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**BALTIMORE CITY COUNCIL  
WAYS AND MEANS  
COMMITTEE**

*Mission Statement*

*The Committee on Ways and Means (WM)* is responsible for ensuring taxpayer dollars are expended prudently and equitably. WM will exercise regular oversight of the City's budget, expenditures, loans, and other financial matters. The committee's areas of jurisdiction include: budget & appropriations, taxation, financial services, consumer protection, audits, and the Comptroller's Office.

**The Honorable Eric T. Costello  
Chairman**

**PUBLIC HEARING**

**TUESDAY, OCTOBER 10, 2023  
10:00 AM**

**COUNCIL CHAMBERS**

**RECONVENING HEARING**

*Council Bill 21-0159*

**Procurement – Zero-Emission Vehicles**

# CITY COUNCIL COMMITTEES

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Robert Stokes  
Danielle McCray  
*Staff: Marguerite Currin (443-984-3485)*



## BILL SYNOPSIS

**Committee:** Ways and Means

**Bill:** 21-0159

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### Procurement – Zero-Emission Vehicles

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**Sponsor:** Councilmember Conway, et al

**Introduced:** October 4, 2021

**Purpose:**

For the purpose converting the City fleet of vehicles, subject to certain exceptions, to zero-emission vehicles; defining certain terms; authorizing rules and regulations; and generally related to the City's procurement of vehicles.

**Effective:** On the 30<sup>th</sup> day after the date it is enacted.

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### Agency Reports

Law Department	Favorable
Department of Finance	Opposes
Department of General Services	Favorable/Amend
Department of Public Works	Defers to DGS
Baltimore Police Department	Concerns/Comments/But No Objection
Department of Transportation	Concerns/Comments
Parking Authority of Baltimore City	Does Not Oppose
Office of the City Administrator	None as of this writing
Office of Sustainability	Favorable
Office of the Comptroller	Favorable

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### Analysis

#### Current Law

Article V – of the Baltimore City Code outlines the mandates for the City's procurement process.

## Background

Per the primary sponsor of the bill, “This legislation is the first of a series of environmental focused bills. The goal is to have zero-emission vehicles by 2030/2040; to figure out what is needed to get there, the actions to be taken today that will help get there. With the climate change crisis, we need to think about today for tomorrow’s success and effectiveness; to reducing carbon emissions by 2040 with a 50% benchmark by 2030. We need to do everything we can do to address climate change.”<sup>1</sup>

The legislation aims to convert the city’s fleet of vehicles to zero-emission-that is, electric cars that produce zero tailpipe emission, such as some plug-in hybrids and battery electric cars; half of the fleet by 2030 and the entire fleet to follow suit by 2040.

If enacted, Council Bill 21-0159 would add a new subtitle to Article 5 of the Baltimore City Code which outlines the rules, regulations, reporting, mandates, and procurement thereof for purchasing zero-emission vehicles.

**The Department of Finance** anticipates the legislation would have a significant fiscal impact for the City based on the increased cost for zero-emission vehicles and therefore **opposes the bill**. See **attached agency report outlining projected fiscal impact**.

**The Department of General Services** is **proposing amendments** to the bill. See **attached agency report**.

The Committee held a hearing on January 18, 2022, following are notes taken during the hearing:

### Major Speakers

- KC Kelleher, Comptroller’s Office
- Liam Davis, Department of Transportation
- Marcia Collins, Department of General Services
- Victor Tervalá, Law Department
- Michelle Wirzberger, Police Department
- Ava Richardson, Office of Sustainability
- Daniel Ramos, Office of the City Administrator
- Mara James, Department of Finance
- Kesha Brown, Department of Finance
- Chichi Nyagah-Nash, Department of General Services (DGS)
- Christopher Lyons, Department of General Services (DGS)
- Dave Arndt, Public Testimony
- Michelle Dietz, Public Testimony
- Stephen Leas, Public Testimony on behalf of Olivia Yates
- Steph Compton, Public Testimony

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<sup>1</sup> The Honorable Mark Conway, Councilmember, 4<sup>th</sup> District

- Julieta Rodrigo, Public Testimony
  - Dick Williams, Public Testimony
  - Taylor Smith-Hams, Public Testimony/Bluewater Baltimore
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## Major Issues Discussed

1. Councilman Conway, primary sponsor of the bill gave opening remarks. Some highlights from his conversation were:
  - Talked about the purpose of the bill and stated that City government has just over 4,000 vehicles in its Fleet.
  - Talked about the impact of climate change and about an IPP report that was recently released regarding climate change.
  - Climate change also impacts air quality.
2. Chairman Costello went over the agency reports with agency representatives.
  - The representative from the Police Department expressed concern about having adequate charging stations.
  - The representative from the Office of Sustainability stated that they already had one (1) electric vehicle.
  - The representative from the Office of the City Administrator stated that they supported the bill but with proposed amendments.
  - The representative from the Department of Finance opposed the legislation and expressed concerns over:
    - The timeline for implementation
    - Increased cost estimate(s) – included in their agency report.
    - Increase cost to hire additional personnel and training expenses.
  - The Director of DGS expressed three (3) major concerns:
    - Need to address funding level; the cost to shift to these type vehicles.
    - Commitment to infrastructure (such as charging stations)
    - The proposed amendments listed in DGS' agency report.
      - Role of Finance Department vs. that of DGS
      - Nature of reporting
      - Availability of zero-emission vehicles in the market
      - Availability of batteries that can run 24 hours in a given day when needed.
3. Chairman Costello and committee/councilmembers went over the proposed amendments with DGS' Director. Some concerns and/or comments were:
  - Concern: Having two (2) agencies responsible for reporting
  - Concern: proposed amendment to strike "City Purchasing Agent" from the bill. A suggestion was made by the representative from the Law Department to leave City Purchasing Agent in the legislation and reword some of the language.
4. Committee/councilmembers made comments, expressed some concerns, and asked questions. Some were:
  - Comments:
    - There are several new approaches for transportation/vehicles. Such as:
      - Scooters, bikes and etc.
      - More conversations on this topic are needed between the agencies.

