



TUALATIN VALLEY
WATER DISTRICT

Rate Advisory Committee Meeting # 6 Summary

March 21, 2023

RAC Meeting #5 – 6:00-8:00 PM

The meeting agenda and presentation are included in this meeting summary packet.

Attendance

RAC Members

- Allie Syes (Absent)
- Carlos Romo (Absent)
- Chai Saecheo
- Chris Brown
- Daryl Manullang
- Deanna Palm
- Hannah Rockwood (Absent)
- Jessie Dhillon
- June Boone (Absent)
- Kyle Walker
- Lisa Montesana (Absent)
- Long Tran (Absent)
- Madi Hyde
- Samantha Rico
- Steve Marks
- Todd Speight

Board of Commissioners

- Commissioner Carl Fisher
- Commissioner Jim Duggan
- Commissioner Jim Doane

District Staff

- Tom Hickmann
- Paul Matthews
- Andrea Watson

Facilitation Team

- Jason Mumm
- Libby Bakke
- Tammy Menkerud
- Jenna Franklin

Public

- Tacy Steele

Agenda Items

Welcome

- Tom Hickmann, TVWD CEO, welcomed the committee members, guest, TVWD Commissioners, and provided information to the committee about upcoming rate increases.
- Libby Bakke, meeting facilitator, assisted meeting participants through introductions.

RAC Assignments & Schedule

- Libby reviewed the RAC assignments, schedule, and agenda with the group.
- Jenna Franklin, virtual meeting facilitator, walked online participants through using the virtual meeting tools to enhance their experience.
- Approval of RAC Meeting #5 Meeting Summary: Approved unanimously at the end of the meeting.

Customer Assistance Program

Jason provided an overview of the Customer Assistance Program (Program) developed through RAC input.



Percent Discount Customer Assistance Program

Who Can Qualify?

Single-family residential customers who qualify for the federal Low Income Home Energy Assistance Program (LIHEAP)

How Much Assistance is Available?

20% discount to the customer's water bill, to be managed by the Board in the future to maintain the program objectives.

How is the CAP Funded?

From a \$0.16 extra fixed charge for all customers every month, plus a \$0.05 addition to the volumetric water rates.

Program Estimates

| | |
|---------------------------------|-----------|
| Estimated Qualifying Households | 9,000 |
| Estimated Participation | 3,000 |
| Typical Discount Provided/Mo. | \$15.89 |
| Estimated Annual Program | \$570,000 |

Note: Initial program needs are estimates only. The Board will have the discretion to adjust the program parameters as needed.



Bill Discount Examples

All examples based on projected 2023 rates for customers with a 5/8" meter.

| 2022 Estimates | Smaller User | Typical User | Large User |
|-------------------------|------------------|------------------|------------------|
| Monthly Usage | 4 CCF | 7 CCF | 15 CCF |
| Volume Charge | \$31.70 | \$55.48 | \$122.26 |
| Fixed Charge | \$23.96 | \$23.96 | \$23.96 |
| Total Charge | \$55.66 | \$79.44 | \$146.22 |
| CAP 20% Discount | (\$11.13) | (\$15.89) | (\$29.24) |
| Net Charge | \$44.53 | \$63.55 | \$116.97 |

Paul provided an overview of how the program would be managed behind the scenes.

| Behind the Scenes | | | |
|--|--|---|--|
| Responsible Department | Third-Party Administrator | Transparency | Funding |
| <ul style="list-style-type: none">• Customer Service Department manages the program• Financial/budget management• Partnership management• Promotion | <ul style="list-style-type: none">• Partnership with local agency to qualify customers and offer other services• Excellent relationship with Community Action of Washington County – hope to continue that relationship | <ul style="list-style-type: none">• Track participation and report utilization to the Board monthly through TVWD's existing <i>Month-in-Review</i>• Funding subject to TVWD's Citizen Budget Process | <ul style="list-style-type: none">• Included in TVWD's proposed biennial budget• Board and Budget Committee will assess program needs and funding capacity on biennial basis• Management will monitor needs and apprise the Board of any budget challenges |

Committee members were asked if they felt the proposed Program should be recommended to the Board of Commissioners.

