

RESOLUTION NO. \_\_\_\_\_

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

WHEREAS, on November 20, 2014, Council directed the Administration and the Department of Public Utilities to review and evaluate opportunities to provide financial assistance to customers demonstrating need; and

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

WHEREAS, the Administration and Department of Public Utilities believe that implementing the proposed capital improvements and water rates will benefit customers through economic stimulation and improving the health of the city's residents; and

WHEREAS, the Administration and Department of Public Utilities have identified \$1,000,000 annually to fund a Water Affordability Credit Program; and

WHEREAS, at the recommended funding level up to 16,700 income-qualified accounts may benefit from the Water Affordability Credit Program annually; and

WHEREAS, the Administration and Department of Public Utilities propose that the Council adopt a Water Affordability Credit Program which assists qualified customers while complying with the requirements of Proposition 218 (Cal. Const. Art. XIID, § 6).

1 of 5

Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval: ABE

Resolution No.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno that based upon the Attachment, and information and testimony presented to the Council on February 26, 2015, Council hereby:

1. Adopts the proposed Water Affordability Credit Program, as described in the Attachment to this Resolution, to become effective July 1, 2015; and
2. Directs staff to update the Master Fee Schedule to reflect the Water Affordability Credit Program as adopted with this Resolution.

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## Attachment

<b>City of Fresno</b> <b>Water Affordability Credit Program</b>
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1. **Title.** The financial assistance program for qualified low-income water utility accountholders will be referred to as the Water Affordable Credit Program, or “Water ACP.”
2. **Objective.** The objective of the recommended Water ACP is to provide financial assistance to accountholders based on demonstrated financial need.
3. **Purpose.** The proposed discount for water service is intended to mitigate the first-year impact on accountholders using an annual monthly average of 18 hundred cubic feet (“HCF”) of water per month. If the proposed rate plan is adopted, the first-year rate increase would result in an average monthly water bill impact of \$3.27 per month (based on annual average monthly usage of 18 HCF).
4. **Maximum monthly credit.** The proposed value of the Water Affordability Credit for a qualified accountholder is up to \$5 per month, or up to \$60 for a 12-month period.
5. **Water ACP Funding Amount.** The Water ACP will be funded with an annual appropriation of \$1 million, sufficient to provide financial assistance for approximately 16,700 income-qualified accountholders per year.
6. **Water ACP Funding Source.** The source of funding for the Water ACP is revenue collected by the City Utility Billing and Collections Division as late payments and delinquency charges (Revenue Code 35103 – Penalties), which are exempt from the requirements of Proposition 218.
7. **Qualifying for the Water ACP.** To qualify for the Water ACP, an accountholder must submit to Utilities Billing and Collection (“UB&C”) documentation that they qualify for PG&E’s California Alternate Rates for Energy (“CARE”) Program or one of Fresno County’s human services program, 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.
  - a. If an individual qualifies for one of the programs listed above, using the same name and address as on the individual’s utility account with the City, the individual may submit an application to receive the City’s Water ACP.
8. **Period for Enrollment.** Accountholders must submit applications and documentation of eligibility to UB&C prior to April 1 annually. If approved, the Water ACP will affect the accountholder’s water 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. Accountholders must apply for the Water ACP on an annual basis.
  - b. Affordability Credits are issued for a period of 12 months from July to June.
  - c. Affordability Credits are issued on a first-come, first-served basis to qualified applicants.
  - d. If all qualified applicants are enrolled in the Water ACP and the Water ACP budget is not depleted, further applications will be accepted until all Affordability Credits are utilized.
  - e. Upon enrollment in the Water ACP, any late participants will be required to submit an application prior to April 1 for the next Water ACP beginning on July 1.

**10. Water Conservation Encouraged.** On a periodic basis, the Administration will review the water consumption records of Water ACP participants. If a Water ACP participant is identified as having an annual average monthly water consumption rate that is greater than 18 HCF per month, then the Department's Water Division staff will contact the Water ACP participant and offer to conduct a voluntary water efficiency assessment to determine if there are opportunities for the Water ACP participant to reduce their water use through water efficiency improvements and thereby further reduce their monthly water costs.

- a. If opportunities for water efficiency improvements are identified, then the Water Division will make water efficiency rebates available to the Water ACP participant at a higher rate of reimbursement to improve the water efficiency of the residence. The decision to implement water efficiency improvements shall be at the discretion of the Water ACP participant based on their ability to finance the recommended improvements.

CLERK'S CERTIFICATION

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

I, YVONNE SPENCE, 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 \_\_\_\_\_, 2015.

AYES :  
NOES :  
ABSENT :  
ABSTAIN :

Mayor Approval: \_\_\_\_\_, 2015  
Mayor Approval/No Return: \_\_\_\_\_, 2015  
Mayor Veto: \_\_\_\_\_, 2015  
Council Override Vote: \_\_\_\_\_, 2015

YVONNE SPENCE, CMC  
City Clerk

BY: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
CITY ATTORNEY'S OFFICE

BY: \_\_\_\_\_  
Amanda B. Freeman,  
Deputy City Attorney