

**CITIZENS' RATE REVIEW COMMITTEE
WEDNESDAY, AUGUST 3, 2016
6:00 P.M. MEETING**

PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

Mission Statement

The City of Newberg serves its citizens, promotes safety, and maintains a healthy community.

Vision Statement

Newberg will cultivate a healthy, safe environment where citizens can work, play and grow in a friendly, dynamic and diverse community valuing partnerships and opportunity.

I. CALL MEETING TO ORDER

II. ROLL CALL

III. CONSENT CALENDAR

1. Approve minutes from the April 7, 2016 meeting.

IV. NEW BUSINESS

1. Review and approve the utility assistance grant applications to non-profits

V. PUBLIC COMMENT

VI. ADJOURNMENT

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate persons with physical impairments, please notify the City Recorder's office of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than 48 hours prior to the meeting. To request these arrangements, please contact the City Recorder at (503) 537-1283. For TTY services please call (503) 554-7793.

The Committee accepts comments on agenda items during the meeting. Fill out a form identifying the item you wish to speak on prior to the agenda item beginning and turn it into the Secretary. The Chair reserves the right to change the order of the items on this agenda.

**CITY OF NEWBERG
CITIZENS' RATE REVIEW COMMITTEE
THURSDAY, APRIL 7, 2016
6:30 PM MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)**

I. CALL MEETING TO ORDER

The meeting was called to order at 6:30 PM.

II. ROLL CALL

Members Present: Rick Rogers, Chair Holly Bradford Sarah Grider
Bill Rourke, Secretary

Staff Present: Matt Zook, Finance Director
Kaaren Hofmann, City Engineer

Others Present: Deb Galardi, Galardi Consulting LLC

III. CONSENT CALENDAR

1. Approve minutes from the March 24, 2016 meeting

Finance Director Matt Zook said Mayor Andrews suggested a change to the minutes. On page 2, fifth paragraph from the top, it should say "Mayor Andrews said the charge from the Council had been to consider to reinstate the I & I projects."

<p>MOTION: Grider/Bradford moved to approve the minutes from the March 24, 2016, meeting as amended. Motion carried (4 Yes/ 0 No).</p>

IV. INTRODUCTIONS

V. PRESENTATION BY STAFF & CONSULTANT

Deb Galardi, Galardi Consulting LLC, said at the last meeting there was discussion regarding the Council's request that the Committee reconsider the wastewater rates to include funding the I & I projects that had been removed to lower the rate increases. The proposed increase would be going from 4% to 4.2%. Half of the I & I projects could be funded through SDCs, so only 50% needed to be funded by rates. Staying within a 4.2% increase would draw down reserves by \$100,000, but they would still end up by the end of the planning period at about \$1.8 million in reserves as current year revenues were coming in higher than projected.

VI. ADMINISTRATIVE PUBLIC HEARING

Chair Rogers opened the public hearing. He asked if the Committee had any abstentions or conflicts of interest. There were none.

There was no public testimony.

Chair Rogers closed the public hearing.

FD Zook said the recommendation staff presented met the charge of the Council and gave the Committee the opportunity to decide what rates to recommend to the City Council. The Committee's recommendation would go to Council on May 2.

VII. COMMITTEE DISCUSSION AND FINAL RECOMMENDATION

Mr. Rourke read the newspaper article and listened to the audio of the last CRRC meeting. He pointed out that it was the whole Council who voted to take the issue back to the CRRC.

Chair Rogers said the Committee voted at the last meeting to maintain the 4% wastewater rate and not increase it.

MOTION: Rourke/Bradford moved to increase the rate to 4.2%. Motion failed (1 Yes/3 No [Bradford, Grider, and Rogers]).

MOTION: Bradford/Grider moved to accept the 4.0% as originally proposed. Motion passed (3 Yes/1 No [Rourke]).

VIII. FINAL STEPS IN PROCESS

Chair Rogers said this recommendation would go to the City Council's May 2 meeting. FD Zook clarified the requirement for approval of a motion was the majority of those present, not the majority of the full committee.

IX. ADJOURNMENT

The meeting adjourned at 6:45 PM.

Approved by the Citizen's Rate Review Committee on this 3RD day of August, 2016.

Citizens' Rate Review Committee Recording Secretary

Citizens' Rate Review Committee Chair

REQUEST FOR COMMITTEE ACTION

DATE ACTION REQUESTED: August 3, 2016

Order ___ No.	Ordinance ___ No.	Resolution ___ No.	Motion <u>XX</u>	Information ___
SUBJECT: Approval of utility assistance grant applications for non-profits			Contact Person (Preparer) for this Motion: Matt Zook Dept.: Finance	

RECOMMENDATION: Approve the utility assistance grant applications and determine amount of award for each applicant for the 2016-17 fiscal year.

