

RESOLUTION NO. 2208

**A RESOLUTION REVISING THE UTILITY RELIEF PROGRAM EFFECTIVE
OCTOBER 20, 2009**

WHEREAS, the City has adopted resolution #2123 to establish the utility relief program;
and,

WHEREAS, an expanded program will enable the City to assist more residential
customers due to the current challenging economic times; and,

WHEREAS, the City has adopted resolutions governing city utility billing, collection and
enforcement procedures; #1624 – Water, #1987 – Sewer, #1732 – Storm water, #881 – Street
lighting, and Ordinance #484 – Road maintenance; and,

WHEREAS, the City Council desires to supplement the collection and enforcement
options by offering limited credits and leak repair assistance to qualifying residential customers;
and,

WHEREAS, administration of the financial assistance will be provided by a community
service organization that will screen applications based upon an adjusted version of current state
guidelines for energy assistance programs; and,

WHEREAS, the maximum crisis voucher per household during an 18-month period will
be \$150 under the condition that the customer pay at least 25% of the current bill; and,

WHEREAS, the maximum leak repair assistance during an 18-month period will be 50%
of the repair bill up to a maximum contribution of \$250; and,

WHEREAS, the cost of the program shall not exceed \$16,000 for fiscal year 2009-10;
and,

WHEREAS, Attachment A, which is incorporated by reference herein provides the
guidelines of the total city utility relief program.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City adopts the revised Utility Relief Program for assistance to residential customers as set forth in the above recitals.
2. This resolution is effective October 20, 2009.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof this 19th day of October 2009 and filed with Wilsonville City Recorder this same date.


TIM KNAPP, MAYOR

ATTEST:


Sandra C. King, MMC, City Recorder

SUMMARY OF VOTES:

Mayor Knapp	Yes
Councilor Hurst	Yes
Councilor Ripple	Yes
Councilor Kirk	Yes
Councilor Núñez	Yes

Attachment A – Revised Utility Relief Program

ATTACHMENT A

	Procedure Title REVISED UTILITY RELIEF PROGRAM	No: Page 1 of 2
Operations Manual	Approved	Revision:
Financial	Signature	Effective Date: October 20, 2009

PURPOSE:

The City recognizes a need within our community to provide a utility relief program to its customers. This program will allow City employees various tools to help qualifying customers with one-time emergency needs, assist in repairing leaks, providing credits due to leaks and various payment plans to help a customer bring their account to a current status.

SCOPE:

To establish the procedures under which the City may provide assistance to qualifying customers with their monthly utility bills.

GENERAL:

The programs available to assist customers are as follows:

1. *Leak detection warning.* During the monthly billing process, our utility billing staff will have the water crew verify the reads on accounts with unusually high water consumption. If the crew determines the meter is continuing to register consumption when no water is intentionally in use, the occupant will be notified of a possible leak in their system.
2. *Leak bill adjustment.* The City has a policy of forgiving a portion of the utility bill that pertains to a water leak. Provisions of this policy are provided in the water billing resolution, and require prompt corrective action by the customer with evidence of repair before a credit can be applied.
3. *Repayment terms.* Delinquent accounts can avoid disconnection of service by agreeing to a repayment plan that is designed to bring the account current within 6 months. Divergence from the payment plan may result in termination of water service. In addition to a portion for the past due amount, all repayment plans required the current amount to be paid in full by the last working day of each month.
4. *Crisis Assistance.* The City may provide financial assistance to qualified customers with a proven financial crisis, for example the loss of a job, divorce, death in family, economic distress, etc. The maximum assistance per customer will be \$150 and the customer must also pay at least 25% of the current bill.

The program shall be administered by Wilsonville Community Sharing (WCS) that serves the residents in the Wilsonville area. The water and sewer funds shall provide up to \$5,000 each (total of \$10,000) per fiscal year. This funding will be made from the savings achieved from refinancing the long-term debt obligations. In addition, the storm water and road maintenance funds will contribute an additional \$500 each. In total, the program shall be funded at \$11,000.

