



City Council

Approval of a Resolution Establishing a Utility Customer Assistance Charitable Fund and Authorizing a Contract Between the City of Olympia and the Community Action Council to Administer the Fund

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Title

Approval of a Resolution Establishing a Utility Customer Assistance Charitable Fund and Authorizing a Contract Between the City of Olympia and the Community Action Council to Administer the Fund

Recommended Action

Committee Recommendation:

The Finance Committee and Utility Advisory Committee recommend the City Council approve a Resolution Establishing a Utility Customer Assistance Charitable Fund and authorizing the City Manager to sign the professional services agreement with the Community Action Council for administration of the Utility Customer Assistance Charitable Fund.

City Manager Recommendation:

Move to approve a Resolution establishing a Utility Customer Assistance Charitable Fund and authorizing the City Manager to sign the professional services agreement with the Community Action Council for administration of the Utility Customer Assistance Charitable Fund.

Report

Issue:

Whether to approve a Resolution authorizing the City Manager to sign the professional services agreement with the Community Action Council for administration of the City of Olympia Utility Customer Assistance Charitable Fund.

Staff Contact:

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Presenters:

Eric Christensen, Water Resources Director

Background and Analysis:

In 2020, the Finance Committee and Utility Advisory Committee reviewed and approved the

establishment of a utility customer assistance charitable program fund (proposed to be called the Helping Neighbors program). This program assists customers that are facing financial hardship and that are low income and do not qualify for the City's Lifeline Rate program.

The professional services agreement (PSA) with the Community Action Council (CAC) will allow for the CAC to administer and distribute funds to qualified Olympia community members. The CAC is a local non-profit that provides various assistance programs to low-income residents in Thurston County.

Donations from Customers

The Olympia utility bill would have a message on it asking customers for donations to the fund. The CAC would receive the funds from the City quarterly and would administer and distribute the funds to qualified Olympia community members. There is no cost for the CAC to provide this service. Funds will be provided on a first come, first serve basis.

Assistance to Customers

Olympia residents experiencing a financial hardship would apply for assistance with CAC. The funds would pay for City utilities: drinking water, sewer, stormwater and garbage/recycling. The City has developed the criteria for the CAC to screen applicants, which will be the same income limits established for the Lifeline Rate program (50% of the median family income for Thurston County). Customers that have received a past due notice and meet the eligibility criteria can receive up to \$75 twice a year to pay their utility bill. The funds will only be distributed to City of Olympia residents/utility customers. The cities of Lacey and Tumwater have similar programs and contracts with the CAC.

Staff Administration

A fund to manage the collection and distribution of the funds will be established. Utility Billing staff are working to update the City's utility bill to have a place for customers to donate to the Helping Neighbors program. In addition, staff created a process for the donation to be added to the bill as a reoccurring charge that will "age off" the customer's bill if they choose not to pay it the next month. Customers that pay their bill via automatic withdrawal will also have the option of donating to the program.

Outreach

Staff will promote the Helping Neighbors program in the July/August Five Things utility insert. Additionally, during the July/August billing cycle, a small flyer will go into the utility bill educating customers on the program. The City plans to promote the program quarterly in the utility bill and on the Timely Topics section of the bill. Information will include how to donate to the fund and how to receive assistance by contacting the CAC. Customers will be directed to the City's website for further details about the Helping Neighbors program.

Next Steps

Establishing this charitable fund program would require the City Council's approval of a resolution to create the charitable fund program and authorize the utilities to contribute one-time start-up funds (\$5,000) to the fund.

Neighborhood/Community Interests (if known):

Working in partnership with the CAC to administer the Helping Neighbors program helps our customers that would not otherwise qualify for the Lifeline rate program (which is for the elderly and

disabled/low income).

Options:

1. Approve a Resolution authorizing the City Manager to sign the professional services agreement with the Community Action Council for administration of the Utility Customer Assistance Charitable Fund.
2. Modify the Resolution to reflect City Council requirements.
3. Decline the approval and authorization of the PSA. The City would miss an opportunity to work with a local non-profit agency that would work with customers to help them pay for their utility bill. City staff do not have the capacity to accept the applications and determine customer eligibility.

Financial Impact:

A one-time payment of \$5,000 to seed the charitable fund is necessary. It is proposed that the seed money would be split amongst the utilities based on their proportional share of an average residential utility bill:

- Drinking Water: \$1,618.71
- Wastewater: \$1,158.27
- Storm and Surface Water: \$ 748.17
- Waste Resources: \$1,438.85

Attachments:

Resolution
Agreement
Community Action Council Webpage