Fee):

Staff proposes a full cost recovery average fee of \$1.25/hour of charge. The average fee for charging EVs reflects a range of \$1.17 to \$1.52 that decreases with total charge time. This user fee was determined based on calculations and assumptions that would fully recover the City’s cost in providing this service. The cost recovery user fee would function like other utility user fees, which operate as an independent enterprise and do not burden the General Fund.

The proposed user fee contemplates an expected use of four hours per day. Initially during the first two or three years, actual charging use may be lower than the four hours contemplated in establishing the cost recovery fee. During this period, the City may have to absorb depreciation and maintenance expenses; however, in future years the anticipated use is expected to rise dramatically.

Recent State legislation (AB 1493) mandates that 15.4% of all vehicles sold in California be zero emission by 2025. In light of this, staff considered current and future usage scenarios in establishing the cost recovery fee. The proposed fee assumes full cost recovery over a 10-year period where significant growth in electric vehicle usage is anticipated.

However, there is some uncertainty in what actual charging station usage will be. There is a possibility that the usage is either lower or higher than anticipated. In either case the fee would have to be adjusted to reflect actual costs. Staff therefore recommends reviewing the cost recovery fee every three year, sooner when necessary, until there is more market stability and certainty on actual costs.

The user fee consists of three components:

1. City of Rohnert Park direct costs – The annualized cost is \$5,838. It includes the depreciation of the chargers over 25 years, insurance deductible over 10 years, Coulomb service agreement of \$600/year starting on the 3rd year, administration of the Coulomb billing, and maintenance labor to replace parts.
2. Coulomb Service Authorization and Processing Fees – Coulomb charges \$0.40 each time the charger is used. Coulomb also charges a 5% premium over the PG&E electric rate.
3. PG&E Electric Rate – The rate is \$0.15 per KWH.