

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND,
CALIFORNIA, AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE
TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH STAX
ENGINEERING FOR THE DEPLOYMENT OF A CARB (CALIFORNIA AIR
RESOURCES BOARD) APPROVED EMISSIONS CONTROL STRATEGY
(CAECS) BARGE TO SUPPORT COMPLIANCE WITH THE CARB AT-BERTH
REGULATION AT THE PORT OF RICHMOND**

WHEREAS, the California Air Resources Board (“CARB”) At-Berth Regulation became effective for Automotive Roll-On/Roll-Off (“RoRo”) vessels on January 1, 2025, and requires covered vessels to reduce emissions from auxiliary engines while docked at California ports; and

WHEREAS, compliance with the At-Berth Regulation may be achieved through shore power connection or through the use of a CARB-Approved Emissions Control Solution (“CAECS”); and

WHEREAS, due to operational, technical, and financial constraints — including the limited number of RoRo vessel calls at the Port of Richmond and the lack of shore-power-ready vessels — deployment of shore power is not currently feasible at the Port; and

WHEREAS, the Port of Richmond has remained compliant with the At-Berth Regulation through a CARB-approved prospective remediation process while continuing good-faith efforts to implement a long-term compliance solution; and

WHEREAS, the Port of Richmond issued a Request for Proposals (“RFP”) for a CARB-Approved Emissions Control System to support compliance with the At-Berth Regulation; and

WHEREAS, two proposals were received in response to the RFP, from STAX Engineering and G4; and

WHEREAS, City staff evaluated and scored the proposals and determined that STAX Engineering received the highest score and was the only proposer that offered a CARB-approved emissions control solution; and

WHEREAS, on October 1, 2024, the City Council adopted a resolution appropriating \$500,000 and authorizing the Port to complete evaluation of potential vendors and negotiate an agreement with a selected CAECS provider for an amount not to exceed \$500,000; and

WHEREAS, on November 19, 2024, the City Council approved an agreement with STAX Engineering, LLC in an amount not to exceed \$500,000 over a two-year period with a term ending December 31, 2026; and

WHEREAS, the approved agreement with STAX Engineering was not executed after one of the shipping lines calling the Port of Richmond discontinued service at the Port, resulting in fewer vessel calls and a significantly higher cost burden per service hour; and

WHEREAS, the Port of Richmond has continued negotiations with shipping lines, terminal operators, and STAX Engineering under the same RFP procurement to adapt commercial terms to changing operational conditions while remaining within the scope of the original RFP; and

WHEREAS, STAX Engineering has indicated that deployment of a CAECS barge in Richmond requires a minimum annual service commitment of approximately 1,260 hours to finance construction and deployment of the equipment; and

WHEREAS, shipping lines calling the Port of Richmond have committed approximately 900 annual service hours, and a limited Port commitment is necessary to close the remaining service gap and enable deployment of the CAECS barge; and

WHEREAS, the proposed agreement represents the culmination of negotiations conducted

pursuant to the original RFP and does not constitute a new or alternative procurement method; and

WHEREAS, the Port intends to implement an Environmental Services Fee Tariff applicable to vessels calling Port facilities to recover CAECS-related costs and to support future environmental compliance initiatives; and

WHEREAS, beginning January 1, 2027, additional vessel categories, including liquid bulk vessels, will be subject to the At-Berth Regulation, and increased private-terminal demand for CAECS services is expected to reduce or eliminate the need for Port-funded service hours; and

WHEREAS, the City Council finds that authorizing execution of an agreement with STAX Engineering is necessary to ensure regulatory compliance, protect public health, and support continued maritime operations at the Port of Richmond.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHMOND that the City Manager or their designee is hereby authorized to negotiate and execute an agreement with STAX Engineering, pursuant to the previously issued Request for Proposals, for the deployment and operation of a CARB-Approved Emissions Control Strategy (CAECS) barge at the Port of Richmond, for a term of three (3) years ending March 31, 2029, and for a total amount not to exceed Two Million and Two Hundred Fifty Thousand Dollars (\$2,250,000).

BE IT FURTHER RESOLVED that the City Council hereby approves and adopts an Environmental Services Fee Tariff applicable to vessels calling Port of Richmond berths that are subject to the CARB At-Berth Regulation or any successor regulation.

BE IT FURTHER RESOLVED that the Environmental Services Fee Tariff shall be assessed as an hourly charge while a vessel is docked at berth at a rate of Two Hundred Dollars (\$200) per vessel hour, with the tariff to become effective only after review and approval by the California Association of Port Authorities (“CAPA”) and filing of the tariff amendment with the Federal Maritime Commission (“FMC”), unless modified by subsequent action of the City Council.

*****THE CLERK’S OFFICE WILL COMPLETE THE INFORMATION BELOW*****

I certify that the foregoing resolution was passed and adopted by the City Council of the City of Richmond at a regular meeting thereof held on Mmmm dd, yyyy, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:

Mayor

Approved as to form:

City Attorney

State of California }
County of Contra Costa } : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No.** _____, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on Mmmm dd, yyyy.

Pamela Christian, Clerk of the City of Richmond