Agenda Report

February 2, 2026

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: **AUTHORIZE THE CITY MANAGER TO UTILIZE AN ALTERNATIVE PROJECT DELIVERY METHOD FOR THE ELECTRIC VEHICLE CHARGING STATION PROJECTS AT AVON RAMP AND ARROYO CHARGING DEPOT**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a "project" subject to the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21065 and within the meaning of State CEQA Guidelines Sections 15378(b); and

2. Authorize the City Manager to utilize an alternative project delivery method, Design-Build, for the Avon Ramp and Arroyo Charging Depot EV Charging Station projects in accordance with Pasadena Municipal Code ("PMC") Section 4.08.136 (Alternative Project Delivery).

EXECUTIVE SUMMARY:

Pasadena Water and Power ("PWP") seeks City Council authorization to utilize the Design-Build method for the planned installation of two electric vehicle ("EV") charging station projects: the Avon Ramp EV Charging Station and the Arroyo EV Charging Depot, respectively. These projects will be a significant step in expanding the City's EV charging infrastructure while incorporating solar and battery energy storage capabilities, marking a major stride in the City's sustainable energy initiatives.

Where feasible, the existing sites will be transformed into modern, multi-purpose energy hubs incorporating EV fast chargers, solar photovoltaic ("PV") systems, and battery energy storage systems ("BESS").

This approach offers several distinct advantages:

- PV panels are mounted on elevated steel or aluminum frameworks, typically providing clearance for passenger and light-duty vehicles.
- By utilizing existing "air rights" over parking stalls, the City generates power without requiring additional land or building modifications.
- Canopies provide significant value-add by protecting vehicles and residents from sun, rain, and snow while they charge.
- Unlike fixed buildings, canopies can be custom engineered to the optimal tilt and azimuth (direction) for maximum solar harvest.
- Solar power generated during peak sunlight can be stored in BESS for use by EVs charging at night.
- BESS will provide limited emergency power to vehicles during local grid outages.

Because these two projects are technically complex, requiring the integration of possibly three distinct systems, the Design-Build delivery method is recommended. This approach allows for early contractor involvement, promotes collaboration, and reduces risk by aligning the scope, budget, and schedule.

BACKGROUND:

To meet the growing demand for public EV charging and support the City's sustainability goals, PWP is initiating a major project to install two new, complex EV charging facilities that will integrate, where feasible, PV (solar canopies) and BESS systems. These projects will enhance the City's clean energy infrastructure and contribute to grid resiliency.

Project Highlights:

- Avon Ramp EV Charging Station (2825 E. Walnut Street): This project will feature 24 DCFCs, including Pasadena's first two pull-through stations designed for heavy-duty vehicles. To maximize sustainability and grid support, the site will integrate solar canopies and small scale BESS. This project was initiated following the City Council's January 22, 2024 authorization to transfer the parcel from the General Fund to PWP.

- Arroyo EV Charging Depot (64 E. Glenarm Street): Phase II of this project will install eight new PWP-owned DCFCs on eight oversized stalls designed to accommodate last-mile delivery vehicles. The project will also replace six original PWP units from the site's 2021 Phase I project. While these chargers served commuters well initially, they have reached the end of their service life due to recurring maintenance issues and are no longer cost-effective to repair. This expansion will leverage the site's existing electrical infrastructure since it was originally designed to accommodate additional chargers.

The complexity of integrating EV chargers with solar PV and BESS requires specialized expertise. This integrated approach ensures the charging stations are sustainable, with solar providing renewable energy and BESS managing peak loads to enhance grid stability. These projects will provide reliable charging options for residents and visitors while directly contributing to grid resiliency. The combination of EV charging, PV, and battery storage is the next iteration of a smart fast-charging hub designed with lessons learned from previous EV charging projects. The addition of PV and BESS is the best way to ensure that fast-charging hubs embody the carbon-free goals of the City.

The estimated cost of this project is approximately $5,000,000. Funding will be provided through existing and future appropriations allocated to the Electric Vehicle Charging Infrastructure Project (CIP #03225). This capital improvement project was originally established and funded by the Power Capital Fund (Fund 411) in Fiscal Year 2019.

DESIGN-BUILD PROJECT DELIVERY:

PMC Section 4.08.020 defines Design-Build as a project delivery method in which the City contracts with a single entity responsible for both the design and construction of a public works project. Design-Build is particularly well-suited for complex infrastructure projects like the Avon Ramp and Arroyo EV Charging Depot projects, which involve the intricate integration of multiple technical systems.

The Design-Build method enables the City to involve a contractor from the outset, allowing for a more cohesive and integrated project approach. This promotes collaboration and supports real-time problem-solving and decision-making. This early involvement helps to significantly reduce risks related to technical integration and system compatibility, streamlining project timelines and reducing the potential for costly change orders compared to traditional methods.

By assigning both design and construction to a single entity, the Design-Build method supports a seamless transition from concept to completion and fosters efficient solutions tailored to the City's operational needs. This is crucial for the Avon Ramp and Arroyo EV Charging Depot projects, as it ensures that the placement and integration of the EV chargers, PV and BESS systems are coordinated for optimal performance and safety.

POLICIES AND PROCEDURES FOR SELECTION OF DESIGN-BUILD ENTITIES:

The City of Pasadena is committed to a transparent, competitive process for selecting qualified Design-Build entities to execute major public works projects. As defined in PMC Section 4.08.020, the Design-Build method enables the City of Pasadena to contract with a single entity for both the design and construction phases, streamlining project delivery and fostering a more collaborative, efficient approach. The City's Policies and Procedures for Alternative Project Delivery adopted by the City Manager on June 5, 2025, guides this process, ensuring the selected Design-Build team delivers the project on time, within budget, and to the highest standards of quality, safety, and sustainability.

