

City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBRUARY 24, 2026

FROM: PUBLIC UTILITIES WARDS: ALL

SUBJECT: TREE POWER PROGRAM FOR FISCAL YEAR 2025/26 WITH PARKVIEW NURSERY, 4377 CHICAGO AVENUE; PARKVIEW NURSERY, 3841 JACKSON STREET; AND LOUIE'S NURSERY, 18550 VAN BUREN BOULEVARD IN THE AMOUNT OF \$478,584

ISSUE:

Approve the Tree Power Program for Fiscal Year 2025/26 with Parkview Nursery, 4377 Chicago Avenue; Parkview Nursery, 3841 Jackson Street; and Louie's Nursery, 18550 Van Buren Boulevard in the amount of \$478,584.

RECOMMENDATIONS:

That the City Council:

1. Approve the Fiscal Year 2025/26 Tree Power Program Free Shade Tree Coupon Campaign in the amount of \$478,584; 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 \$478,584.

BOARD RECOMMENDATION:

On January 12, 2026, the Board of Public Utilities voted unanimously (with one Board member absent) to approve the Tree Power Program for Fiscal Year 2025/26 with Parkview Nursery, 4377 Chicago Avenue; Parkview Nursery, 3841 Jackson Street; and Louie's Nursery, 18550 Van Buren Boulevard in the amount of \$478,584.

LEGISLATIVE HISTORY:

Assembly Bill (AB) 1890 (Brulte, 1996) requires that 2.85% of electric revenue be utilized to fund public benefits programming and must be used in at least one of four areas: demand side

management (energy efficiency), renewable energy, low-income assistance, or research, development, and demonstration. The Tree Power Program is an energy efficiency program.

BACKGROUND:

Riverside Public Utilities (RPU) is required by state law to establish energy efficiency goals and administer energy efficiency programs funded through the state-mandated Public Benefits Charge. In 2001, RPU introduced the Tree Power Program, which has become one of RPU's most successful rebate programs. The 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. 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.

Tree Power Rebate Program

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.

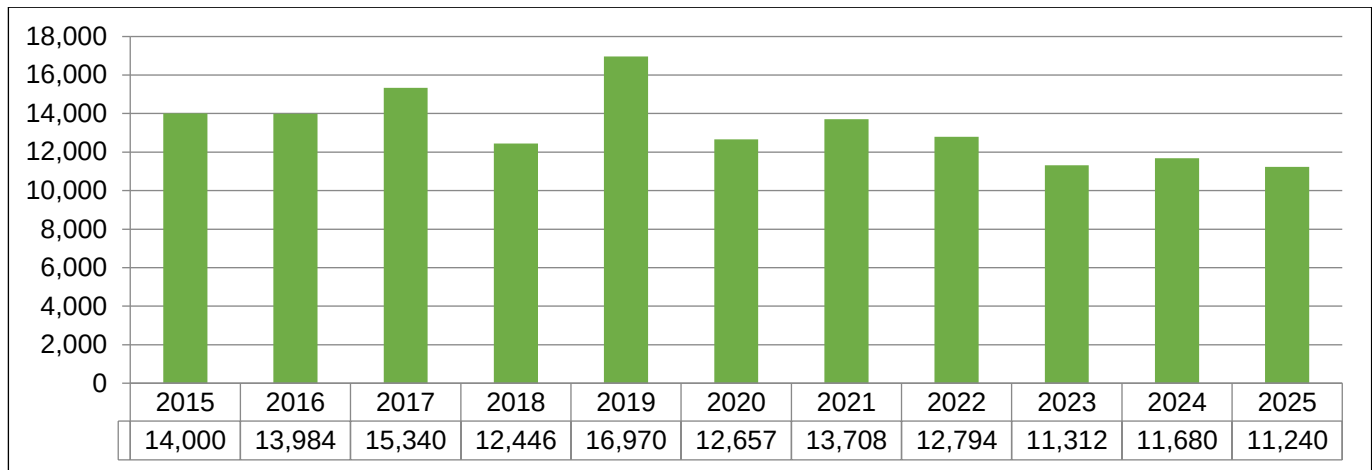
Tree Power Free Shade Tree Coupon Campaign

The Tree Power Free Shade Tree Coupon Campaign 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. 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.

DISCUSSION:

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 10,410 trees. To date, 247,157 have been planted by RPU customers via the Free Shade Tree Coupon Campaign and 47,818 trees have been planted by customers who elected to participate in the rebate program. In total, the Tree Power Program is responsible for 294,975 planted trees in the City of Riverside. The chart below shows the total of both free trees and rebated trees by year, since 2015.

Number of Trees Distributed



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 three participating nurseries, the purchase orders issued to this year's participating nurseries will vary in amount based on an average of the number of coupons redeemed at each location during the 2024 and 2025 Tree Coupon Program and includes a 15% buffer to account for any potential increase in participation.

Average Number of Trees 2024 and 2025		
Nursery		PO Amount
Louie's	2,015	\$92,690.00
Parkview Chicago	3,278	\$150,788.00
Parkview Jackson	5,111	\$235,106.00
Total	10,404	\$478,584.00

Beginning March 1, 2026, customers use the new online process to redeem their rebates, which will enable them to select a tree via an online portal. The portal is accessed through a QR code that will be on the back of the March electric bill, the RPU website or on an electronic tablet provided at the nursery. The new software from Arbor Day Foundation, approved by the Board on January 13, 2025, will allow customers to virtually site the tree and determine the most effective placement of their tree to maximize shade. This innovative approach removes the paper coupon process and will significantly reduce the need for staff to administer, track and store coupons. It will provide an electronic tracker of data and enable RPU to capture associated energy savings without the need for inefficient manual processes. The software also provides information on the co-benefits of the tree purchased, such as reduction of greenhouse gas emissions and the reduction of air pollutants.

Purchasing Resolution 24101 Section 702 (w) states, "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 that 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 accordance with Purchasing Resolution 24101.

FISCAL IMPACT:

The total fiscal impact is \$478,584. Sufficient funds are available in the Electric Public Benefits Program Fund, Residential Tree Power Program Account No. 6020100-456038

Prepared by:	Tracy Sato, Utilities Assistant General Manager/ Strategic Initiatives
Approved by:	David Garcia, Utilities General Manager
Certified as to availability of funds:	Julie Nemes, Interim Finance Director
Approved by:	Gilbert Hernandez, Interim Assistant City Manager
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachment:	Presentation
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