



AGENCY:	City Council
MEETING DATE:	March 28, 2022
DEPARTMENT:	Finance
PRESENTED BY:	Isaac Whippy
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AGENDA ITEM SUMMARY

TITLE:
Receive Report, Receive Finance and Administration Committee Recommendation, and Provide Direction to Staff Regarding Resumption of Water Shutoffs

ISSUE:
 In April 2020, Governor Gavin Newsom signed an executive order restricting water shutoffs to homes and small businesses while the state responded to the COVID-19 pandemic. This statewide moratorium has expired as of December 31, 2021. Accordingly, the City of Fort Bragg Water Department has begun providing notices to delinquent customers and, upon Council direction, will be resuming water shutoffs in April 2022 per the City's Shutoff policy and requirements of Senate Bill 998 ("SB 998"), which imposes a 60-day waiting period before an account can be turned off for non-payment.

ANALYSIS:
 As of the last billing cycle, the total amount of past-due accounts was \$217,756 (217 accounts), up 62 percent from the previous year, \$134,501, and 224 percent from March 2020 (pre-pandemic) at \$58,667. Currently, 40 percent or 101 accounts are over 120 days due, 19 percent or 113 accounts are between 30 and 60 days, 20 percent are between 60 and 120 days, and 21 percent are under 30 days.

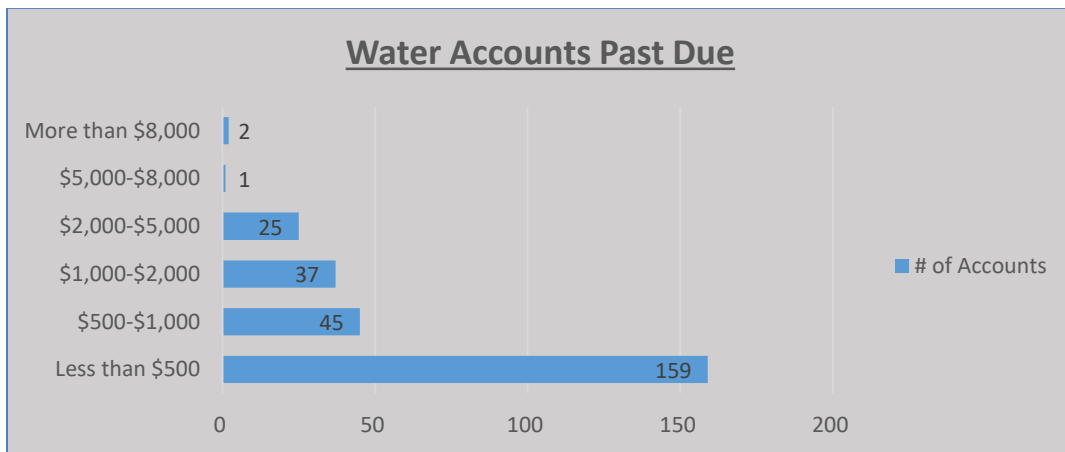


Table 1: Past Due Water Accounts

Of the total delinquent accounts highlighted in the table above, customers with substantial balances will struggle to pay and are at a greater risk of being shut off in April. Most of these delinquent accounts are residential, with only one commercial account. The City's shutoff policy states that a 20 percent down payment is required to establish a 60-day payment plan.

Available Utility Assistance Programs

- In June 2021, the City successfully launched the Utility Assistance Program through a Community Development Block Grants (CDBG) program, which provides up to \$500 towards utility bills for qualified accounts. The City has provided \$32,421 or 63 accounts of assistance to customers to date. The program is available through May 2022.
- The [State Water Resources Control Board](#) has received federal funding to help reimburse water systems for revenues lost in unpaid bills through the pandemic. The City has already submitted the required information and has received funds for qualified Water accounts amounting to \$29,746 and waived the required late fees of \$17,816 and is awaiting approval for Wastewater funding of \$31,328. Once approved, this additional funding will be applied to each eligible delinquent account to offset the past due amount owed.
- Furthermore, the City submitted an interest application to the California Department of Community Services & Development regarding the new [California Low Income Household Water Assistance Program \(LIHWAP\)](#). The program is designed to provide financial assistance (up to \$2,000) one-time credit to qualifying Californians to help manage their residential water utility costs. This grant program will roll out in May 2022 and will be administered through North Coast Opportunities and North Coast Energy Services in Ukiah.

Staff will continue outreach efforts to these delinquent customers to ensure they are notified and given the option to make payment, apply for the available assistance programs, or make payment arrangements to avoid water turn-offs.

On February 9, 2022, the Finance and Administration Committee held a regularly scheduled meeting to discuss delinquent accounts and the resumption of water shutoffs. It was the unanimous decision of the Committee Members to make a recommendation to the City Council to direct staff to resume water shutoffs for delinquent accounts effective April 4, 2022.

RECOMMENDED ACTION:

Direct staff to recommence water shutoffs on April 4, 2022, for accounts with balances over \$2k only and reevaluate in June 2022 to allow low-income customers to apply for the LIHWAP Grant.

ALTERNATIVE ACTION(S):

Provide other directions to Staff.

FISCAL IMPACT:

N/A.

GREENHOUSE GAS EMISSIONS IMPACT:

N/A.

CONSISTENCY:

Water shutoff policies are consistent with Chapter 14.04 of the Fort Bragg Municipal Code, Water Department, and Regulations.

IMPLEMENTATION/TIMEFRAMES:

Upon Council direction, water shutoffs will resume in April 2022.

ATTACHMENTS:

1. Water Shutoff Policy

NOTIFICATION:

None.