



### Consent Item 7

<b>To:</b>	Ava Community Energy Authority
<b>From:</b>	Brett Wiley
<b>Subject:</b>	A Resolution of the Board of Directors of Ava Community Energy Authority to Adjust the Safety Voucher Amount for Low-Income Participants in the Ava Bike Electric Program
<b>Date:</b>	January 15, 2025

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#### **Summary/Recommendation**

Staff recommends adjusting the safety voucher amount for low-income participants in Ava's Bike Electric Program.

#### **Financial Impact**

As the adjustment is within the previously approved Ava Bike Electric Program budget, there is no fiscal impact.

#### **Analysis and Context**

The Ava Bike Electric Program ("Program") development is well underway. Ava and our program vendor, APTIM, have completed the Program implementation manual, marketing plan, and creative materials. Recruitment of local bike shops is going well, with 23 shops verbally agreeing to participate, who will be signing agreements this month, as we prepare for our first Program training with them. This Program will be the largest residential program Ava has launched, and it will attempt to engage every household in Alameda County and every Ava customer within the first two months of the Program launch. Ambitious programs like this can take longer to develop, compared to what was planned. Ava plans to launch this Program during Summer 2025, as a means to give us more time to develop the backend technical and data systems that will

support this Program launching at scale. Our partners at Alameda County Transportation Commission support this decision. They offered us a grant extension and requested it be sent in our January 2025 report, which we will do.

Ava will reassess the current Program end date of December 2026 at the end of 2025 based on many factors, included among them are program participant demand and e-bike supply at local shops.

Based on feedback from local community stakeholders, local pricing review, and discussions with our Program vendors, Ava staff proposes to increase the amount of the safety equipment rebate for CARE/FERA participants in the Program from \$100 to \$250. The higher rebate amount will increase the percentage of the safety equipment cost that the rebate will cover (from 30% to 80%) and will add dollars to purchase a child's helmet, in addition to the full set of safety equipment for one adult, which includes a helmet, a lock and cable, and a pair of lights. Only those 18 years and older are eligible to participate in the Program, and the addition of the child's helmet is intended for parents getting cargo e-bikes to safely transport children. This proposal advances our goal to ensure a Program that's focused on clean, accessible, and safe transportation.

Customer Type	Base Incentive	Adders	Safety Equipment Voucher
CARE/FERA Customers	\$1,000	+\$500 Cargo or Adaptive e-bikes	\$250
All Other Customers	\$400		n/a

Table 1. Adjusted E-bike incentives for qualified participants and eligible e-bikes.

With the proposed increased rebate amount, the safety equipment budget will increase by \$272,785 (from \$343,500 to \$616,285). Staff proposes to use budget from the previously allocated \$2M budget for a potential lending program, thus not requiring any additional Program funds to accommodate this rebate increase. This shifts \$272,785 from the lending budget to the safety equipment budget. This adjustment will not impact the ability to launch a lending program, if Ava determines that is required. However, the lending program is not being considered, until we successfully launch the incentive program.

The original staff report is included below, with highlighted areas indicating how this proposed change impacts the outcomes of the program.

**Committee Recommendation**

None

**Attachments**

- A. Resolution
- B. Original Staff Report

**RESOLUTION NO. R-2025-XX**

**A RESOLUTION OF THE BOARD OF DIRECTORS**

**OF AVA COMMUNITY ENERGY AUTHORITY TO ADJUST THE SAFETY VOUCHER AMOUNT FOR LOW-INCOME PARTICIPANTS IN THE AVA BIKE ELECTRIC PROGRAM**

**WHEREAS** Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, under the Joint Exercise of Powers 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 Joint Powers Agreement (“JPA”) in March of 2020. The City of Stockton was added as a member to Ava in September of 2022. The City of Lathrop was added as a member to Ava in October of 2023. San Joaquin County was added as a member to Ava in July 2024. On October 24, 2023, Ava legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

**WHEREAS** On July 17, 2024, the Ava Board of Directors authorized the CEO to negotiate and execute an Agreement with APTIM to manage Ava’s \$10M Bike Electric Program;

**WHEREAS** Ava had originally proposed a \$100 safety voucher for low-income customers in the July 17, 2024, Staff Report;

**WHEREAS** Upon consultation with local bike shops, stakeholders, and APTIM, the Program Administrator, Ava staff believes that the safety voucher should be increased to \$250; and

**WHEREAS** The increased safety voucher budget can be taken from the \$2M budget for a potential lending program, without impacting the ability to launch a lending program should Ava decide that a lending program is necessary, after successful launch of the incentive program.