- We need to think forward for a plan for what we are looking for with this legislation. Eventually, it is going to happen!
  - The Office of the City Administrator should be working with agencies to address these types of concerns.
  - Primary sponsor talked about some goals pertaining to replacing vehicles with the Master Lease Program
  - General Statement:
    - When an agency report is received opposing legislation, it becomes a concern; we must move forward and need to think creatively by working together.
  - Questions and/or Concerns:
    - Fleet Contract(s)
      - Who is responsible for the maintenance of the vehicles under these contracts?
      - When does the contract(s) expire?
      - Why do I have to take my assigned vehicle to a dealer instead of using city services for same?
      - What do we pay on a monthly basis for leasing? **Answer: It depends on the make and model of the vehicle(s)**
    - What baseline should we use to replace vehicles? **Answer: Provide whatever information and/or data that are readily available and if we (committee members) need additional information we will let you know**
  - Battery Replacement(s)
    - Battery Life
      - The life of battery is usually between 8 to 10 years; how did you come up with your analysis for these replacements?
      - Some remarks were made, and clarification sought regarding battery replacements.
      - If a given vehicle is under warranty would the replacement of the battery fall under same?
  - Charging Stations
    - Relationships with other companies, how does it tie into buying charging stations?
    - Engaging private partners, what is your view on same?
5. Seven (7) speakers testified. Some highlights from their testimonies were:
- All speakers supported the legislation.
  - Comments regarding hydrogen vehicles
  - Several speakers owned electric vehicles and are satisfied with performance.
  - Talked about the importance of reducing climate change, global warming, and greenhouse gases.
  - Warranties pertaining to batteries.
  - Works with and/or is engaged in local policies surrounding the Chesapeake Bay
6. Per Chairman Costello, “I would like to know specifically what the Department of Finance will support in this legislation. I am asking agency representatives to please, in the future, reach out and let us (committee members) know when your office need more time to report and analyze legislation.”  
Per the representative from the Department of Finance, “It is noted and is a reasonable request. “

7. Per Chairman Costello, “No vote will be taken today, the proposed amendments are to be updated and drafted. We will have a work/voting session in the future.” Hearing recessed.
  8. On Tuesday, October 10, 2023, the Committee will reconvene the hearing.
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### Further Study

Was further study requested?  Yes

1. See # 7 in the Major Issues Discussed Section above.
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### **Additional Information**

**Fiscal Note:** See the Department of Finance’s agency report.

**Information Source(s):** City Code, Council Bill 21-0159, hearing notes from the January 18, 2022 hearing, see footnote(s) and all agency reports received as of this writing.

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*Marguerite M. Currin*

Analysis by: Marguerite M. Currin  
Analysis Date: October 4, 2023

Direct Inquiries to: (443) 984-3485

# **Council Bill: 21-0159**

## **AGENCY REPORTS**

**See attached**



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CITY OF BALTIMORE

BRANDON M. SCOTT  
Mayor



DEPARTMENT OF LAW

JAMES L. SHEA  
100 N. HOLLIDAY STREET  
SUITE 101, CITY HALL  
BALTIMORE, MD 21202

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January 3, 2022

The Honorable President and Members  
of the Baltimore City Council  
Attn: Natawna B. Austin, Executive Secretary  
Room 409, City Hall, 100 N. Holliday Street  
Baltimore, Maryland 21202

Re: City Council Bill 21-0159 – Procurement - Zero-Emission Vehicles

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 21-0159 for form and legal sufficiency. The bill converts the City fleet of vehicles, subject to certain exceptions, to zero-emission vehicles.

The bill delegates substantial authority to the City Purchasing Agent and the Director of Finance to coordinate the purchasing of zero-emission vehicles. The delegation complies with the provision of the City Charter that requires the City to have a centralized purchasing system. City Charter, Art VII § 17. The bill also requires the Director of Finance to establish the necessary rules to implement and coordinate these purchases among the agencies, which also is compliant with the above section of the City Charter.

Accordingly, the Law Department is prepared to approve Council Bill 21-0159 for form and legal sufficiency.


Sincerely,

*Victor K. Tervala*

Victor K. Tervala  
Chief Solicitor

cc: James L. Shea, City Solicitor  
Nina Themelis, Mayor's Office of Government Relations  
Nikki Thompson, Director of Legislative Affairs  
Matthew Stegman, Director of Fiscal and Legislative Services  
Elena DiPietro, Chief Solicitor, General Counsel Division  
Hilary Ruley, Chief Solicitor  
Ashlea Brown, Assistant Solicitor

*Robert Cennamo*

<b>FROM</b>	NAME & TITLE	Robert Cennamo, Budget Director	CITY of <b>BALTIMORE</b> <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410) 396-4774		
	SUBJECT	City Council Bill 21-0159 – Procurement – Zero-Emission Vehicles		

DATE:

**TO**

The Honorable President and  
Members of the City Council  
City Hall, Room 400

January 14, 2022

**Position: Oppose**

The Department of Finance is herein reporting on City Council Bill 21-0159, Procurement- Zero-Emission Vehicles, the purpose of which is to convert City fleet vehicles to zero-emission vehicles by 2040.

