



Board Report

File #: 2022-0638, File Type: Contract

Agenda Number: 32.

OPERATIONS, SAFETY AND CUSTOMER EXPERIENCE COMMITTEE October 20, 2022

SUBJECT: ELECTRIC VEHICLE CHARGER CONTRACT

ACTION: APPROVE THE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Modification No. 6 to Contract No. OP55097000 with Axxera Inc. for the Electric Vehicle Charging Stations and Services contract to extend the Period of Performance by 24 months through December 1, 2024, and increase the Not-to-Exceed Total Contract Price by \$250,000, from \$699,718.72 to \$949,718.72.

ISSUE

The LA Metro Board approved the 2023-2028 Electric Vehicle Parking Strategic Plan (EVPSP) in June 2022 as a strategic blueprint for sustainable, cost-effective, and efficient investments in electric vehicle (EV) charging infrastructure for our region.

Metro is exploring available third-party funding sources to accelerate the regional deployment of EV on LA Metro properties. In addition to grants and utility incentives, public-private partnerships (P3) are viable options for funding and financing EV charger deployments. Staff estimates that it will take approximately 24 months to award a P3 contract that would include a project development agreement (PDA) development, procurement, and award.

Staff is requesting an additional \$250,000 under Contract No. OP55097000 with Axxera Inc. and an extension of the same contract to December 1, 2024, to provide service coverage until a P3 partner can be brought under contract.

BACKGROUND

Metro is committed to meeting ambitious emissions reduction goals through various strategies across our service region, including promoting the use of electric vehicles. Installation of EV chargers is an

essential component of EV deployment. The regional availability of EV chargers must be in place to achieve successful growth in EV usage.

As of May 2022, Metro operates 108 Level 2 EV charging ports, of which 81 are deployed at Park and Ride (P&R) locations for public use. There are two chargers reserved for Board use at Metro's Gateway building. Metro does not currently have chargers installed for dedicated employee use at its facilities.

Axxera Inc. currently manages Metro's EV Chargers through the existing Electric Vehicle Charging Stations and Services under Contract No. OP55097000. Metro spends approximately \$8,500 per month on EV Charger management and operations.

With the EVPSP approval, staff developed a financial and deployment strategy to explore alternative forms of operating models to accelerate the deployment of EV chargers at Metro properties, such as P3 contracts, instead of procuring a contract to replace the existing Electric Vehicle Charging Stations and Services contract (Contract No. OP55097000). These alternative operating models are intended to accelerate the deployment of EV chargers at Metro properties.

DISCUSSION

Metro has committed to regionally deploying EV chargers to meet internal, local, and state ambitious emissions reduction goals. The EVPSP defines the charging infrastructure requirements, outlines a prioritized approach to charging deployment, and estimates the costs and benefits associated with completing the EV Parking Strategy. The Plan also defines policies and management strategies to facilitate a successful charging program for internal operations and public use.

With over a decade of deployment, the Metro EV Charger network serves approximately 7,000 subscribed customers. Metro's charging equipment is compliant with the Open Charge Point Protocol (OCPP), which allows for the flexibility and interoperability of various charging network service providers across Metro's network and on existing charging hardware. Metro's current network of 108 chargers is operated and maintained through a contract with Axxera. The Axxera contract is set to expire in November 2022.

Metro crafted the EV Parking Strategy to prioritize funding availability from utility programs and other potential future grant sources. Staff will pursue all possible grants or other funds to reduce the capital or operational costs of completing the EV Parking Strategy.

Metro is pursuing a public-private partnership through a Project Development Agreement with potential developers. The intent of pursuing this path is to reduce the upfront investments required for the EV Parking Strategy. This partnership could include innovative financing, ownership, or revenue models that would help accelerate investments to increase access for charging at Metro's employee and public facilities. The P3 developer could design, build, finance, and maintain the implementation of EV chargers, including installing and maintaining up to 3,000 chargers. This number of EV chargers could also inform the next phase of EV charger installation at Metro properties beyond the initial 5-year Strategic Plan.

Consistent with prior practice, staff will work with our union partners and the P3 team to ensure there

are workforce development and partnership opportunities for represented employees.

