

TOWN COUNCIL STAFF REPORT

Title: Lease between the Town and Tesla Motors, Inc. for space at the new Community Recreation Center for electric vehicle charging stations.

Meeting Date: February 2, 2022

Prepared by: Haislip Hayes PE, Public Works Director
Dan Holler, Town Manager

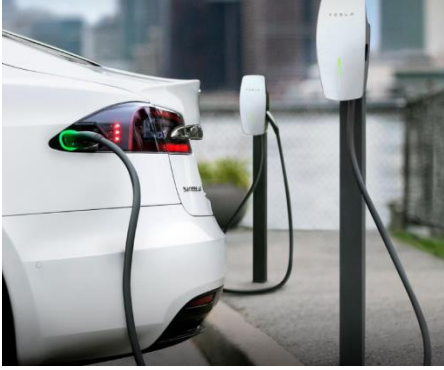
RECOMMENDATION:

Staff recommends the Town Council authorize the Town Manager to execute a lease agreement between the Town and Tesla Motors, Inc. for space at the new Community Recreation Center for electric vehicle charging stations, in substantial conformance with the presented draft lease agreement.

BACKGROUND:

In September 2015 the Town Council authorized the execution of a lease agreement with Tesla Motors for the use of portions of the Park-n-Ride lot. Tesla thereafter completed the construction of 8 supercharger stations. These stations have been operational and in a good state of repair since installed. The existing station provides on average 1200 charging sessions per month and are regularly overextended on holiday weekends. Over the last year, Tesla and the Town have been discussing expanding the supercharger network to other locations in Town. The development of the Community Recreation Center (CRC) and associated Mobility Hub parking lot presented an opportunity to incorporate additional electric vehicle charging.

The incorporation of electric vehicle charging is a valuable component of the CRC's Mobility Hub. Complementing vehicle charging with recreation opportunities, access to transit, pedestrian connectivity, and close proximity to retail and restaurants provides a benefit to residents and visitors. Staff understands that not every electric vehicle is a Tesla and providing opportunities for other manufacturers was an important consideration. Initially, staff was working with a second company to provide "universal chargers" however, it was announced that Tesla will open up the supercharger network to other vehicle manufacturers and that Tesla was willing to install "universal" charging stations. These significant changes to the Tesla program coupled with the Town relationship weighed profoundly on Staff's recommendation. In order to meet the growing needs of the electric vehicle community Tesla has agreed to provide four universal charges to compliment the twelve superchargers. The Green Building code requires the CRC to include infrastructure to support future electric vehicle charging. Incorporating Tesla as project partner will satisfy this obligation. The final configuration includes sixteen charging stations (12 Supercharger / 4 Universal J1772).



Tesla Gen 2 Charger (with J1772)



Tesla Supercharger

One of each type of station will be ADA accessible and located near the entrance of the CRC. The remaining 14 will be located along the north edge of the lot (Image A – Location Map).

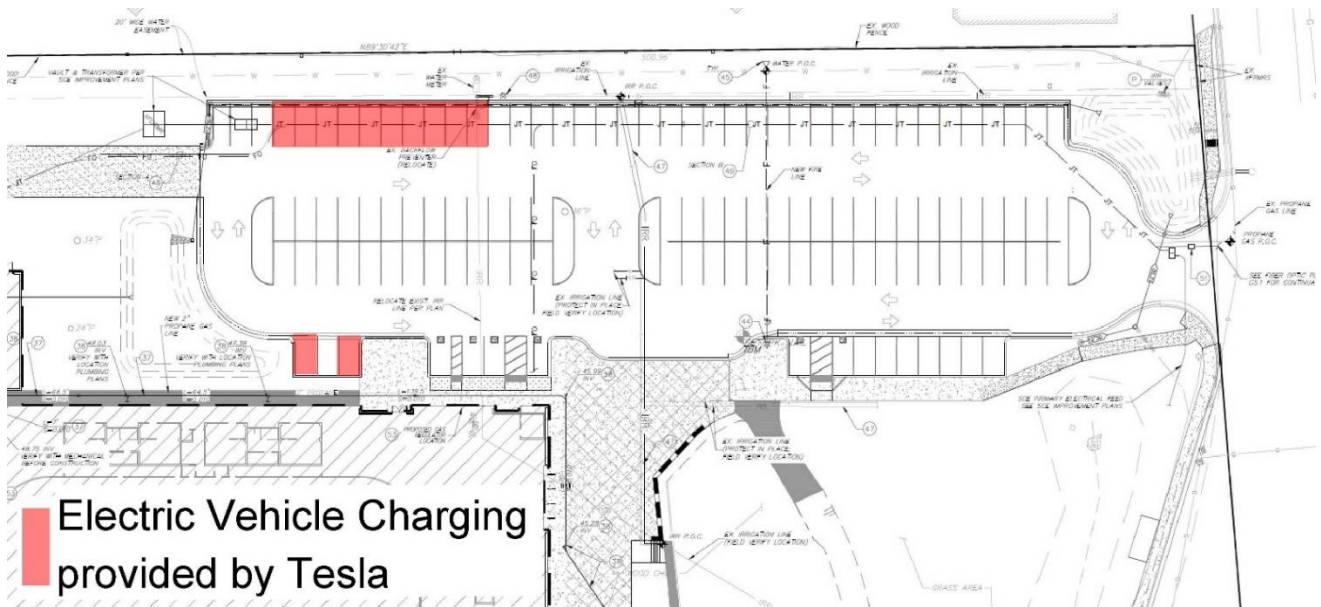


Image A - Location Map

Staff expects the Mobility Hub and CRC to be a popular location and reserving spots for one manufacturer did not seem to be in the best interest of the community. For this reason, the spaces occupied by the Tesla Chargers will not be exclusive. Other vehicle makes and models, gas and electric will be permitted to use the parking stalls. Staff does plan to put a parking time limit on the spaces. This will ensure appropriate turn over of the chargers and allow for maximum use of the stalls for charging and allow the flexibility for non-electric vehicles to park when the CRC is in high demand.

The contract in its current state provides for a 5-year term with two options for 5-year extension. As with our current contract Tesla will be required to provide adequate insurance and indemnification. Tesla will be required to maintain the facility at their

expense. The Town will provide snow removal; however, this would have occurred either way as the spaces are non-exclusive to electric vehicles and part of the CRC parking lot.

FINANCIAL CONSIDERATIONS:

Tesla will cover the costs for the installation of all of the proprietary Tesla infrastructure. Tesla has also agreed to pay their fair share cost of the transformer, trenching, and other SCE required improvements.