

**THIS PRINT COVERS CALENDAR ITEM NO. : 10.5**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Sustainable Streets

**BRIEF DESCRIPTION:**

Amend the Transportation Code, Division II, to establish a fee to be charged to customers at parking facilities under the SFMTA's jurisdiction for use of electric vehicle charging stations to recover the SFMTA's program costs, charging station maintenance and electricity costs, payment processing charges, in an amount not to exceed \$2.75 per charging session.



**SUMMARY:**

- There are approximately 60 electric-vehicle (EV) charging stations installed in SFMTA managed parking facilities available for public use.
- Under a program administered by the City's Department of the Environment, the EV charging stations were provided to the public free of charge through December 31, 2013. The charging stations continued to be available without charge, while City departments evaluated the charging station program and policies as to their public benefit, completed ongoing monitoring and analysis of usage patterns, and considered whether charging should continue to be free to users or whether a use fee should be proposed.
- The proposed fee is projected to cost users between \$2.10 and \$2.75 per charging session.
- Chargepoint, Inc., the EV charging station vendor, will collect the charging station use fees, retain a ten percent charge for processing credit/debit card payments, and remit the balance to the SFMTA, in accordance with an existing City-wide contract between Chargepoint and the Department of the Environment.
- Staff projects the new fee will annually generate between \$100,000 and \$125,000 in revenue to the SFMTA.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Transportation Code Resolution

**APPROVALS:**

		<b>DATE</b>
DIRECTOR	 _____	10/6/2017 _____
SECRETARY	 _____	10/5/2017 _____

**ASSIGNED SFMTAB CALENDAR DATE:** October 17, 2017

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## **PURPOSE**

Requesting that the SFMTA Board of Directors amend the Transportation Code, Division II, to establish a fee to be charged to customers at parking facilities under the SFMTA's jurisdiction for use of electric-vehicle charging stations to recover the SFMTA's program costs, charging station maintenance and electricity costs, and payment processing charges, in an amount not to exceed \$2.75 per charging session.

## **STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES**

Assessment of the use fee for EV charging stations will support the following goals and objectives in the SFMTA's Strategic Plan:

Goal 3: Improve the environment and quality of life in San Francisco.

Action Item 3.1A: Develop and implement policies for efficiently managing EV infrastructure.

This action supports the following Transit First Policy Principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.
10. The City and County shall encourage innovative solutions to meet public transportation needs wherever possible and where the provision of such service will not adversely affect the service provided by the Municipal Railway.

## **DESCRIPTION**

There are approximately 60 electric-vehicle (EV) charging stations installed in SFMTA managed garages available for public use. The majority of the EV chargers were procured and installed in 2011 and 2012 under a program administered by the City's Department of the Environment (ENV), and involved the San Francisco Public Utilities Commission, the Mayor's Office, and San Francisco Public Works.

Concurrent with initial EV charger installation, the Mayor issued a directive that use of the EV chargers would be free through December 31, 2013. Since that date, use of the chargers has continued to be free while staff of various City departments, including SFMTA, evaluated the charging station program and policies as to their public benefit, and completed ongoing monitoring and analysis of usage patterns, and considered whether charging should continue to be free to users or whether a use fee should be proposed. That analysis showed that chargers in City-owned garages are in use greater than 80 percent of the time between 8 a.m. and 6 p.m., SFMTA staff recommended that a use fee be assessed to recover the SFMTA's costs of managing and maintaining the charging stations and the costs of electricity. The Department of the Environment and the Mayor's Office agreed, and support the SFMTA's establishing a use fee for EV chargers at city-owned garages.

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The fee to be charged to EV charger users will recover the SFMTA's costs to provide and maintain the EV charger infrastructure, the actual cost of the electricity used during the charging session (based on the SFMTA's per-kilowatt-hour charge at each garage), and a ten percent charge to compensate Chargepoint, Inc., the charging station vendor, for processing of credit/debit card payments. For fiscal year 2017-2018, the cost recovery portion of the fee will be \$1.89 per charging session. The charge for electricity vary from garage to garage, but will be between \$0.20 and \$0.50 per session. The total fee for each charging session will not exceed \$2.75. The agency cost recovery portion of the fee will be updated on an annual basis, consistent with SFMTA policies and procedures for cost-recovery fees.