Until a P3 contract is issued, and the existing network is transferred to the selected P3 partner, Metro will continue to operate its public and fleet charging stations. Metro expects the P3 to be a long-term relationship between the agency and the selected partner, anticipating the initial contract term to cover the five years planned in the EVPSP, with the potential for two, five-year extensions to allow the partner to continue growing the network and recover costs as utilization of chargers grows over time.

DETERMINATION OF SAFETY IMPACT

This Board action will not impact Metro safety standards.

FINANCIAL IMPACT

The funding of \$250,000 for the Contract Modification Authority is included in the Cost Center 2150, Project 450003. There are two scopes of work in this contract: operations of the EV charger network and the maintenance of the EV chargers due to vandalism, weather impacts, on the ground software updates, and charger replacements.

Staff is responsible for providing appropriate budgets prior to executing each maintenance activity.

Obligations and authorizations made within the total Contract authorized funding amount will be against the Project No. 450003 project and up to the Board-approved project budget for the fiscal year.

Impact to Budget

The current funding source for this action is the Metro Green Fund (derived from carbon credits). Use of this funding source maximizes the project funding allocations allowed by approved provisions and guidelines.

EQUITY PLATFORM

There are currently 108 EV chargers across the Metro system in 26 locations. The mix of locations include six Metro Bus and Rail Divisions where Non-Revenue Fleet are charged, and 20 public charging locations, specifically located at Metro Park and Rides.

Table 1 shows which chargers and how many are located at either Metro or a Park and Ride lot. Two public charging locations (i.e., Atlantic Station and La Cienega/Jefferson Station) are in Equity Focus Communities locations.

Continuing the EV charger service under this contract will facilitate continued access to EV charging for Metro's non-revenue fleet and transit riders, while a new more comprehensive expansion program is in development.

While there are currently ~7,000 public customers that are served by the EV Charger Program, the current program does not capture the demographics of EV owners that use our service.

A voluntary demographic survey is currently being planned as part of this extension to gather demographic data, inform, and advise current and future EV charger program activities.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Continuing our EV charger operations while developing the PDA supports the implementation of Metro's Strategic Plan Goals, aligning with the following goals:

1.2.D: Improve connectivity to provide seamless journeys by improving Park & Ride experience for electric vehicle owners and providing charging access to those who lack access to home charging.

4: Transform LA County through regional collaboration and national leadership with partners to develop EV charging and help meet City and State initiatives to accelerate EV adoption through greater access to electricity as a transportation fuel.

5.7: Metro will build and nurture a diverse, inspired, and high-performing workforce by providing workplace charging to employees and supporting those who drive EVs or are interested in owning an EV but lack reliable locations to charge one.

Further, the continued use of EV chargers addresses the 2019 CAAP and 2020 MBS Plan goals. The CAAP committed Metro to a 79% reduction in greenhouse gas emissions from our internal operations by 2030 and included measures to install EV charging at Metro facilities for employee commuter use. The MBS Plan emissions and pollution control Goal 5.4 included exploring "further measures to reduce employee commuting emissions."

ALTERNATIVES CONSIDERED

The Board may choose not to approve the recommendation to extend the existing Electric Vehicle Charging Stations and Services under Contract No. OP55097000. Staff does not recommend this alternative because it would risk the use and service of all Metro EV Chargers for our 7,000 subscribed customers while we develop an accelerated path for EV charger deployment.

NEXT STEPS

Upon approval, Metro will execute Mode 7 to the Electric Vehicle Charging Stations and Services under Contract No. OP55097000 for the terms requested herein.