The procurement process begins with the Project Manager ("PM") drafting and releasing the Request for Proposals ("RFP"), in coordination with the Procurement Oversight Committee. The PM also serves as the point of contact for proposer inquiries during the advertising period but does not participate in the evaluation or selection process. Proposal evaluations are conducted by the Selection Committee, while the Procurement Oversight Committee ensures adherence to City policies, procurement guidelines, and applicable regulations.

Appointed by the City Manager, the Procurement Oversight Committee includes representatives from the Finance Department, City Manager's Office, and subject matter experts from relevant departments, such as Water and Power and Public Works. This committee is responsible for approving evaluation criteria and weighted scoring prior to RFP issuance, reviewing all procurement documentation for compliance, and auditing the process to identify and resolve any procedural deviations.

The Selection Committee, composed of at least five members from various City departments, evaluates the proposals submitted by Design-Build teams. Evaluations will be based on pre-established criteria tailored to the scope and complexity of the Avon Ramp and Arroyo EV Charging Depot projects.

These criteria may include, but are not limited to:

- Relevant experience with projects of similar size and scope.
- Organization and qualification of key personnel.
- Financial strength/financial capacity that meets or exceeds what is necessary to deliver the project.
- Cost proposal for design and construction services.
- Technical approach and understanding of the project, including constructability, design innovation, and phased delivery strategy.
- Risk management and safety practices, including approach to minimizing disruptions to ongoing operations.
- Local Pasadena business preference (PMC Section 4.08.048).
- Small or micro-business preference (PMC Section 4.08.048).

Top-ranked firms based on proposal evaluations will be invited to interview with the Selection Committee. Interview scoring may assess the firm's understanding of project objectives and constraints, collaborative approach, communication skills, and ability to deliver the phased construction plan in a timely manner.

Once proposal and interview scores are combined, the highest-ranked Design-Build entity will be invited to enter contract negotiations. Terms such as project scope, cost, performance milestones, and allowable work hours will be finalized at this stage. If an agreement cannot be reached, negotiations may proceed with the next highest-ranked proposer. If the City is unable to negotiate a satisfactory contract with any finalist, it may consider other options, including using the traditional Design-Bid-Build method.

Upon successful negotiations, the Selection Committee will submit its recommendation to the Procurement Oversight Committee for concurrence. With approval, the final contract will be presented to the City Council for award.

JUSTIFICATION FOR ALTERNATIVE PROJECT DELIVERY:

PMC Section 4.08.136 authorizes the use of alternative project delivery methods, including Design-Build, for public works projects valued at over $1 million, provided specific qualifying criteria outlined in Section 4.08.136(B) are satisfied.

The Avon Ramp and Arroyo EV Charging Depot projects meet the following criteria under 4.08.136(B), Subsection 1:

- **High Level Technical Complexity and Specialized Expertise:** The projects require the seamless integration of three distinct and complex systems: EV chargers, solar PV, and BESS. This is a more complex undertaking than previous EV charger-only projects. It demands specialized expertise in designing, installing, and commissioning these interconnected technologies to ensure they operate safely and efficiently.

- **Need for Early Contractor Involvement:** Early contractor engagement is essential to identify potential constructability challenges related to integrating solar and battery systems with the existing electrical infrastructure at each site. This allows for design optimization early in the process, which can reduce costs and enhance overall functionality.

The Avon Ramp and Arroyo Charging Depot EV Charging Station projects also meet the following criteria under 4.08.136(B), Subsection 2:

- **Minimize Project Delivery Time:** This method allows design and construction phases to overlap, accelerating project delivery compared to traditional methods.

- **Improved Project Quality and Functionality:** Design-Build promotes collaboration between the design and construction teams, leading to solutions that enhance the operational functionality and long-term performance of the charging stations. This approach allows the project team to develop tailored design strategies that optimize system layout, user interface, and overall resilience.

By using the Design-Build method, the City can reduce overall project risk, improve coordination between the design and construction teams, and accelerate project delivery. This approach supports the seamless integration of complex systems and ensures the efficient delivery of high-performing, future-ready EV charging facilities that align with PWP's long-term sustainability goals.

ENVIRONMENTAL ANALYSIS:

CEQA excludes, from environmental review, actions that are not "projects" as defined by Public Resource Code Section 21065 and within the meaning of State CEQA Guideline Section 15378(b). Sections 21065 and 15378(b) define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378 excludes from the definition of "project" organizational or administrative governmental activities that do not result in physical changes to the environment. The actions proposed herein, authorizing the City Manager to utilize the alternative project delivery method, Design-Build, for the Avon Ramp and Arroyo EV Charging Depot projects, is an organizational or administrative governmental activity that does not result in physical changes to the environment, and therefore is not a "project" as defined by CEQA. Since the action is not a project subject to CEQA, no environmental document is required.

COUNCIL POLICY CONSIDERATION:

The proposed action is consistent with the City Council's goals to maintain fiscal responsibility and stability, while also supporting sustainable energy and infrastructure policies that prioritize the design, construction, and improvement of City facilities to reduce environmental impact. Additionally, the proposed action aligns with PWP's strategic initiatives to enhance customer satisfaction and confidence, improve efficiency and business continuity, and maintain PWP's fiscal health and stability.

FISCAL IMPACT:

There is no fiscal impact as a result of this action. There is no impact to the General Fund.

Respectfully submitted,

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