



MINUTES OF SPECIAL MEETING OF THE BOARD OF COMMISSIONERS

July 28, 2020

The meeting was called to order at 12:00 p.m. by Board President Ron Ricker via telephone conference call in conformance with Governor's Proclamation 20-28.7 and pursuant to proper notice. Executive Assistant Theresa Harrington called the roll. All attendees confirmed that they could hear the other participants.

Commissioners Participating

Commissioner Ron Ricker
Commissioner Patricia Hale
Commissioner Charlotte Haines

Staff Participating

Diane Pottinger, District Manager
Denny Clouse, Operations Manager
Amalia Mostrales, Finance Manager
Theresa Harrington, Executive Assistant
Joe Bennett, District Attorney

PUBLIC COMMENT

Members of the public were invited to participate in the telephone conference call. The dial-in number was posted at the drive-up window at the District administrative offices and posted with the agenda on the District website. No members of public were on the call.

NEW BUSINESS

At the July 21st regular meeting, the Board discussed possible programs to assist customers who are having difficulty paying their bills due to COVID-19 impacts. After discussion the Board elected to hold this special meeting for further discussion and instructed staff to develop program recommendations for three potential assistance programs; a pay arrangement program, adjustments to the existing low-income program, and a voluntary customer assistance program.

a. **COVID-19 Pay Arrangement Program Proposal**

The District has currently suspended all late fees and shut offs in accordance with Governor's Proclamation 20-23. Currently, there are over 85 customers who are more than 120 days behind on their water bills. Once the Governor lifts the suspension on late fees and shut offs, the District will have a number of customers with large past due balances. The commissioners were in agreement, that during this difficult time, it is essential that the District communicate well and work closely with customers to create feasible pay arrangements once the Governor lifts the suspensions. District Manager Diane Pottinger presented the Board with samples of pay arrangement programs developed by neighboring districts. However, she recommended the District hold off on adopting a pay arrangement program until the late fees moratorium is lifted by the Governor and the Board reinstated late fees. The Board reviewed and discussed a variety of approaches to the program. Commissioners suggested that staff be proactive and communicate with these customers via phone calls. District Manager Diane Pottinger shared that she will bring back a proposed communication schedule at the next Board meeting.

b. **Low Income Program Proposed Changes**

District Manager Diane Pottinger provided the Board with a review of the low income rate reduction programs offered by neighboring districts. After careful review, Ms. Pottinger made recommendations to the District's programs. After much discussion, the Board directed the District Manager to bring back a resolution with the following changes to the Low Income Program:

- Remove the \$500 limit on Dividend income
- Increase the base rate reduction from 24 to 50 %

c. **COVID-19 Addendum to the Low-Income Program**

Finance Manager Ms. Mostrales proposed making additional changes to the current low income program, which bases eligibility on a customer's last tax return, making qualification

in 2020 based on 2019 income levels. Many customers have experienced significant income reductions in 2020 due to COVID-19. For this reason, she recommended the one-time addition of a COVID-19 addendum to the low-income program application this year that would consider reduced 2020 income levels for qualification. This would provide some much needed assistance to customers impacted by COVID. The District has budget for up to 150 participants in the low-income program and to date there are 65 customers participating in the 2020 program, so there would be some financial impact to opening the program to those impacted by COVID-19. She presented a COVID-19 addendum application form for the Board to review. The Board concurred with Ms. Mostrales' recommendation to add a COVID-19 addendum to the low-income program and asked staff to bring a resolution to approve the addendum to the August Board meeting.

d. Proposed Voluntary Contributions Utility Assistance Program

District Manger Diane Pottinger conducted a review of regional utilities who have implemented a voluntary customer contribution rate relief program and shared her findings with the Board. This is a "neighbor helping neighbor" program where customers can donate funds when paying their water bill to a fund that assists customers who cannot pay their bills. This is one option to provide direct assistance to customers on their water bills. The funds are collected by the utility and donated to a third party non-profit partner to distribute to customers in need. The commissioners and staff discussed the costs of adopting such a program including reporting requirements for the third party non-profit, a one-time set up fees for changing language on the billing statements and setting up online payments to accept donations, as well as staff time to administer the program. Northshore Utility District is also considering adding such a program. Despite these costs, the commissioners directed staff to continue to investigate such a program. Staff will look into identifying a non-profit partner to help administer the program as well as research the costs associated with implementation. Staff will report back at a regular meeting in August for further discussion and review.

District Attorney Joe Bennett updated the Board on the status of open public meeting restrictions in Washington State. Governor's Proclamation 20-28.7 which restricts in person public meetings will expire on August 1. It is unclear if this proclamation will be extended, but until further direction from the Governor, the District's Board meetings will remain remote.

Commissioner Ricker concluded the meeting at 1:15 p.m.

The next regular meeting will be Tuesday, August 4, 2020 at 3:00 p.m. via telephone conference call.

Ronald Ricker

Patricia M. Hale

Charlotte Haines