EXECUTIVE SUMMARY:

The City of Newberg maintains a Utility Bill Assistance Program as defined in Resolution 2008-2767 (see attached). One of the primary elements of this program is a grant process to non-profit organizations who in turn receive assistance requests directly from utility customers. The Program policy requires the Citizens' Rate Review Committee (CRRC) to review and approve the grant applications from these non-profits. The applications do not have specific dollar requests. Historically, the \$4,000 allotted for these grants have been divided equally between each applicant, although organizations which will match their own funds with City funds are to have a higher priority for application approval over other organizations. Utilization of this program for the last three fiscal years is summarized on separate pages in this packet.

In addition to the non-profit grant program, the Utility Bill Assistance Program specifically allocated \$9,000 directly to Yamhill County Assistance Program (YCAP) to be used for their voucher program. The current funding allocation was established by Resolution 2010-2902. Utilization of the YCAP allocation for the last three fiscal years is summarized on separate pages in this packet.

A third piece of the Utility Bill Assistance Program provides for active-duty military assistance. Wage-earning members on active military duty currently or within the last 12 months can receive a \$5/month credit per service provided (water and/or sewer) up to \$10/month maximum per household for a 12 month period. \$2,000 is allocated toward this program. This program has experienced very little participation.

A fourth type of assistance was created via Resolution 2010-2902 allowing direct monthly assistance from the Finance Department for qualifying low-income residential customers. The assistance is \$5 per capita per residence to a maximum of \$10/mo. \$5,000 has been allocated to this program for the last couple years. The City has received 8-10 applications for the last several years, resulting in less than \$1,000 in actual assistance.

The sum of the program funding is \$20,000, which is included in the FY2016-17 budget. These funds are provided 50/50 from the water and sanitary sewer rate funds. Actual funds spent in the last 2-3 years for all programs above average between \$10,000-12,000.

One reason these funds have been under-utilized is due to lack of public awareness. The Finance department will be working in the next few months to make the public aware of these programs through various City communication channels. Another piece of future communication will include information regarding the voluntary donation program, which was also established in the 2008 policy and discussed again during the 2015-16 CRRC rate-setting meetings. This would give customers the option of making

a one-time or recurring donation, in the amount of their choosing, to a fund where 100% of donated funds would be used above and beyond the \$20,000 funded by the City's budget. To date, the City does not have any funds in reserve from donations, which would roll forward year over year. In contrast, unused utility assistance in the City's budget is not accumulated in a separate account but instead is subject to the annual budget process.

A copy of each application received by the City this year is included in this packet. The following non-profits applied for the non-profit grants this year:

Joyful Servant Lutheran Church
Love INC Newberg
Newberg Christian Church
Newberg First United Methodist Church
Newberg Foursquare Church
Newberg Seventh-Day Adventist Church
Northside Community Church
North Valley Friends Church

FISCAL IMPACT: The FY2016-17 budget has \$20,000 for the entire Utility Assistance Program. The allocation of the \$20,000 is summarized as follows:

Non-Profit Assistance	\$ 4,000
YCAP	\$ 9,000
Active Military Assistance	\$ 2,000
Finance Dept Low-Income Assistance	<u>\$ 5,000</u>
	\$20,000

The decision for the CRRC is how much to award to each individual non-profit applicant within the Non-Profit Assistance allocation of \$4,000.

**UTILITY ASSISTANCE PROGRAM
2013/14**

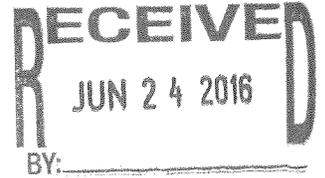
Assisting Agencies	Beginning Amount	Amount Used	Unused Amount
▶ Love Inc	833.00	800.00	33.00
▶ 2nd Street Community	833.00	833.00	-
▶ Newberg Christian Church	833.00	555.00	278.00
▶ Newberg Foursquare Church	833.00	833.00	-
▶ North Valley Friends	833.00	609.09	223.91
▶ Northside Community	833.00	815.29	17.71
▶ YCAP	9,000.00	5,019.80	3,980.20
	<u><u>13,998.00</u></u>	<u><u>9,465.18</u></u>	<u><u>4,532.82</u></u>

**UTILITY ASSISTANCE PROGRAM
2014-15**

Assisting Agencies	Beginning Amount	Amount Used	Unused Amount
▶ 2nd Street Community	625.00	575.00	50.00
▶ 7th Day Adventist	625.00	285.00	340.00
▶ Joyful Servant	625.00	568.88	56.12
▶ Love Inc	625.00	625.00	-
▶ Newberg Christian Church	625.00	400.00	225.00
▶ Newberg Foursquare Church	625.00	625.00	-
▶ North Valley Friends	625.00	625.00	-
▶ Northside Community	625.00	625.00	-
▶ YCAP	9,000.00	7,199.21	1,800.79
	<u>14,000.00</u>	<u>11,528.09</u>	<u>2,471.91</u>

