

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
FRESNO, CALIFORNIA, ADOPTING A SOLID WASTE
AFFORDABILITY CREDIT PROGRAM

WHEREAS, the City of Fresno recognizes that the proposed five-year residential solid waste rate plan will impact low-income customers' budgets; and

WHEREAS, the Department of Public Utilities has identified \$1,000,000 annually to fund both the existing Water Affordability Credit Program (WACP) adopted pursuant to Resolution No. 2015-37 and the proposed Solid Waste Affordability Credit Program (SWACP); and

WHEREAS, at the recommended funding level, up to 8,333 income-qualified accounts may benefit from both the WACP and SWACP annually; and

WHEREAS, the Department of Public Utilities proposes that Council adopt a SWACP to assist qualified customers while complying with the requirements of Proposition 218 (Cal. Cons. Art. XIII D, § 6).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

1. The Council adopts the proposed Solid Waste Affordability Credit Program, as described in Exhibit A to this Resolution, to become effective July 1, 2024; and
2. The Council directs the Administration to update the Master Fee Schedule to reflect the Solid Waste Affordability Credit Program as adopted with this Resolution.
3. The Council authorizes staff to take all necessary actions to implement the

Solid Waste Affordability Credit Program.

203541v1

1 of 2

Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval:



Resolution No.

4. This resolution shall be effective upon final approval.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the _____ day of _____ 2024.

AYES :
NOES :
ABSENT :
ABSTAIN :

Mayor Approval: _____, 2024
Mayor Approval/No Return: _____, 2024
Mayor Veto: _____, 2024
Council Override Vote: _____, 2024

TODD STERMER, CMC
City Clerk

By: _____
Deputy Date

APPROVED AS TO FORM:
ANDREW JANZ
City Attorney

By: _____
Jennifer M. Quintanilla Date
Senior Deputy City Attorney

Attachment:

Exhibit A – Solid Waste Credit Affordability Program Summary

SOLID WASTE AFFORDABILITY CREDIT PROGRAM SUMMARY

1. **Title.** The financial assistance program for qualified low-income water utility account holders will be referred to as the Water Affordability Credit Program (WACP) and the financial assistance program for qualified low-income residential solid waste utility account holders will be referred to as the Solid Waste Affordability Credit Program (SWACP). The programs will be referred to collectively as the Affordability Credit Programs (ACP).
2. **Objective.** Provide financial assistance to account holders based on demonstrated financial need.
3. **Purpose.** The proposed SWACP is intended to mitigate the first-year impact of the monthly solid waste rate and help make solid waste services more affordable for low-income customers in future years. If the proposed rate plan is adopted, the first-year rate increase for the basic 3-cart service would result in a monthly solid waste bill impact of \$5.50 per month.
4. **Maximum monthly credit.** The value of the ACP for a qualified account holder is dependent upon the utility services the account holder receives. The WACP credit is valued at \$5 per month for qualified water account holders, or up to \$60 in a 12-month period. The SWACP credit will be valued at \$5 per month for qualified solid waste account holders, or up to \$60 in a 12-month period. Qualified account holders with both water and solid waste services could receive credits up to \$120 in a 12-month period. If an account holder does not have an active account with either water or solid waste services, the amount of the monthly credit to the account holder will be adjusted accordingly.
5. **ACP Funding Amount.** The ACP will be funded with an annual appropriation of \$1 million, sufficient to provide financial assistance for approximately 8,333 income qualified account holders per year that receive both water and solid waste service.
6. **ACP Funding Source.** The source of funding for the ACP is revenue collected by the City's Utilities Billing and Collections Division (UB&C) as late payments and delinquency charges (Revenue Code 35103 — Penalties), which are exempt from the requirements of Proposition 218.
7. **Qualifying for the ACP.** To qualify for the ACP, an account holder must submit to UB&C documentation that they:
 - a. Qualify for PG&E's California Alternate Rates for Energy (CARE) Program or one of Fresno County's human services programs, such as the Supplemental Nutrition Assistance Program (SNAP), the Women, Infants, and Children (WIC) Program, the National School Lunch Program (NSLP), or the Medi-Cal Program; or
 - b. Have an annual household income that is equal to or less than 200% of the Federal Poverty Guideline.

8. **Enrollment.** Account holders must submit an application and documentation of eligibility to UB&C. If approved, the credit will be applied to the account holder's utility bill for the next billing period, with the credit appearing on the next bill. UB&C will contact customers currently receiving the Senior Discount to inform them of the SWACP and provide an application.

On August 1, 2024, customers currently receiving the solid waste senior low-income rate will be transitioned to the SWACP on a temporary basis through September 30, 2024. At the same time, a combined application for the SWACP and WACP will be sent to all customers who currently receive the solid waste senior low-income rate and/or the WACP credit. The application will also be made publicly available so that all customers who may be eligible can apply.

UB&C will accept combined applications for the SWACP and WACP beginning in August 2024. Customers determined to be eligible for the credit will have the credit applied to their account beginning no sooner than October 1, 2024.

Starting in 2025, account holders must submit combined applications for the SWACP and WACP prior to June 1 annually. If approved, the credit will affect the account holder's bill for the period beginning July 1, with the credit appearing on the August bill.

9. **Term of Affordability Credit.** Due to limited funding and in the interest of equity:
- a. Account holders must apply or reapply for the ACP on an annual basis. UB&C will send out notification letters and applications to all enrolled account holders beginning in April of each year.
 - b. ACP credits are issued for a period of 12 months from July to June.
 - c. ACP credits are issued on a first-come, first-served basis to qualified applicants.
 - d. If all qualified applicants are enrolled in the ACP and the ACP budget is not depleted, further applications will be accepted until all Affordability Credits are utilized.
 - e. Upon enrollment in the ACP, all participants will be required to re-enroll annually. Account holders must submit an application and documentation of continued eligibility prior to June 1 for the next ACP period beginning on July 1.
 - i If the re-enrollment application is received prior to June 1 and is re-approved, the ACP credit will continue to be applied to the account holder's utility bills without interruption.
 - ii If a re-enrollment application is received after June 1, the application will be treated as a new enrollment and the application will be processed in the order in which it is received, which may result in an interruption of the credit on the account holder's utility bill.
10. **Audits.** The Department reserves the right to perform audits of the ACP. On a periodic basis, UB&C will select a random sample of account holders who will be asked to provide proof of continued eligibility for the program.