RAC Recommendation

The RAC unanimously recommended the proposed Program.

- Carlos Romo (provided written recommendation)
 - Yes. "In my view, [the proposed Program] takes into consideration an equitable, justifiable and more affordable approach. All users, according to their income and at the level they can afford, in my, should share in the overall cost of usage. Repeating, allocation and distribution of costs should be equitable an should take into consideration factors such as usage, income and conservation. I believe [the proposed Program} achieves these principles.
- Chai Saecheo
 - Yes. The clarity of percentage discount makes sense.
- Chris Brown
 - Yes. It is a good starting point.
- Daryl Manullang
 - Yes. Like the flexibility of the Program.
- Deanna Palm
 - Yes. There is a lot of need, and no more pots of money.
- Jessie Dhillon
 - Yes. Like the idea of partnering and 211 help. Suggest the \$575,000 be in a dedicated fund. Would like multifamily housing to be addressed—understand they don't get a direct bill. Ask

that the District communicate with the federal government that the cost of water is part of housing costs and it should be offset.

- Kyle Walker
 - Yes. Wonder if 20% discount is enough. Questions if it can be raised if needed later.
- Madi Hyde
 - Yes. Let people know that neighbours are helping each other.
- Samantha Rico
 - Yes. Important to have it. Worried about customers with large delinquent balances—is the discount enough to help? Suggest the fund not be tied up in a dedicated fund. Any remaining funds go back to pay for the water system which benefits everyone.
- Steve Marks
 - Yes. The Program has to get started. It is adaptable, clean, and simple. Don't let the perfect get in the way of progress. The District has an impressive team.
- Todd Speight
 - Yes. Is 20% discount enough? The District could also consider self-certification to increase participation.

Brochure Edits

A mocked-up version of a Customer Assistance Program brochure was shared with the RAC. A number of RAC members provided comments on the brochure.

- Make the difference between the emergency program and the Customer Assistance Program clearer.
- Take the need for a Social Security # off the brochure. If the District doesn't need Social Security numbers, Community Action doesn't need them.
- The brochure should highlight where to apply, not what is needed to apply. Add 211 as a place to call to get information.
- Title should be "Get Help Paying Your Water Bill". Customer Assistance Program heading should go under that title.
- Add "12 months of help" to the information about "one annual application".
- Eligibility should be in a chart.
- Simplify with less words.

April 19, 2023 Board of Commissioner Meeting Presentation

Libby asked if any RAC members would attend the April 19 Board of Commissioners meeting and if there were any volunteers to present the recommendation to the Board.

- Jessie Dhillon volunteered to present the RAC recommendation to the Board.
- All Rate Advisory Committee members will be sent an invitation to the meeting.

Rate Structure: Fixed & Volume Components

At RAC Meeting #5, the District asked the RAC if the District should change its rate structure to recover more of its costs from fixed charges than it currently does to improve revenue stability. Jason provided a recap of the TVWD Rate Structure Fixed & Volume Components presentation from the RAC Meeting #5 that details what the impacts of increasing fixed charges would be on customers and revenue recovery.

Impact on Revenue Recover

- To increase the % of fixed revenue to 30%, the District would need to increase fixed monthly charges by approximately 35% (2022) on average.
- Volume rates would need to be decreased by 10% to maintain revenue neutrality.
- The District would expect to recover more revenue during downturns in demand (cool summers).
- At 30% fixed charges revenue recovery is improved about 1% per every 10% decrease in demand.

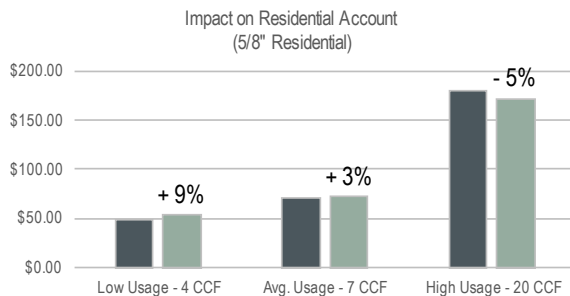
Impact on Residential Customers



Impact on Residential Customers

| Volume Rates | Block 1 Rate | Block 2 Rate |
|--------------|--------------|--------------|
| Before | \$7.03 | \$10.02 |
| After | \$6.34 | \$9.04 |

| Fixed Charge / Mo. | 5/8" Meter |
|--------------------|------------|
| Before | \$21.25 |
| After | \$28.43 |



- The lowest-volume users would experience the largest increase because the fixed charge is a larger part of their bills.
- The higher the monthly volume, the more a residential customer would benefit.
- Discretionary water usage becomes cheaper.
- Conservation is potentially decreased.
- Potentially difficult outcome relative to the affordability discussion.