**UTILITY ASSISTANCE PROGRAM
2015-16**

Assisting Agencies	Beginning Amount	Amount Used	Unused Amount
▶ 2nd Street Community	444.00	444.00	-
▶ 7th Day Adventist	444.00	444.00	-
▶ Joyful Servant Lutheran	444.00	200.00	244.00
▶ Love Inc	444.00	444.00	-
▶ Newberg Christian	444.00	350.00	94.00
▶ Newberg Church of Christ	444.00	-	444.00
▶ Newberg Foursquare	444.00	444.00	-
▶ North Valley Friends	444.00	360.66	83.34
▶ Northside Community	444.00	411.30	32.70
▶ YCAP	9,000.00	7,030.13	1,969.87
▶ Military	2,000.00	-	2,000.00
	<u>14,996.00</u>	<u>10,128.09</u>	<u>4,867.91</u>



Utility Bill Assistance Program Grant Application

Non-profit organizations which provide municipal services - water bill assistance to Newberg customers may apply for a grant from the City of Newberg to fund this assistance. Applications for grant funds submitted by non-profit organizations will be reviewed/approved by the City.

ATTACH PROOF OF NON-PROFIT STATUS

Organization Name:	Joyful Servant Lutheran Church		
Address:	1716 Villa		
City, State, Zip:	Newberg OR 97132		
Contact Name:	Katie Ranum		
Phone:	503-538-0475	Fax:	
Email:	office@JoyfulServant.org		

Description of Organization and how the funds could be used:
We are a church and would use the funds to assist Newberg residents who are facing shut off of service.

FOR OFFICE USE ONLY:			
City of Newberg	Grant Awarded? (Please Circle)	YES	NO
Received by:	Signature of officer approval:		
Date: 6/24/16	Date:		

assisted 1 customer 2015/16. Recommend approval

City of Newberg 2016 Utility Bill Assistance Program Grant Request

Love INC is a non-profit organization that exists to mobilize the Church to transform lives and our communities In the Name of Christ. Since 2004 the Love INC Newberg clearinghouse has grown into partnerships with area churches and local agencies, all working together for the benefit of low income individuals and families. With the cooperation of local churches there are now 30 established 'GAP' ministries in operation. Struggling individuals and families are referred to Love INC from area churches, agencies and school districts. An assessment of their needs is conducted and an action plan created to help meet those needs. We work very hard to ensure that services are not duplicated throughout the community. To do this, we have in place a voucher system that enables appropriate tracking of clients' needs and services received.

On the heels of a wonderfully successful collaboration with your Utility Board in the previous years, we are again requesting a grant from the City of Newberg Utility Bill Assistance Program. Last year we were able to distribute over \$444 worth of utility bill assistance to nine different families in Newberg and surrounding communities. This September marks the fifth year of offering classes to low income families in need. Class offerings include: Basic Money Management, Building Healthy Relationships, Nutrition & Cooking on a Budget, and other successful living (life skills) classes. Successful completion of any of these classes (along with completion of all homework and meeting weekly with a personal mentor) enables individuals and families to receive a \$50 utility bill voucher good toward the payment of the individual's utility bill.

Our long-term intention at Love INC is not only to financially assist, but to educate and equip our families in need, to move them up and out of the cycle of poverty. This partnership with the City of Newberg is now a proven commodity and we anticipate significant relief and education for our many families in need through its continuation. Through these classes we do feel we have a tremendous vehicle in place for distributing these funds for maximum impact. Hence, we are requesting grant monies in the amount of \$800 to better serve our community.

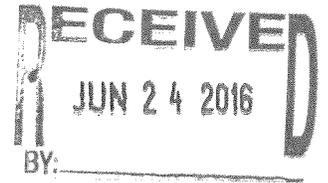
As you know, Love INC does have experience in working with utility bill assistance, and clients are referred to YCAP for state-funded energy assistance as funds are available.

We look forward to hearing your response and thank you for your partnership and consideration.

Serving together,



Heath Placek
Interim Executive Director
Love INC of the Newberg Area



Utility Bill Assistance Program Grant Application

Non-profit organizations which provide municipal services - water bill assistance to Newberg customers may apply for a grant from the City of Newberg to fund this assistance. Applications for grant funds submitted by non-profit organizations will be reviewed/approved by the City.

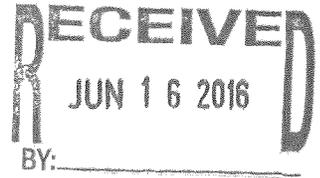
ATTACH PROOF OF NON-PROFIT STATUS

Organization Name:	Newberg Christian Church		
Address:	2315 Villa Road		
City, State, Zip:	Newberg OR 97132		
Contact Name:	Debbie Groat		
Phone:	503 538 3104	Fax:	503 538 9056 Email: dgroat@newbergcc.org

Description of Organization and how the funds could be used:
Newberg Christian Church is actively involved in the community and provides assistance with food, utility bills and more. We would use the funds to help those who seek assistance with water bills.

