



City Council Memorandum

City of Arts & Innovation

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TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MARCH 26, 2019

FROM: PUBLIC UTILITIES DEPARTMENT WARD: ALL

SUBJECT: FIRST AMENDED AND RESTATED AGREEMENT FOR USE OF LOW-INCOME UTILITY BILL AND DEPOSIT ASSISTANCE FUNDS WITH THE COUNTY OF RIVERSIDE, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, ON BEHALF OF COMMUNITY ACTION PARTNERSHIP OF RIVERSIDE COUNTY FOR THE SHARING HOUSEHOLDS ASSIST RIVERSIDE'S ENERGY PROGRAM TO INCLUDE OPTIONS TO EXTEND PROGRAM FROM JULY 1, 2018 THROUGH JUNE 30, 2024 FOR AN ANNUAL PROGRAM AMOUNT OF \$2,800,000

ISSUE:

Approve the First Amended and Restated Agreement for Use of Low-Income Utility Bill and Deposit Assistance Funds with the County of Riverside, a political subdivision of the State of California, on behalf of Community Action Partnership of Riverside County for the Sharing Households Assist Riverside's Energy Program to include options to extend the program from July 1, 2018 through June 30, 2024 for an annual program amount of \$2,800,000 and change the Grantee name as stated herein.

RECOMMENDATIONS:

That the City Council:

1. Approve the First Amended and Restated Agreement for Use of Low-Income Utility Bill and Deposit Assistance Funds with the County of Riverside, a political subdivision of the State of California, on behalf of Community Action Partnership of Riverside County for the Sharing Households Assist Riverside's Energy Program to include options to extend the program from July 1, 2018 through June 30, 2024 for an annual program amount of \$2,800,000 and change the Grantee name as stated herein; and
2. Authorize the City Manager, or his designee, to execute the First Amended and Restated Agreement for Use of Low-Income Utility Bill Deposit Assistance Funds with the State of California, on behalf of Community Action Partnership of Riverside County, including making non-substantive changes.

BOARD RECOMMENDATIONS:

This report is published on March 14, 2019, for the March 26, 2019 City Council meeting. On March 25, 2019, the Board of Public Utilities will hear this item for consideration to recommend that the City Council:

1. Approve the First Amended and Restated Agreement for Use of Low-Income Utility Bill and Deposit Assistance Funds with the County of Riverside, a political subdivision of the State of California, on behalf of Community Action Partnership of Riverside County for the Sharing Households Assist Riverside's Energy Program to include options to extend the program from July 1, 2018 through June 30, 2024 for an annual program amount of \$2,800,000 and change the Grantee name as stated herein; and
2. Authorize the City Manager, or his designee, to execute the First Amended and Restated Agreement for Use of Low-Income Utility Bill Deposit Assistance Funds with the State of California, on behalf of Community Action Partnership of Riverside County, including making non-substantive changes.

If the Board of Public Utilities approves to forward this to City Council, it is respectfully requested that the City Council consider the item at the March 26, 2019, City Council meeting.

LEGISLATIVE HISTORY:

Assembly Bill (AB) 1890 was adopted in 1996, which required publicly owned utilities to collect and spend Public Benefits Charge funds for low-income assistance, energy efficiency and conservation programs, renewable energy, as well as, research, development and demonstration projects.

BACKGROUND:

Riverside Public Utilities (RPU) established the Sharing Households Assist Riverside's Energy (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.

In an effort to enhance the SHARE Program, the City entered into an agreement with the County of Riverside Department of Public Social Services – Department of Community Action Partnership (County) on July 1, 1999, to administer the program. At that time, Public Benefit Charge funds were added to support the electric portion of the program in addition to the existing direct customer contributions. The original 1999 agreement has been extended 17 times as the program effectively assisted over 95,000 low-income residential customers.

On August 28, 2018, the City Council:

1. Approved the Amended and Restated Agreement for the Use of Low-Income Utility Bill and Deposit Assistance Funds with the Community Action Partnership of Riverside County to extend the SHARE Program from July 1, 2018 through June 30, 2024, in the annual amount of \$2,800,000;
2. Authorized the City Manager, or his designee, to approve change orders up to a maximum of 10%, or \$280,000;

3. Authorized the Board to approve annual expenditures for the SHARE Program, in amounts not to exceed \$2,800,000 annually and annual change orders of 10%, or \$280,000; and
4. Authorized the City Manager, or his designee, to execute the Amended and Restated Agreement for Use of Low-Income Utility Bill Deposit Assistance Funds with the Community Action Partnership of Riverside County, including making non-substantive changes.

At the time of approval, County staff had indicated that the County was in agreement with the terms of the agreement approved by City Council.

DISCUSSION:

Upon City Council approval of the Amended and Restated Agreement, the City of Riverside provided the Agreement to the County of Riverside for contract execution. Prior to execution of the contract by the County of Riverside, the County requested changes be made to the Agreement naming the County of Riverside, a political subdivision of the State of California, on behalf of Community Action Partnership of Riverside County as the Grantee rather than the previously named Community Action Partnership of Riverside County. The County asked that further non-substantive grammatical changes be made, and that the notice provision of the agreement (Section 6) be clarified.

Due to the change in Grantee, a substantive change to the Agreement, staff requests that the Amended and Restated Agreement be replaced by the First Amended and Restated Agreement. The terms and the funding levels of the First Amended and Restated Agreement are the same as the Amended and Restated Agreement recommended by the Board on August 13, 2018 and approved by the City Council on August 28, 2018, with the exception of changes as noted above.

FISCAL IMPACT:

The County Administrative Fee required per the First Amended and Restated Agreement is a not to exceed amount of \$250,000 annually. Additional annual costs associated with direct customer assistance totals approximately \$2,550,000. This equates to a total program fiscal impact of \$2,800,000, plus an additional 10% change order amount of \$280,000 approved by Council on August 28, 2018 for FY2018/19. Sufficient funds are available in the Public Benefits Low-Income Assistance Account No. 6020100-456010.

Sufficient funds associated with the five (5) annual renewal periods will be included during budget preparation for future years.

Prepared by: Todd M Corbin, Utilities General Manager
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
Approved by: Al Zelinka, FAICP, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Amended and Restated Agreement
2. First Amended and Restated Agreement – redline
3. First Amended and Restated Agreement – clean