Chargepoint, Inc., the charging-station vendor, will collect the fee on behalf of the SFMTA, will deduct a ten percent payment processing service fee, and will remit the remainder to the SFMTA. Chargepoint provides support services to the City's charging station network, including those located in SFMTA parking facilities, pursuant to a City-wide contract approved by the Office of Contract Administration and administered by the Department of the Environment. That contract's term began on July 1, 2014 and extends through June 30, 2020.

## **STAKEHOLDER ENGAGEMENT**

Over the last three years, staff from SFMTA, ENV, the San Francisco Public Utilities Commission (SFPUC), San Francisco Public Works (PW), the Airport and the Mayor's Office have held numerous meetings to discuss policies and procedures regarding electric-vehicle infrastructure generally. A portion of these discussions related to pricing policy and whether the City should charge users of the city-owned EV chargers. Based on the high usage of the chargers in City garages, SFMTA staff proposed that the SFMTA implement a fee for use of EV chargers in SFMTA garages. Following discussion, the staff of all participating departments agreed to support the SFMTA's development of a policy to assess a use fee at City-owned garages.

Pursuant to Charter Section 16.112 and the Rules of Order of the Board of Directors, an advertisement was placed in the City's official newspaper to provide notice that the Board of Directors will hold a public hearing on October 3, 2017 to consider the above modifications. In compliance with these requirements, the advertisement ran in the San Francisco Examiner for a five-day period beginning September 10, 2017.

## **ALTERNATIVES CONSIDERED**

One alternative considered by the SFMTA and other City staff was whether all City-owned EV charging stations should implement a use fee. This alternative was dismissed largely because the San Francisco Airport does not favor implementing a use fee at its chargers.

Regarding charging stations at SFMTA parking facilities, the alternative is to not implement a use fee and to continue making the EV chargers available to users free of charge, which is not favored because: 1) the charging stations are heavily used, and implementing a use fee will help mitigate the demand; 2) maintaining the charging stations and providing electricity is costly; 3)

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while electric vehicles are not a source of air pollution, the use of electric vehicles does not reduce traffic congestion, and providing electric vehicle owners free “fuel” is therefore not entirely consistent with the City’s Transit First policy.

**FUNDING IMPACT**

The proposed fee will offset existing annual costs of \$102,000 in FY2018 to the SFMTA to manage and operate the EV charging stations, which costs are expected to rise annually. Staff projects that the proposed fee will produce gross annual revenues of \$100,000 to \$125,000. Chargepoint will deduct a ten percent fee from the gross revenue prior to remitting the remaining funds to SFMTA. The FY2019 and FY2020 Operating Budget will include updated cost recovery calculation of this fee.

**ENVIRONMENTAL REVIEW**

On August 31, 2017, the SFMTA, under authority delegated by the Planning Department, determined that the creation of a fee for electric-vehicle charging station usage at city-owned garages is not a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

No other approvals are required.

The City Attorney’s Office has reviewed this calendar item.

**RECOMMENDATION**

Staff recommends that the SFMTA Board amend the Transportation Code, Division II, to establish a fee to be charged to customers at parking facilities under the SFMTA’s jurisdiction for use of electric vehicle charging stations to recover the SFMTA’s program costs, charging station maintenance and electricity costs, and payment processing charges, in an amount not to exceed \$2.75 per charging session.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, There are approximately 60 electric vehicle charging stations in parking facilities under SFMTA jurisdiction; and,

WHEREAS, The majority of the electric vehicle charging stations were procured and installed in 2011 and 2012 and were operated under a Department of the Environment program that under Mayoral directive made the EV chargers available to the public free of charge through December 31, 2013; and,