FOR OFFICE USE ONLY:			
City of Newberg	Grant Awarded? (Please Circle)	YES	NO
Received by: <i>[Signature]</i>	Signature of officer approval:		
Date: 6/24/16	Date:		

Renewal request - assistance to 6 customers 2015/16. Recommends approval.



Utility Bill Assistance Program Grant Application

Non-profit organizations which provide municipal services - water bill assistance to Newberg customers may apply for a grant from the City of Newberg to fund this assistance. Applications for grant funds submitted by non-profit organizations will be reviewed/approved by the City.

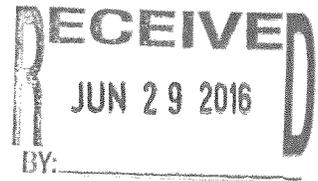
ATTACH PROOF OF NON-PROFIT STATUS

Organization Name:	Newberg First United Methodist		
Address:	1205 Deborah Rd.		
City, State, Zip:	Newberg OR 97132		
Contact Name:	Rev. Dr. Cathy Davis		
Phone:	503 538 5404	Fax:	503 537 0446
Email:	revcathy@newbergfumc.org		

Description of Organization and how the funds could be used:
The funds will be held in a restrictive acct. and be used to assist Newberg residents with their water bill.
We currently use a Pastor's Discretionary Fund to help with such bills. We will continue this practice as the grant monies are used.
Those asking for assistance are always directly referred to other places that offer assistance in various areas.

FOR OFFICE USE ONLY:			
City of Newberg	Grant Awarded? (Please Circle)	YES	NO
Received by: <i>C. Davis</i>	Signature of officer approval:		
Date: 6/16/16	Date:		

* New agency - sent email to reclassify how program works. Recommends approval



Utility Bill Assistance Program Grant Application

Non-profit organizations which provide municipal services - water bill assistance to Newberg customers may apply for a grant from the City of Newberg to fund this assistance. Applications for grant funds submitted by non-profit organizations will be reviewed/approved by the City.

ATTACH PROOF OF NON-PROFIT STATUS

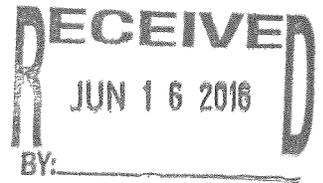
Organization Name:	Newberg Foursquare Church		
Address:	115 W 3rd St.		
City, State, Zip:	Newberg OR 97132		
Contact Name:	Laura Umfleet		
Phone:	503.538.6525	Fax:	N/A
Email:	info@newbergfoursquare.com		

✓ EIN # 94-2943208 (non-profit #)

Description of Organization and how the funds could be used:
Newberg Foursquare Church is very community-minded and have appreciated participating in the water voucher program. We partner with Love INC, allowing them to assess the needs and grant assistance to community members. We appreciate the ability to further help with this need, and we hope to continue throughout the coming year. Thank-you!

FOR OFFICE USE ONLY:			
City of Newberg	Grant Awarded? (Please Circle)	YES	NO
Received by: <i>[Signature]</i>	Signature of officer approval:		
Date: 6-29-16	Date:		

Renewal application - assisted 9 customers 2015/16
Recommend approval



Utility Bill Assistance Program Grant Application

Non-profit organizations which provide municipal services - water bill assistance to Newberg customers may apply for a grant from the City of Newberg to fund this assistance. Applications for grant funds submitted by non-profit organizations will be reviewed/approved by the City.

ATTACH PROOF OF NON-PROFIT STATUS

Organization Name:	Northside Community Church		
Address:	1800 Hoskins St.		
City, State, Zip:	Newberg, OR 97132		
Contact Name:	Karen Henry		
Phone:	503-538-0440	Fax:	503-538-0452
Email:	karen@northsidenewberg.org		

Description of Organization and how the funds could be used:
Church
People come to us on occasion asking for help. We can help with food, but have no way other than this grant to help with utility bills.

FOR OFFICE USE ONLY:			
City of Newberg	Grant Awarded? (Please Circle)	YES	NO
Received by: <i>[Signature]</i>	Signature of officer approval:		
Date: <i>10/16/16</i>	Date:		

assisted 2 customers 2015/16.



NORTHSIDE
community church

June 13, 2016

City of Newberg
Attn: Barbara Davis - Finance
PO Box 970
Newberg, OR 97132

Dear Ms. Davis,

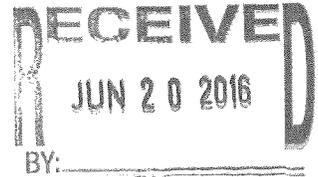
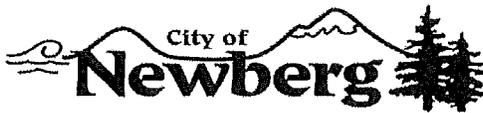
We are writing to ask for your consideration in granting funds to our organization to be used to help people in need with their water utility bill.

