



CITY OF KIRKLAND

City Manager's Office

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MEMORANDUM

To: Kurt Triplett, City Manager

From: Tracey Dunlap, Deputy City Manager
Chris Dodd, Facilities Services Manager
Ray Steiger, Public Works Superintendent
Archie Ferguson, Fleet Manager

Date: February 4, 2021

Subject: Vehicle Charging Station Project – Award Construction Contract

RECOMMENDATION:

It is recommended that the City Council award the Vehicle Charging Station Project construction contract to A & R Solar of Seattle, WA in the amount of \$219,618.00. Fully funding the bid will require an additional \$150,000. The amount and funding sources for the additional \$150,000 are included in the attached fiscal note. Awarding the bid and the associated fiscal note will be approved by a motion from the Council approving the Consent Calendar.

BACKGROUND DISCUSSION

The City of Kirkland's commitment to greenhouse gas emission reduction has been a key part of fleet vehicle acquisition and future purchase planning. Today, there are 24 Hybrid light-duty vehicles being utilized by the City. To continue to make progress towards Kirkland's K4C emission reduction goals and implement portions of the recently adopted Sustainability Master Plan, the City is investing in electric vehicles as well. The City Hall vehicle charging station project expands the City's sustainable fleet capability and goals.

During the City Hall Renovation, City Council made a commitment to invest \$60,000 to install four (4) vehicle charging heads specifically for City fleet vehicle use and continue to introduce clean, zero emissions and sustainable fleet vehicles.

In the 2019-2020 budget cycle, City Council made further commitments by authorizing a service package of \$480,000 as an estimated placeholder using Development Services funds to provide electric vehicles for all ten (10) Building Inspectors and Public Works Inspectors and build the necessary vehicle charging infrastructure.

The two projects were combined and the original \$60,000 added to the \$480,000 providing a total of \$540,000.00 in funding.

Currently, Fleet has begun to replace light-duty administration vehicles with full electric vehicles (EVs). The process began by replacing the Inspection, Development, and Planning work group vehicles at City Hall. Three of the ten selected vehicles were replaced with EVs in 2019 – 2020, and in 2021, seven additional EVs will be purchased to replace their gasoline counterparts used in the work groups. These purchases are made from the fleet fund as one to one vehicle replacements.

To determine the infrastructure requirements for that many vehicles, an electrical load capacity analysis was needed to determine what the current electrical service at City Hall could accommodate. The City enlisted the services of Sequoia Electric to provide building load capacity metering. For a variety of reasons, including the constraints of COVID-19, metering took longer than anticipated. Upsizing electrical service to the building would be a very large investment and was not part of the placeholder service package, so the decision was made to install charging stations up to the current electrical capacity as described below.

Two levels of charging stations were considered. Chargepoint Level II charging stations (with two charging heads each) can provide an 85% charge to a standard electric vehicle within 120 minutes. Chargepoint Level III charging stations (with one charging head each) can provide an 85% charge to a standard electric vehicle within 45 minutes. Using Sourcewell (a cooperative purchasing agency for local governments, schools, and non-profit organizations), the cost of each Level II station (providing two available charging ports) is approximately \$11,000, and Level III stations (providing one fast charging port) is approximately \$59,000. Note that these prices include site validation (power testing), activation and configuration, mounting kit, power management system, 5-year commercial cloud plan, and 5-year customer service data support.

To maximize charging speeds and achieve the greatest number of vehicle charges per day, it was determined by Stantec Electrical Engineers that the current power service to City Hall could accommodate six Level III charging heads (6 units with one charging port each) and eight Level II charging heads (4 units with two charging ports each) to maximize capacity of the 14 charging heads. The decision was made to use the placeholder budget to purchase units up to that capacity, recognizing that it would likely result in the need to supplement the approved budget to fund completion of the infrastructure as described below.

The benefits of maximizing charging speeds include the ability to cycle more vehicles per day. Also, in the event of an emergency, electric vehicles would charge as quickly and efficiently as the current electrical service would allow. These units would be placed on the City Hall emergency generator and provide the most flexibility as the City introduces more electric fleet vehicles in the future.

BIDDING

Forma, the City's Job Order Contractor was first offered the opportunity to bid the project. Informing the project team that their cost was projected to significantly exceed the Engineers Estimate of \$225,000.00, staff decided to move forward with the public bid process.

