



Legislation Text

File #: 12-0847, **Version:** 1

Recommendation to authorize City Manager to execute a contract with the State of California, Department of Community Services and Development, to provide direct credit of allocated Federal funds to the gas utility accounts of low-income Long Beach gas customers, for a period of three years beginning July 1, 2012, with the option to renew for three additional one-year periods, at the discretion of the City Manager. (Citywide)

On June 20, 2006, the City entered into an agreement with the State of California, Department of Community Services and Development (CSD), which administers the Low-Income Home Energy Assistance Program (LIHEAP) that assists low-income utility customers in paying their gas and electric utility bills. This contract expired June 30, 2012.

Under this Program, customers apply to CSD to participate, at no cost, in LIHEAP. If approved and accepted, CSD will assist the customer by making a utility payment directly to the City on the customer's behalf. This payment is in-lieu of payment from the customer so there is no net revenue change to Long Beach Gas and Oil.

This matter was reviewed by Deputy City Attorney Amy R. Webber on September 6, 2012 and Budget Management Officer Victoria Bell on September 11, 2012.

City Council action to execute the Direct Payment Program contract is requested immediately to allow contributions on behalf of low-income gas customers in the City.

There is no net fiscal impact as any payments the City receives through this program are in-lieu of payments that would otherwise be expected to be received from gas customers. The in-lieu payments are deposited in the Gas Fund (EF 301) in the Gas and Oil Department (GO). Annual estimated staff cost to administer this effort is about \$7,000. There is no General Fund impact or local job impact associated with the recommendation.

Approve recommendation.

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

CHRISTOPHER GARNER
DIRECTOR OF LONG BEACH GAS AND OIL

APPROVED:

PATRICK H. WEST
CITY MANAGER