



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: FEBRUARY 27, 2024**
FROM: PUBLIC UTILITIES DEPARTMENT **WARDS: ALL**
SUBJECT: TREE POWER PROGRAM FOR FISCAL YEAR 2023/24 WITH PARKVIEW NURSERY, 4377 CHICAGO AVENUE; PARKVIEW NURSERY, 3841 JACKSON STREET; AND LOUIE'S NURSERY, 18550 VAN BUREN BOULEVARD IN A COLLECTIVE AMOUNT OF \$468,424

ISSUE:

Consider approving the Tree Power Program for Fiscal Year 2023/24, with qualified vendors to implement the Fiscal Year 2023/24 Tree Power Program Free Shade Tree Coupon campaign in a collective amount of \$468,424.

RECOMMENDATIONS:

That the City Council:

1. Approve the Fiscal Year 2023/24 Tree Power Program Free Shade Tree Coupon Campaign in the amount of \$468,424; and
2. Authorize the City Manager, or designee, to issue purchase orders and change orders to Parkview Nursery, 4377 Chicago Avenue; Parkview Nursery, 3841 Jackson Street; and Louie's Nursery, 18550 Van Buren Boulevard based on the variable product demand of each nursery for the Tree Power Program's Free Shade Tree Coupon campaign in a collective amount of \$468,424.

BOARD RECOMMENDATION:

On January 22, the Board of Public Utilities voted unanimously to recommend that the City Council approve the Fiscal Year 2023/24 Tree Power Program and implement the Tree Power Free Shade Tree Coupon campaign.

BACKGROUND:

The Riverside Public Utilities (RPU) Department is required by state law to establish energy efficiency goals and administer energy efficiency programs funded through the state-mandated Public Benefits Charge. The Tree Power Program has been a successful energy efficiency

program for over 20 years and is responsible for over 230,000 trees being planted in the City of Riverside. Each tree conservatively provides energy savings of 164 kilowatt hours (kWh) over the life of the tree and consistently helps RPU achieve its energy savings goals at minimal cost.

The Tree Power Program provides rebate incentives to RPU's electric customers who plant shade trees in locations adjacent to their homes or businesses to help conserve energy and save on summer cooling costs. While most trees are eligible for the program, due to the vulnerability of the City's citrus stock to Asian Citrus Psyllid and Huanglongbing (HLB), an agreement was made by RPU and the participating nurseries to remove any citrus trees from program participation.

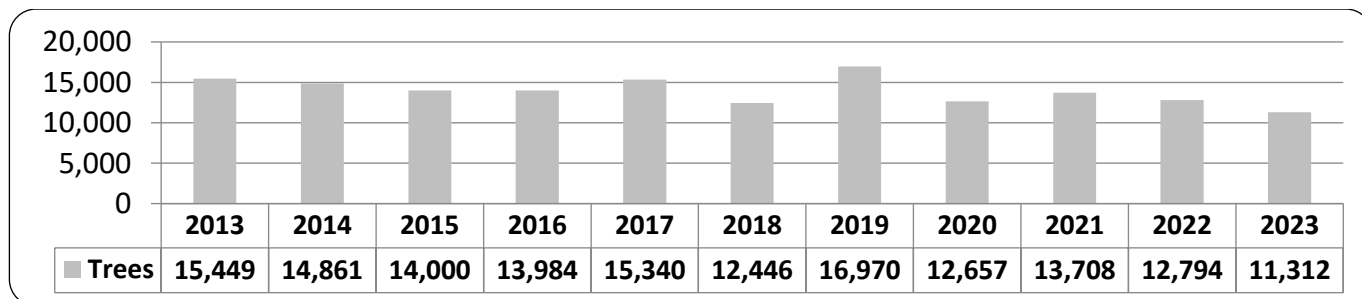
RPU customers can receive a maximum of six free or rebated trees annually. A dual marketing approach is used for both elements of the program – the Tree Power Rebate Program and the Tree Power Free Shade Tree Coupon Campaign.

The Tree Power Rebate Program allows RPU customers to participate by purchasing up to five qualified trees per year. Each qualified tree purchased is eligible to receive up to a \$40 rebate, which is credited to the customer's RPU electric account. Customers must apply for the rebate after they have purchased the trees. Trees must be planted within 10-35 feet of the foundation on the customer's own property to achieve maximum energy efficiency, without negatively impacting any dwelling, business, underground pipes, utility lines or solar power access.

