



Board Agenda Item 27

DATE: February 25, 2025

TO: Board of Supervisors

SUBMITTED BY: Edward Hill, Chief Operating Officer/Interim Director of Internal Services/Chief Information Officer

SUBJECT: Retroactive Agreement with the Department of Energy

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chief Operating Officer/Interim Director of Internal Services/Chief Information Officer, or their designee, to electronically approve an Agreement with the United States Department of Energy, upon review and approval by County Counsel and the Auditor Controller, and accept grant funds for the Energy Efficiency and Conservation Block Grant Program, retroactive to September 1, 2024, not to exceed two consecutive years, total not to exceed \$336,680;**
- 2. Approve and authorize the Chief Operating Officer/Interim Director of Internal Services/Chief Information Officer, or their designee, to execute all documentation, amendments, reports, and extension requests necessary to remain in compliance with the Energy Efficiency and Conservation Block Grant Program grantee requirements; and**
- 3. Adopt a Budget Resolution increasing FY 2024-25 appropriations and estimated revenues for the Internal Services Department - Fleet Services Org 8910, in the amount of \$336,680, for costs associated with a Zero-Emission Electric Vehicle Charging Infrastructure Pilot (4/5 vote).**

There is no additional Net County Cost associated with the recommended actions. Approval of the first recommended action will authorize the Chief Operating Officer/Interim Director of Internal Services Department/Chief Information Officer (Interim Director), or their designee, to electronically approve a grant agreement with the United States Department of Energy (DOE) to acknowledge and accept the County's award of the Energy Efficiency and Conservation Block Grant (EECBG) Program funding.

Approval of the second recommended action will authorize the Interim Director, or their designee, to complete any further documentation, reports, amendments and extension requests required to remain in compliance with EECBG requirements.

Approval of the third recommended action will increase appropriations and estimated revenues to accept EECBG grant funding in the amount of \$336,680 to purchase charging infrastructure and initiate a subscription to a charging management system for a Zero-Emission Electric Vehicle Charging Pilot (Pilot). Data collected from this Pilot will be used to launch the zero-emission rate development process and create a more precise strategic plan. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved by your Board, the County will not accept grant funds from the DOE and the Internal Services Department - Fleet Services Division (ISD-Fleet) will not be able to move forward with the Pilot.

RETROACTIVE AGREEMENT:

The recommended Agreement is retroactive to September 1, 2024, which is the project start date set by the DOE. There are several factors that prevented the Department from bringing this item to your Board at an earlier date, including a delayed notice of approval from the DOE, which was received on September 18, 2024; discrepancies with the project period of performance within the recommended Agreement; and the DOE's review timeline for the partial re-submission of the grant budget.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The \$336,680 in EECBG funding will be used to cover costs associated with the Pilot, including the purchase and installation of two dual-port Level 2 electric vehicle charging stations at four County locations, grant administration and an agreement with the infrastructure vendor. EECBG was a competitive grant that does not require the County to provide a match.

The third recommended action will increase the appropriations and estimated revenues by \$336,680 in the ISD-Fleet Services Org 8910 FY 2024-25 Adopted Budget and will be included in future Recommended Budget requests for the duration of the grant term.

DISCUSSION:

On September 23, 2020, the State of California passed executive order N-79-20 (Order), which expressed the State's goals that (1) 100% of in-State sales of new passenger cars and trucks will be zero-emission vehicles by 2035 and (2) 100% of medium and heavy-duty vehicles in California will be zero-emission vehicles by 2045. The California Air Resource Board (CARB) subsequently submitted a request for a waiver and authorization to the U.S. Environmental Protection Agency (EPA) to impose stricter State regulations regarding the conversion to zero-emission vehicles. Although CARB recently withdrew the requested waiver, it does not apply to State and local government fleets. As a result, the County's fleet is still required to abide by the Advanced Clean Fleets (ACF) Regulation, which imposes mandated conversion timelines based on the age and type of vehicle. The County has elected to participate in the ACF's milestone conversion option, which allows the flexibility to phase in zero-emission vehicles based on the overall percentage and classification of vehicles in the medium to heavy-duty fleet inventory.

On March 5, 2024, the Board approved Resolution No. 24-060, which was created in response to a question on the EECBG application and memorialized the County's support of an 80% zero-emission electric fleet by the year 2050 and authorized the Director of the Internal Services Department to submit an application for the EECBG Program.

On September 18, 2024, the County received notification that the EECBG Program submission was approved by the DOE. EECBG funding will provide for the purchase and installation of two dual-port Level 2 electric vehicle charging stations at four County locations, five-year access to a charging management system, and reimbursement for staff time allocated to the Pilot. The four County locations proposed for the Pilot are: the ISD-Fleet office located at 4551 E. Hamilton Avenue in Fresno; the Internal Services Department - Facility Services office located at 4590 E. Cesar Chavez Boulevard in Fresno; the County-owned lower parking structure located at 901 M Street in Fresno; and the Internal Services Department - Administration office located at 333 W. Pontiac Way in Clovis. Data collected from this Pilot will be used to develop a more precise strategic plan.

Part of the delay in bringing this item to your Board is that the County found a date discrepancy within the recommended Agreement. Attachment 3, located on page 67 of the recommended Agreement, lists a project start date of September 1, 2023 and a completion date of April 30, 2025. These dates do not match the period of performance dates of September 1, 2024 through August 31, 2026 listed on page one of the recommended Agreement. Upon inquiring with the DOE, they advised that the dates on Attachment 3 are reflective of when the budget section was created in the grant submission portal and could not be changed, and the period of performance dates listed on page one of the recommended Agreement are correct. The DOE provided written confirmation that the County is eligible to expense grant funds from September 1, 2024, through August 31, 2026.

The recommended Agreement deviates from the standard County language in that it releases the DOE from liability resulting from the project, except to the extent that a liability results from the direct fault or negligence of the DOE.

Approval of the recommended actions will authorize the Interim Director, or their designee, to electronically approve the agreement with the DOE, enable the County to accept the EECBG funds, authorize the Interim Director to complete all necessary actions and documents required to remain in compliance with EECBG requirements, and approve the Budget Resolution to enable ISD-Fleet to cover costs associated with the Pilot. In the near future, a recommended vendor agreement will be brought to your Board for the purchase and installation of the electric vehicle charging stations.

REFERENCE MATERIAL:

BAI #34, March 5, 2024

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with DOE

On file with Clerk - Budget Resolution

CAO ANALYST:

Amy Ryals