



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 27, 2017**

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

SUBJECT: SEVENTEENTH AMENDMENT TO AGREEMENT FOR USE OF LOW INCOME UTILITY BILL AND DEPOSIT ASSISTANCE FUNDS WITH THE COMMUNITY ACTION PARTNERSHIP OF RIVERSIDE COUNTY, ANNUAL RENEWAL OF THE SHARING HOUSEHOLDS ASSIST RIVERSIDE'S ENERGY PROGRAM AGREEMENT- IN THE AMOUNT OF \$1,000,000

ISSUE:

Approve the Seventeenth Amendment to the Agreement for Use of Low-Income Utility Bill and Deposit Assistance Funds with the Community Action Partnership of Riverside County, an annual agreement renewal for the Sharing Households Assist Riverside's Energy program in the amount of \$1,000,000.

RECOMMENDATIONS:

That the City Council:

1. Approve the Seventeenth Amendment to the Agreement for use of Low-Income Utility Bill and Deposit Assistance Funds with the Community Action Partnership of Riverside County to extend the Sharing Households Assist Riverside's Energy program from July 1, 2017, through June 30, 2018, in the amount of \$1,000,000;
2. Authorize the City Manager, or his designee, to approve change orders up to a maximum of 10%, or \$100,000;
3. Direct staff to seek approval by Board of Public Utilities and City Council for change orders over 10%, not to exceed 25%, or \$250,000; and
4. Authorize the City Manager, or his designee, to execute the Seventeenth Amendment to the Agreement for use of Low-Income Utility Bill and Deposit Assistance Funds with the Community Action Partnership of Riverside County, including making non-substantive changes.

BOARD RECOMMENDATION:

This report is published on June 15, 2017, for the June 27, 2017 City Council meeting.

On June 26, 2017, the Board of Public Utilities will hear this item for consideration to recommend

the City Council to approve the Seventeenth Amendment to the Agreement with the County of Riverside Department of Public Social Services – Department of Community Action to extend the Sharing Households Assist Riverside's Energy (SHARE) program from July 1, 2017, through June 30, 2018 in the amount of \$1,000,000 with \$100,000 change order authority.

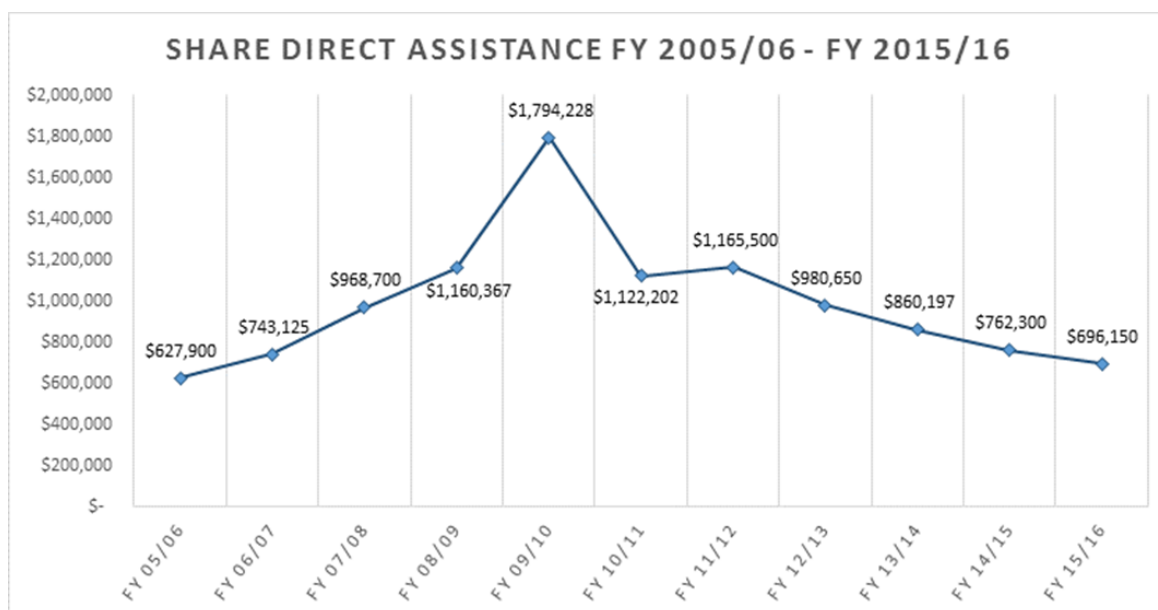
If the Board of Public Utilities approves to forward this to City Council, we respectfully request the City Council consider this item at the June 27, 2017, City Council meeting.

BACKGROUND:

Riverside Public Utilities (RPU) established the SHARE program in 1989 to provide low-income residents with utility bill assistance. The SHARE program was initially supported with funding from direct customer contributions. Assembly Bill (AB) 1890 was adopted in 1996, which created the Public Benefits program and granted authority to publicly owned utilities to spend Public Benefits Charge funds for low-income assistance. In an effort to enhance the SHARE program, the City of Riverside entered into an Agreement with the County of Riverside Department of Public Social Services – Department of Community Action (County) on July 1, 1999 to administer the program. At that time, Public Benefit Funds were added to support the electric portion of the program in addition to the existing direct customer contributions. The original agreement approved in 1999, has been extended 16 times as the program effectively assisted over 90,000 low-income residential customers.

DISCUSSION:

RPU continues to administer the successful SHARE program that fulfills the goals of assisting RPU's low-income customers. Therefore, staff is recommending a seventeenth amendment that extends the SHARE program 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.



The City's current purchasing resolution grants 10% change order authority of the original contract amount for contracts exceeding \$100,000 and up to \$1 million. Staff will seek Board of Public Utilities and City Council approval of change orders over 10%, not to exceed 25%, or \$250,000, above the original contract amount. In previous years, especially those during times of economic hardship, 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. To ensure uninterrupted utility bill assistance and service to low-income RPU's customers, the remaining budget in the Public Benefits Low-Income Assistance account will continue to be drawn upon as needed during this contract amendment approval process.

FISCAL IMPACT:

The Fiscal Year 2017-18 Budget in the Public Benefits Low-Income Assistance Account No. 6020100- 456010 includes the total contract amount of \$1,000,000 and the 10% change order amount of \$100,000 budgeted for this program.

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

Attachment: Seventeenth Amendment