As a church body, we are committed to serving people in need in the Newberg community. However, utility bills are not something we are financially able to help with. This grant money would be beneficial to have available in the event someone comes to us needing this kind of assistance.

Our non-profit tax ID number is 93-0811883. Please let me know if you need any further information from us.

Thank you,

Karen Henry
Office Manager
Karen@northsidenewberg.org



Utility Bill Assistance Program Grant Application

Non-profit organizations which provide municipal services - water bill assistance to Newberg customers may apply for a grant from the City of Newberg to fund this assistance. Applications for grant funds submitted by non-profit organizations will be reviewed/approved by the City.

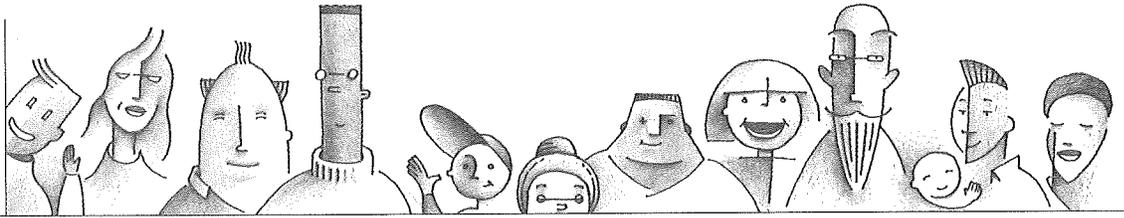
ATTACH PROOF OF NON-PROFIT STATUS

Organization Name: North Valley Friends Church		
Address: 4020 N. College St.		
City, State, Zip: Newberg, OR 97132		
Contact Name: ERINN Hampton		
Phone: 503-538-5340	Fax: —	Email: office@northvalleyfriends.org

Description of Organization and how the funds could be used:
<p>North Valley Friends is a local church whose members are deeply concerned with social issues. We would use this grant money to assist those who come to us for help and are at risk of having their water shut off.</p> <p>Thank you for offering this assistance to the community and for considering North Valley Friends as a recipient.</p>

FOR OFFICE USE ONLY:			
City of Newberg	Grant Awarded? (Please Circle)	YES	NO
Received by: <i>[Signature]</i>	Signature of officer approval:		
Date: 6/20/16	Date:		

assessed 2 customers 2015/16.
Recommendation approved for assistance.



June 15, 2016

City of Newberg

Attn: Barbara Davis - Finance

P.O. Box 970

Newberg, OR 97132

North Valley Friends church would like to again participate in your water bill assistance program. Please consider our congregation as a recipient for a grant to help citizens of Newberg with their water bills.

Our Not for Profit Tax ID # is 23-714-9830.

Thank you for your consideration and please let me know if you need any additional information. We look forward to being a part of this helpful community assistance program.

Erinn Hampton

Administrative Assistant

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: 2008, February 19

Order ____ Ordinance ____ Resolution XX Motion ____ Information ____
No. No. No. 2008-2767

Date Submitted: January 31, 2008
SUBJECT: Utility Bill Assistance Program

Contact Person (Preparer) for this
Resolution: Daniel Danicic, PE
Public Works Director

Dept.: Public Works Department

File No.:
(if applicable)

RECOMMENDATION:

Approve **Resolution No. 2008-2767** adopting a Utility Bill Assistance Program and directing the City Manager Pro Tem to plan for implementation in the 2008-09 fiscal year.

BACKGROUND:

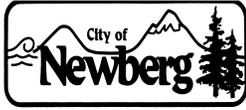
As per Council request, the Citizens' Rate Review Committee (CRRC) has reviewed existing programs for Newberg customers, as well as programs employed by other Oregon Cities, and has developed a proposed program to provide financial assistance to Newberg Customers. This proposal builds on two existing assistance programs for Newberg water and wastewater customers, adds military personnel to the targeted assistance population, and adds a voluntary donation program. The policy (Exhibit "A") outlines the detail of each piece of the program.

Citizens in need of assistance must be made aware that these programs exist. Besides the information provided along with donation forms in utility bills, there are various other means for getting the word out. The City of Newberg website would contain information about financial assistance for utility costs. Additionally, customer service staff at City Hall and the Public Safety Building will be provided with cards containing the basic program description and information about where to apply for assistance. The cards would be distributed to customers as appropriate. Posters advertising the assistance and donation programs would be appropriate to post at any location where utility bills can be paid. The success of these programs will be significantly enhanced by raising public awareness that they exist.

Funds for this program will be submitted in the proposed 08/09 budget. Staff will complete the steps necessary to enact the program and be prepared for implementation after the 08/09 budget is approved.

