

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: LAURA QUALEY, ECONOMIC DEVELOPMENT AUTHORITY

SUBJECT: ELECTRICAL VEHICLE CHARGING HUB AGREEMENT WITH ZEF ENERGY, INC.

DATE: Tuesday, July 21, 2020

Consider entering into an agreement with ZEF Energy Inc. to provide an electric vehicle charging hub

Background Information:

In September 2015, the EPA issued a note of violation of the Clean Air Act to Volkswagen. Volkswagen admitted to wrongdoing and signed a settlement that included a fine of \$2.8 billion dollars, this settlement included a requirement that a certain percentage of the fine go to a federal program for electric vehicles. This was called "Electrify America" and a certain amount was given to each state. In early 2018, the State of MN issued an RFP for developers interested in installing chargers along specified corridors across the State. ZEF Energy submitted on the project and was awarded the bid late last year. One of the corridors calls for an installation along Highway 52 between the Twin Cities and Rochester. The former EDA Director and City Administrator, Dave Maroney had been working with ZEF to establish a location for the charging station. It has been determined that the best location is the City owned lot in downtown Cannon Falls along Highway 19 (Main Street West across from Family Fare). The electric vehicle charge station will be installed and operated by ZEF Energy Inc.

The only liability toward the City of Cannon Falls is four parking spaces (one with handicap accessibility) in the city owned lot as well as snow removal. *See Exhibit A for proposed locations.*

Staff Recommendation:

Staff recommends entering into an agreement with ZEF Energy Inc. to provide an electric vehicle charging hub.

Requested City Council Action

A motion approving entering an agreement with ZEF Energy Inc. in the downtown city parking lot to provide an electric vehicle charging hub.

EXHIBIT A



Please note that the 'alternate location' is owned by Althoff Hardware. If this is the Council's preferred location, a transfer of land would need to be negotiated.

**CITY OF CANNON FALLS
GOODHUE COUNTY, MINNESOTA**

RESOLUTION NUMBER 2492

**RESOLUTION AUTHORIZING ENTERING AN AGREEMENT
FOR AN ELECTRIC VEHICLE CHARGING STATION
FOR THE CITY OF CANNON FALLS**

WHEREAS, the City of Cannon Falls would enter into an agreement with ZEF Energy, Inc.;
and

NOW, THEREFORE, BE IT RESOLVED, ZEF Energy, Inc., has allocated up to \$100,000.00 to be used towards four Electric Vehicle (EV) charging stations. The City Administrator is hereby authorized to execute such agreements as are necessary to implement the acceptance of this agreement on behalf of the City of Cannon Falls.

BE IT FURTHER RESOLVED, that the City Administrator of the City of Cannon Falls is hereby authorized to be the fiscal agent and administer the agreement on behalf of the City of Cannon Falls

ADOPTED by the City Council of Cannon Falls this 21st day of July, 2020.

CITY OF CANNON FALLS

John O. Althoff, Mayor

Neil L. Jensen, City Administrator



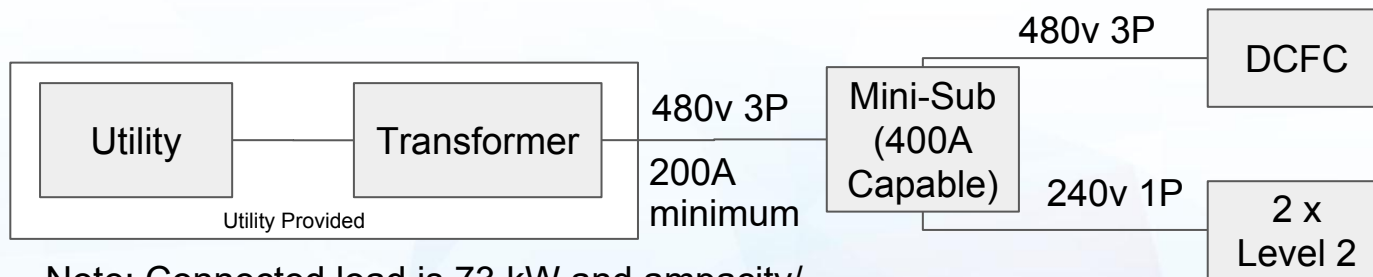
DCFC + Level 2 Configuration



Illustrated approaches to constructing EV Charging Hubs



Single Line Diagram



Note: Connected load is 73 kW and ampacity/metering style is 400A/CT. 400A-ready metering is to accommodate the potential for future expansion per grant requirements.