**Background**

The City’s fleet is made up of approximately 4,321 vehicles, serving 25 agencies and 7 quasi-agencies City-wide, and is comprised of automobiles, ambulances, fire trucks, and other vehicles necessary to City operations. The City began a fleet modernization plan in Fiscal 2014, funded by a master lease program. Under this lease financing approach, the purchase of every vehicle and piece of equipment is financed over its useful life. Repayments are budgeted annually in Service 189: Fleet Management.

In Fiscal 2022, the City budget anticipates the purchase of 229 vehicles at a total cost of approximately \$25 million. The debt service associated with the City’s Fleet was budgeted at \$20.3 million in Fiscal 2022.

	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
<b>Total Vehicles Authorized</b>	218	293	202	229
<b>Total Purchase Authority</b>	\$23,490,563	\$23,970,000	\$24,450,000	\$25,000,106

This legislation would require City agencies to incrementally increase the purchase of zero-emission vehicles (ZEV) and codifies targets of the 50% and 100% of the fleet be zero-emission vehicles by 2030 and 2040, respectively. The legislation provides exemptions for vehicles that may not have a zero-emission equivalent or may not be produced in the quantity needed to meet the City’s needs. In addition, it requires the City Purchasing Agent and agencies to include a statement on the City’s ZEVs on all bids and requests for bids, as well as an annual report on the number and amount of contracts and subcontracts that included the purchase of ZEVs.

**Fiscal Impact**

The Department of Finance anticipates a significant fiscal impact for the City based on the increased cost ZEVs. The table below provides examples of the cost of specific vehicles and the additional cost of a zero-emissions purchase.

Vehicle Type	Current Cost**	ZEV Cost**	Cost Increase
Ford F150 Pick-Up Truck	\$29,290	\$46,474	59%
Ford Transit Van	\$35,925	\$43,295	21%
Fire Engine	\$639,523	\$1,800,000*	181%
Load Packer	\$161,490	\$400,000	148%

\*Estimate: The current technology still requires a diesel engine to drive the Fire Pump

\*\*Estimates provided by the Department of General Services.

The table below estimates the increased costs for ZEV vehicles based on the number of pick-up trucks, vans, fire engines, and load packers the City is anticipating purchasing in Fiscal 2022.

Vehicle Type	No. Purchased	Cost for Conventional Vehicles	Cost of ZEVs	Additional Cost
Pick-Up Truck	19	\$ 556,510	\$ 883,006	\$ 326,496
Van	15	\$ 538,875	\$ 649,425	\$ 110,550
Fire Engine	4	\$ 2,558,092	\$ 7,200,000	\$ 4,641,908
Load Packer	34	\$ 5,490,660	\$ 13,600,000	\$ 8,109,340
<b>TOTAL</b>	<b>72</b>	<b>\$ 9,144,137</b>	<b>\$ 22,332,431</b>	<b>\$ 13,188,294</b>

As stated previously, the Fiscal 2022 budget includes \$25 million to purchase 229 vehicles. Under this legislation, the purchase of these 72 vehicles, 31% of the anticipated purchase amount, would equate to 89% of the annual financing.

In addition, there are additional infrastructure and supply costs. DGS estimates a cost of at least \$3,000 per vehicle for charging infrastructure, which would cost approximately \$6.5 million for all vehicles, assuming two vehicles per charger. In addition, vehicle battery replacement would be required every 4 to 5 years and current batteries cost \$3,500 to \$5,000. Finally, there will likely be costs for new supplies that will be needed by the fleet management as ZEVs are integrated into the fleet.

Finance does anticipate a potential offset to the additional cost in the form of savings on fuel and maintenance costs. Fuel costs for conventional vehicles are estimated at \$0.15 per mile, while electricity costs for ZEVs is estimated at \$0.04 per mile. In addition, DGS estimates annual maintenance savings of \$500 for light duty vehicles with a shift to ZEVs. However, these savings will be realized over the long term and likely will not offset the initial increased investment needed to purchase ZEVs.

## Other Considerations

### *Financing Impacts*

Finance is supportive of the goal to transition the fleet to ZEVs, but codifying targets for transition the City's fleet to ZEV significantly restricts the ability of the City to respond to fiscal challenges that may arise. Considering the City's financing structure for fleet replacement, it is important that any goals set to transition to the fleet to ZEVs is carefully considered in regards to upfront financing needs and debt service payments. The City is set to increase funding for Baltimore City Public Schools by an additional \$883.6 million through Fiscal 2030. As such, this mandate could result in further limiting the City's ability to respond to fiscal challenges, as noted before, due to the increased financing costs and limited revenue to support those costs. In addition, it could result in some vehicles not being replaced in attempts to meet these goals and timeline due to limited availability or City needs, leading to depreciation of the City's fleet.

### *Personnel Costs*

DGS currently has over 171 staffers that are responsible for fleet maintenance. As the fleet shifts to ZEVs, the City will need to train current staff on these vehicles, as well as increased salaries in order to retain employees and continued training as technology advances. Electric vehicle technician training is estimated to cost approximately \$87,500. In addition, the compensation for technicians will likely need to increase to reflect the different skill level required and to reflect the market value of these skills.

### *Reporting Requirement*

Currently, the legislation states that the City Purchasing Agent will certify if ZEVs are not available to meet the City's need and provide an annual report, with the support of City agencies. DGS is the subject matter expert on the City's fleet and the availability of ZEVs to meet the City's need. In addition, all fleet information is maintained by DGS. As such, Finance supports DGS's proposed amendment to work in collaboration with the City's Purchasing Agent on determining product availability. In addition, Finance will work closely with DGS to gather the appropriate fleet data available to include in the annual report.