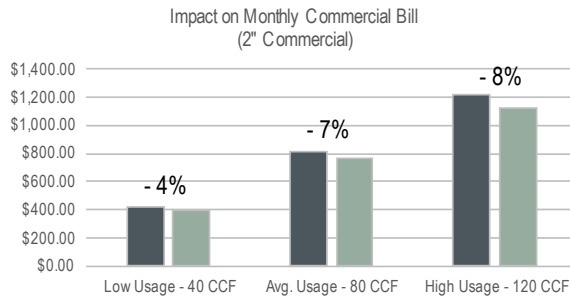
Impact on Commercial Customers



Impact on Commercial Customers

| Volume Rates | Block 1 Rate | Block 2 Rate |
|--------------|--------------|--------------|
| Before | \$7.03 | \$10.02 |
| After | \$6.34 | \$9.04 |

| Fixed Charge / Mo. | 2" Meter |
|--------------------|----------|
| Before | \$57.18 |
| After | \$76.51 |



- Fixed charges are a small part of commercial bills, so they will tend to benefit.
- Industrial users with very high usage would benefit the most.
- Same conservation issues as with the residential impacts.
- Some of these effects could be mitigated with class-based rate structures.

FCS GROUP

Slide 16

RAC Advice

Libby asked RAC members to provide advice and thoughts for the Board of Commissioners. The RAC suggested that the District should:

- Clearly state the need for the change.
 - “Need to articulate why.”
 - “Explain why.”
- Gather more data—and consider timing of other initiatives and projects—to be better able to determine the course of action.
 - “Do a rate study.”
 - “Push up the Cost-of-Service Study”
 - “Need data.”
 - “This is complex. High water users could be subsidizing low water users right now. Have to collect the data to see what the shift will be.”
- Work to not impact low-water users and low-income customers.
 - “This is a community utility. Understand we want to reduce risk from volatility. This could offset the benefits of the customer assistance program.”
 - “We talked about recommending a customers assistance program, then went to this topic. There is some dissidence to this.”

“What other changes could be made?”

“Hurts low-income”

“Not good for water conservation. Reduces the ability to save money through conservation.”

Public Comment

- There was none during the meeting.
- Two public comments were received during the RAC meeting series. (12/12/2022 and 3/19/2023, both by electronic form, and both were shared with committee members and staff as parts of the pre or post meeting material packets.)

Adjourn

- The meeting adjourned at 7:30pm

DRAFT





TUALATIN VALLEY
WATER DISTRICT

Tualatin Valley Water District Rate Advisory Committee (RAC)

RAC Meeting #6—TVWD RAC Customer Assistance Program Recommendation and Rate Structure Advice March 21, 2023



