

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: September 25, 2025

PREPARED BY: Chris Gerry, Senior Project Manager

SUBJECT: PUBLIC ELECTRIC VEHICLE CHARGING STATIONS: TERMINATE AGREEMENTS AND ESTABLISH A SITE LICENSE PROGRAM

RECOMMENDATION:

1. Terminate agreements and responsibilities for all 18 electric vehicle (EV) charging stations, including five on non-City property and 13 on City-owned or managed property.
2. Establish a site license program to attract private EV charging operators to install, operate, and maintain EV charging stations on City-owned and/or managed property.

BACKGROUND/ANALYSIS:

Overview:

This following recommendations are intended to enhance and advance the City of Palm Desert's (City's) electric vehicle (EV) charging program. Although installation of the stations was largely funded through grants, the City remains responsible for ongoing operations and maintenance at stations on City-owned or managed property. These expenses total nearly \$50,000 annually and represent a recurring General Fund obligation.

With contractual agreements for station participation now expired, the City is now in position to reconsider its role in providing public EV charging services. Based on input from the Resource Preservation and Enhancement Committee (RPEC) and the Active Transportation Program (ATP) Subcommittee, staff recommends terminating agreements and responsibilities for all 18 stations—five on non-City property and 13 on City-owned or managed property. In lieu of continued City operation, staff further recommends establishing a site license program to provide a replacement model in which private operators install, operate, and maintain EV charging stations on City-owned property.

The recommended approach would eliminate the City's ongoing financial and operational responsibilities while maintaining opportunities for EV charging through privately managed stations on City property.

History:

Since Fiscal Year (FY) 2013-14, the City has installed EV charging stations at select locations throughout the community, with installation costs funded through various grant programs. The City currently manages 18 EV charging stations across 10 sites, which include City-owned facilities, private developments, and educational institutions. Of these, 10 stations are located on City property, while the remaining eight are situated on partnering host sites. A map of all EV charging stations is provided as Attachment 1, and an inventory is included as Attachment 2.

Maintenance and Operation:

The City currently manages three types of EV charging equipment, each with differing operating models and maintenance responsibilities: Clipper Creek, ChargePoint, and EVGO. Of the 18 EV charging stations in the City’s inventory, 13 are currently operational.

The Clipper Creek Equipment (seven stations) is maintained by the City through a local electrician. Common issues include damaged or bent prongs, hose replacements, and occasional electrical panel upgrades. Because these stations are not cloud-connected, problems are typically identified through routine checks or user reports. Currently, six of seven stations are operational.

The ChargePoint Equipment (10 stations), by contrast, is networked and operates through a cloud-based service. While the technology allows remote monitoring, all repair costs remain the City’s responsibility. The repair process can be time-consuming. Once a remote diagnostic is completed, a third-party technician is dispatched to the site. If new issues are identified during the visit that weren’t included in the original work order, a second visit must be scheduled, often delaying resolution. As a result, repairs typically take one to two months to complete. Frequent maintenance needs include replacing faulty headlamps, installing updated components to match evolving software requirements, and making electrical upgrades to ensure system compatibility. Currently, six of 10 stations are operational.

The EVGO Equipment (one station) located at Palm Desert Civic Center (Civic Center) is maintained by the vendor and does not require City support. This fast-charging unit remains in good working order and has not presented any significant maintenance concerns to date. The vendor was previously contacted about managing additional stations but previously expressed no interest in expanding their role.

City Stations	Clipper Creek	ChargePoint	EVGO	Total
Operational	6	6	1	13
Non-Operational	1	4		5
Total	7	10	1	18

Associated Costs:

Although the City’s public EV charging stations were initially installed at no cost through grant funding, their continued operation represents an ongoing fiscal responsibility. Annual costs for electricity, software, and maintenance total approximately \$49,300 in FY 2024-25.

- Electricity: Of the City’s 18 stations, 17 remain publicly accessible at no charge to users. The City directly covers electricity costs for 12 stations located at the Civic Center and Presidents’ Plaza parking lots, totaling approximately \$35,400.
- Software: Ten stations use ChargePoint networked equipment, requiring a cloud-based subscription for remote monitoring and usage reporting. The City’s subscription cost is approximately \$5,900 annually.

- **Maintenance:** The City maintains 17 stations, with typical expenses for hardware repairs, component replacement, and technician services totaling about \$8,000.00 annually. This does not include additional staff time required for coordination with contractors and third-party service providers.

Request for Proposals:

In October 2023, the City issued a Request for Proposals (RFP) to evaluate its public EV charging program and explore alternative operating models. The RFP sought qualified vendors to assess all existing stations, provide recommendations for replacement or decommissioning, and identify potential new locations within the public right-of-way.

By the deadline of November 9, 2023, the City received seven proposals and subsequently interviewed three firms on December 4, 2023. From these, two firms with distinct operating models were identified as the most competitive.

Preliminary findings were presented to RPEC on February 26, 2024. At that time, RPEC expressed limited interest in the proposed models and recommended that the City avoid incurring electricity or installation costs and not assume responsibility for stations located on non-City property (Attachment 3). The ATP Subcommittee concurred with these recommendations on July 31, 2025.

Because several station agreements remained active until April 30, 2025, the City's ability to act was limited. With all contractual obligations now expired, the City has the opportunity to pursue a new strategy for future EV charging station management.

Recommendations:

Based on best practices and input from RPEC and the ATP Subcommittee, staff recommends the following approach for EV charging management.

1. Terminate agreements and responsibilities for all 18 EV charging stations, including 5 on non-City property and 13 on City-owned or managed property.

Staff recommends eliminating the City's recurring responsibility for station operations including electricity, software, and maintenance expenses.

In cases where a host site declines to assume responsibility, the City will incur a one-time expense estimated between \$500 and \$2,000 for site restoration following equipment removal. Although this would represent a short-term cost, it is significantly less than the City's current annual General Fund obligation.

If Council elects to terminate the City's responsibilities, existing stations on City property could remain in service until a potential site license program (below) is established, ensuring a seamless transition from a free service to a vendor-managed paid model. For Presidents' Plaza I-II and III, the City will approach property owners to determine whether they are interested in retaining the stations and absorbing the associated electricity costs through their existing assessment districts during the next renewal in 2026 and 2027.

2. Establish a site license program to attract private EV charging operators to install and maintain stations on City-owned or managed property.

Staff recommends pursuing a site license program that would shift responsibility for equipment, installation, and ongoing maintenance to private operators on City-owned or managed property. This approach would eliminate direct City costs while ensuring EV charging remains available at key public sites.

Locations such as the Civic Center or other high-demand areas could be marketed to vendors as turnkey opportunities, with users paying directly for charging services. Although interest from the private sector is not fully known, implementing this model would allow the City to test the viability of vendor-managed charging while reducing General Fund exposure. Under this approach, staff would return to the City Council with a recommended operator in the future, once proposals have been received and evaluated.

Legal Review:

This report has been reviewed by the City Attorney's Office.

FINANCIAL IMPACT:

Ending operations under the current model would eliminate approximately \$49,300 in recurring annual General Fund expenses associated with electricity, software subscriptions, and maintenance of the City's EV charging stations. To implement this transition, the City may incur a one-time cost for equipment removal and site restoration, estimated to range between \$15,000 and \$25,000 depending on the number of stations decommissioned and site-specific conditions.

ATTACHMENTS:

1. Location Map
2. Charging Station Inventory
3. RPEC Minutes (February 26, 2024)
4. EV Charging Stations Presentation