Mini-Sub - 480v/400A



480v in, 240v + 480v out.
Optimized for expansion.



Chargers



50kW Fast Charger
480v 3P



ZEFNET Level 2 Dualhead Charger
2 X 13kW, 240v 1P



Contact Jim Goodman, Development Manager

+ jim.goodman@zefenergy.com

+ 612.404.0925

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 LIC. # 480809
 BRIAN KOVAR

CLIENT
 BEAUMONT CITY HALL
 317 4TH ST NW
 BEAUMONT, MN 55601

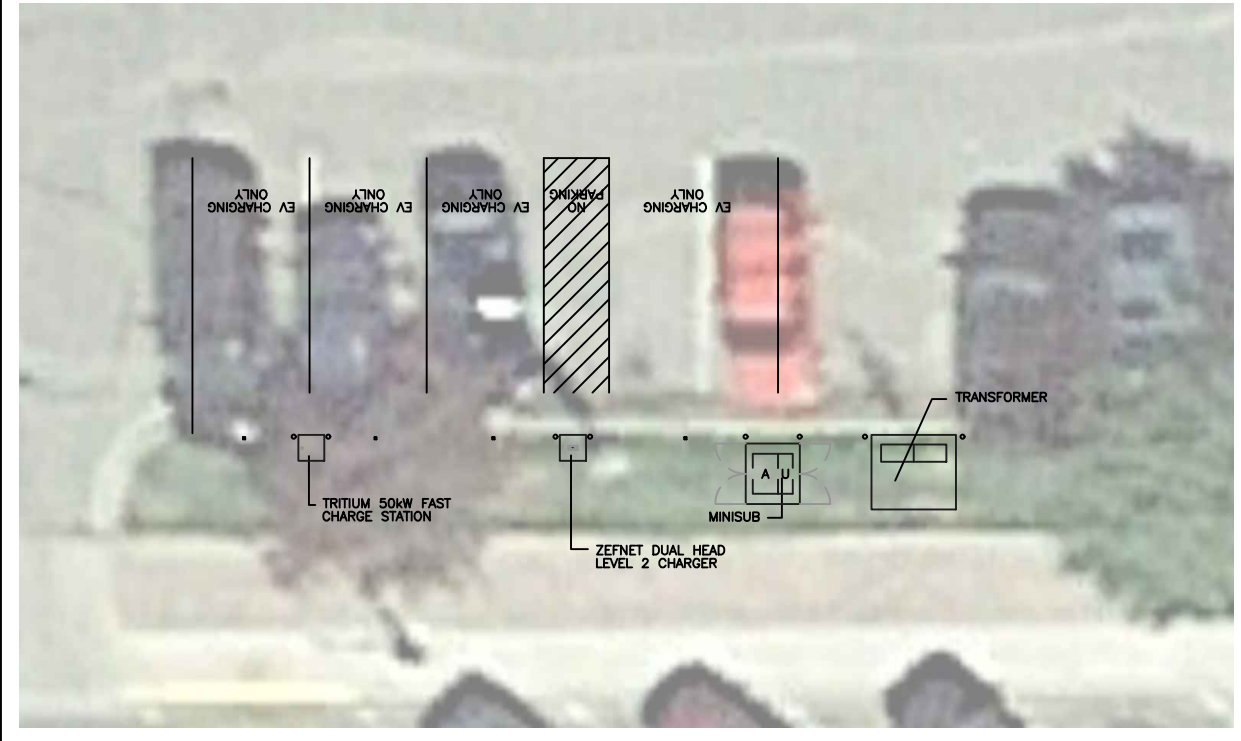
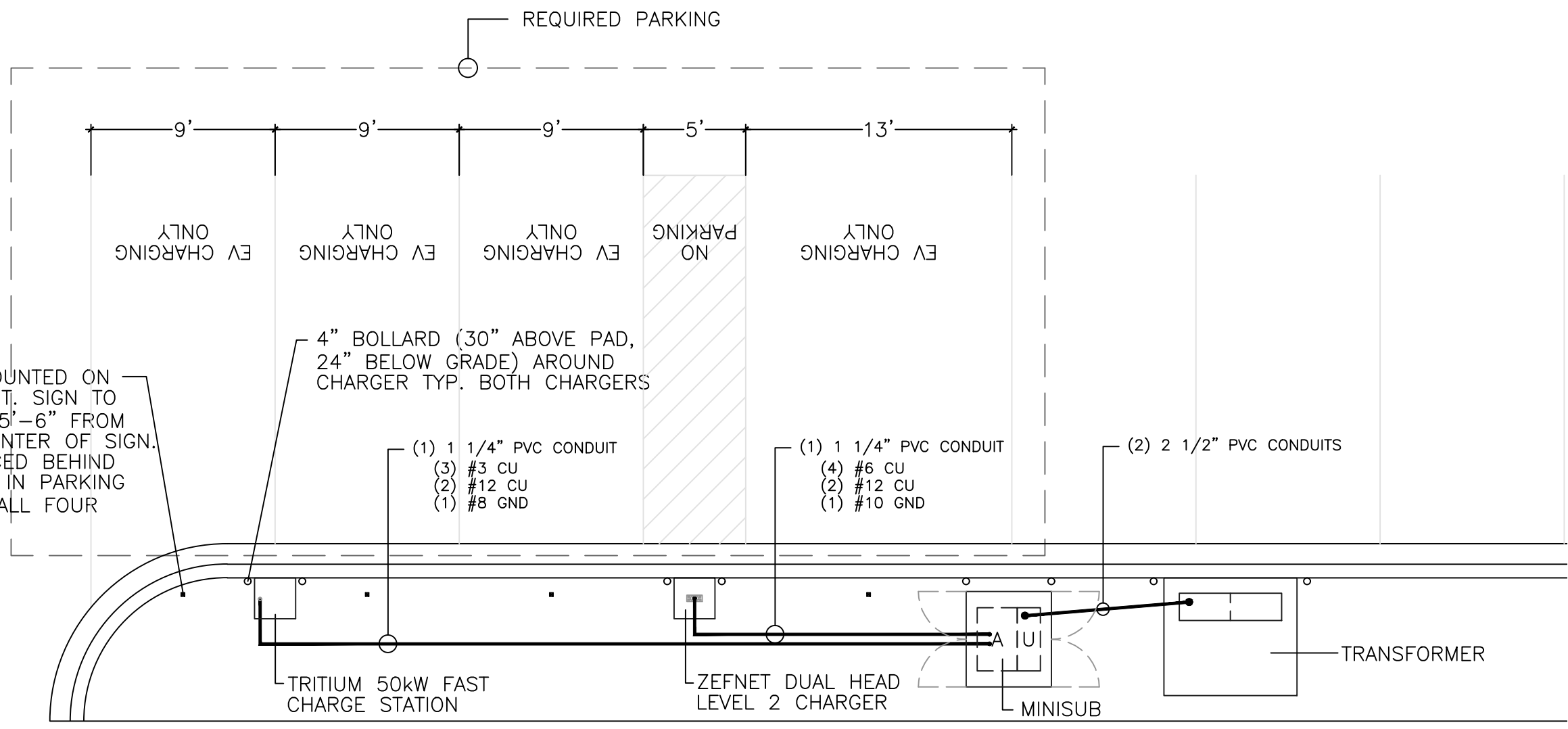
PROJECT
 PHASE 1 ELECTRICAL VEHICLE (EV) FAST CHARGING CORRIDOR GRANT CHARGER LAYOUT DRAWING

