



Staff Report Item 19

TO: Ava Community Energy Authority

FROM: Theresa McDermit, Head of Marketing

SUBJECT: Consulting Services Agreement with True North, Inc.

DATE: April 17, 2024

Recommendation

Approve a Resolution authorizing the CEO to negotiate and execute a Consulting Services Agreement with True North, Inc., to provide integrated campaign planning and execution services to the Ava Direct Current Fast Charging (DCFC) program, including generating consumer insights through research, developing and executing awareness and demand generating integrated campaigns, and designing and implementing a loyalty program strategy. The term of the Agreement will be through June 30, 2026, with compensation and pass through payments not-to-exceed an amount of \$2,000,000.

Background and Discussion

As previously reported to the Board, Ava Community Energy is building a network of 24/7 publicly accessible electric vehicle (EV) fast charging stations to:

- Enable the transition to EVs for all residents, especially renters;
- Support JPA member cities' Climate Action Plan targets around transportation-related emissions reductions;
- Enable our service area to reach CA state mandates for zero-emissions vehicles.

In anticipation of the launch of the first tranche of stations, on November 30, 2023, Ava issued a Request for Proposal for Go-to-Market Strategy and Marketing Plan Development & Execution for Ava's DC Fast Charging Network. The RFP specified two

distinct phases of work. Respondents were invited to bid on either the first phase (“Go-to-Market Strategy”) or second phase (“Marketing Plan Development and Execution”) of work, or on the full scope. Seven firms or consortiums of firms responded with proposals, which were reviewed and scored by a team of Ava Marketing and Local Development staff. Five respondents were interviewed. Ultimately, True North, Inc. was selected for the second phase of work, for their thoughtful approach to the work, innovative digital advertising practices, and relevant reference campaigns. On a related note, the Board approved a request to contract with PA Consulting Group for phase one of this program during the meeting held on March 20, 2024.

Fiscal Impact

This project was included in the current Fiscal Year budget and planned current year expenditures are within the approved budget. Work extending beyond the current fiscal year will be included in future budget requests.

As our intention is to bring True North on as our partner in the launch and promotion of our DCFC network, their ultimate compensation, and the variable costs associated with launching and promoting each charging location, will be driven largely by the speed with which we bring those new charging locations online. Following is a summary of how the estimated two-year costs breakdown across categories:

	1 site	10 sites			
	Year 1	Year 2	Total		
Fees and one-time costs	\$181,885	\$157,968	\$339,853		Fixed Costs
Research	\$56,000	\$50,000	\$106,000		
Contingency	\$56,000	\$30,000	\$86,000		
Sub-Total Fixed Costs	\$293,885	\$237,968	\$531,853		
				Per Site / Year Two	
Per-site creative / media costs		\$173,650	\$173,650	\$17,365	Variable Costs
Paid Media	\$85,000	\$650,000	\$735,000	\$65,000	
PR / Launch Event(s)	\$30,000	\$200,000	\$230,000	\$20,000	
Production Estimate	\$67,450	\$245,500	\$312,950	\$24,550	
Sub-Total Variable Costs	\$182,450	\$1,269,150	\$1,451,600		
TOTAL	\$476,335	\$1,507,118	\$1,983,453		

Attachments

A. Resolution

RESOLUTION NO. R-2024-xx
A RESOLUTION OF THE BOARD OF DIRECTORS
OF AVA COMMUNITY ENERGY AUTHORITY TO NEGOTIATE A CONSULTING
SERVICES AGREEMENT WITH TRUE NORTH, INC.

WHEREAS The Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the JPA in March of 2020. The city of Stockton, located in San Joaquin County was added as a member of Ava and party to the JPA in September of 2022. The city of Lathrop, located in San Joaquin County, was added as a member to Ava and party to the JPA in October of 2023. On October 24, 2023, the Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

WHEREAS Ava Community Energy is building a network of 24/7 publicly accessible electric vehicle fast charging stations; and

WHEREAS the launch of the station network is scheduled to begin before the end of the calendar year; and

WHEREAS Ava staff seek timely support in developing and executing a comprehensive awareness and demand generating program to drive utilization of the network.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF AVA COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The CEO is hereby authorized to negotiate and execute a Consulting Services Agreement with True North, Inc., to provide network launch and promotion services to the Ava Direct-Current Fast Charging (DCFC) program, generating consumer insights through research, developing and executing awareness and demand generating integrated campaigns, and designing and supporting the implementation of a loyalty program. The term of the Agreement will be through June 30, 2026, with compensation and pass through costs not-to-exceed an amount of \$2,000,000. The Agreement shall be subject to review and approval by General Counsel.

ADOPTED AND APPROVED this 17th day of April, 2024.

Jack Balch, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board