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

Section 1. The low-income safety voucher for the Ava Bike Electric Program shall be increased to \$250.

Section 2. Staff may do all things necessary to effect this revision, in consultation with Ava legal counsel.

ADOPTED AND APPROVED this 15<sup>th</sup> day of January, 2025.

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Jack Balch, Chair

ATTEST:

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Adrian Bankhead, Clerk of the Board



**Staff Report Item 18**

**TO:** Ava Community Energy Board of Directors

**FROM:** Brett Wiley, Senior Program Associate

**SUBJECT:** Authorizing CEO to negotiate and execute a Consulting Services Agreement with APTIM for the Ava Bike Electric Program

**DATE:** July 17, 2024

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**Recommendation**

Approve a Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the CEO To Negotiate and Execute a Consulting Services Agreement with APTIM for the Ava Bike Electric Program

**Background and Discussion**

Ava Community Energy (“Ava”) is working to increase adoption of zero-emission micromobility options that are safe, affordable, and reduce motor vehicle trips across our service area. The Ava Bike Electric Program (“Program”) will provide Ava’s customers, and residents of Alameda County, with the opportunity to get hands-on experience using electric bikes (e-bikes), while reducing the cost of ownership. The Program will have the following components:

1. **(optional) E-Bike Lending:** Ava aims to stimulate e-bike ownership beyond the financial limits of Ava’s ability to provide ongoing, long-term incentives. Therefore, Ava solicited proposals for e-bike lending that will allow residents to borrow an e-bike for short-term periods. Borrowing an e-bike and receiving bike & road safety training will enable participants to gain hands-on experience to determine if an e-bike could meet the needs of their daily activities. Unlike our plan last year, this lending program would leverage existing and growing local bike shops, who offer e-bike lending and provide an incentive voucher to participants to utilize those services. The intent of the lending program will be to increase awareness and enthusiasm for e-bikes, resulting in residents eventually

purchasing e-bikes and more likely by those who are not already primed to do so. While coordinated with the incentive program discussed below, there is no commitment on the participant to purchase an e-bike to utilize the lending program. NOTE: This offer is optional based on Ava staff capacity, successfully launching the e-bike ownership incentive, and customer needs. Ava will determine at a future date whether to implement this Program component or not. If not launched, the funding set aside for lending would be allocated to the ownership incentive.

- 2. E-Bike Ownership Incentive:** The incentive is intended to increase adoption and ownership of e-bikes in Ava’s service area. Incentives will be provided as point-of-sale vouchers and available at all income levels, with at least 40% of incentives dedicated to income-qualified customers on CARE/FERA electricity rates. The incentive amounts are indicated in the table below.

Customer Type	Base Incentive	Adders	Safety Equipment Voucher
CARE/FERA Customers	\$1,000	+\$500 Cargo or Adaptive e-bikes	\$100
All Other Customers	\$400		n/a

Table 1. E-bike incentives for qualified participants and eligible e-bikes.

Cargo and adaptive e-bikes have a higher incentive, since they tend to be more expensive, can offset more vehicle trips, and can provide mode-shifting options to people, who may not be comfortable using a traditional two-wheeled bicycle. Cargo e-bikes have increased weight capacity and an elongated frame & seats to especially help, for example, parents to travel with their kids in tow. Adaptive e-bikes are uniquely designed for those with mobility-related disabilities and can remove the barriers of biking for those who are dependent on additional equipment, such as a wheelchair, for mobility. Safety equipment vouchers for income qualified participants are expected to increase the likelihood that the additional expenses of helmets, locks, and lights are reduced at the point-of-sale for e-bikes, rather than an afterthought, further advancing more safe rides post-purchase.