Welcome & Introductions



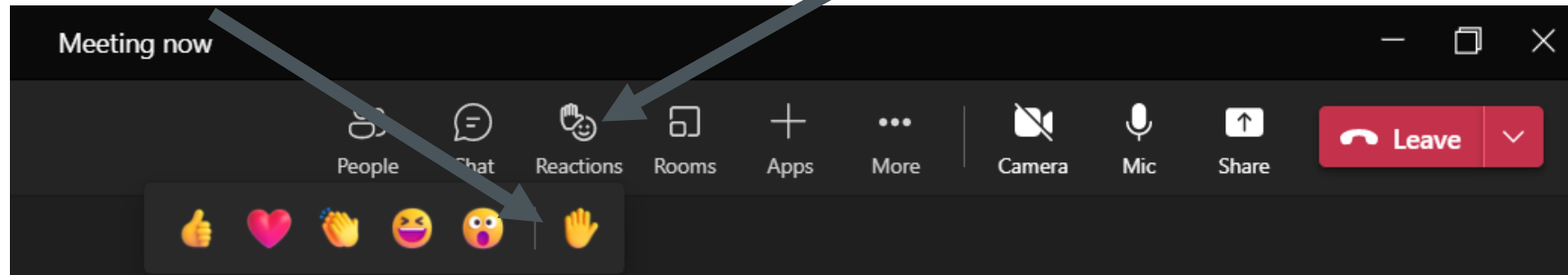
Agenda

- **Welcome**
- **Agenda | Meeting Instructions**
- **RAC Assignment | Schedule | Meeting Summary Approval**
- **RAC Member and Public Comments Received**
- **Customer Assistance Program Recommendation**
- **Fixed & Variable Rate Advice**
- **Next Steps**
- **Adjourn**



Virtual Event Guidelines

- **Sessions are recorded.**
- **Please make sure your microphone is muted.**
- **Raise your hand to ask questions by clicking on the Reactions button and then clicking on the hand.**



- **Once TVWD Staff call on you, unmute your microphone and ask your question. When finished, please mute your microphone again.**



RAC Assignment | Schedule | Meeting Summary Approval

Consider approaches to address affordability of water service for financially vulnerable TVWD customers.

| Date | Meeting Topic |
|-------------------|--|
| October 18, 2022 | Meeting #1—Kickoff |
| November 15, 2022 | Meeting #2—Customer Assistance Program (Part 1) |
| December 13 | Meeting #3—Customer Assistance Program (Part 2) |
| January 17, 2023 | Meeting #4—Customer Assistance Program (Part 3) & Introduction to Rate Structure |
| February 21 | Meeting #5—TVWD Rate Structure: Fixed & Variable Components |
| March 21 | Meeting #6—Discussion, Develop CAP Recommendations and Provide Rate Structure Advice |



Customer Assistance Program



Percent Discount Customer Assistance Program

Who Can Qualify?

Single-family residential customers who qualify for the federal Low Income Home Energy Assistance Program (LIHEAP)

How Much Assistance is Available?

20% discount to the customer's water bill, to be managed by the Board in the future to maintain the program objectives.

How is the CAP Funded?

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Customer Assistance Program | Example Brochure

Customer Assistance Programs
Get help paying your water bill

Programas de Asistencia al Cliente
Obtenga ayuda para pagar su factura de agua


Assistance to Pay Your Bill

To help keep the water on, the District has immediate funding available to assist customers facing financial hardship pay their water bill.

- Emergency Assistance provides customers with a one time credit for life's surprises.
- Our NEW Customer Assistance Program provides a discount on each drinking water bill

Who's Eligible?

Income-qualified single-family residential customers at or below 60% of Oregon medium income per household size.

How Much is Available?

Customer Assistance provides a 20% discount off of each bill and Emergency Assistance receive a credit for up to 28 CCF's of water and fixed charges towards their balance.

How to Apply?

The District works with Community Action to get customers enrolled – visit tvwd.org to learn more or caowash.org to apply.

What you'll need to apply:

- Recent copies of your bill
- Photo ID and proof of income for anyone 18 years or older
- Documentation showing income from Social Security, Unemployment Insurance, Pension Funds, or disability, etc.
- Social security numbers for everyone residing in the house
- Contact us if you if you need help

One annual application may qualify you for multiple assistance programs.

Visit tvwd.org/help to learn more about the assistance programs available.



Contact Us
(503) 848-3000
CustomerService@TVWD.org
www.tvwd.org



Asistencia para pagar su factura

Para ayudar a mantener el suministro de agua, el Distrito tiene fondos inmediatos disponibles para ayudar a los clientes que enfrentan dificultades financieras a pagar su factura de agua.

- Emergency Assistance brinda a los clientes un crédito único para las sorpresas de la vida.
- Nuestro NUEVO Programa de Asistencia al Cliente brinda un descuento en cada factura de agua potable

¿Quién es elegible?
Clientes residenciales unifamiliares calificados con ingresos iguales o inferiores al 60 % del ingreso medio de Oregón por tamaño de hogar.