REVISIONS	
NO.	DATE

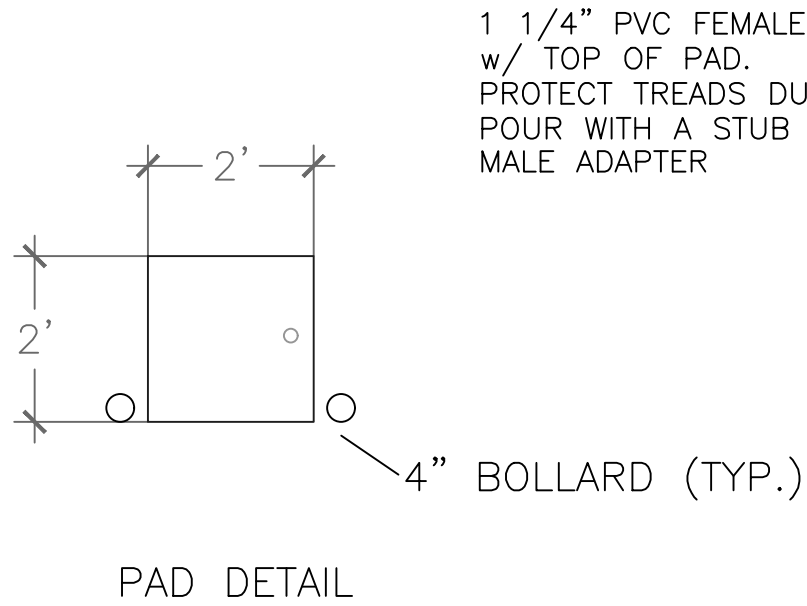
DATE: 05-29-2020

DRAWN BY: JAW SCALE: NONE

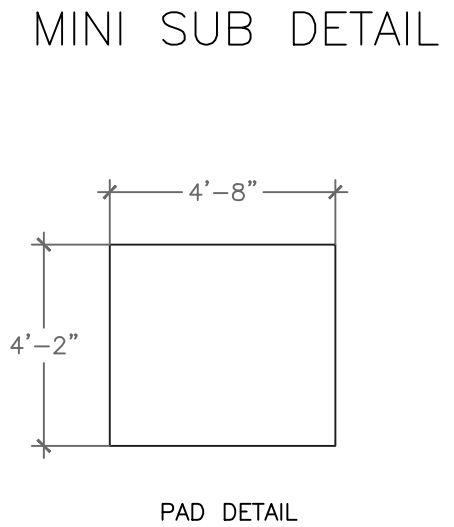
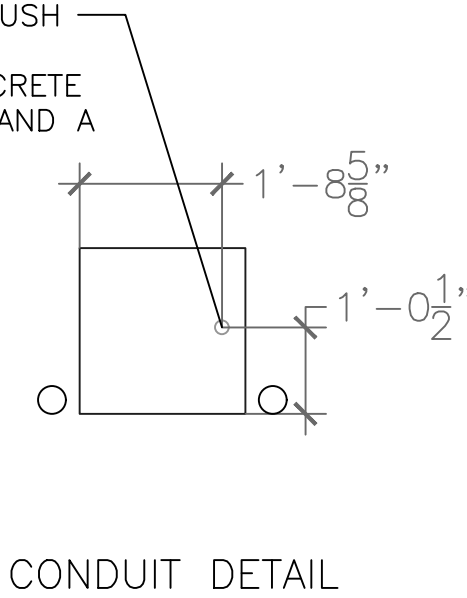
SHEET **E1.0**



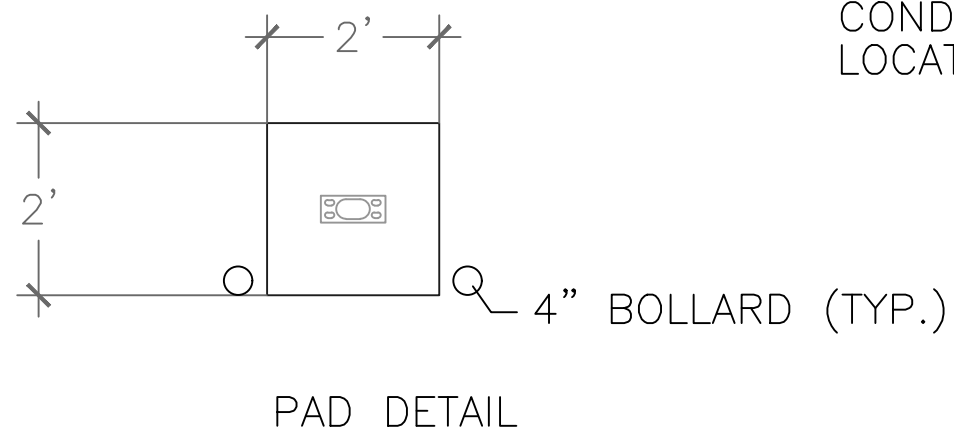
TRITIUM 50kW FAST CHARGER (TYPICAL)