FISCAL IMPACT:

Currently, the City budgets \$1,000 per year for the existing assistance program. This new Policy, as proposed, requires \$7,400; a difference of \$6,400 (split between water and wastewater). The success of this new program will be significantly enhanced by raising public awareness that it exists. Therefore, additional funding will be budgeted for public outreach.



RESOLUTION No. 2008-2767

A RESOLUTION ADOPTING A UTILITY BILL ASSISTANCE PROGRAM AND DIRECTING THE CITY MANAGER PRO TEM TO PROCEED WITH IMPLEMENTATION IN THE 2008-09 FISCAL YEAR

RECITALS:

1. As per City Council's request, the Citizens' Rate Review Committee (CRRC) has reviewed the existing utility bill assistance program for Newberg Customers.
2. The proposed program policy builds on two existing assistance programs for Newberg water and wastewater customers, adds military personnel to the targeted assistance population, and adds a voluntary donation program.
3. The CRRC reviewed the attached policy (Exhibit A) at their January 9, 2008 meeting and approved it at their January 30, 2008 meeting.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

The Utility Bill Assistance Program Policy is hereby adopted and the City Manager Pro Tem shall begin implementation during the 2008-09 fiscal year.

- **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: February 20, 2008.

ADOPTED by the City Council of the City of Newberg, Oregon, this 19th day of February 2008.

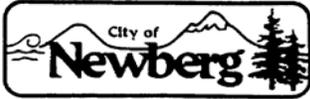
Norma I. Alley, City Recorder

ATTEST by the Mayor this 21st day of February 2008.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through the Citizens' Rate Review Committee at 1/9/08 and 1/30/08 meeting.



NEWBERG PUBLIC WORKS DEPARTMENT

UTILITY BILL ASSISTANCE PROGRAM POLICY

1. YCAP Voucher Program

Customers in need of assistance may apply for utility bill vouchers through YCAP. The City of Newberg will set aside \$1,000 (\$500 from water rates funds, and \$500 from sewer rates funds) for the redemption of YCAP vouchers towards the payment of utility bills.

2. Grant Program

Non-profit organizations which provide utility bill assistance to Newberg customers may apply for a grant from the City of Newberg to fund this assistance. Applications for grant funds submitted by non-profit organizations will be reviewed by the Citizens' Rate Review Committee and the Committee may interview applicants prior to approving the application. Non-profit organizations which will match grant funds with their own funds to provide utility assistance will have higher priority for application approval over other organizations. City staff will develop a program for tracking and reporting disbursed funds. Customers may apply for assistance through those organizations. \$4,000 (\$2,000 from water rates funds, and \$2,000 from sewer rates funds) will be set aside for grant awards.

3. Military Credit Program

The City of Newberg will provide a monthly utility bill credit to residential households in which a wage-earning member is on active military duty or has been on active military duty in the last 12 months. Households which receive both water and sanitary sewer services from the City will be eligible for a \$10 utility bill credit. Households which receive only water or sanitary sewer service from the City will be eligible for a \$5 utility bill credit. The owner of the residential utility account may submit an application along with evidence of eligibility to Newberg utility billing staff. Households with approved applications will receive the credit for 12 months. After 12 months, customers must re-apply to continue receiving the credit. \$2,400 (\$1,200 from water rates funds, and \$1,200 from sewer rates funds) will be set aside for this program.

4. Voluntary Donation Program

In their utility bills, Newberg utility customers will be sent an assistance program description notice and voluntary donation form once each year. The donation form will give customers the option of making a one-time donation or a regular monthly donation, in the amount of their choosing, to be paid with their utility bill. 100% of donated funds will be used for the utility bill assistance program. The donation funds will be used to expand the utility bill assistance program over and above the rate-payer funds dedicated by the City of Newberg for the utility bill assistance program. If stipulated, the funds will be applied as requested by the donor.

5. Public Awareness

The success of these programs will be significantly enhanced by raising public awareness that they exist. In addition to the notices sent in utility bills as part of the Voluntary Donation Program, Newberg citizens can be made aware of these programs through the City of Newberg website, information cards distributed at customer service counters and postings in locations where utility bills are paid.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 21, 2010

Order ___ Ordinance ___ Resolution XX Motion ___ Information ___
 No. No. No. 2010-2902

SUBJECT: Establish a funded low income residential utility bill assistance program based upon information, outreach, water audits, plumbing rehabilitation and direct utility bill credits.

Contact Person (Preparer) for this Resolution: **Janelle Nordyke, Finance Director & Howard Hamilton, PW Director**

Dept.:
 File No.:
(if applicable)

HEARING TYPE: **LEGISLATIVE** **QUASI-JUDICIAL**

RECOMMENDATION:

Adopt **Resolution No. 2010-2902** establishing a funded low income single family residential utility bill assistance program based upon information, outreach, water audits, plumbing rehabilitation and direct utility bill credits.

