

## MINUTES

**Tuesday, January 28, 2020**

**East Bay Municipal Utility District  
Board of Directors  
375 Eleventh Street  
Oakland, California**

### *Special Meeting*

President Marguerite Young called to order the Special Meeting of the Board of Directors at 9:43 a.m. in the Training Resource Center. The Board met in workshop session to receive an update on the District's Customer Assistance Program (CAP).

### ROLL CALL

Directors John A. Coleman, Andy Katz, Doug Linney, Frank Mellon, William B. Patterson, and President Marguerite Young were present at roll call. Director Lesa R. McIntosh was absent (excused).

Staff present included General Manager Alexander R. Coate, General Counsel Craig S. Spencer, Manager of Customer and Community Services Andrew L. Lee, Special Assistant to the General Manager Kelly A. Zito, Assistant to the General Manager Janetta M. Johnson, and Secretary of the District Rischa S. Cole.

### PUBLIC COMMENT

There was no public comment.

### DISCUSSION

- Filed with the Board was a presentation entitled "Customer Assistance Program Workshop," dated January 28, 2020.

Manager of Customer and Community Services Andrew L. Lee presented information on EBMUD's Fiscal Year 2019 (FY19) CAP highlights; the findings from a CAP participation study; updates to District regulations pertaining to discontinuation of service to be in compliance with Senate Bill 998 (SB 998); efforts to provide support for the homeless; the State's Low-Income Rate Assistance program (Assembly Bill 401); the Water Lifeline Program; status of work with cities to implement a CAP component on the cities' sewer collection charges; proposed strategies to increase CAP participation; and the potential fiscal impact and resources needed to fund increased CAP participation.

Mr. Lee reported in FY19, the District received and processed over 5,000 CAP applications and saw a 12 percent increase in program participation since FY17. He reviewed the various programs and services available to District customers, CAP eligibility criteria, participation levels since FY90, expenditures since FY01, and potential barriers preventing customers from enrolling in the CAP.

The District conducted a CAP participation study to identify barriers affecting program participation, establish participation goals, and to develop a strategy to increase program participation. The study looked at program participation per 2017 American Housing Survey Data and results from a spatial analysis of various data sources. He reviewed the findings which show approximately 90 percent of program participants and 84 percent of all master-metered accounts are within one mile of disadvantaged communities (DACs). A significant number of income eligible customers live in master-metered households and do not receive a water bill. While the findings estimate approximately 174,000 households in the service area are income eligible to participate in the CAP, an estimated 141,366 households cannot participate because they do not receive or pay a water bill. Mr. Lee explained the only way the District can extend a CAP benefit to customers is via the water bill. Based on the findings, the District estimates it can target outreach to approximately 33,000 households to encourage program participation.

Next, he discussed SB 998 and the recent updates to District Regulations Governing Water Service to Customers, Section 15 - Discontinuation of Service. Among other mandates, SB 998 requires water agencies that supply water to more than 200 service connections to adopt a written policy, to be effective February 1, 2020, regarding the discontinuation of residential water service due to nonpayment with the following information: 1) a plan for deferred or reduced payments; 2) alternative payment schedules; 3) a formal mechanism for a customer to contest or appeal a bill; and 4) a telephone number for a customer to contact to discuss options for averting discontinuation of residential water service. The Board adopted a written policy and approved updates to District Regulation Section 15 on January 14, 2020.

Mr. Lee provided an update on the District's work with the cities of Berkeley, Emeryville, and Oakland to implement a CAP on the cities' sewer collection charges. Berkeley staff expressed interest and the District will present CAP benefits at a future city council meeting. Emeryville staff reported the effort is on hold but the city will continue exploring a strategy to implement a CAP. Oakland staff included funding for a five-year phase in of a CAP in the city's FY20 and FY21 budget and District staff is working with the city to implement the discount. He concluded the presentation with an update on the State's Low-Income Rate Assistance program, the District's efforts to support the growing needs of the homeless, and plans to increase promotion of the Water Lifeline Program – a voluntary donation program where customers and employees can donate to a fund to help CAP customers pay their past due water bills and maintain water service. He reported that to date, total donations and pledges have surpassed \$20,000. In 2020, CAP outreach will increase with ads in local and community newspapers, the *Customer Pipeline* newsletter, and with water bill messages. Staff will continue advocating at the State level to ensure the State's Low-Income Rate Assistance program benefits will be extended to District customers. To support the anticipated growth in and administrative needs of the CAP, Mr. Lee stated funding for a new position will be considered in the next budget.

- Addressing the Committee was Jackie Mallory, representing St. Vincent de Paul of Alameda County, who commented on the number of calls for assistance received by the agency and how the agency uses the Water Lifeline Program to assist those in need. She thanked District employees and customers for donating funds to support the program.
- Director Mellon left the room at 11:06 a.m. and returned at 11:09 a.m.
- Director Patterson left the room at 11:08 a.m. and returned at 11:12 a.m.
- Director Mellon left the room at 11:13 a.m. and returned at 11:14 a.m.

The Board thanked staff and pointed out how informative the CAP participation study information was to them. The Board asked questions regarding the formula used to determine CAP eligibility; alternative funding sources for the CAP including State funding or property tax revenue; the source data for the list of potential barriers to CAP participation listed on presentation slide #22; the District's process for informing customers about 15-day and 48-hour notices and alternative methods for contacting customers; staff training to assist customers experiencing financial difficulties paying their bills; CAP discount levels for customers with medical certifications on file; and the water rates paid by Lava Mae for its mobile hygiene service centers.


The Board asked staff for the following:

- Continue monitoring the City of Oakland's progress to implement a CAP for their sewer collection charges, and if needed, notify city staff of the Board's desire to cease billing for Oakland's sewer collection charges on EBMUD's water bill. In that same communication, also relay that the city's fixed charge for sewer collection is viewed as penalizing low water-use customers.
- Add an additional column to the table on presentation slide #12 to depict the percentage of service area population for future presentations.
- Review the SB 350 Barriers Study (de Leon) to further understand barriers to CAP enrollment and add "difficulty of applying" to the list of barriers on presentation slide #22.
- Engage in the State's Low-Income Rate Assistance Program and explore the potential for the District to receive State funding for the CAP. Explore other opportunities including revisions to commercial property tax assessments as a potential revenue source to fund the CAP.
- Explore updating the shut-off notification process to include calling customers in addition to mailing and hand-delivering shut-off notices. If phone calls become a part of the notification process, be sensitive about how and when to disclose personally identifiable information.
- Provide information on the number of homeless shelters in the service area and how the District can effectively reach out to them regarding CAP participation.
- Track past due bills for new CAP customers to determine if District efforts are beneficial in helping them maintain water service.
- Explore coordinating with an academic institution to complete a "longitudinal study" of CAP applicants over time.
- Provide information on the restricted uses for property taxes.

**ADJOURNMENT**

President Young adjourned the Special Meeting at 11:23 a.m.

SUBMITTED BY:



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Rischa S. Cole, Secretary of the District

APPROVED: February 11, 2020



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Doug Linney, Vice President of the Board