¿Cuánto hay disponible?
Asistencia al cliente ofrece un 20 % de descuento en cada factura y Asistencia de emergencia recibe un crédito de hasta 28 CCF de agua y cargos fijos para su saldo.

¿Cómo aplicar?
El Distrito trabaja con Community Action para inscribir a los clientes: visite tvwd.org para obtener más información o caowash.org para presentar su solicitud.

Lo que necesitará aplicar:

- Copias recientes de su factura
- Identificación con foto y comprobante de ingresos para cualquier persona mayor de 18 años
- Documentación que acredite los ingresos de la Seguridad Social, Seguro de Desempleo, Fondos de Pensiones, invalidez, etc.
- Números de seguro social de todas las personas que residen en la casa
- Contáctenos si necesita ayuda

Una solicitud anual puede calificarlo para múltiples programas de asistencia.

Visite tvwd.org/help para obtener más información sobre los programas de asistencia disponibles.

Ponerse en contacto
(503) 848-3000
CustomerService@TVWD.org
www.tvwd.org



facebook.com/TVWDNews
twitter.com/TVWDNews
@tualatinvalleywaterdistric9704
nextdoor.com

1850 SW 170th Ave
Beaverton, OR 97003
www.tvwd.org
(503) 848-3000
CustomerService@TVWD.org

Behind the Scenes

Responsible Department

- Customer Service Department manages the program
- Financial/budget management
- Partnership management
- Promotion

Third-Party Administrator

- Partnership with local agency to qualify customers and offer other services
- Excellent relationship with Community Action of Washington County – hope to continue that relationship

Transparency

- Track participation and report utilization to the Board monthly through TVWD's existing *Month-in-Review*
- Funding subject to TVWD's Citizen Budget Process

Funding

- Included in TVWD's proposed biennial budget
- Board and Budget Committee will assess program needs and funding capacity on biennial basis
- Management will monitor needs and apprise the Board of any budget challenges