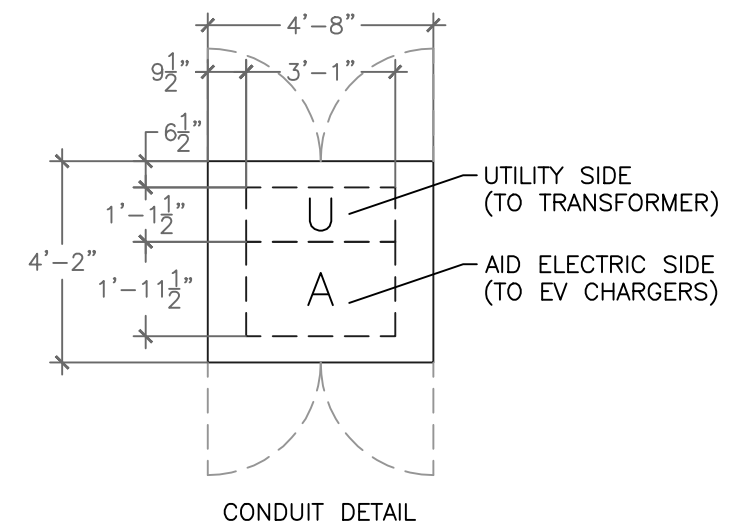
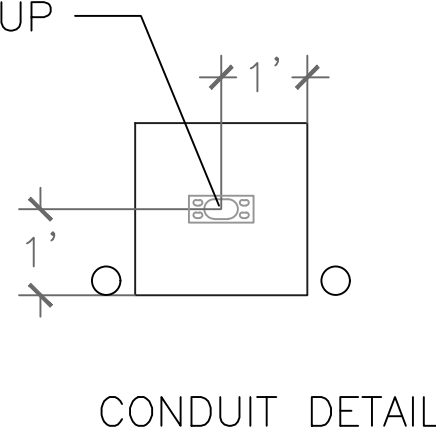
1 1/4" PVC FEMALE ADAPTER SET FLUSH w/ TOP OF PAD.
PROTECT TREADS DURING/AFTER CONCRETE POUR WITH A STUB OF 1 1/4" PVC AND A MALE ADAPTER



ZEFNET DUAL HEAD LEVEL 2 CHARGER



CONDUIT STUB-UP LOCATION



AID ELECTRIC CORPORATION
1622 93rd Lane NE
Blaine, MN 55449
Phone: 763.571.7267
Fax: 763.571.4735

