



Utility Customer Assistance Program Briefing

Utility Advisory
Committee
June 4, 2020



Lifeline Utility Rate Program

OMC 4.24.020

50% discount on residential utility rates to any household occupied by:

- Low income elderly (age 62 or above) or
- Low income disabled persons
- Low income is defined as equal to or less than fifty percent of the median household income in Thurston County.

OMC 4.24.030

Extends the Lifeline utility rate program via a rebate to renters of individually metered premises.



Olympia Poverty

Federal Poverty Levels

- One-person household poverty level: \$12,760 per year
- Two-person household poverty level: \$17,240 per year
- Individuals with incomes below the poverty level: 18.4%

Thurston County Median Household Income: \$72,703

Half of Thurston County Median Household Income: \$36,352



Lifeline Utility Rate Program

Reduces a typical single-family household bi-monthly utility bill from roughly \$246 to \$123

- 335 households currently participate
- \$247,000 annual cost covered by traditional ratepayers
- Equivalent to 0.435% of total budgets
- \$6.42 annual cost to the average ratepayers (\$1.07 bi-monthly)



Lifeline Utility Rate Program

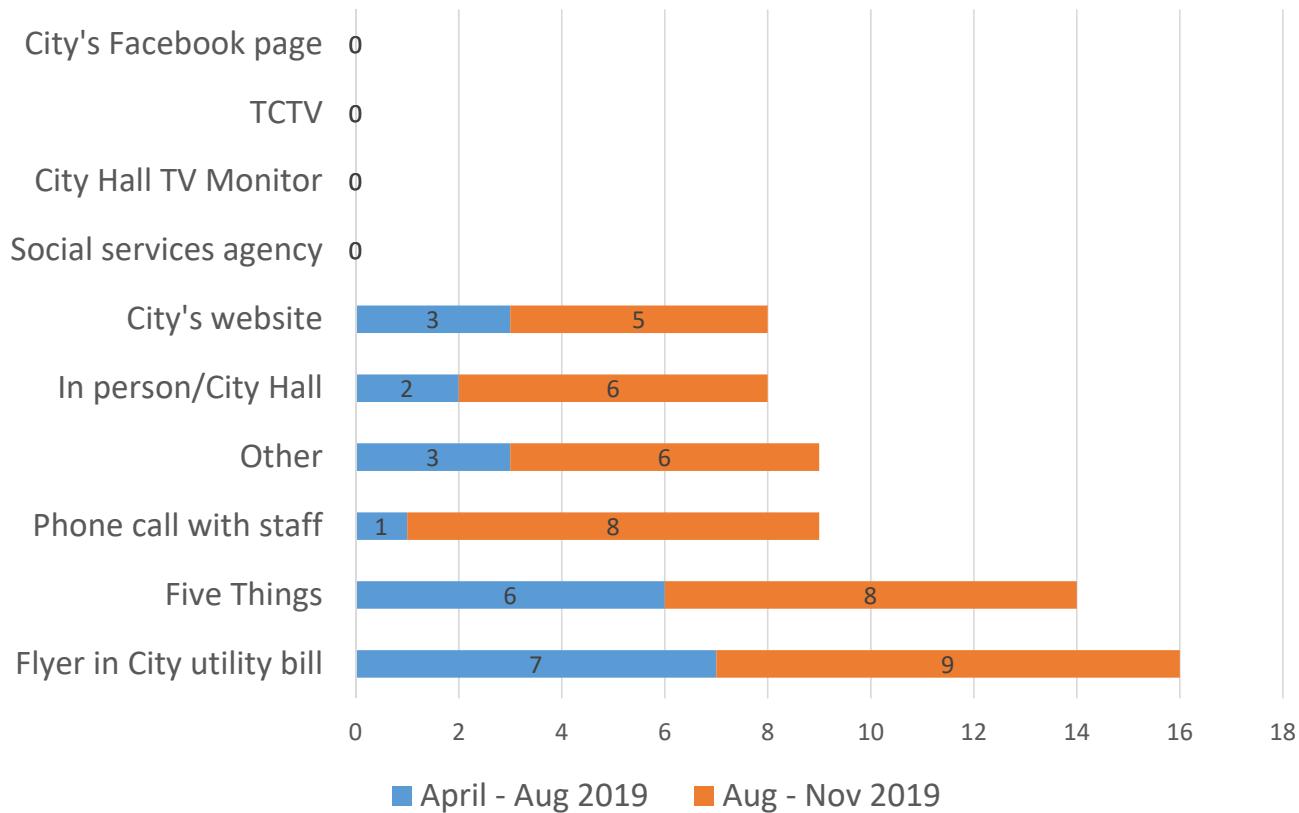
In 2018-2019, the City evaluated ways to increase enrollment in the Lifeline utility rate program. Utility Advisory Committee recommendation:

- Maintain existing eligibility requirements
- Increase community awareness of the program
 - Resulted in increase of 95 participants



Lifeline Utility Rate Program

Lifeline Outreach Performance





Legal Authority

RCW 35.92.020(5) authorizes cities to "provide assistance to aid low-income persons".

RCW 35.67.020(5) provides cities the same authority with respect to sewerage services.

RCW 74.38.070 provides authority for cities to offer reduced utility rates for low-income senior citizens and other low-income citizens.



Legal Authority

Article 8, Sec. 7 of the state constitution permits "gifts" of public funds in "support of the poor and infirm".

RCW 57.46.010 authorizes water and sewer districts (not cities) to solicit voluntary contributions.



New Charitable Contribution Program

The City proposes a new charitable contribution program

- Team with the Community Action Council (CAC), a local non-profit.
- Funds to be collected by the City and paid to the CAC.
- CAC would administer and distribute the funds to qualified Olympia citizens.
- The funds would pay for drinking water, sewer and garbage utilities.





New Charitable Contribution Program

- Olympia residents would apply for assistance directly with the CAC.
- The City would establish the criteria for the CAC to screen applicants. Per OMC 4.24.020, that would be equal to or less than fifty percent of the median household income in Thurston County.
- Propose making \$75 available twice per year when a customer has received a past due notice.





New Charitable Contribution Program

- The City would advertise the program in the utility bill with a message asking for donations to the fund.
- The cities of Lacey and Tumwater already participate in assistance programs with CAC.
- There is no cost for the CAC to provide this service.





New Charitable Contribution Program

The new charitable contribution program would require City Council to approve a resolution

- Memorandum of Agreement with the CAC.
- Authorize one-time start-up funds (\$5,000) for the program
 - Drinking Water: \$1,618.71
 - Wastewater: \$1,158.27
 - Storm and Surface Water: \$ 748.17
 - Waste Resources: \$1,438.85





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