



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JANUARY 10, 2017**

FROM: PUBLIC UTILITIES DEPARTMENT **WARDS: ALL**

SUBJECT: FISCAL YEAR 2016-17 TREE POWER PROGRAM IN THE AMOUNT OF \$750,000 – FREE SHADE TREE COUPON REDEMPTION PURCHASE ORDERS WITH PARKVIEW NURSERY-CHICAGO, PARKVIEW NUSERY-JACKSON, LOUIE’S NURSERY AND MOON VALLEY NURSERY FOR A COMBINED TOTAL NOT TO EXCEED \$650,000 AND THE TREE POWER REBATE PROGRAM FOR CUSTOMER BILL CREDITS NOT TO EXCEED \$100,000

ISSUES:

Approve the fiscal year 2016-17 Tree Power Program in the amount of \$750,000, authorizing the issuance of purchase orders to qualified vendors to implement the Free Shade Tree Coupon Campaign in a collective amount not to exceed \$650,000 and authorizing the Tree Power Rebate Program to provide qualified customer bill credits in the amount not to exceed \$100,000.

RECOMMENDATIONS:

That the City Council:

1. Authorize the City Manager or his designee, to issue purchase orders to Parkview Nursery, 4377 Chicago Avenue; Parkview Nursery, 3841 Jackson Street; Louie’s Nursery, 18550 Van Buren Boulevard and Moon Valley Nurseries, 9501 Lincoln Avenue and make changes to the purchase order amounts based on the variable product demand of each nursery in a collective amount not to exceed \$650,000 for the Tree Power Program’s Free Shade Tree Coupon Campaign; and
2. Authorize the City Manager or his designee, to credit customer accounts for trees purchased under the Tree Power Rebate Program in a collective amount not to exceed \$100,000.

BOARD RECOMMENDATION:

On December 12, 2016, the Riverside Public Utilities’ Board unanimously approved to forward recommendation to the City Council to approve the issuance of purchase orders to qualified vendors to implement the Fiscal Year 2016-17 Tree Power Program Free Shade Tree Coupon Campaign in an amount not to exceed \$650,000 and approve \$100,000 for the Tree Power Rebate Program.

BACKGROUND:

The Riverside Public Utilities (RPU), Tree Power Program, has been successfully operating for over 15 years. The Tree Power Program is an energy efficiency program which provides rebate incentives to RPU electric customers who plant shade trees in locations adjacent to their homes or businesses to help conserve energy and save on summer cooling costs. The program is administered using a dual marketing approach which gives RPU customers the opportunity to receive a maximum of six trees annually (one from the coupon and up to five from the rebate).

DISCUSSION:

Tree Power Program's Free Shade Tree Coupon

This campaign was launched in 2001 and runs annually from March 1 to June 30. Each year, a coupon is printed on the back of the March utility bill that customers take to a participating nursery to redeem for one free shade tree valued up to \$25. The back of the bill strategy was created to ensure that a free tree coupon would reach all RPU electric customers as well as raise awareness for the regular Tree Power Rebate Program. The participating nurseries are:

1. Parkview Nursery, 4377 Chicago Avenue;
2. Parkview Nursery, 3841 Jackson Street;
3. Louie's Nursery, 18550 Van Buren Boulevard; and
4. Moon Valley Nurseries, 9501 Lincoln Avenue

The purchase orders requested for these businesses are a reimbursement for customer coupons redeemed at their locations for a total amount not to exceed \$650,000.

Tree Power Rebate Program

Customers may participate by purchasing up to five qualified trees per year. Each qualified tree purchased by the customer is eligible to receive a \$25 rebate, which is credited to their RPU electric account.

Since the Tree Power Rebate Program's inception in 1999 to present, nearly 26,000 trees have been planted by customers who elected to participate. In 2001 with the start of the coupon campaign, both participation and popularity of the program grew resulting in 3,700 planted trees. In 2015, the coupon yielded 14,000 trees, resulting in the City of Riverside reporting over 175,000 trees were planted in the City since the combined rebate program, and free tree campaign merged in 2001.

Since the inception of the Tree Power Program, RPU electric customers who have participated have saved nearly 38,325,000 kWh which is enough energy to supply 4,250 average Riverside homes for a year. The energy savings from the Tree Power Program could also provide enough power to run the lights at Festival of Lights for nearly 800 months. This popular program provides benefit to the community that reaches further than mere energy savings.

The title "Tree City, USA" was given to the City of Riverside by The National Arbor Day Foundation in honor of the care given to the trees in the City. Riverside understands that trees provide aesthetic, environmental, and economic values, including clean air and increased property values. As a result of the Tree Power Program, the City of Riverside has saved nearly 27,000 metric tons of Carbon Dioxide from entering the atmosphere which is equivalent to removing 5,244 passenger

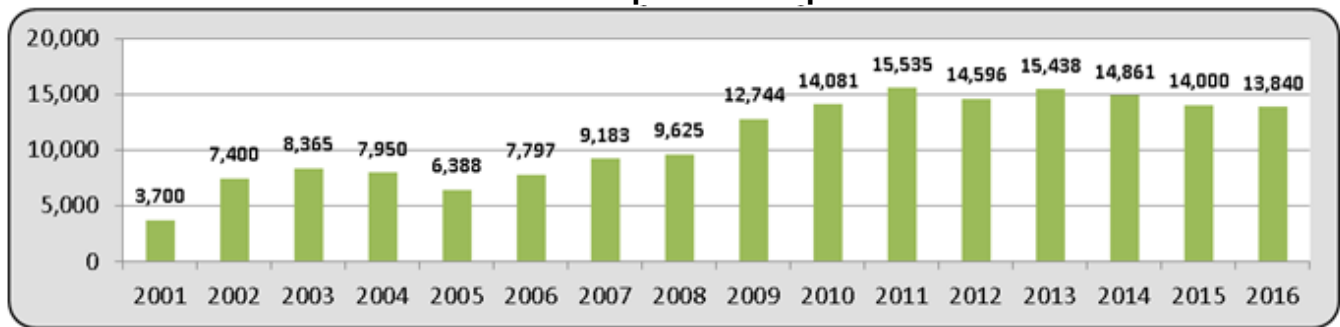
vehicles driven for one year or 880,000 incandescent light bulbs switched to LEDs.

Green House Emissions Equivalents for the Energy Saved From the Tree Power Program:



RPU works with a number of qualified nursery vendors located throughout the City that accept the free tree coupons. To be considered as a participating vendor, a nursery must have a location that permits retail sales. The current list of qualified vendors includes Parkview Nursery, 4377 Chicago Avenue; Parkview Nursery, 3841 Jackson Street; Louie's Nursery, 18550 Van Buren Boulevard; and Moon Valley Nurseries located at 9501 Lincoln Ave. No additional nurseries will be added to this Fiscal Year's Program.

Free Shade Tree Coupon Redemption Statistics



FISCAL IMPACT:

The Fiscal Year 2016-17 Budget includes \$750,000 in the Public Benefit Residential Tree Power Program Account No. 6020100-456038 to fund the program and campaign.

Prepared by: Girish Balachandran, Public Utilities General Manager
 Certified as to availability of funds: Scott G. Miller, Chief Financial Officer/Treasurer
 Approved by: John A. Russo, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Board of Public Utilities Draft Minutes December 12, 2016
2. Presentation