



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: NOVEMBER 10, 2015

FROM: PUBLIC UTILITIES DEPARTMENT WARDS: ALL

SUBJECT: LOW INCOME ASSISTANCE – SHARING HOUSEHOLDS ASSIST RIVERSIDE’S ENERGY PROGRAM CONTRACT AMENDMENT - \$1,000,000

ISSUE:

The issue for City Council consideration is to approve the 15th Amendment to the Agreement with the County of Riverside Department of Public Social Services – Department of Community Action for the Sharing Households Assist Riverside’s Energy contract.

RECOMMENDATIONS:

That the City Council:

1. Approve the 15th Amendment to the Agreement with the County of Riverside Department of Public Social Services – Department of Community Action (County) to extend the Sharing Households Assist Riverside’s Energy (SHARE) contract from July 1, 2015, through June 30, 2016, in the amount of \$1,000,000; and
2. Authorize the City Manager, or his designee, to approve payments up to 25%, or \$250,000, above the SHARE contract amount if allocated funds are depleted before the contract term ends.

BOARD RECOMMENDATION:

On August 7, 2015, the Board of Public Utilities, with one member absent, unanimously voted to recommend City Council approval of the 15th Amendment to the SHARE contract and to authorize the City Manager, or his designee, to approve payments up to 25% above the SHARE contract if funds are depleted before the contract term ends.

BACKGROUND:

The SHARE program, established in 1989, is a Public Utilities Public Benefit program that provides low-income residents with utility bill assistance. The program was originally supported by direct customer contributions. In 1999, Assembly Bill (AB) 1890, required local utilities to collect a Public Benefits Charge to fund public benefit programs. On July 1, 1999, the City of Riverside entered into an Agreement with the County to administer the SHARE program. The original agreement has been extended 14 times as the program has been working effectively, and the program has assisted approximately 90,000 residential customers.

The SHARE program continues to successfully fulfill the AB 1890 obligation. The funding for the term of the contract will be \$1,000,000, approximately \$850,000 for customer assistance and \$150,000 for the County's administration fee, to continue assisting low-income residents that apply for aid. The annual assistance per eligible low-income customer is \$150 for the electric portion of the utility bill. The annual anniversary date is determined by the last aid received from the SHARE program.

During times of economic hardship, the additional 25% or \$250,000 above the SHARE contract was necessary to cover the cost for all applicants. The allocated funds are anticipated to sufficiently meet demand however the additional change order authority to the contract will ensure that low-income customers would be able to receive assistance without delay. The balance in the Public Benefits Low-Income Assistance account no. 6020100-456010 will continue to fund SHARE as needed during the contract approval process to assure uninterrupted utility bill assistance and service.

FISCAL IMPACT:

The total contract amount is \$1,000,000. Sufficient funds are available in the Public Benefits Low Income Assistance Account No. 6020100-456010.

Prepared by:	Girish Balachandran, Public Utilities General Manager
Certified as to availability of funds:	Brent A. Mason, Finance Director/Treasurer
Approved by:	John A. Russo, City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachment:

1. 15th Amendment to the Agreement with the County of Riverside Department of Public Social Services
2. Minutes of the August 7, 2015, Board Meeting