



INFORMATIONAL MEMORANDUM

TO: Finance Committee

FROM: Vicky Carlsen, Finance Director

CC: Mayor Ekberg

DATE: September 21, 2020

SUBJECT: COVID-19
Community Assistance, City Utility Payments

ISSUE

Extend interim emergency policies regarding City water and sewer accounts in response to COVID-19 through December 31, 2020.

BACKGROUND

On February 29, 2020 Governor Jay Inslee declared a state of emergency regarding the COVID-19 Pandemic, directing state agencies to use resources necessary to prepare for and respond to the outbreak. The Mayor issued a Proclamation declaring an emergency on March 9, 2020. The City Council affirmed the emergency declaration at its April 20 meeting.

As result of the Pandemic, the City has closed all City buildings to the public and moved most City functions to a virtual city hall model. At this time, city buildings are closed through the end of 2020.

Due to the economic disruptions in the community and the disruptions in City operations, the Finance Department has adopted the following interim policy for all City water and/or sewer accounts, both commercial and residential. These temporary policies are consistent with policies adopted by other utility providers in the region, such Water District 125, Seattle City Light, and Puget Sound Energy.

1. No late fees or penalties for non-payment would be incurred, effective with the April billing.
2. Effective March 16, water shutoff for non-payment is suspended for occupied premises. Due to concerns with potential squatting and protection of the City's utility system, water shutoffs for vacant properties will still occur. Water Shut Off fees incurred prior to March 16, 2020 would still be due if there is a request to restore service.
3. Customers can establish payment plans by calling the City's Finance Department.

DISCUSSION

TMC 2.57.040 (3) requires the City Council to affirm any rules or regulations related to the protection of life, environment, and property that are affected by the emergency. The policy is one avenue that the City can do to help Tukwila community members during the COVID-19 Pandemic. As a reminder, the policy only applies to ratepayers

within the City's water and sewer service area. The policy is set to expire on September 30, 2020 and staff is requesting that this policy be extended through December 31, 2020.

FINANCIAL IMPACT

The City typically collects \$2,000 in late fees per month from late payments, though it is reasonable to assume there will be additional late fees incurred by utility customers during the Pandemic due to employment and revenue disruption. This revenue would be lost. Allowing delayed payments could also result in a cash flow issue for each of the utilities.

RECOMMENDATION

Reaffirm the emergency policy provided by City Administration. Staff is requesting that this item be placed on the September 28, 2020 committee of the Whole and subsequent October 5, 2020 Regular Meeting.

ATTACHMENTS

- Interim emergency policy regarding City water and sewer accounts

City of Tukwila
Water and Sewer Utility Policies in Response to COVID-19

SUBJECT: Temporary Policy to Discontinue Water Shut-off for Non-Payment of Water and Sewer Service Fees and to Discontinue the Imposition of Late Fees on Delinquent Water and Sewer Accounts

PURPOSE: The purpose of this policy is to temporarily suspend the imposition of past-due and late penalties on delinquent water and sewer accounts and to temporarily discontinue the water shut-off on delinquent accounts subsequent to Governor Inslee's February 29, 2020 Proclamation of Emergency No. 20 05 and subsequent orders. This policy will be effective on April 1, 2020 and will expire on ~~September 30, 2020~~December 31, 2020 unless otherwise terminated or extended.

SCOPE: This policy applies to all City of Tukwila water and sewer customers.

DEFINITIONS:

1. "Public Health Emergency" shall mean any such emergency declared by the Governor of the State of Washington pursuant to his or her powers under 38.08, 38.52 and 43.06 RCW, any such emergency declared by the King County Executive pursuant to RCW 38.52, or the Mayor of the City of Tukwila pursuant to RCW 38.52.
2. "Water Shut-off" shall mean any notice of water shut-off, the act of shutting-off water, and any fees, charges, or monetary penalties associated with water shut-off and turn-on set forth in TMC 14.04.125 and TMC 14.04.130.
3. "Late fees" shall mean any penalty, fee, or charge associated with a delinquent account as set forth in TMC 14.04.270.

POLICY:

During a Public Health Emergency, the City of Tukwila shall discontinue the issuance of Shut-off Notices for delinquent water and sewer accounts for the duration of the Public Health Emergency. In addition, the City shall not apply Late Fees incurred after April 1 on delinquent accounts during the Public Health Emergency.

This policy does not suspend regular monthly utility charges for water and sewer service. Customers are encouraged to continue making regular payments. In addition, late fee or water shut off fees incurred before March 15 are required to be paid.

PROCEDURE:

The following procedures are established to allow for community members to continue receiving water and sewer, utility service, without penalty, during a declared Public Health Emergency.

Notification

- A. The Utility Billing Division shall provide written notice of the policy herein to customers with delinquent accounts. Such notice shall state that all past due amounts are still owed

but that a penalties incurred after March 15, 2020 will be suspended, and disconnections will be postponed for the duration of the Public Health Emergency. In order to prevent spoilage and to protect the City’s utility system, the City shall still disconnect water of properties the City determines are vacant.

- B. Within thirty (30) days of termination of the Public Health Emergency, the Finance Director will review delinquent accounts and will work with customers to enter into repayment plans as in the Director’s discretion is appropriate as to each account.
- C. Late fees and shutoff shall resume 30-days after discontinue of this temporary policy in response to COVID-19

EFFECTIVE DATE: April 1, 2020

APPROVAL:

Mayor Allan Ekberg

De’Sean Quinn, Council President

Vicky Carlsen, Finance Director

Kari Sand, City Attorney (initials)