### *Sustainability*

This legislation aligns with the City's 2019 Sustainability Plan, which includes the stated goal shifting the City's fleet to alternative fuel vehicles. Finance defers to the Office of Sustainability and DGS on what has been done by agencies thus far to address this goal and whether or not this legislation aligns with those goals and plans.

### **Conclusion**

City Council Bill 21-0159, Procurement- Zero-Emission Vehicles, mandates the conversion of City fleet vehicles to 100% zero-emission vehicles by 2040. Finance supports the intent of this legislation, but does not support codifying these goals as written because it will limit the City's ability to respond to other fiscal challenges and presents several implementation challenges due to the current financing and replacement schedule.

**For the reasons stated above, the Department of Finance opposes City Council Bill 21-0159.**

cc: Henry Raymond  
Natasha Mehu  
Nina Themelis

FROM

NAME & TITLE	Chichi Nyagah-Nash, Director
AGENCY NAME & ADDRESS	Department of General Services 200 N. Holliday Street, Rm 800
SUBJECT	City Council Bill 21-0159

CITY OF  
BALTIMORE  
**MEMO**



DATE:

January 14, 2022

**TO** The Honorable President and Members of the City Council  
City Hall, Room 400, 100 North Holliday Street

**Position: Support with Proposed Amendments**

The Department of General Services (DGS) is in receipt of and reporting herein on City Council Bill 21-0159: Procurement – Zero-Emission Vehicles.

**Background/Explanation**

For the purpose of converting the City fleet of vehicles, subject to certain exceptions, to zero-emission vehicles; defining certain terms; authorizing rules and regulations; and generally related to the City’s procurement of vehicles.

**Comments**

The Department of General Services remains committed to the Mayor’s vision of moving the City and Baltimore residents towards a more sustainable future and improved energy practices. DGS is supportive of City Council Bill 21-0159 taking significant considerations into account:

***Vehicle procurement requirements for ZEVs:*** Based on DGS’ review of vehicle cost data, ZEVs currently cost 10-40% more than conventional vehicles where market-ready alternatives exist. DGS predicts that this gap will decrease significantly over time. However, to meet these goals the annual replacement funding for city vehicles may need to increase by \$2.5M to \$10M over the current \$25 million supported through the Master Lease financing. Over the long term, DGS estimates there are financial and operational benefits to a transition to ZEVs. Currently, DGS estimates that market-available EV sedans have a simple payback of less than 4 years. However, DGS does not recommend an assumption that the reduction in maintenance and fuel savings will cover the full increase in cost for all vehicles. DGS recommends that planning and budgeting assumptions should remain conservative based on gradual phase-in of ZEVs over time where some vehicles will not have a short payback on the incremental cost of the ZEV.

DGS strongly supports the decarbonization of the fleet. However, in cases where technological change does not shift quickly into reduced costs at scale, as written this bill could hold the City responsible to increase the City’s vehicle acquisition budget significantly. An alternative is to consider percentage targets based on percentage of new vehicle purchased or focusing primarily on light duty vehicles.

**Infrastructure operational and funding requirements:** ZEVs, and specifically electric vehicles, need charging infrastructure in place prior to purchase or receipt of vehicles. For the City fleet, this means dedicated space at defined city operational locations, charging equipment, networked capabilities to track usage, and often upgrades to the electrical panel. Assuming daily charging needs, this may extend to a charging infrastructure setup at water treatment facilities, solid waste yards, police stations, tow yards, fire stations, and parks facilities, in addition to many other facilities not identified. To date, the City has not identified a funding stream that supports the cost of these potential investment requirements. At a cost of \$3,000 per vehicle for charging equipment, the City will need \$3 million for every 1,000 vehicles replaced with an electric alternative. This assumes that the State continues to provide incentives. The life of an EV charger is five to ten years.

**Considerations on effectiveness/applicability of ZEVs in asset replacement:** The only exclusion written into the bill is product availability in sufficient quantity as certified by the City Purchasing Agent. DGS Fleet Management Division engages closely with customer agencies to identify the requirements of their vehicles, which includes highlighting opportunities for ZEVs. DGS currently predicts that not all classes and types of vehicles will have ZEV alternatives that are market available by 2040, although the market will be significantly different than today. While DGS strongly supports rapid decarbonization of the fleet, the Department recommends an amendment that allows for operational and reliability considerations in procurement of ZEVs.

**DGS recommends the following amendments to the bill:**

35-A-2. CITY AGENCIES SHALL INCREASE THEIR PROCUREMENT OF ZERO-EMISSION VEHICLES SO THAT:

- (I) 50 % OF THE CITY FLEET, **WHERE THERE IS A ZEV EQUIVALENT TODAY**, WILL BE ZERO-EMISSION VEHICLES BY JANUARY 1, 2030.
- (II) 100 % OF THE CITY FLEET, **WHERE THERE IS A ZEV EQUIVALENT TODAY**, WILL BE ZERO-EMISSION VEHICLES BY JANUARY 1, 2040.

35-A-3. (B) Product availability.

ON A SINGLE CONTRACT OR SUBCONTRACT BASIS, IF ~~THE CITY PURCHASING AGENT~~ **DGS** CERTIFIES IN WRITING THAT ZERO-EMISSION VEHICLES ARE NOT PRODUCED IN A SUFFICIENT QUANTITY TO MEET THE CITY'S REQUIREMENTS **OR DO NOT MEET THE OPERATIONAL AND RELIABILITY SPECIFICATIONS DEFINED BY DGS**, THE REQUIREMENTS OF THIS SUBTITLE DO NOT APPLY.

