

Division of Water

Request for Legislation

The Department of Public Utilities is requesting that Ordinance No. 1349-16 be amended as follows:

1. Replace a portion of the Summary Section with the following:

Replace "Cleveland Housing Partners" with "CHN Housing Partners formerly known as Cleveland Housing Network".

2. Replace a portion of Section 1 with the following:

Section 1. Replace "Cleveland Housing Partners" with "CHN Housing Partners formerly known as Cleveland Housing Network".

3. A request for the additional legislative authority required under Ordinance No. 1349-16 for the final one (1) year renewal of the professional services contract, PS2017-26, with CHN Housing Partners to provide administration and other related services for the Division of Water's discount affordability program

Background/Purpose:

Council amended Codified Ordinance Section 535.05, Affordability Programs, authorized the Director of Public Utilities to establish an affordability program to provide assistance to eligible low-income customers. The program offers a reduction of 40% from the water bill for residential customers who have been qualified to receive assistance through the federally funded Home Energy Assistance Program (HEAP). The ordinance also allows the Director to set guidelines for administering the affordability program and approve applications. CHN Housing Partners (CHN) currently administers eligibility for the HEAP program for gas and electric utilities through the State of Ohio.

CHN currently services approximately 3,100 customers annually in the affordability program.

The breakdown per year:

1. Applications approved each year for affordability:
 - a. As of 12/31/14, CHN approved 3,359 applications.
 - b. As of 12/31/15, CHN approved 2,906 applications (CHN changed their processes in 2015 and stopped approving applications more than once in a 12-month period, and this number is a reflection of that).
 - c. As of 12/31/16 CHN approved 2,872 applications.
 - d. As of 12/31/17 CHN approved 2,761 applications.
 - e. Year to date for 2018, CHN has approved 2008 applications.

Scope of Work/Commodities/Services:

The Division of Water (CWD) is seeking legislation for the additional legislative authority for the final one-year option for the contract with CHN to provide professional services for the Water Division's affordability program, including administration services and other related services, to determine customer eligibility for the 40% water bill discount program.

CHN has worked closely with CWD to develop a system for approving qualified applicants, marketing the program, and offering combined and leveraged services to those with the highest water bills. They currently provide the following services for the program:

- Application distribution throughout service territory, incl. mailings to HEAP-eligible homeowners
- Application review for program eligibility
- Data entry, storage and retrieval of all program information for city use
- Communications with clients, including application status
- Targeting of high water users for home inspection (water meter readings, surveys)
- Annual review for renewal (applicants must submit current income information to maintain eligibility)
- File information provided to city upon request

Justification/Urgency:

CHN has been providing services to lower utility costs to low income residents of the City of Cleveland and surrounding areas for over twenty years. These services include the administration of the Dominion East Ohio's Housewarming program, the First Energy Company's Community Connections program, Cleveland Public Power's repair and conservation program, as well as the City of Cleveland's Water and Water Pollution Control divisions program which provides repairs and conservation services to City of Cleveland water customers. All of the above mentioned programs are geared towards lowering the overall utility bill of the low income customer to make their housing cost more affordable.

In addition, CHN has administered the state sponsored HEAP program for the past seven years, providing both emergency funding to avoid gas and electric shutoffs and regular HEAP benefits which reduce the winter utility bill by a percentage for qualifying applicants.

CHN also has an emergency utility funded program (Dominion funding) to utilize in extreme hardship cases, when all other sources have been exhausted.

CHN's knowledge of available utility funded and associated services to reduce utility bills makes CHN uniquely qualified to manage the City of Cleveland's Water Affordability Program.

CHN will provide efficient and accurate processing of applications, as well as provide applicants with additional information regarding other available resources.

Anticipated Costs and Funding Source:

Fund 52, Sub fund 001 – cost per year - \$193,905.00, fixed.

Schedule or Term of Contract:

Legislation is to lead to the additional legislative authority for the final one-year option for the Division of Water, Water Affordability Program.

Current Contract(s):

Vendor Name	Vendor Address	Vendor Contact	Contract Info
CHN Housing Partners	2999 Payne Avenue #306 Cleveland, Ohio 44114	Jeanne Morton	Contract #: PS2017-026 - Awarded Amount: \$387,810.00 - Contract Expiration Date: 01/31/19

Cleveland Small Business (CSB) Participation on the Current Contracts:

Current participation: 0% CSB

If there is no CSB participation, explain why here: OEO determined that it is impractical to subcontract portions of this contract, because there are no CSB firms certified for this scope of work.

Previous Contract(s):

Vendor Name	Vendor Address	Contract Info	CSB Participation (Actuals)
Cleveland Housing Network	2999 Payne Avenue #306 Cleveland, Ohio 44114	Contract #: PS2015-30 - Awarded Amount: \$365,774.00 - Contract Expiration Date: 01/20/17	CSB – 0% Direct award.
Cleveland Housing Network	2999 Payne Avenue #306 Cleveland, Ohio 44114	Contract #: PS2013-137 - Awarded Amount: \$337,406.00 - Contract Expiration Date: 1/31/15	CSB – 0% Direct award.
Cleveland Housing Network	2999 Payne Avenue #306 Cleveland, Ohio 44114	Contract #: PS2011-29 - Awarded Amount: \$278,944.00 - Contract Expiration Date: 2/13/13	CSB – 0% Direct award.
Cleveland Housing Network	2999 Payne Avenue #306 Cleveland, Ohio 44114	Contract #: 68518 - Awarded Amount: \$318,018.00 - Contract Expiration Date: 12/31/10	CSB – 0% Direct award.