



Legislation Text

File #: 2020-0342, **Version:** 1

DATE: October 6, 2020

SUBJECT:

RESOLUTION AUTHORIZING AN AGREEMENT WITH REVENUE SHARING FOR CHARGING STATION SERVICES WITH KIGT INC., BEGINNING ON OCTOBER 6, 2020 AND TERMINATING ON DECEMBER 5, 2025, FOR EIGHT ELECTRIC VEHICLE CHARGING STATIONS LOCATED AT SAN DIEGO CONVENTION CENTER PARKING GARAGE, 111 W. HARBOR DRIVE, SAN DIEGO, CA 92101, RESULTING IN NO NET COST TO THE DISTRICT

EXECUTIVE SUMMARY:

District staff recommends authorizing an agreement for charging station services with KIGT Inc. (KIGT) an electric vehicle (EV) services provider pursuant to which KIGT would install, own and operate at its sole cost and expense eight (8) electric vehicle charging stations in the second floor of the parking garage at the San Diego Convention Center located at 111 W. Harbor drive, San Diego, Ca. 92101 (Attachment A). KIGT will provide electric vehicle charging services for a term of five (5) years with options for up to two (2) one-year renewals. The District will serve as a site host for the charging stations. Under the agreement, KIGT would install, own and operate the charging infrastructure at no cost to the District. Revenue from the EV charging will cover electricity and service fees, and KIGT will share net revenues with the District at 50%. The total project value is estimated at \$40,000.

EV charging station installations on Tidelands is in line with the Port's Climate Action Plan goals, in particular Transportation and Land Use, Alternative Powered Vehicles (TA 2): Support and promote non-Port owned vehicles and vessels to achieve the lowest emissions possible, using a mix of alternative fueled, electric or hybrid technology.

RECOMMENDATION:

Adopt a Resolution authorizing an agreement with revenue sharing for charging station services with KIGT, Inc. beginning on October 6, 2020 and terminating on December 5, 2025 for eight electric vehicle charging stations located at San Diego Convention Center parking garage, 111 W. Harbor Drive, San Diego, CA 92101, resulting in no net cost to the District.

FISCAL IMPACT:

There is minimal net fiscal impact to the district. Associated fees are anticipated to be offset by the revenue generated.

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- A vibrant waterfront destination where residents and visitors converge.
- A Port with a healthy and sustainable bay and its environment.

The addition of public charging infrastructure on tidelands directly supports the Port's Climate Action Plan goals, and provides a valuable amenity to the public, enhancing their waterfront experience.

DISCUSSION:

KIGT Inc. (KIGT) is a minority owned, electric vehicle (EV) charging station, original equipment manufacturer and services provider, based in Ontario California. KIGT is an early stage company, participating in several regional incubator programs including the Southern California Energy Innovation Network (SCEIN), administered by Cleantech San Diego, and supported by a \$5 million grant from the California Energy Commission. The District is a member of the SCEIN Technical Advisory Committee, and District staff participate in the review and mentorship of early stage technology companies. The advisory committee is also attended by representatives from several public, private and academic organizations around the region.

KIGT is a SCEIN participant, and manufacturer of a unique EV charging technology that integrates credit card readers into the equipment providing customers a greater degree of access. In addition, their charging stations incorporate more compact, and less expensive design features, and a robust data sharing platform that will allow staff to monitor equipment usage.

Upon approval of an agreement for EV charging services (Attachment A), KIGT will install eight (8) "eCharger" wall mounted charging units (Attachment B) in the Convention Center Parking Garage during Fiscal Year 21 at no cost to the District. KIGT will then execute a 5-year demonstration of the technology, covering costs with revenue generated from the operation of the charging stations. The District has the option to extend the agreement term for up to two 1-year periods if desired. KIGT will participate in quarterly reviews with District staff, where staff will gain knowledge on the efficacy of the equipment and its features. At the end of the agreement KIGT will remove the equipment if the District decides not to continue use of the charging stations.

This agreement will not result in added cost. KIGT will install the infrastructure at the company's expense. Electricity costs and service fees will be deducted from gross revenues. The District will incur no loss month to month, and net revenues after expenses, will be shared at 50% between KIGT and the District. KIGT will send payments of revenue to the District by direct deposit on the 15th of each month.

The state of California has set targets for facilitating electric vehicle adoption at 5 million EVs and 250,000 EV charging stations by 2030, and the California Electric Vehicle Incentive Program (CALeVIP) has made rebate funding available for electric vehicle service providers and site owners to install charging infrastructure. Upon approval and execution of the attached agreement, the District would become a site host for KIGT's technology for five years. Demonstrations like this one will help

staff to plan for future EV charging infrastructure buildouts as the need grows, and will extend the District's profile of available public EV Charging stations.

General Counsel's Comments:

The Office of the General Counsel reviewed this agenda and approved the proposed agreement as to form and legality.

Environmental Review:

The Board action for the agreement between the District and KIGT Inc. to install and operate eight EV charging stations in the San Diego Convention Center Parking Garage is Categorically Exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Sections 15301 (Existing Facilities) and 15302 (Replacement or Reconstruction) because the activities identified in the agreement involve no expansion of use beyond that previously existing since the units are replacing previously installed EV charging stations with newer technology and will connect to an existing conduit. Further, the District has determined none of the six exceptions to the use of a categorical exemption apply to this project because the proposed site is an existing underground parking garage that is not a particularly sensitive environment or a hazardous waste site; and the proposed project would not result in damage to scenic resources, would not cause a substantial adverse change in the significance of a historical resource, would not create a significant cumulative impact, and finally, would not have a significant effect on the environment due to unusual circumstances (CEQA Guidelines Section 15300.2). No further action under CEQA is required.

In addition, the proposed Board action complies with Section 87 of the Port Act, which allows for all visitor-serving commercial and industrial uses and purposes, and the construction, reconstruction, repair, and maintenance of commercial and industrial buildings, plants, and facilities. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the project is consistent with the Public Trust Doctrine.

Finally, the proposed Board action is considered an "excluded development" pursuant to Section 8.a. (Existing Facilities), and 8.b. (Replacement or Reconstruction) of the District's Coastal Development Permit (CDP) Regulations as the activities identified in the agreement involve negligible expansion of use beyond that previously existing, would not involve the removal of mature scenic trees, and would not result in a serious or major disturbance to an environmental resource. Therefore, issuance of a CDP is not required.

Equal Opportunity Program:

Not applicable.

PREPARED BY:

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Attachment(s):

Attachment A: San Diego Unified Port District Agreement with KIGT Inc. for Charging Station Services

Attachment B: KIGT eCharger specs