35A-5. Annual report. **DGS** ~~THE CITY PURCHASING AGENT~~, WITH COOPERATION FROM ALL CITY AGENCIES, SHALL SUBMIT AN ANNUAL REPORT TO THE MAYOR AND CITY COUNCIL ON THE NUMBER AND AMOUNT OF **ZEV AND NON-ZEV VEHICLES THAT WERE PURCHASED OR LEASED** ~~CONTRACTS AND SUBCONTRACTS~~ AS PROVIDED FOR IN THIS SUBTITLE

**Additional comments:**

35A-3(B): DGS Fleet Management Division is the source of Subject Matter Expertise to certify if a qualified electric vehicle alternative exists.

35A-4: Many of the vehicles purchased are through participation in cooperative contracts where the seller provides pricing on large volume of units. DGS recommends that this provision be revised to include both individual bids and use of large-scale cooperative contracts to minimize replacement costs.

35A-5: Annual Report: All fleet information is stored in DGS Fleet Management Division's Information System (FASTER). While Procurement can report on contract activity, DGS Fleet can report on when units are placed in service. DGS Fleet has visibility into the individual rental/lease vehicle activity and records of each unit in FASTER. DGS recommends that the Fleet Management Division take the lead in producing the annual report.

In discussions on this topic in September, DGS proposed that DGS Fleet Management Division be the Subject Matter Expert, and have authority to provide exemptions should there not be a suitable replacement, based on the operational needs of the requesting agency. DGS Fleet proposes that there be language in the bill to recognize this ability.

Additionally, DGS provided information and data to support an initial focus on Light Duty "Administrative" vehicles. This bill as written treats all vehicles equivalently and does not provide the opportunity to leverage success on what is available today as we await for the technology to improve to meet the needs of Medium and Heavy Duty vehicles. For example, as written there is no incentive for agencies to purchase hybrid or hybrid-electric vehicles in the absence of a qualified battery electric alternative. There is also no incentive for agencies to select biodiesel over diesel. DGS worked with Maryland Energy Administration to complete an analysis of the financial and environmental benefit of switching to biodiesel, which found both to be positive.

Lastly, DGS Fleet recommends the addition of language to require all city Agencies to proactively work with DGS Fleet to develop an ZEV Implementation Plan to ensure the success of this legislation. These Implementation Plans could be used to bolster the City's commitment and Agency support in the Annual Report.

For the reasons identified above, the Department of General Services supports, with amendments, City Council Bill 21-0159.

If you have any questions, please do not hesitate to contact DGS' Legislative Liaison Annie Fullas at [annie.fullas@baltimorecity.gov](mailto:annie.fullas@baltimorecity.gov) or at 667-208-0380.

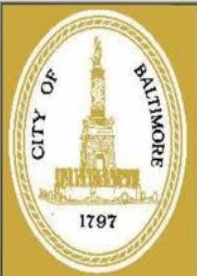
Sincerely,

A handwritten signature in black ink, appearing to read "Chichi Nyagah-Nash". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Chichi Nyagah-Nash

Director, DGS



<b>FROM</b>	NAME & TITLE	Jason W. Mitchell, Director	CITY of BALTIMORE  <i>MEMO</i>	
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building		
	SUBJECT	City Council Bill 21-0159		

January 14, 2022

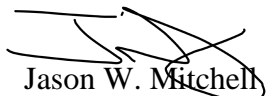
**TO:**

Ways and Means Committee

I am herein reporting on City Council Bill 21-0159 introduced by Council Members Conway, Dorsey, Bullock, Cohen, Burnett, Torrence, Middleton, Ramos, Porter, and Glover. The purpose of the Bill is to convert the City fleet of vehicles, subject to certain exceptions, to zero-emissions vehicles; define certain terms; authorize rules and regulations; and generally relating to the City’s procurement of vehicles.

The Department of Public Works’ fleet includes sedans, pickup trucks, vans, and other light duty vehicles, as well as heavy work vehicles and equipment. Maintaining our fleet requires detailed knowledge about the age and condition of each vehicle, the projected operational needs, and the available funds in our budgets to schedule routine replacements. We work closely with the Department of General Services (DGS), the lead agency that manages and coordinates the purchasing of the City’s fleet of vehicles, to keep our fleet operational and viable. Several years ago, DGS gave Public Works employees the opportunity to participate in testing the performance and practicality of electric vehicles for our general travel needs around the City and to our regional facilities. General Services’ fleet management experience, combined with their Energy Office, makes this agency uniquely qualified to plan for and transition the fleet to Zero Emission Vehicles, as well as Net-Zero Vehicles. We concur with their recommendation that the legislation require all City agencies to proactively work with them to develop a Zero Emissions Vehicle plan.

The Department of Public Works defers to the Department of General Services on City Council Bill 21-0159.

  
Jason W. Mitchell  
Director





# BALTIMORE POLICE DEPARTMENT



**Brandon M. Scott**  
Mayor

**Michael S. Harrison**  
Police Commissioner

January 14, 2022

Honorable President and Members of the Baltimore City Council  
Room 400, City Hall  
100 N. Holliday Street  
Baltimore, Maryland 21202

**RE: City Council Bill #21-0159**  
**Procurement- Zero-Emission Vehicles**

Dear Council President Mosby and Members of the City Council:

The Baltimore Police Department (BPD) has reviewed Council Bill 21-0159 for the purpose of gradually converting the City fleet of vehicles to zero-emission vehicles, subject to certain exceptions.

BPD acknowledges the severity of the environmental crisis the world is facing. Substantial consequences and ever-increasing hazards are imminent if we do not implement changes. Zero emission vehicles are an important tool in helping to reduce air pollution from exhaust emissions.

