



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
COPY: Charleen Jacobs, Director and Board Offices
FROM: Steve Hatcher, Customer Service Manager
MEETING DATE: April 22, 2020
DATE: April 15, 2020

SUMMARY: Tacoma Public Utilities requests a resolution allowing an increase in up to one million dollars in the Emergency Assistance Program (“Program”) which was authorized on March 17, 2020, by the Board through Second Amended Resolution No. U-11149 and by the City Council through Res. No. 40575. The Board authorized the Director of Utilities to develop the Program using up to one million dollars from the fund used for Power low income assistance and the fund used for Water Utility operations with broader eligibility criteria than used for BCAP. Due to the number of requests for assistance, the original amount of one million dollars used to establish the Program needs to be increased and staff is requesting an increase of an additional one million dollars. Environmental Services will also be requesting that the City Council add to the Program by approving the use of up to four hundred thousand dollars of Environmental Services Department funds. Staff recommends that the Board request that the City Council approve the use of Environmental Services funds. The combined total increase in the Program funds with the use of Environmental Services funds would be one million four hundred thousand dollars (\$1,400,000).

BACKGROUND: Effective December 22, 1982, the City of Tacoma, Department of Public Utilities, pursuant to Board Resolution U-6645 created the Project Need Program which would encourage Tacoma Power customers to donate to a special fund to be used and applied for the benefit of assisting eligible low income customers with Power bill payments. The City Council also appropriated funding for the administration of the Project Need Program. The Project Need Program was renamed the Family Need Program and, ultimately, renamed the Bill Credit Assistance Program (BCAP). Subsequent to, and in addition to the funding appropriated by the City Council and the ongoing donations from customers, the Tacoma Public Utilities budgets have consistently funded the program now known as BCAP through moneys in the Family Assistance Fund. The program now known as BCAP is available to eligible electricity, drinking water, solid waste, recycling and surface water customers, and provides assistance in the form of a utility credit up to \$564 annually, which is applied to the utility account.

In light of the state of emergency that has been declared in response to COVID-19, a new Emergency Assistance Program was created to expand assistance options for customers beyond what was available through BCAP. The Program was established with up to one million dollars of the fund used for low income assistance and the fund used for Water Utility operations. The criteria for the new program was expanded to increase significantly the number of additional households that would be eligible to receive assistance during the state of emergency. The intent of the Program was reached and the requests for assistance have demonstrated a need for additional funding of the Program. In addition to moneys from the two funds that were used to create the Program, TPU is requesting that the Board recommend that the City Council approve the use of moneys from Environmental Services funds and give the Director and the City Manager authority to determine the appropriate allocation of moneys from the funds.



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ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes, expenses for additional assistance are budgeted within the planned and approved 2019-2020 biennium budget.

IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

N/A.

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR?

N/A.

ATTACHMENTS:

N/A

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