EXECUTIVE SUMMARY: On April 19, 2010 the Newberg City Council adopted water, wastewater and stormwater rate increases. The estimated combined increase for an average single family residential customer would be \$11.69 per month. During this rate process the Council took comments from a number of concerned citizens who stated that the proposed increases would be onerous. They said they have difficulty paying their bill now and would be unable to afford the increase. Subsequent to the rate adoptions and in response to the public’s concerns, the City Council directed staff to establish and fund a program of utility bill assistance measures that would provide rate impact relief for those utilities customers that are economically distressed.

For several years, the Citizens Rate Review Committee has recommended to the City Council that the City provide a financial assistance program to ease utility customers when they have difficulty paying their utility bill. The City has taken the CRRC’s recommendation and has had in place a program that offers one-time financial assistance to utility customers through Yamhill County Assistance Program (YCAP). An annual budget of \$1,000 has been set aside for this program through the Utility Billing Department. When customers come to the Utility Billing Department and say they cannot pay their utility bill, the clerk directs them to YCAP for assistance. YCAP provides the screening and then prepares a voucher that states the name of the customer and the amount to be applied towards that customer’s utility account. Upon receipt of the signed voucher from YCAP, via the customer, the customer’s account is credited the amount on the voucher. A tally is made of vouchers received from YCAP and when the \$1,000 budget is reached the City tells YCAP it can no longer issue vouchers until next budget year.

In 2009, the CRRC recommended that the City expand the financial assistance program to include active-duty military assistance and allow non-profits to apply for funds to help people who come to their doors for financial assistance with their utility bills. The current budget is \$7,000.

Staff is recommending the following: allocate \$9,000 to YCAP, allocate \$2,000 to help active-duty military customers, and allocate \$4,000 to non-profits who have applied for these funds. This would be a total budget of \$15,000.

The Finance Department can make direct monthly utility bill credits available to qualifying low income

customers who are responsible for payment of their utility bill. This credit can be \$5.00 per capita with a maximum credit of \$10.00. "Exhibit A" outlines the application form for the City Manager, or designee, to verify eligibility. This program allows for a total budget of \$10,000.

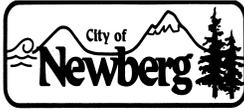
The outreach would follow once the utility customer's application for assistance met the qualifying income-status guidelines. The outreach includes conservation information, a water audit and the possibility of a toilet replacement, if applicable.

The City's Public Works Department currently has a water conservation program comprised of informative tips and corrective plumbing elements. This program will be expanded upon by broadening the informational aspects and public awareness of the program. The American Water Works Association estimates that the average household can conserve up to 35% of their in-house water use by implementing and maintaining all of the recommended conservation measures. This program is of benefit to all utility customers desiring to conserve water resources, lower the volume of their wastewater discharge, and reduce the water and wastewater charges on their utility bills.

Water audits of residences can be performed to assess the water utilization and efficiency characteristics of home appliances, fixtures and appurtenances, as well as customer water use patterns. During this audit, water appurtenances would be identified that would benefit from low flow devices. These would then be retrofitted with the appropriate products. The retrofitting could include faucet aerators, shower heads and toilet bowl flappers. The toilet replacement program would replace qualifying high volume-per-flush toilets with high efficiency, ultra low, flush toilets. The customer would also be informed about how to alter their water use habits and become more efficient water users. This program would reduce the qualifying low income customer's water use and wastewater discharge thereby lowering their combined utility bill. The goal is to help as many customers as possible with a maximum program budget of \$25,000.

FISCAL IMPACT: Increase financial assistance to YCAP of \$8,000; fund the utility bill credit program maximum value of \$10,000; and fund the water audit and toilet replacement program at a maximum of \$25,000. This would equate to \$43,000 to be transferred from the water and wastewater contingencies in Fund 7 and Fund 6. Total conservation measure revenue impacts are unknown.

STRATEGIC ASSESSMENT: These programs allow qualifying economically distressed low income customers, who are responsible for payment of their utility bill, the ability to compensate for increased utility rates. This is through a direct utility bill credit, water conservation information campaign, a water audit with plumbing appurtenance rehabilitation and a possible toilet replacement. It is possible for the customer to see a combined utility bill reduction that more than compensates for the recently approved rate increases. The City will also see a reduced demand on the potable water and wastewater systems.



RESOLUTION No. 2010-2902

A RESOLUTION ESTABLISHING A FUNDED LOW INCOME, RESIDENTIAL UTILITY BILL ASSISTANCE PROGRAM BASED UPON INFORMATION, OUTREACH, WATER AUDITS, PLUMBING REHABILITATION AND DIRECT UTILITY BILL CREDITS.