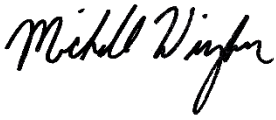
We share the Council's commitment to identifying smart and strategic innovative solutions that will not only have a positive impact on our environment but will also create opportunities for operational savings, in fact, we have already begun adding hybrid vehicles to our fleet. That said, we do want to flag concerns we have around the possible operational logistics that will go into charging the vehicle batteries and the capacity of the batteries themselves. Those concerns are as follows:

1. We will likely need to obtain more vehicles than we currently have in order to enable the vehicles to charge fully between uses. Currently, vehicles are shared by officers working all three shifts which means an officer ending his/her shift will give the vehicle they used during their tour of duty to the officer starting his/her shift. The time it takes to fully charge a depleted battery can range from 10-20 hours depending on a variety of factors. To avoid any negative operational impacts, the Department may need to acquire additional vehicles.
2. Since our officers utilize their vehicles as their work space, they have a lot of specialized equipment and technology within their vehicles that require additional battery capacity. We will need to ensure that the zero admissions vehicle will be able to accommodate that need.

3. We will also need to ensure that there is an adequate number of charging stations at each of the nine police districts, headquarters and other strategic locations throughout the City in case a vehicle that is being used on patrol has to be charged. This infrastructure may be costly and additional space may need to be secured to accommodate all of the vehicles that may be simultaneously parked and charging.


The BPD has no objections to City Council Bill 21-0159 but does ask the committee to carefully consider the points raised within this memo and include the Department in any further discussions or planning associated with addressing those issues. Thank you for allowing us to weigh in on this important piece of legislation.

Sincerely,



Michelle Wirzberger, Esq.  
Director of Government Affairs

cc: Natwana Austin, Executive Secretary of the Baltimore City Council  
Natasha Mehu, Director of Mayor's Office of Government Relations  
Nina Themalis, Special Assistant and Legislative Liaison, MOGR  
Eric Melancon, BPD Chief of Staff  
Andrew Smullian, BPD Deputy Chief of Staff

<b>F R O M</b>	NAME & TITLE	Steve Sharkey, Director	<b>CITY of BALTIMORE  M E M O</b>	
	AGENCY NAME & ADDRESS	Department of Transportation (DOT) 417 E Fayette Street, Room 527		
	SUBJECT	City Council Bill 21-0159		

TO: Mayor Brandon M. Scott  
TO: Ways & Means Committee  
FROM: Department of Transportation  
POSITION: **No Objection**  
RE: Council Bill – 21-0159

DATE: 1/10/22

**INTRODUCTION** – Procurement - Zero-Emission Vehicles

**PURPOSE/PLANS** – For the purpose of converting the City fleet of vehicles, subject to certain exceptions, to zero-emission vehicles; defining certain terms; authorizing rules and regulations; and generally related to the City’s procurement of vehicles.

**COMMENTS** – Council Bill 21-0159 looks to establish timeline benchmarks, eventually requiring full conversion of the City’s vehicle fleet to zero-emissions vehicles. The legislation requires 50% of the City fleet to be comprised of zero emissions vehicles by 2030 and 100% of City fleet be zero emissions vehicles by 2040. Exemptions are made for critical vehicles that may not have zero emissions options available. Additionally, the legislation would require the City’s Purchasing Agent to submit an annual report to the Mayor and City Council, summarizing the procurement of zero emissions vehicles over the course of the previous year.

Generally, management of the City’s vehicle fleet falls under the umbrella of the Department of General Services. Baltimore City Department of Transportation (DOT) however, does oversee a modest size of vehicles by way of DOT’s Transit Bureau. DOT’s Transit Bureau oversees operations of both the fare-free Charm City Circulator and fare-free Harbor Connector. Two critical factors must be considered when looking toward zero emissions fleet conversion. First, the remaining life of existing vehicles must be measured. When does it make the most sense fiscally to replace the vehicle? Secondly, the infrastructure required to support zero emissions vehicles, such as charging equipment, must be factored in. This additional infrastructure adds an additional fiscal impact to fleet conversion.

During the 2021 State Legislative Session, Senate Bill 137 - Maryland Transit Administration – Conversion to Zero-Emission Buses (Zero-Emission Bus Transition Act) was adopted. MDOT MTA is currently studying the feasibility of converting their core bus fleet to zero-emissions vehicles with a focus on the cost of zero emissions vehicles, their reliability, and the infrastructure necessary to accommodate such a fleet. A similar study through the MDOT MTA’s Office of Local Transit Support will be studying similar requirements for the 22 locally run transit agencies across Maryland, including Baltimore City’s Charm City Circulator.

**AGENCY/DEPARTMENT POSITION** – The Baltimore City Department of Transportation does foresee future fiscal impact on the agency resulting from the passage of Council Bill 21-0159. Additionally, the agency’s Transit Bureau is concerned that meeting the 50% benchmark by 2030 would be challenging given the projected lifespan of Charm City Circulator busses procured under the current contract. Despite these concerns, DOT does support efforts to convert the City’s fleet to zero emission vehicles and has no objection to Council Bill 21-0159.

If you have any questions, please do not hesitate to contact Liam Davis at [Liam.Davis@baltimorecity.gov](mailto:Liam.Davis@baltimorecity.gov) or at 410-545-3207.