On January 15, 2021 plans and specifications were available to the public. On January 19, 2021 at 10 am, the City held a mandatory site visit for potential installing contractors to review the plans and ask the design team questions about the project.

The bid opening was held on January 29, 2021 that included Bidder Responsibility Criteria specific to completion of projects of similar size and scope. 3 bids were received as follows:

<u>Contractor</u>	<u>Bid Amount</u>
A & R Solar	\$219,618.00 low bid
Pellco Construction, Inc.	\$276,900.00
Accord Contractors	\$247,260.00

With an award of the contract to A & R Solar by City Council at their February 16, 2021 meeting, construction will begin in February/March of 2021. A 65-day construction period is required in the contract plus an additional 25 days to complete punch list items and close out the project. Staff is working diligently with A & R Solar to complete this project in a shorter timeframe, ideally before Earth Day April 22, 2021. This project is subject to weather conditions, so some schedule uncertainty is anticipated.

BUDGET

With the beginning placeholder budget of \$540,000.00, the entire cost of the project has increased for a variety of reasons outlined above. Using the approved service package funding and additional funds coming from Facilities reserves, Fleet reserves and Development Services reserves as summarized in the attached fiscal note, the entire project budget would increase to \$690,193.00. The funding needs are as follows:

<u>ITEM</u>	<u>Amount</u>
Design	\$ 16,000.00
Metering	\$ 4,800.00
Permitting	\$ 8,000.00
Bid Advertising	\$ 350.00
Construction Bid*	\$219,618.00
Chargepoint Units*	\$405,925.00
Installation of Chargers	\$ 35,000.00
Landscaping	\$ 500.00
Total:	\$690,193.00

*RCW 82.08.816 relieves the City from Washington State Sales Tax on these items.

Current Budget	\$540,000.00
Additional Budget Authorization	\$150,193.00

Proposed Sources:

Facilities Fund	\$ 50,000.00
Fleet Fund	\$ 50,000.00
Development Services Reserve	\$ 50,193.00

NEXT STEPS

At the regular meeting on February 16, 2021, City Council will be asked to award the Vehicle Charging Station Project Contract to A & R Solar and approve the associated fiscal note as part of approving the Consent Calendar. With City Council approval of the contract, the project will formally begin.

In addition, the EV market continues to grow rapidly with many companies committing to new and improved models. It will not be long before heavy-duty class 5-8 trucks are available, and the City will have the opportunity to consider multiple options for vehicle replacement as those vehicles reach the end of their useful lives. Based on the lessons learned related to facility electric service limitations and the evolving technology, Public Works will be bringing a service package request at the mid biennium for the completion of a strategic plan for expanding charging capabilities at City facilities to accommodate future conversions.

FISCAL NOTE*CITY OF KIRKLAND*

Source of Request							
Tracey Dunlap, Deputy City Manager							
Description of Request							
One-time addition of \$150,193 to the City Hall Vehicle Charging Stations (GGC0351600) project. This will increase the budget of the project from \$540,000 to \$690,193 and fully fund the request. Funding will come from a combination of Development Services Reserves and available balance in the Facilities and Fleet funds.							
Legality/City Policy Basis							
Fiscal Impact							
<ul style="list-style-type: none"> - One-time transfer of \$50,193 from the Development Services Technology Reserve to GGC01351600. - One-time transfer of \$50,000 from Facilities fund balance to GGC01351600. - One-time transfer of \$50,000 from Fleet fund balance to GGC01351600. 							
Recommended Funding Source(s)							
	Description	2022 Est End Balance	Prior Auth. 2021-22 Uses	Prior Auth. 2021-22 Additions	Amount This Request	Revised 2022 End Balance	2022 Target
Reserve	DS Technology Reserve	5,743,836	0	0	50,193	5,693,643	
	Facilities fund balance	2,646,279	0	0	50,000	2,596,279	
	Fleet fund balance	2,154,214	0	0	50,000	2,104,214	
Revenue/Exp Savings							
Other Source							
Other Information							
This fiscal note also authorizes the transfer of \$480,000 from the Fleet fund (527) to the General Capital fund (310). This funding was allocated in the 2019-2020 budget via service package (19PW25) to this project, but was appropriated in the Fleet fund. This administrative transfer moves this service package into the correct fund.							
Prepared By	Robby Perkins-High, Senior Financial Analyst				Date	February 5, 2021	