Questions & Comments

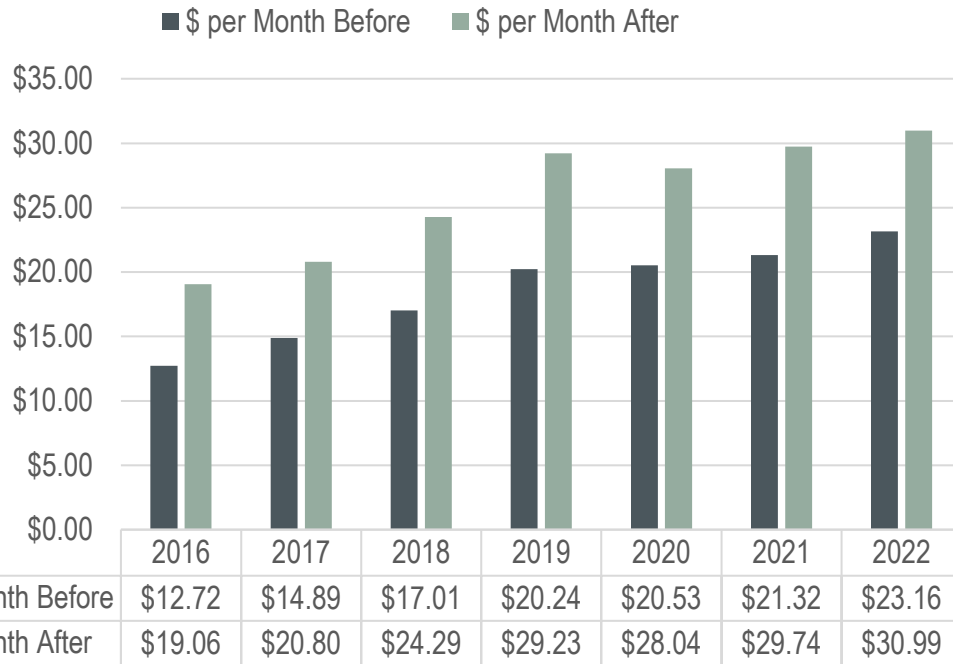


Fixed vs. Variable Rate Structure

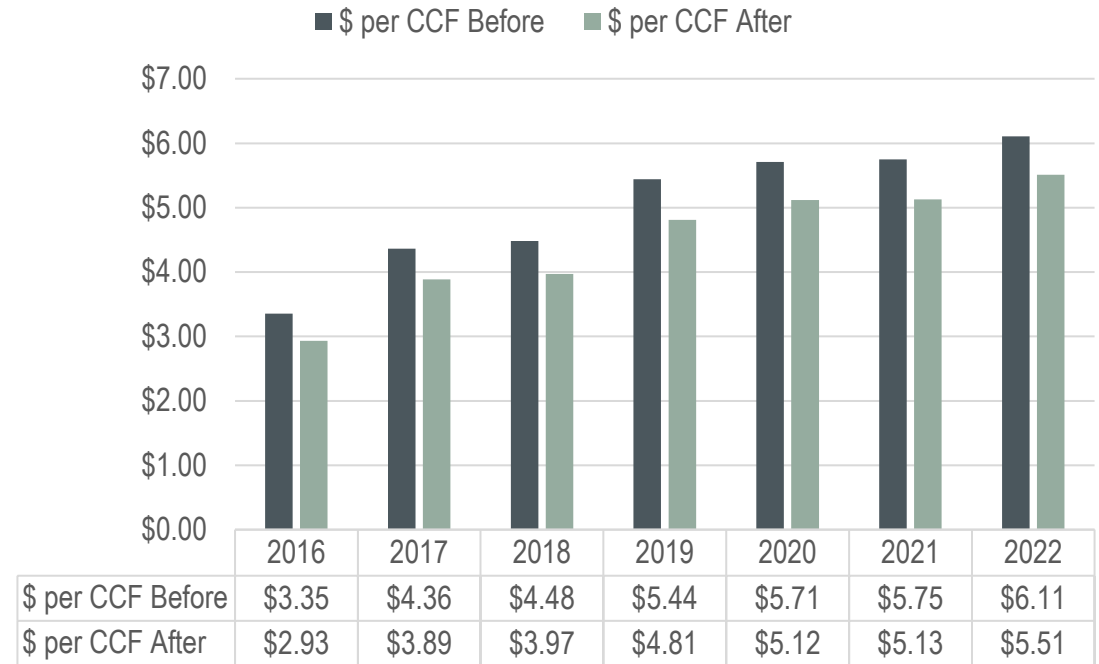


How to Increase Fixed Revenue to 30% of Total

Increase in Avg. Monthly Charges per Account



Reduction in Avg. Volume Rate per CCF

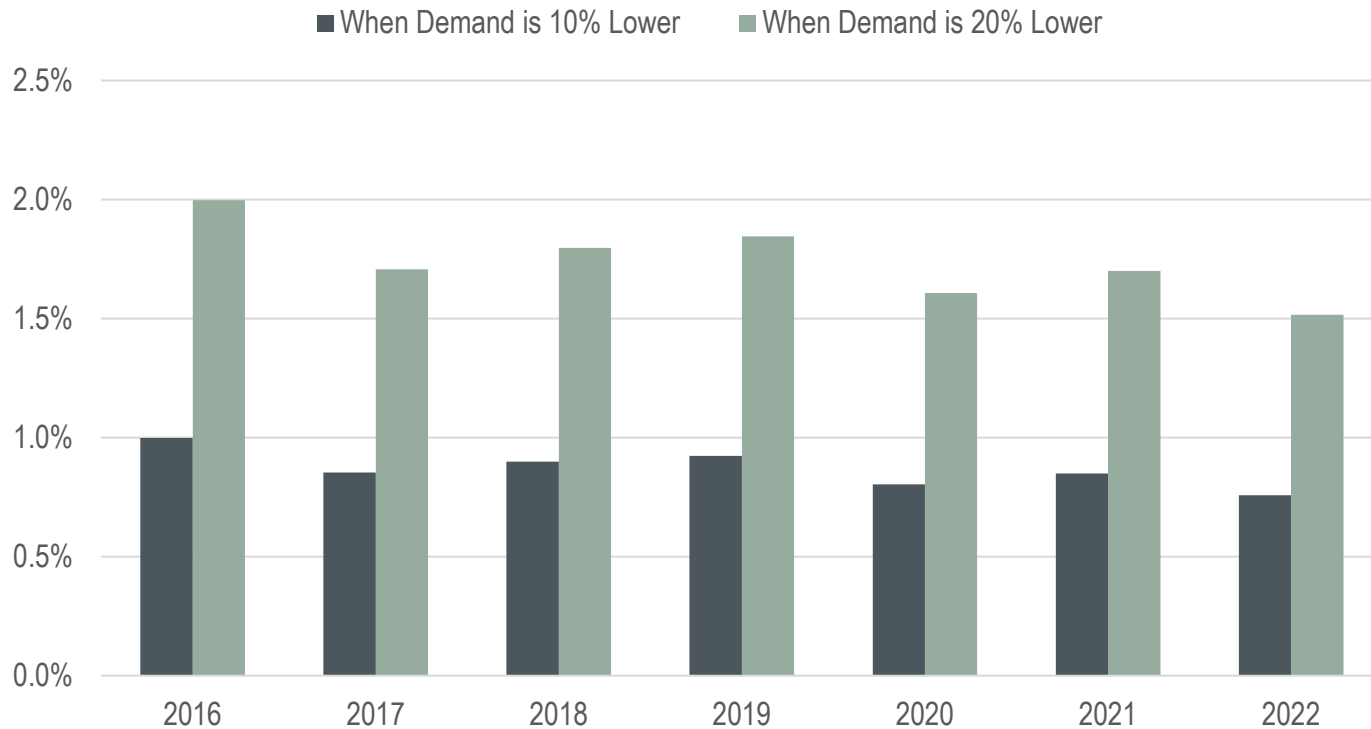


To increase the % of fixed revenue to 30%, we have to increase fixed monthly charges by approximately 35% (2022) on average. We would then need to decrease volume rates by 10% to maintain revenue neutrality.