RECITALS:

1. On April 19, 2010 the Newberg City Council adopted water, wastewater and stormwater rate increases. Subsequent to these adoptions the Council directed staff to establish and fund a program of utility bill assistance measures that would provide rate impact relief for those utilities customers that are economically distressed.
2. The current budget includes \$7,000 for one-time financial assistance for utility bills. Specific amounts have been allocated to YCAP and non-profits for distribution as they see the need, and to active-duty military customers. This year, YCAP ran out of money earlier in the fiscal year than in previous years. Adopting this resolution will increase the budget from \$7,000 to \$15,000, specifically increasing YCAP's allocation.
3. The Finance Department can make direct monthly utility bill credits available to qualifying low income residential customers who are responsible for their utility bill. This credit can be \$5.00 per capita per primary residence with a maximum of \$10.00. "Exhibit A" outlines the application form for the City Manager, or designee, to verify eligibility. This program allows for a total budget of \$10,000.
4. Outreach will follow to include conservation information, a water audit and the possibility of a toilet replacement.
5. The water audit can be performed to assess the water utilization and efficiency characteristics of home appliances, fixtures and appurtenances as well as customer water use patterns. Water appurtenances would be identified that would benefit from low flow devices. These would then be retrofitted with the appropriate products to include faucet aerators, shower heads and toilet bowl flappers. The toilet replacement program would replace qualifying high volume-per-flush toilets with high efficiency, ultra low flush toilets. The customer would also be informed about how to alter their water use habits and become more efficient water users. This program would reduce the qualifying customer's water use and wastewater discharge thereby lowering their combined utility bill. The goal is to help as many low income customers as possible with a maximum program budget of \$25,000.
6. The residential program costs, conservation, audit, rehabilitation and replacement programs would combine to effect a reduction in water consumption and wastewater discharge. Cost for these programs would be paid for out of the Contingencies in Funds 7 and 6, respectively. There would be an overall reduction in revenue, which cannot be established.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. To develop a funded, low income, residential utility bill assistance program that incorporates water conservation.
2. To provide funding to YCAP (\$9,000) and to non-profits (\$4,000) for their assistance programs, and to active-duty military utility customers (\$2,000).
3. Institute a direct utility bill credit program at \$5.00 per capita with a limit of \$10.00 per household and a maximum budget of \$10,000.
4. Institute a home water audit program with conservation, rehabilitation and potential toilet replacement elements with minimal homeowner involvement. This program would have a maximum budget of \$25,000.

<u>Resolve #</u>	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Increase</u>
2. One-time Assistance			
YCAP	\$ 1,000	\$ 9,000	\$ 8,000
Non-Profits	4,000	4,000	-
Active-duty Military	<u>2,000</u>	<u>2,000</u>	<u>-</u>
	7,000	15,000	8,000
3. On-going Assistance Credits	-	10,000	10,000
4. Water Audit Program	-	25,000	25,000
Total	7,000	50,000	43,000

5. The funding for a total program increase of \$43,000 will be split 50/50 between Water and Wastewater. The Water Contingency (Fund 7) will see a decrease of \$21,500 and the Wastewater Contingency (Fund 6) will see a decrease of \$21,500.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: July 01, 2010.

ADOPTED by the City Council of the City of Newberg, Oregon, this 21st day of June, 2010.

Daniel Danicic, City Recorder

ATTEST by the Mayor this 24th day of June, 2010.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through _____ Committee at ____ / ____ /200x meeting. Or, None.
(committee name) (date) (check if applicable)

Application for Financial Assistance Credits

Date: _____

Name: _____

Address: _____

Phone # you can be reached: _____

In order to qualify for the Credit Program, please attach proof of low income.

- Supplemental Social Security Income
- Oregon Medical Card*
- WIC*
- Food Stamps*
- Medicaid
- Head Start*
- Free & Reduced School Lunch or Breakfast Program*
- Other Evidence of Financial Hardship*

* Provide a copy of proof.

Instructions:

- 1 Mark which documentations you will be attaching.
 - 2 Your application will be reviewed and a reply will be sent to you in 30 days.
- * By entering into this program you are also volunteering to have an energy/water audit performed at no cost to you. (See back of application for a description of the energy/ water audit.)

If you are approved, you will receive up to \$10.00 a month as a credit on your utility bill until the expiration date below.

Approval Date: _____

Expires: June 30, _____

Signature of City Manager or Designee

* Providing fraudulent information will be subject to termination of assistance.

Back page of Application

A water audit of your residence will be performed by someone from ETO (Energy Trust of Oregon). They will do the following:

- Assess the water utilization and efficiency characteristics of your home appliances, fixtures and appurtenances,
- Assess your water use patterns.
- Water fixtures will be identified that could benefit from low flow devices.
- Water fixtures may be retrofitted with the appropriate products.
- Retrofitting could include faucet aerators, shower heads and toilet bowl flappers.
- If eligible, the toilet replacement program would replace qualifying high volume-per-flush toilets with high efficiency, ultra low flush toilets.
- You will be informed about how to alter your water use habits and become a more efficient water user.

This program will reduce your water use and wastewater discharge thereby lowering your combined utility bill.