Sincerely,

Steve Sharkey  
Director



**PARKING**  
OF BALTIMORE CITY  
**AUTHORITY**

**MEMORANDUM**

**To:** Nick J. Mosby, President, Baltimore City Council

**From:** Peter Little, Executive Director

**Date:** January 4, 2022

**Subject:** City Council Bill 21-0159


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I am herein reporting on City Council Bill 21-0159 introduced by Councilmembers Conway, Dorsey, Bullock, Cohen, Burnett, Torrence, Middleton, Ramos, Porter, and Glover.

The purpose of this bill is for converting the City fleet of vehicles, subject to certain exceptions, to zero-emission vehicles; defining certain terms; authorizing rules and regulations; and generally related to the City's procurement of vehicles.

The Parking Authority of Baltimore City (PABC) has reviewed the proposed legislation. The PABC believes, in principle, this is a worthwhile effort, and that it can implement the conversion of the portion of the City's vehicle fleet assigned to it within the stated time periods and other specified conditions. However, the PABC hosts many City fleet vehicles in our parking facilities when they are not in use. Those vehicles, many of which will be converted to electric vehicles, will need to be recharged when they are parked. We maintain the City will need to build out its electric vehicle charging infrastructure to support this mandate to transition, in large part, to an electric fleet and that, if this legislation is passed, then the City must budget funds to build out that infrastructure.

The PABC does not oppose the passage of City Council Bill 21-0159.

<b>FROM</b>	NAME & TITLE	LISA MCNEILLY, SUSTAINABILITY DIRECTOR	CITY of BALTIMORE STREET <b>MEMO</b>	
	AGENCY NAME & ADDRESS	DEPARTMENT OF PLANNING 8 <sup>TH</sup> FLOOR, 417 EAST FAYETTE		
	SUBJECT	CITY COUNCIL BILL #21-0159 / ZERO-EMISSION VEHICLES		

DATE: January 3, 2022

**TO**

The Honorable President and  
 Members of the City Council  
 City Hall, Room 400  
 100 North Holliday Street

The Office of Sustainability is in receipt of City Council Bill #21-0159, which is for the purpose of converting the City fleet of vehicles, subject to certain exceptions, to zero-emission vehicles; defining certain terms; authorizing rules and regulations; and generally related to the City's procurement of vehicles.

The 2019 Sustainability Plan (formally adopted by the Planning Commission on April 22, 2019) addresses improvements in transportation emissions and actions to respond to the threats of climate change in multiple chapters. Specifically, the Plan includes relevant actions in the Strategy #2. Speed the path to decarbonization through increased deployment of renewable energy and electric vehicles.


- Action 3: Increase electric vehicle adoption.
- Action 4: Adopt a goal for electric vehicle charging stations.

Strategy #3. Support and deploy innovative technologies and programs to reduce energy use in buildings and transportation.

- Action 5: Set a goal to reduce petroleum consumption and increase use of alternative fuel vehicles and equipment in the city government fleet.

The Office of Sustainability recommends approval of City Council Bill #21-0159, as transportation contributes to 30 percent of greenhouse gas emissions. A commitment to increase the procurement of zero-emission vehicles supports air quality and climate goals for the city but will require additional charging station infrastructure to be successful.

cc: Ms. Natasha Mehu, Mayor's Office  
 Ms. Nina Themelis, Mayor's Office  
 The Honorable Eric Costello, Council Rep. to Planning Commission  
 Mr. Matthew Stegman, City Council President's Office  
 Ms. Nikki Thompson, City Council President's Office  
 Ms. Elena DiPietro, Law Dept.  
 Ms. Natawna Austin, Council Services  
 Mr. Chris Ryer  
 Ms. Ava Richardson

FROM	NAME & TITLE	Honorable Bill Henry, Comptroller of Baltimore City	CITY of BALTIMORE <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Office of the Comptroller, Room 204, City Hall		
	SUBJECT	21-0159 Procurement - Zero-Emission Vehicles		

DATE:

TO

The Honorable President and  
Members of the City Council  
City Hall, Room 400

January 3, 2021

**Position: Favorable**

The Office of the Comptroller is reporting on City Council Bill 21-0159 Procurement - Zero-Emission Vehicles. The purpose of this bill is to convert the City fleet of vehicles, subject to certain exceptions, to zero-emission vehicles; defining certain terms; authorizing rules and regulations; and generally related to the City's procurement of vehicles.

**Background**

This bill brings City law in line with state procurement practices; the Maryland Department of General Services currently has statewide contracts in place for the purchase of zero-emission vehicles. Also, in 2021, the General Assembly enacted the Zero-Emission Bus Transition Act which requires the Maryland Transit Administration, beginning in Fiscal Year 2023, to purchase only zero-emission vehicles for its local bus fleet that operates in Baltimore City and the surrounding counties. In December 2021, MTA announced its implementation plan to transition to a 50% zero-emissions fleet by 2030. Just as the new state law will lead to substantial reductions in carbon dioxide emissions over the 2025-2030 timeframe, CB 21-0159 will affect the same kind of much-needed change at the local fleet level.

**Conclusion**

CB 21-0159 takes meaningful and positive steps to shape City purchasing policies in ways that will benefit the environment and help address the harmful health effects of vehicle emissions in a dense urban environment.

**For the reasons stated above, the Comptroller's Office supports the bill.**

CC: Celeste Amato, Comptroller's Office  
Nina Themelis, Mayor's Office

**CITY OF BALTIMORE  
COUNCIL BILL 21-0159  
(First Reader)**

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Introduced by: Councilmembers Conway, Dorsey, Bullock, Cohen, Burnett, Torrence,  
Middleton, Ramos, Porter, Glover

Introduced and read first time: October 4, 2021

Assigned to: Ways and Means Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Department of  
General Services, Department of Public Works, Baltimore Police Department, Department of  
Transportation, Parking Authority of Baltimore City, Office of the City Administrator, Office of  
Sustainability, Office of the Comptroller

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A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Procurement - Zero-Emission Vehicles**

3 FOR the purpose of converting the City fleet of vehicles, subject to certain exceptions, to  
4 zero-emission vehicles; defining certain terms; authorizing rules and regulations; and generally  
5 related to the City’s procurement of vehicles.