WHEREAS, Since January 1, 2014, the SFMTA has made the charging stations available to the public without charge while the City completed ongoing monitoring and analysis of charging station usage patterns and considered policy issues as whether the charging stations should continue to be free of charge or whether a use fee should be assessed; and,

WHEREAS, SFMTA staff and other City stakeholders support the implementation of a use fee for electric vehicle charging stations at parking facilities under SFMTA jurisdiction to recover the SFMTA's costs associated with providing and maintaining the EV-charging stations, the costs of electricity, and the costs of processing credit/debit card payments; and,

WHEREAS, The proposed use fee will be different for each parking facility due to variation in electricity charges at each facility, but no fee charged will exceed \$2.75 per charging session; and,

WHEREAS, The proposed use fee will be collected by Chargepoint, Inc., the charging stations vendor, in accordance with a contract administered by the Department of the Environment, Inc. by which Chargepoint will collect the fee, retain 10 percent of the fee collected as compensation for processing the debit/card payment transactions, and will remit the remainder to the SFMTA, which staff estimates will be between \$100,000 and \$125,000 annually; and

WHEREAS, On August 31, 2017, the SFMTA, under authority delegated by the Planning Department, determined that the creation of a fee for electric-vehicle charging station usage at city-owned garages is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; and

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WHEREAS, Pursuant to Charter Section 16.112 and the Rules of Order of the Board of Directors, an advertisement was placed in the City's official newspaper, the San Francisco Examiner, for a five-day period beginning September 10, 2017 to provide notice that the Board of Directors will hold a public hearing on October 3, 2017 to consider the above modifications; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors amends the Transportation Code, Division II, to establish a fee to be charged to customers at parking facilities under the SFMTA's jurisdiction for use of electric vehicle charging stations to recover the SFMTA's program costs, charging station maintenance and electricity costs, and payment processing charges, in an amount not to exceed \$2.75 per charging session.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of October 17, 2017.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

[Transportation Code - SFMTA Parking Facilities Electric Vehicle Charging Station User Fee]

**Resolution amending the Transportation Code, Division II, by establishing an electric vehicle charging station user fee.**

NOTE: Additions are single-underline Times New Roman; deletions are ~~strike through Times New Roman~~.

The Municipal Transportation Agency Board of Directors of the City and County of San Francisco enacts the following regulations:

Section 1. Article 300 of Division II of the Transportation Code is hereby amended by adding Section 323, to read as follows:

**SEC. 323. ELECTRIC VEHICLE CHARGING STATION USER FEE.**

(a) There shall be a fee to reimburse the SFMTA for costs to the SFMTA associated with the management, operation, and maintenance of electric vehicle charging stations in parking facilities owned by or under the jurisdiction of the SFMTA; the cost to the SFMTA of electricity dispensed by electric vehicle charging stations in parking facilities under SFMTA jurisdiction; and the vendor fee charged to the SFMTA for processing credit and debit card payments at electric vehicle parking stations.

(b) The Director of Transportation, or his or her designee, shall determine the amount of the electric vehicle charging station user fee for each parking facility, which fee shall not exceed \$2.75 per charging session. The actual fee for each parking facility shall be determined by calculating the sum of:

(1) the costs of electricity used for a charging session, which costs may vary for each parking facility;

(2) the SFMTA’s costs to manage, operate, and maintain the electric vehicle charging stations and manage the charging station program; and

(3) the fee charged by a vendor for processing credit and/or debit card user payments.

(c) The actual amount of the fee for a charging session shall be posted at each parking facility at the vehicle charging station.

Section 2. Effective Date. This ordinance shall become effective 31 days after enactment. Enactment occurs when the San Francisco Municipal Transportation Agency Board of Directors approves this ordinance.

Section 3. Scope of Ordinance. In enacting this ordinance, the San Francisco Municipal Transportation Agency Board of Directors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, letters, punctuation marks, charts, diagrams, or any other constituent parts of the Transportation Code that are explicitly shown in this ordinance as additions or deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM:  
DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
ROBERT K. STONE  
Deputy City Attorney

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I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of October 17, 2017.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency