

SULTAN CITY COUNCIL AGENDA ITEM COVER SHEET

ITEM NO: Action A 3
DATE: July 23, 2009
SUBJECT: Donation Program for Utility Payments
CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is the establishment of a donation fund and program to assist residents of Sultan with utility payments.

SUMMARY:

In February 2009, staff presented a proposal to establish a "Good Samaritan Fund" to assist City residents with utility payments. In June 2009, the Council Sub-committee met with Dave Wood from Volunteers of America to discuss the criteria for the program. The VOA administers programs to provide assistances to low income families and has established a screening process for eligibilty. VOA offered to administer the program and to provide the screening process for the City's utility payment assistance program.

The City has an increasing number of residents that are subject to disconnection of utility services due to non payment. The average monthly bill is \$122. Accounts are subject to disconnection when there are two months of charges due and with the addition of the \$100 disconnect fee, the balance due is often between \$300 and \$400.

The City can set up a separate account at Coastal Bank to allow residents to make direct donations to the account and customers would also be able to make a donation with their monthly utility payment. Coastal Bank needs an official action (included in the resolution) by the Council to authorize staff to establish the bank account.

RECOMMENDED ACTION:

Staff recommends the Council adopted Resolution 09-13 establishing guidelines for the Utility Payment Assistance Program and authorizing the establishment of a bank account to accept donations.

ATTACHMENTS: A. Resolution 09-13 Utility Payment Assistance Program

**CITY OF SULTAN
WASHINGTON**

RESOLUTION NO. 09-13

**A RESOLUTION OF THE CITY OF SULTAN, WASHINGTON,
ESTABLISHING A UTILITY PAYMENT ASSISTANCE
PROGRAM AND AUTHORIZING A SEPARATE BANK
ACCOUNT FOR DONATIONS TO THE PROGRAM**

WHEREAS, the City Council has determined there is a need to establish a program to provide assistance with utility payments; and

WHEREAS, the Volunteers of America, Sky Valley Community Resource Center has agreed to administer the program and screen potential customers;

WHEREAS, the City Council has determined it is in the best interest City to establish a separate bank account to accept donations and process payment vouchers;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SULTAN, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The City Council does hereby establish a Utility Payment Assistance Program with the guidelines provided in Attachment A.

Section 2. The City Council does hereby authorize the establishment of a separate bank account at Coastal Community Bank to accept donations to the program and to provide funds for assistance to utility customers.

PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE _____ DAY OF _____, 2008.

CITY OF SULTAN

Carolyn Eslick, Mayor

ATTEST/AUTHENTICATED:

Laura Koenig, City Clerk

Approved as to form:

Margaret J. King, City Attorney

CITY OF SULTAN

Guidelines

Utility Payment Assistant Program

The City of Sultan has established a Utility Payment Assistance Program under Resolution 09-13. The following guidelines will be used to determine if a Utility customer is eligible for assistance. A utility customer is defined as someone receiving water, sewer, stormwater, and/or garbage services from the City.

1. Eligibility:
 - a. Must be a City of Sultan Utility Customer
 - b. Must be Low/Very Low income as defined by the current HUD Income Guidelines (See Attachment A).
 - c. Has not received financial assistance in the last 12 months.
 - d. Has enrolled in a budgeting class at SVCRC
2. To avoid having to pay the disconnection fee, the utility customer must contact the Volunteers of America Sky Valley Resource Center and fill out eligibility paperwork prior to disconnection of utilities.
3. Volunteers of America, Sky Valley Community Resource Center (SVCRC) will screen any Utility Customer referred to the SVCRC by the City of Sultan. If SVCRC determines the customer qualifies, they will work with customer to develop a repayment plan, provide a voucher for assistance (Up to \$150 limit) and provide a free budgeting class for those assisted.
4. If determined eligible, the amount of financial assistance depends on the balance due on the account, but cannot exceed \$150.00. A reasonable repayment plan for the balance must be approved by the City of Sultan. Financial Assistance is contingent on funds being available in the Utility Assistance bank account.
5. Once SVCRC has determined eligibility and availability of funds, the customer needs to take the payment voucher to the City of Sultan for processing by City Staff.
6. Those receiving financial assistance, must attend a budgeting class offered by staff at the Sky Valley Community Resource Center. Failure to attend the budgeting class may result in ineligibility for future financial assistance through this program.
7. Assistance can only be provided once in a 12 month period.