

MANAGEMENT REPORT

Date: May 12, 2025
To: Mayor and Council
From: Audrey Pascual, Deputy Clerk
Report Number: COU25-057
Attachments: None

Title: Zero Emission Vehicle Infrastructure Program Revised Contribution Agreement

Objective: To seek Council approval for entering into a revised Contribution Agreement between The Corporation of the City of Stratford and Natural Resources Canada for the Zero Emission Vehicle Infrastructure Program and, to authorize the use of the Parking Reserve Fund to fund the City's portion of the project costs.

Background: In 2022, Natural Resources Canada (NRCan) launched the Zero Emission Vehicle Infrastructure Program (ZEVIP). The City of Stratford was a successful recipient of the ZEVIP grant for its Electric Vehicle (EV) Charging Station Expansion Project. This project, completed in January 2025, included the installation of eleven (11) dual port Level 2 Charging Stations and one (1) Level 3 Direct Current Fast Charger (DCFC) at municipal lots in the downtown core.

In July 2024, NRCan announced the launch of the second round of ZEVIP applications to support the deployment of EV Chargers, including Level 3 fast chargers. Staff applied for additional funding in the second round for the installation of four (4) Level 3 EV Charging Stations at the Rotary Complex to further the initiative begun with the downtown EV Charging Stations from the first round.

The Rotary Complex was selected as the site for the chargers given the significant and wide variety of uses of the facility. At peak times under current services, staff estimate that 2,000 people attend the Rotary Complex on a weekly basis. The Rotary Complex is also the site of regional events including the Canadian Dairy Expo and the Ontario Pork Congress. The expansion of EV Charging Stations in this location supports Council's strategic priority of enhancing alternative transportation infrastructure.

By deploying additional Level 3 chargers at key locations such as the Rotary Complex, the City facilitates broader adoption of electric vehicles. This development also

addresses range anxiety for potential EV users and ensures connectivity with regional networks, paving the way for a seamless electric vehicle corridor.

At the March 24, 2025, Regular Council meeting, Council defeated the motion to approve the originally proposed project for the installation of four (4) Level 3 EV Charging Stations at the Rotary Complex.

To scale back the project and present a potentially more palatable project while retaining access to funding, staff consulted with NRCan and received approval to scope down the City's original proposal. To meet the minimum funding requirements, a minimum of two (2) Level 3 EV Charging Stations must be installed.

Analysis: Following the consultation with NRCan, staff revised the project scope to reduce the number of proposed Level 3 EV Charging Stations from four (4) to two (2) stations. NRCan has approved the revised scope and has confirmed that the City of Stratford is eligible to receive \$100,000 towards the project costs.

The total revised project costs for the installation of two (2) Level 3 EV Charging Stations is \$269,690 which includes capital equipment, construction, and overhead costs.

Construction costs for Level 3 Charging Stations are significantly higher in comparison with the costs of the Level 2 Charging Station installation due to the connection requirements of Level 3 Charging Stations as well as the site preparation work that is required. The City's revised portion of the project costs will be \$169,690. Staff are recommending that this be funded through the Parking Reserve Fund, which contains sufficient uncommitted funds for this project.

A five-year subscription for a Cloud Plan and an Assure Plan is part of the initial purchase cost of the EV chargers. The mandatory 'Cloud Plan' manages the stations and offers access to a real time data dashboard that displays metrics including periodic usage of stations, both live and historical, and identifies when there are issues present with the machine. The 'Assure Plan' covers all maintenance and parts replacement for the EV chargers for the period. At the end of the five-year plan, the divisional operating budgets would include the subscription costs and expected fee revenues to offset the costs.

One new requirement for the program is that the electric chargers must be manufactured in countries that have a Free Trade Agreement in force with Canada. The supplier for the EV Charging Stations has confirmed that their equipment will meet this requirement.

Another requirement for the funding is for the EV Charging Stations to be publicly accessible 24 hours per day, 7 days a week or at least as frequently as the site's operating hours. Prior to the opening of the stations, staff intend to bring an amendment to the Traffic and Parking By-law to permit overnight parking for electric

vehicles intending to access the Level 3 chargers at the Rotary Complex to fulfill this requirement.

As per the contribution agreement, the project must be completed with the stations fully available for public use within thirty months (30) following the execution of the agreement. The expected project completion date would be November 2026 with construction to begin by fall of 2025.

The original proposal for four (4) EV Charging Stations amounted to \$515,700. By decreasing the number of Level 3 EV Charging Stations from four to two, the City can still significantly enhance its electric vehicle infrastructure at a key location while reducing the financial burden on municipal resources. This adjustment results in a cost savings of \$146,010 for the City, thereby reducing its financial commitment from \$315,700 to \$169,690.

If Council does not wish to proceed with the project with the revised scope, the project will not proceed, and no funds will be provided to the City.

Financial Implications:

Financial impact to current year operating budget:

There is no expected impact to the current year operating budget as the Parking Reserve Fund would be the recommended source of funding for the City's \$169,690 share. The five-year subscription and maintenance warranties will be a 'prepaid' expense for the City and recognized in each of the operating years.

Financial impact on future year operating budget:

The five-year subscription and maintenance warranties would be a 'prepaid' expense for the City and recognized in each of the operating years. At the end of the five-year plan, the operating costs for the two chargers will be approximately \$8,350 for a five-year Cloud Plan and \$20,500 for a five-year Assure Plan. The City can also opt out of the Assure Plan (maintenance) and pay for individual service calls.

Currently, users must pay the parking rate of \$1.25 while charging their electric vehicles. Staff are currently reviewing a user fee structure for the use of EV Chargers in all municipal lots and will be bringing a report to Council for consideration. The expected revenue generated from the use of EV Chargers will offset the operating costs.

Link to asset management plan and strategy:

As with all City infrastructure, these assets become part of the City's asset inventory, requiring periodic maintenance, and replacement at the end of useful life (estimated at 10-15 years). This future capital cost becomes part of the replacement and funding strategy and form part of the 10-year forecast.

Alignment with Strategic Priorities:

Enhance our Infrastructure

This initiative aligns with this strategic priority as its recommendations promote the enhancement of alternative transportation infrastructure and accelerate the energy transition to low-carbon sources, through the development of EV Charging networks. This is in alignment with the Corporate Energy and Emissions Plan (CEEP) and aims to significantly contribute to emissions reductions and support sustainable growth.

Alignment with One Planet Principles:

Culture and Community

Nurturing local identity and heritage, empowering communities, and promoting a culture of sustainable living.

Travel and Transport

Reducing the need to travel, encouraging walking, cycling and low carbon transport.

This project aligns with these One Planet Principles as the infrastructure upgrades support sustainable growth by attracting eco-conscious businesses and tourism, contributing to emissions reductions, and further demonstrating a commitment to sustainable development.

Staff Recommendation: THAT Council authorize the entering into of the Contribution Agreement between The Corporation of the City of Stratford and Natural Resources Canada (NRCan) for the Zero Emission Vehicle Infrastructure Program (ZEVIP);

THAT the Mayor and City Clerk, or their respective delegates, be authorized to sign the Contribution Agreement;

AND THAT the City's portion of the project costs be funded from the Parking Reserve Fund.

Prepared by: Audrey Pascual, Deputy Clerk

Recommended by: Karmen Krueger, Director of Corporate Services
Adam Betteridge, Interim Chief Administrative Officer