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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, JANUARY 18, 2022 10:00 AM

VIRTUAL WEBEX MEETING

Council Bill 21-0159

Procurement – Zero-Emission Vehicles

CITY COUNCIL COMMITTEES

ECONOMIC AND COMMUNITY DEVELOPMENT (ECD)

Sharon Green Middleton, Chair John Bullock – Vice Chair Mark Conway Ryan Dorsey Antonio Glover Odette Ramos Robert Stokes Staff: Jennifer Coates

WAYS AND MEANS (W&M)

Eric Costello, Chair Kristerfer Burnett Ryan Dorsey Danielle McCray Sharon Green Middleton Isaac "Yitzy" Schleifer Robert Stokes Staff: Marguerite Currin

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Mark Conway – Chair Kristerfer Burnett Zeke Cohen Erick Costello Antonio Glover Phylicia Porter Odette Ramos

Staff: Samuel Johnson

EDUCATION, WORKFORCE, AND YOUTH (EWY)

Robert Stokes – Chair John Bullock Zeke Cohen Antonio Glover Sharon Green Middleton Phylicia Porter James Torrence Staff: Marguerite Currin

HEALTH, ENVIRONMENT, AND TECHNOLOGY (HET)

Danielle McCray – Chair John Bullock Mark Conway Ryan Dorsey Phylicia Porter James Torrence Isaac "Yitzy" Schleifer Staff: Matthew Peters

RULES AND LEGISLATIVE OVERSIGHT (OVERSIGHT)

Isaac "Yitzy" Schleifer, Chair Kristerfer Burnett Mark Conway Eric Costello Sharon Green Middleton Odette Ramos James Torrence Staff: Richard Krummerich

Effective: 01/04/21

CITY OF BALTIMORE

BRANDON M. SCOTT, Majore



OFFICE OF COUNCIL SERVICES

LARRY E. GREENE, Director 415 City Hall, 100 N. Holliday Street Rollinger, Maryland 21202 410-396-7215 / Fax: 410-545-7596 email: larry.greene@baltimorceity.gov

BILL SYNOPSIS

Committee: Ways and Means

Bill: 21-0159

Procurement – Zero-Emission Vehicles

Sponsor:

Councilmember Conway, et al

Introduced: October 4, 2021

Purpose:

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

Effective: On the 30th day after the date it is enacted.

Agency Reports

| Law Department | Favorable |
|-------------------------------------|-------------------------|
| Department of Finance | None as of this writing |
| Department of General Services | None as of this writing |
| Department of Public Works | None as of this writing |
| Baltimore Police Department | None as of this writing |
| Department of Transportation | Favorable |
| Parking Authority of Baltimore City | None as of this writing |
| Office of the City Administrator | None as of this writing |
| Office of Sustainability | None as of this writing |
| Office of the Comptroller | Favorable |

Analysis

Current Law

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

Background

Per the primary sponsor of the bill, "This legislation is the <u>first of a series</u> 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."

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.

Additional Information

Fiscal Note: None

Information Source(s): City Code, Council Bill 21-0159, see footnote(s) below and all agency

reports received as of this writing.

magneite m. Curien

Analysis by: Marguerite M. Currin Direct Inquiries to: (443) 984-3485

Analysis Date: January 13, 2022

¹ The Honorable Mark Conway, Councilmember, 4th District

Page 2 of 2

Council Bill: 21-0159

AGENCY REPORTS

See attached

CITY OF BALTIMORE

BRANDON M. SCOTT Mayor



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

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

| E | NAME & TITLE | Steve Sharkey, Director | CITY of | |
|---|-----------------------|--|-----------|---------|
| R | AGENCY NAME & ADDRESS | Department of Transportation (DOT) 417 E Fayette Street, Room 527 | BALTIMORE | CITY OF |
| M | SUBJECT | City Council Bill 21-0159 | МЕМО | 1797 |

DATE: 1/10/22

TO: Mayor Brandon M. Scott TO: Ways & Means Committee

FROM: Department of Transportation

POSITION: **No Objection** RE: Council Bill – 21-0159

INTRODUCTION – Procurement - Zero-Emission Vehicles

<u>PURPOSE/PLANS</u> – 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.

<u>COMMENTS</u> – 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 is 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.

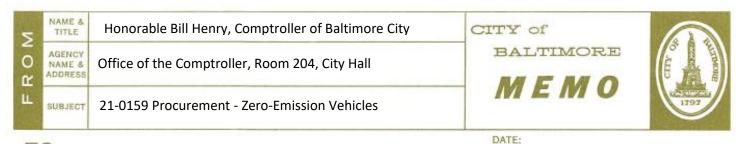
During the 2021 State Legislative Session, Senate Bill 137 - Maryland Transit Administration – Conversion to Zero–Emission Buses (Zero–Emission Bus Transition Act) was adopted. MDOT MTA is currently studying the feasibility of converting their core bus fleet to zero-emissions vehicles with a focus on 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.

<u>AGENCY/DEPARTMENT POSITION</u> – 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 que | estions, please do not | hesitate to contact | Liam Davis at L | iam.Davis@baltimo | recity.gov or a | t |
|---------------------|------------------------|---------------------|-----------------|-------------------|-----------------|---|
| 410-545-3207. | | | | | | |

Sincerely,

Steve Sharkey Director



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)

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

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

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 5 | zero-emission vehicles; defining certain terms; authorizing rules and regulations; and generally 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 3 | "SUBCONTRACT" MEANS ANY AGREEMENT BETWEEN A VENDOR AND ANOTHER PARTY FOI THE PERFORMANCE OF WORK UNDER A VEHICLE PROCUREMENT CONTRACT. |
| 4 | (C) VEHICLE |
| 5 6 | "Vehicle" has the meaning stated in City Code Article 31, § 1-3(q) {"Definitions — S to Z : Vehicle"}. |
| 7 | (D) VEHICLE PROCUREMENT CONTRACT. |
| 8 9 10 | "VEHICLE PROCUREMENT CONTRACT" MEANS AN AGREEMENT ENTERED INTO BY THE CITY PURCHASING AGENT OR A CITY AGENCY WITH A VENDOR TO BUY, RENT, LEASE, OR OTHERWISE OBTAIN OR ACQUIRE A VEHICLE. |
| 11 | (E) VENDOR. |
| 12 13 | "VENDOR" MEANS A PERSON WHO ENTERS INTO A VEHICLE PROCUREMENT CONTRACT WITH THE CITY PURCHASING AGENT OR A CITY AGENCY. |
| 14 | (F) ZERO-EMISSION VEHICLE. |
| 15 16 | "ZERO-EMISSION VEHICLE" MEANS A VEHICLE THAT MEETS THE STATE'S ZERO-EMISSION 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 24 | This subtitle only applies to vehicle procurement contracts or subcontracts worth $\$16,000.00$ or more. |
| 25 | (B) PRODUCT AVAILABILITY. |
| 26 27 28 29 | ON A SINGLE CONTRACT OR SUBCONTRACT BASIS, IF THE CITY PURCHASING AGENT CERTIFIES IN WRITING THAT ZERO-EMISSION VEHICLES ARE NOT PRODUCED IN A SUFFICIENT QUANTITY TO MEET THE CITY'S REQUIREMENTS, THE REQUIREMENTS OF THIS 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 th day |
| 15 | after the date it is enacted. |