ZEF ENERGY INC.
323 W 34th Street
Minneapolis, MN 55408
Phone: 612.404.0925

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LIC. # A98239
SIGNATURE: _____

CLIENT
BEMIDJI CITY HALL
317 4TH ST NW
BEMIDJI, MN 55601

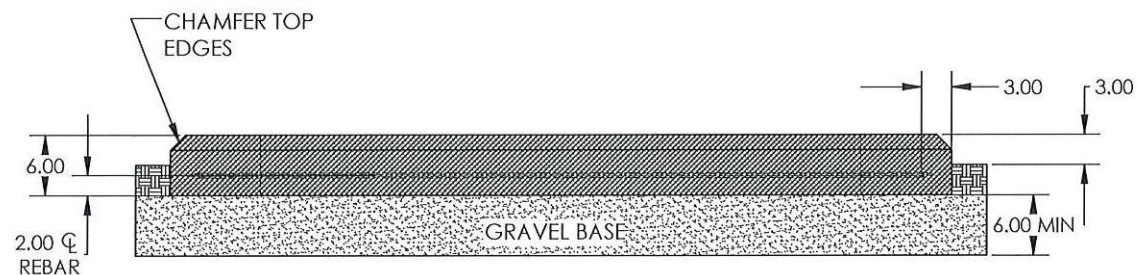
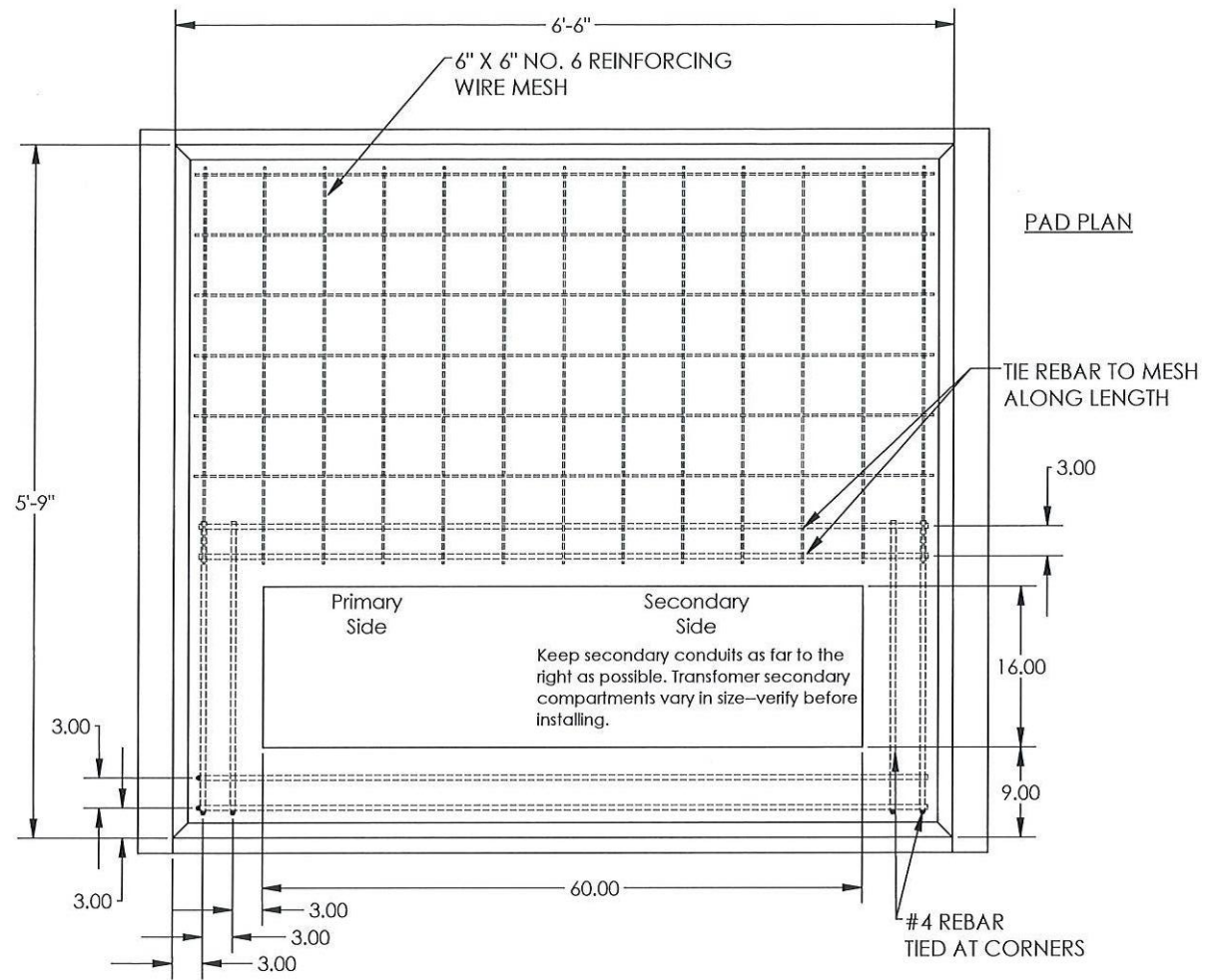
PROJECT
PHASE-1 ELECTRICAL VEHICLE (EV) FAST CHARGING CORRIDOR GRANT CHARGER DETAIL DRAWING

