



# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** MAY 23, 2016

**ITEM NO:**

File 16-1602

**SUBJECT: SIXTEENTH AMENDMENT TO AGREEMENT FOR THE USE OF LOW-INCOME UTILITY BILL AND DEPOSIT ASSISTANCE FUNDS LOW INCOME ASSISTANCE – SHARING HOUSEHOLDS ASSIST RIVERSIDE’S ENERGY PROGRAM CONTRACT – IN THE AMOUNT OF \$1,000,000 WITH \$250,000 CHANGE ORDER AUTHORITY**

**ISSUE:**

The issue for Board of Public Utilities consideration is approval of the Sixteenth Amendment to the Agreement for the Use of Low-Income Utility Bill and Deposit Assistance Funds with the County of Riverside Department of Public Social Services – Department of Community Action (County) for the Sharing Households Assist Riverside’s Energy (SHARE) contract in the amount of \$1,000,000.

**RECOMMENDATIONS:**

That the Board of Public Utilities approve and recommend that the City Council:

1. Approve the Sixteenth Amendment to the Agreement with the County of Riverside Department of Public Social Services – Department of Community Action to extend the SHARE program from July 1, 2016, through June 30, 2017, 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.

**BACKGROUND:**

The SHARE program, established in 1989, is a Riverside Public Utilities (RPU) Public Benefit program that provides low-income residents with utility bill assistance. Originally supported by direct customer contributions, in 1999 under the guidelines of Assembly Bill (AB) 1890, which authorizes local utilities to spend Public Benefits Charge funds for low-income assistance, Public Benefits funds were added to support the electric portion of the program. On July 1, 1999, the City of Riverside entered into an Agreement with the County to administer the program. The original agreement has been extended 15 times as the program has been working effectively, and the program has assisted approximately 90,000 residential customers.

Staff feels the SHARE program continues to successfully fulfill the AB 1890 obligation and recommends a sixteenth amendment that extends the contract for one-year. The funding for the term of the contract will be \$1 million, which is approximately \$850,000 for customer assistance and approximately \$150,000 for the County’s administration fee, to continue assisting low-income residents that apply for the aid. The assistance amount per eligible low-income customer is \$150 for the electric portion of the utility bill, on a one-time basis per year from the anniversary date of receiving the aid.

Staff recommends that the City Council approve change order authority to the City Manager of up to 25%, or \$250,000, above the contract amount. In previous years, especially those during times of economic hardship, this additional funding was necessary to cover the cost for all applicants that applied. While staff anticipates that the allocated funds will be sufficient, RPU wants to ensure that its low-income customers

can receive assistance without delay if demand for the SHARE program is higher than anticipated during the duration of the SHARE contract. It is recommended that the remaining budget in

the Public Benefits Low-Income Assistance account continue to be drawn upon as needed during this approval process in order to assure uninterrupted utility bill assistance and service to RPU's customers.

**FISCAL IMPACT:**

The Fiscal Year 2016-17 Budget in the Public Benefits Low Income Assistance Account No. 6020100-456010 includes the total contract amount of \$1,000,000 and the 25% change order amount of \$250,000 budgeted for this program.

Prepared by: Michael J. Bacich, Public Utilities Assistant General Manager  
Customer Relations and Marketing

Approved by: Girish Balachandran, Public Utilities General Manager

Approved by: John A. Russo, City Manager

Approved as to form: Gary G. Geuss, City Attorney

Certifies availability of funds: Laura Chavez-Nomura, Public Utilities Assistant General Manager/Finance

Attachment: Sixteenth Amendment