As a result of this program, roughly 8,300 people would newly own an e-bike, with the primary purpose of mode shifting personal trips and work commute, while at least roughly 3,100 would be income qualified participants. If optioned, Ava has a budget for roughly 5,700 lending sessions. Ava will stagger incentive distributions, while randomizing selection, to ensure they last for a long duration of the Program and are fairly distributed.

While e-bikes rise in popularity, disparities exist in how common biking is based on where someone lives and who is riding those bikes across Ava's service area. In Alameda County, commuting by bike as the primary mode varies widely between Berkeley (5.9%), neighboring Oakland (2.0%), and Emeryville (3.0%), and there is even greater variation with Fremont (0.3%)<sup>1</sup>. Across the Bay Area, those who commute on bikes are disproportionately male (2-to-1), white (61%), and affluent (25% earn more than \$225,000/year)<sup>2</sup>.

Ava recognizes these disparities and barriers to bike commuting, as well as the opportunity this program provides to reduce those barriers. Ava will prioritize engaging those in harder to reach communities and have key performance indicators to track progress with Program participants that fully reflect the entire service area, instead of those who are likely to participate regardless of this Program.

#### 2024 Request for Proposals

Ava issued a new RFP on March 20, 2024, to solicit proposals for program development and implementation of a consumer facing e-bike adoption program available across our growing service area, building on lessons learned from the work-to-date in the program, after ending the contract with previous implementer.

Ava received eight bids in response to its RFP for e-bike program implementers, of which five were conforming. None of the respondents applied to Ava's Fall 2022 solicitation, demonstrating the growing experience and market development in e-bikes since then. After reviewing bids and interviewing respondents, Ava selected the team led by APTIM as the primary implementer. APTIM is a private company with over 20 years of experience, over 3,000 employees worldwide (410 of which are in California), and extensive experience managing energy projects, including completing 1,600 in California over the past 10 years. They've also implemented three of the top e-bike programs in the U.S., including the largest nationally with the City of Denver. In total, they've distributed over 15,000 e-bike vouchers, over 5,000 safety equipment vouchers, and processed over \$15 Million in e-bike incentives across those three programs.

Ava believes APTIM will successfully implement the Program due to their e-bike program experience, program management expertise and infrastructure, flexibility to adapt and apply lessons learned across those they work with and the field, and a clearly outlined proposal and solicitation response that demonstrates ambitious yet realistic outcomes.

#### Coordination with Additional E-Bike Programs

The number of programs helping consumers access and own e-bikes continues to grow. In Ava's service area, comparable – but not the same – programs exist through the City of Oakland (short-term lending), City of Berkeley (long-term lending), and via an upcoming low-income incentive program through the State of California. Ava is working

<sup>1</sup> <https://www.vitalsigns.mtc.ca.gov/indicators/commute-mode-choice>

<sup>2</sup> <https://www.sfchronicle.com/bayarea/philmatier/article/One-place-where-white-men-still-reign-supreme-15084274.php>



closely with these partners and many others to ensure we are leveraging and supporting each other's programs, while filling in gaps (i.e. geographic, income levels) across peer programs to provide the best service for residents of Alameda County and our growing service area in San Joaquin County.

**Fiscal Impact**

The Consulting Services Agreement would be funded through the previous Board approved \$6,000,000 allocation to the Local Development Transportation Electrification budget for \$2,000,000 allotments in FY22, FY23, and FY24. These funds are derived from Ava's net revenue. Ava will also allocate an additional \$4,000,000 in funding via a previous Board approved and signed grant from the Alameda County Transportation Commission ("ACTC").

**Attachments**

- A) Resolution of the Board of Directors of Ava Community Energy Authority Authorizing the CEO to Negotiate and Execute a Consulting Services Agreement with APTIM for the Ava Bike Electric Program
- B) Presentation
- C) Consulting Services Agreement
- D) Scope of Work, in final draft