REVISIONS	
NO.	DATE

DATE: 05-29-2020

DRAWN BY: JAW
SCALE: NONE

SHEET: **E1.1**



MATERIAL LIST

Qty	CODE	DESCP.	STOCK NO.
18	XCONCRETE	17.6 cu. ft. (.65 cu yd.) concrete w/o reinforcing	9890010
18	XGRAVELPAD	18.7 cu. ft. (.69 cu yd) Class 5 gravel base	9890041
32	XREINMESH	24 sq. ft. reinforcing mesh. 6"x6" No 6 wire	9890051
49	XREINBAR	49 ft. reinforcing bar No. 4	9890050
31	XFORMLUMS	31 ft. form lumber small	9890060

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 LIC. # 4106389
 BRIAN SCHULZ

CLIENT
 BENDIS CITY HALL
 317 4TH ST NW
 BENDIS, MN 55601

PROJECT
 PHASE-1 ELECTRICAL VEHICLE (EV)
 FAST CHARGING CORRIDOR GRANT
 TRANSFORMER DETAIL

REVISIONS

NO.	DATE

DATE: 05-29-2020
 DRAWN BY: JAW
 SCALE: NONE
 SHEET: **E1.2**

SITE HOST AGREEMENT

THIS AGREEMENT ("Agreement") is made this 21 day of July 2020 by and between the City of Cannon Falls, Minnesota (hereinafter "SITE HOST"), and ZEF ENERGY Inc, a Minnesota Corporation (hereinafter "ZEF Energy") (each a "Party," together the "Parties"):

RECITALS

WHEREAS, SITE HOST is a municipality located within Goodhue County, Minnesota in the United States of America; and

WHEREAS, ZEF Energy desires to install and operate one (1) Electric Vehicle Charging Hub to provide fee-based charging opportunities for SITE HOST visitors and customers; and

WHEREAS, SITE HOST desires to provide access to parking facilities and allow for access to electrical service through the nominated property to ZEF Energy for the aforementioned purposes pursuant to the terms and conditions contained herein.