To qualify the customer must be screened by WCS. WCS will use an adjusted version of the state guidelines for energy assistance programs. Whereas the state guidelines are based on 60% of the median income for a household of four, WCS shall use 100% of the median income per a household of four as the basis of qualification with the adjustment for other household sizes based on state standards. The standards will be adjusted annually as approved by the state guidelines.

WCS will notify the utility billing clerk of the recommendation for assistance. WCS shall determine the amount of subsidy up to a \$150 maximum. A customer may only receive this assistance once every 18 months.

5. *Leak Repair.* It is not unusual for a leak in the water system to cause an unusually high utility bill. Some homeowners are faced with the dilemma of either paying for the bill or paying someone to fix the leak. Fixing leaks is important to the City as it improves water conservation and protects the integrity of the system. This program, available to qualified home owners, will assist in the cost of repairing the leak. After approval by WCS, the City will pay up to 50% of the repair with a maximum contribution of \$250. A customer may only receive this assistance once every 18 months. The water fund will provide an additional \$2,500 for this program.

OBJECTIVES:

Fiscal Year 2010 expanded version of the program should enable the City to assist more families. The City's Finance Department will track costs of the program through utility billing software system. WCS will be reimbursed for their services at a maximum of \$2,500 per year.

FISCAL IMPACT:

Maximum assistance budgeted for FY 2009-10 is as follows:

	Water	Sewer	Stormwater	Road Maint.	Total
Crisis	\$5,000	\$5,000	\$500	\$500	\$11,000
Leaks	\$2,500	\$0	\$0	\$0	\$2,500
Admin WCS	\$1,250	\$1,250	\$0	\$0	\$2,500
Total	\$8,750	\$6,250	\$500	\$500	\$16,000

MEMORANDUM

Date: October 19, 2009

To: Honorable Mayor Knapp and City Council

From: Cathy Alexander, Assistant Finance Director

Subject: Revised Utility Relief Program

SUMMARY:

To expand our utility financial assistance programs for our residential customers by amending the income criteria.

BACKGROUND:

The utility relief program, adopted in July 2008, was implemented to assist low-income residential customers pay their utility bills. Based on the state's criteria for energy assistance income requirements, Wilsonville Community Sharing qualifies a customer based on their current income. To date, only three customers have qualified for assistance. In addition to assistance with the monthly utility bills, the program also included provisions for emergency waterline repairs. No one has requested assistance under the waterline repair program.

Our collection numbers continue to increase each month. Comparing the first six months of 2009 to 2008, we have had a 13% increase in door hangers for delinquent accounts from an average of 176 per month to an average of 199 per month. Our number of shut-offs due to non-payment have also increased from an average of 13 per month to an average of 22 per month.

Having talked with several customers who requested assistance, Utility Billing Specialist Cricket Taylor noted the primary reason for not applying for assistance was due to the low-income criteria. To make our program more accessible to customers in a financial crisis and comport to council goals, it is recommended that the low income criteria be amended to 100% of the median income versus the state's assistance program criteria of 60% of median income. This increase is noted in the table below:

Size of Family Unit	2010 Annual Income 60% of Median	2010 Annual Income 100% of Median
1	\$21,093	\$35,155
2	27,583	43,931
3	34,073	54,083
4	40,563	67,605
5	47,053	78,422

6	53,543	89,239
7	54,760	91,269
8	55,977	93,295
9	57,194	95,323
10	58,411	97,351
For each additional person, an additional \$2,028 in income is allowed		

The program will continue to be funded primarily with Water and Sewer Operating Funds. Through the refinancing of bond debt, both funds will continue to recognize significant savings in interest expense over the next several years. The funding portion from the Road Maintenance and Storm Water funds will be from operating revenues.

RECOMMENDATION:

Staff requests approval of the proposed revised utility relief program with the increase in income requirements.