6 BY adding

7 Article 5 - Finance, Property, and Procurement  
8 Section(s) 35A-1 through 35A-6, to be under the new subtitle designation,  
9 “Subtitle 35A. Required Procurement of Zero-Emission Vehicles”  
10 Baltimore City Code  
11 (Edition 2000)

12 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the  
13 Laws of Baltimore City read as follows:

14 **Baltimore City Code**

15 **Article 5. Finance, Property, and Procurement**

16 **Subtitle 35A. Required Procurement of Zero-Emission Vehicles**

17 **§ 35A-1. DEFINITIONS.**

18 (A) *IN GENERAL.*

19 IN THIS SUBTITLE, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED, EXCEPT AS  
20 OTHERWISE EXPRESSLY PROVIDED.

EXPLANATION: CAPITALS indicate matter added to existing law.  
[Brackets] indicate matter deleted from existing law.



**Council Bill 21-0159**

1 (B) *SUBCONTRACT.*

2 “SUBCONTRACT” MEANS ANY AGREEMENT BETWEEN A VENDOR AND ANOTHER PARTY FOR  
3 THE PERFORMANCE OF WORK UNDER A VEHICLE PROCUREMENT CONTRACT.

4 (C) *VEHICLE*

5 “VEHICLE” HAS THE MEANING STATED IN CITY CODE ARTICLE 31, § 1-3(Q) {“*DEFINITIONS*  
6 — *S TO Z : . . . VEHICLE*”}.

7 (D) *VEHICLE PROCUREMENT CONTRACT.*

8 “VEHICLE PROCUREMENT CONTRACT” MEANS AN AGREEMENT ENTERED INTO BY THE CITY  
9 PURCHASING AGENT OR A CITY AGENCY WITH A VENDOR TO BUY, RENT, LEASE, OR  
10 OTHERWISE OBTAIN OR ACQUIRE A VEHICLE.

11 (E) *VENDOR.*

12 “VENDOR” MEANS A PERSON WHO ENTERS INTO A VEHICLE PROCUREMENT CONTRACT  
13 WITH THE CITY PURCHASING AGENT OR A CITY AGENCY.

14 (F) *ZERO-EMISSION VEHICLE.*

15 “ZERO-EMISSION VEHICLE” MEANS A VEHICLE THAT MEETS THE STATE’S ZERO-EMISSION  
16 VEHICLE REQUIREMENTS, AS DESCRIBED IN COMAR 26.11.34.09.

17 **§ 35A-2. ZERO-EMISSION VEHICLE PROCUREMENT REQUIREMENTS.**

18 CITY AGENCIES SHALL INCREASE THEIR PROCUREMENT OF ZERO-EMISSION VEHICLES SO THAT:

19 (I) 50 % OF THE CITY FLEET WILL BE ZERO-EMISSION VEHICLES BY JANUARY 1, 2030.

20 (II) 100 % OF THE CITY FLEET WILL BE ZERO-EMISSION VEHICLES BY JANUARY 1, 2040.

21 **§ 35A-3. APPLICABILITY OF SUBTITLE.**

22 (A) *CONTRACT VALUE.*

23 THIS SUBTITLE ONLY APPLIES TO VEHICLE PROCUREMENT CONTRACTS OR SUBCONTRACTS  
24 WORTH \$16,000.00 OR MORE.

25 (B) *PRODUCT AVAILABILITY.*

26 ON A SINGLE CONTRACT OR SUBCONTRACT BASIS, IF THE CITY PURCHASING AGENT  
27 CERTIFIES IN WRITING THAT ZERO-EMISSION VEHICLES ARE NOT PRODUCED IN A  
28 SUFFICIENT QUANTITY TO MEET THE CITY’S REQUIREMENTS, THE REQUIREMENTS OF THIS  
29 SUBTITLE DO NOT APPLY.

**Council Bill 21-0159**

1     **§ 35A-4. REQUIRED BID INFORMATION.**

2             THE CITY PURCHASING AGENT AND ALL CITY AGENCIES SHALL INCLUDE, IN ALL CITY BIDS  
3             AND REQUESTS FOR BIDS FOR A VEHICLE PROCUREMENT CONTRACT, A STATEMENT OF THE  
4             CITY’S POLICY ON ZERO-EMISSION VEHICLES.

5     **§ 35A-5. ANNUAL REPORT.**

6             THE CITY PURCHASING AGENT, WITH COOPERATION FROM ALL CITY AGENCIES, SHALL  
7             SUBMIT AN ANNUAL REPORT TO THE MAYOR AND CITY COUNCIL ON THE NUMBER AND  
8             AMOUNT OF CONTRACTS AND SUBCONTRACTS THAT INCLUDED THE PURCHASE OF ZERO-  
9             EMISSION VEHICLES AS PROVIDED FOR IN THIS SUBTITLE.

10    **§ 35A-6. RULES AND REGULATIONS.**

11            SUBJECT TO TITLE 4 {“ADMINISTRATIVE PROCEDURE ACT – REGULATIONS”} OF THE CITY  
12            GENERAL PROVISIONS ARTICLE, THE DIRECTOR OF FINANCE MAY ADOPT RULES AND  
13            REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

14            **SECTION 2. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30<sup>th</sup> day  
15            after the date it is enacted.