NOW THEREFORE, in consideration of their mutual promises made herein, and for other good and valuable consideration, receipt of which is hereby acknowledged by each party, the parties, intending to be legally bound, hereby agree as follows:

AGREEMENT

1. Term and Termination.

- a) Term. This Agreement shall commence on the date first written above (the "Effective Date"), and shall remain in effect for ten (10) years thereafter (the "Term").
- b) Termination for Cause. Either party may immediately terminate this Agreement at any time for Cause by giving written notice of termination to the other. For purposes of this Section 1(b), "Cause" shall mean: (i) either party misappropriates the other's funds, property, trade secrets, confidential information or otherwise defrauds the other; (ii) either party materially breaches any provision of this Agreement.
- c) Termination by ZEF Energy. ZEF Energy may, in its sole discretion, remove the Electric Vehicle Charging Hub from the Intended Location and may terminate this Agreement with the SITE HOST if (1) ZEF Energy has made no Profit under this Agreement in the preceding calendar year, or (2) ZEF Energy reasonably deems the Profit generated hereunder to be insufficient to warrant the additional expense of maintaining the Electric Vehicle Charging Hub for the remainder of the Term. Notwithstanding the foregoing, ZEF Energy shall not exercise this right within the first five (5) years of the Term and will provide the SITE HOST an option for purchase of equipment at fair market value.
- d) Termination by Agreement. The Parties may terminate this Agreement at any time by mutual written consent.

2. **Definitions.** For purposes of this Agreement, the following terms shall be ascribed the following meanings:
 - a) “Closed Sale(s)” means the fee a User of the Electric Vehicle Charging Hub pays ZEF Energy for use of the Electric Vehicle Charging Hub for a given session.
 - b) “Electrical Costs” means ZEF Energy’s actual costs to provide electricity, inclusive of tariffs brought to qualify the provision of electricity as sourced from renewable energy sources, for the Electric Vehicle Charging Hub located at/on the Intended Location.
 - c) “Electric Vehicle Charging Hub” means the electrical equipment and civil infrastructure ZEF Energy provides, or otherwise causes the provision of, for SITE HOST and Users to charge electric vehicles or other equipment compatible with that charging infrastructure inherent to the Electric Vehicle Charging Hub.
 - d) “Intended Location” means the *Downtown City Parking Lot* in Cannon Falls, MN as further represented in Appendix A.
 - e) “Maintenance Costs” means ZEF Energy’s actual costs to maintain the Electric Vehicle Charging Hub in working order and good repair.
 - f) “User(s)” means the visitors to the Intended Location who use the Electric Vehicle Charging Hub for a fee.

3. **Duties of SITE HOST.** For the Term of this Agreement and any extensions hereto, SITE HOST shall:
 - a) Allow the Electric Vehicle Charging Hub to remain at/on the Intended Location;
 - b) Provide four (4) contiguous parking spaces, inclusive of an ADA van-accessible space and accompanying access lane, directly adjacent to the Electric Vehicle Charging Station Hub for the exclusive use of electric vehicles as depicted in Exhibit A.
 - c) Provide the Electric Vehicle Charging Hub with access to electricity through the property;
 - d) Ensure snow clearance on a daily basis to allow access to Electric Vehicle Charging Hub;
 - e) Otherwise ensure freedom of access to the Electric Vehicle Charging Hub by electric vehicles capable of using said equipment on a 24/7/365 basis.

4. **Duties of ZEF Energy.** For the Term of this Agreement and any extensions hereto, ZEF Energy shall:
 - a) Provide an Electric Vehicle Charging Hub and associated electrical and civil infrastructure to be placed at/on the Intended Location;
 - b) Maintain the Electric Vehicle Charging Hub in working order and good repair;
 - c) Have the exclusive authority to determine the means and methods by which Electric Vehicle Charging Hub sales are generated;
 - d) Track the charging sessions at the Electric Vehicle Charging Hub so that both Parties can accurately track the number of transactions and therefore track usage and trends of charging sessions resulting from this Agreement;

5. **Representations and Warranties.** Each Party to this Agreement represents and warrants as follows:
 - a) It is free to enter into this Agreement and doing so will not infringe upon the rights of any third parties.
 - b) The person whose signature appears on this document has the authority to enter into the Agreement on behalf of the Party bound hereby.
 - c) It has done sufficient due diligence regarding its ability to perform as required under this Agreement and is ready and able to do so.