ATTACHMENT

Attachment A - Procurement Summary

Attachment B - Modification Log

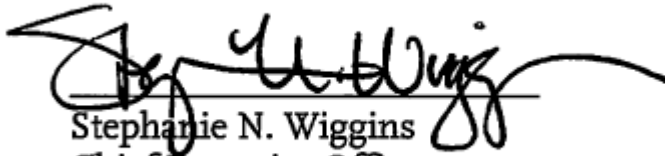
Attachment C - DEOD Summary

Prepared by: Cris B. Liban, Deputy Chief, Sustainability, (213) 922-2471

Debra Avila, Deputy Chief Vendor/Contract Management Officer,
(213) 418-3051

.Reviewed_by

Reviewed by: Nicole Englund, Chief of Staff, Office of the CEO, (213) 922-7590



Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

**Electric Vehicle Charging Stations and Services
CONTRACT NO. OP55097000**

1.	Contract Number: OP5509700			
2.	Contractor: Axxera Inc.			
3.	Mod. Work Description: Extend the Period of Performance by 24 months and add funds to the contract			
4.	Contract Work Description: Electric Vehicle Charging Stations and Services			
5.	The following data is current as of: 09.21.22			
6.	Contract Completion Status		Financial Status	
	Contract Awarded:	08-01-2019	Contract Award Amount:	\$636,107.93
	Notice to Proceed (NTP):	08-01-2019	Total of Modifications Approved:	\$63,610.79
	Original Complete Date:	09-04-23	Pending Modifications (Including this action):	\$250,000.00
	Current Est. Complete Date:	12-01-24	Current Contract Value (with this action):	\$949,718.72
7.	Contract Administrator: Kimberlyn Richardson		Telephone Number: 213-922-2085	
8.	Project Manager: Craig Reiter		Telephone Number: 213-418-3476	

A. Procurement Background

This Board Action is to approve a Contract Modification issued in support of:

- 1.) Extending the Contract Period of Performance by 24 months through December 1, 2024, and increase the Not-to-Exceed Contract Price by \$250,000, from \$699,718.72 to \$949,718.72

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price (FFP).

This Contract was executed on August 1, 2019, to Axxera Inc. for a 24-month period of performance for a Total Not-to-Exceed Contract Value of \$636,107.93.

(Refer to Attachment B – Contract Modification/Change Order Log)

B. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon a price analysis and technical evaluation. Axxera Inc. is not escalating their competitively obtained unit rates for the 24-month extension, which was the basis of Metro's ICE. Therefore, the proposed amount, Metro ICE, and the negotiated amount are all consistent.

Proposal Amount	Metro ICE	Negotiated Amount
\$250,000.00	\$250,000.00	\$250,000.00

C. Contractor

Axxera Inc. is a Metro certified Small Business Enterprise (SBE) firm located in Irvine, California. Axxera was founded in 2007 and is uniquely positioned to safeguard the electronic presence of today's corporations. The founders pioneered the security industry by designing, building, and partnering with companies to provide services such as installation and maintenance of electric vehicle charging stations and 24/7 customer service. Axxera has provided satisfactory service and product to Metro on the current contract.

CONTRACT MODIFICATION/CHANGE ORDER LOG

**Electric Vehicle Charging Stations and Services
CONTRACT NO. OP55097000**

Mod. no.	Description	Status (approved or pending)	Date	\$ Amount
1	Add Subcontractor at no cost	Approved	12.3.19	\$0.00
2	Revised Statement of Work for additional work	Approved	01.15.20	\$1,482.94
3	Additional Electric Vehicle Charging Station	Approved	07.27.20	\$2,500.00
4	Incorporate warranty extension language, Extend Period of Performance and add \$59,627.85	Approved	10.14.21	\$59,627.85
5.	Extend Period of Performance	Approved	08.12.22	\$0.00
6.	Increase Contract Value, Extend Period of Performance	Pending	TBD	\$250,000.00
	Modification Total:			\$313,610.79
	Original Contract:	Approved	08.01.19	\$636,107.93
	Total:			\$949,718.72

DEOD SUMMARY

ELECTRICAL VEHICLE CHARGING STATIONS/OP55097000

A. Small Business Participation

Axxera, Inc., a Small Business Prime, made an 81.11% Small Business Enterprise (SBE) commitment on this SBE Set-Aside project. Based on payments, the project is 99% complete and the current SBE participation is 83.11%, exceeding the commitment by 2.00%.

Small Business Commitment	SBE 81.11%	Small Business Participation	SBE 83.11%
----------------------------------	-------------------	-------------------------------------	-------------------

	SBE Subcontractors	% Committed	Current Participation¹
1.	Axxera, Inc. (SB Prime)	81.11%	83.11%
	Total	81.11%	83.11%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.