The Tree Power Free Shade Tree Coupon Campaign was launched by RPU 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 and customers redeem the coupon at a participating nursery for one free shade tree, valued at up to \$40, or an instant rebate of \$40 off a single, higher cost tree. 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 ongoing Tree Power Rebate Program.

Since 2001, both participation and popularity of this program have grown. The original issuance of the coupon in 2001 resulted in 3,700 planted trees; last year's coupon yielded 10,646 trees. To date, 226,349 have been planted by RPU customers as a result of the Free Shade Tree Coupon Campaign. Additionally, 45,706 trees have been planted by customers who elected to participate in the rebate program. In total, the Tree Power Program is responsible for 272,055 planted trees in the City of Riverside. The energy saved from the planted trees is enough to power over 5,000 average single-family homes for a year. The chart below shows the total of both free trees and rebated trees by year, since 2013.

Tree Power Rebate and Free Shade Tree Coupon and Redemption Statistics



DISCUSSION:

RPU works with all 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 that have agreed to work with RPU on the Program includes: Parkview Nursery, 4377 Chicago Avenue; Parkview Nursery, 3841 Jackson Street; and Louie's Nursery, 18550 Van Buren Boulevard.

Due to a significant variance in coupon redemption at the four participating nurseries, the purchase orders issued to this year's participating nurseries will vary in amount based on the number of coupons redeemed at each location during the 2023 Tree Coupon Program and include a 10% buffer to account for any potential increase in participation.

Nursery	Trees supplied 2023	2023 + 10% Buffer	PO Amount
Louie's	2,190	2409	\$96,360
Parkview Chicago	3,190	3509	\$140,360
Parkview Jackson	5,266	5793	\$231,704
Total	10,646	11,711	\$468,424

Participating nurseries will be paid on the basis of actual coupons redeemed at a rate of \$40 per tree. The nurseries are responsible for any other costs associated with coupon redemption and program administration.

Purchasing Resolution 23914, Section 702 (w) states that, "Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances.... (w) When approved by the Manager, Services not subject to the bidding requirements of Section 1109 of the City Charter, which are of such a nature suitable technical or performance specifications describing them are not readily available and cannot be developed in a timely manner to meet the needs of the City, in which case the Manager shall be authorized to negotiate with any Person or Persons for the Procurement thereof upon the price, terms and conditions need by the Manager to be in the best interest of the City and in doing so may utilize Informal Procurement or Negotiated Procurement process."

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 23914

STRATEGIC PLAN ALIGNMENT:

The Tree Power Program aligns with **Strategic Priority 4 – Environmental Stewardship**, and **Goal 4.1** by helping to decrease Riverside's carbon footprint, and **Goal 4.3** by implementing local and support regional proactive policies and inclusive decision-making processes to deliver environmental justice and ensure that all residents breath healthy and clean air with the goal of having zero days of unhealthy air quality per the South Coast Air Quality District's Air Quality Index (AQI).

1. **Community Trust** – Sustaining this program benefits the City's population by increasing the number of trees, and this helps to reduce electric consumption, improve carbon sequestration and community beautification.
2. **Equity** – The Tree Power Program is available to all RPU electric customers in the service

territory. By planting the trees available from this program, not only do the program participants enjoy benefit, the whole community benefits from improvements to the City's natural environment.

3. **Fiscal Responsibility** – The low cost of the program, coupled with the achieved energy savings proves that it is a fiscally prudent way of meeting energy efficiency goals reasonably.
4. **Innovation** – Although RPU has been offering the Tree Power Program for 20 years, RPU Staff are contacted on a regular basis by other municipalities for advice on establishing their own tree program. RPU is investigating ways of utilizing new technology to support the program in the future.
5. **Sustainability & Resiliency** – The Tree Power Program encourages a reduction in energy required for cooling during the summer. The program also promotes carbon sequestration and a reduction in the heat island effect, which supports sustainability and resiliency efforts.

FISCAL IMPACT:

The total fiscal impact is \$468,424. Sufficient funds are budgeted and available in the Public Benefits Program Fund, Residential Tree Power Program Account No. 6020100-456038

Prepared and
approved by: Todd Corbin, Utilities General Manager
Certified as to
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachment: Presentation