6. **Expenses.**

- a) Yearly Statement. On or before January 31 of a given calendar year, ZEF Energy shall provide a summary report to SITE HOST outlining all the Electric Vehicle Charging Hub sessions from the previous calendar year to the SITE HOST.
- b) Expenses. Each Party is solely and exclusively responsible for the payment of all expenses incurred in fulfilling its obligations under this Agreement.

7. **Non-Disclosure of Confidential Information.** SITE HOST agrees to treat all information submitted by ZEF Energy to SITE HOST in compliance with the Minnesota Government Data Practices Act. In the event that ZEF Energy identifies any information as a "trade secret," as defined in the Uniform Trade Secrets Act ("UTSA"), SITE HOST shall, within its legal authority and ability, preserve the secrecy of such trade secrets. Minnesota Statutes, section 13.37, subdivision 2 allows government to classify trade secret data as not public trade information.

8. **Indemnification.** Each Party agrees to indemnify and hold harmless the other party, including its officers, directors, employees, agents, successors, and assigns against all losses, damages, or expenses of whatever form or nature, including attorneys' fees and other costs of legal defense, that they, or any of them, sustains or incurs as a result of any act, error, or omission of the indemnifying party, including its officers, directors, employees, agents, successors, and assigns, but only to the extent that such loss results directly from the indemnifying party's breach of obligations under this Agreement. This Section 8 shall survive expiration or termination of this Agreement.

9. **Insurance/Limitation of Liability.** ZEF Energy, at its expense, shall procure and maintain in force for the duration of this Agreement, Commercial General and Automobile Liability insurance in the amount of \$1,000,000 per occurrence, and \$1,500,000 annual aggregate, including coverages for liability arising from workers compensation, professional liability, premises, operations, products-completed operations, personal injury, advertising injury, and contractually assumed liability. The SITE HOST, including its elected and appointed officials, employees, and agents shall be endorsed as additional insureds. To the extent damages are covered by insurance, the SITE HOST and ZEF Energy waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance. SITE HOST or ZEF Energy, as appropriate, shall require of the contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein. Prior to commencing its obligations under this Agreement, ZEF Energy shall deliver to the SITE HOST a Certificate of Insurance as evidence that the above coverages are in full force and effect. The insurance requirements may be met through any combination of primary and umbrella/excess insurance. ZEF's policies and Certificate of Insurance shall contain a provision that coverage(s) shall not be cancelled without at least thirty (30) days' advanced written notice to the SITE HOST, or ten (10) days' written notice for non-payment of premium.

10. **Amendment.** The Parties may amend this Agreement only by mutual written consent.
11. **Assignability.** The rights and obligations shall inure to the benefit of and be binding upon the successors and assigns of SITE HOST or ZEF Energy. ZEF Energy shall have the right to assign this Agreement, said assignment to be effective immediately upon written notice to SITE HOST.
12. **Severability.** If any provision of this Agreement is deemed to be invalid or unenforceable, the remaining provisions of this Agreement shall be valid and binding and of like effect as though such provision were not included.
13. **Entire Agreement.** This Agreement represents the full and complete understanding of the Parties hereto with respect to the subject matter hereof. Any previous or contemporaneous understandings between them have been merged into this Agreement.
14. **Notices.** All notices, offers, acceptance and any other acts under this Agreement (except payment) shall be in writing, and shall be sufficiently given if delivered to the addressees in person, by courier or similar receipted delivery, by facsimile, by email delivery or, if mailed, postage prepaid, by certified mail, return receipt requested as follows:

To SITE HOST:

Address: 918 River Road, Cannon Falls, Minnesota 55009

Email: njensen@cannonfallsmn.gov

Phone #: 507-263-9304

To: ZEF Energy Inc:

Address: Unit 18, 5325 W 74th Street, Edina, MN 55439

Email: support@zefenergy.com

Phone #: 612.404.0956

Or to such other address/email/phone # as either of them, by notice to the other may designate from time to time.

15. **Governing Law and Venue.** This Agreement shall be governed or interpreted according to the internal laws of the State of Minnesota without regard to choice of law considerations. Venue for the resolution of any disputes arising hereunder shall be in the Goodhue County District Court of the State of Minnesota.

City of Cannon Falls, MN (SITE HOST)

ZEF ENERGY Inc. (ZEF Energy)

Signed: _____

Signed: _____

John Althoff

Matthew Blackler

Title: Mayor

Title: CEO

Date: _____

Date: _____

Signed: _____

Neil Jensen

Title: City Administrator

Date: _____