Impact on District Revenues

Increase in Annual District Revenue Performance by Increasing Fixed Charges from 20% to 30% of Total Revenue



- District would expect to recover more revenue during downturns in demand.
- At 30% fixed charges revenue recovery is improved about 1% per every 10% decrease in demand.

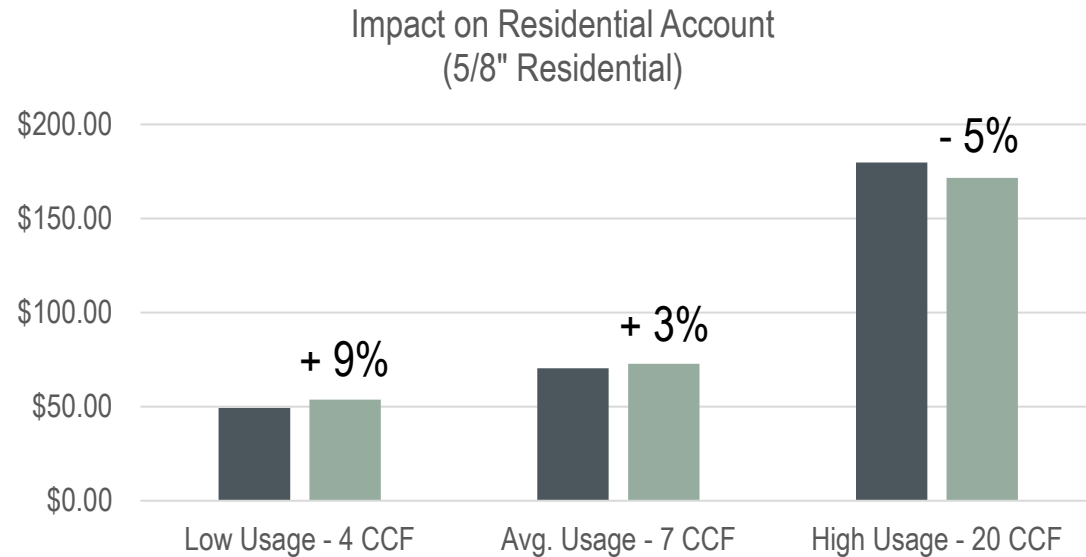
| Year | 1% of Rev. | 2% of Rev. |
|------|------------|-------------|
| 2016 | \$469,000 | \$938,000 |
| 2017 | \$519,000 | \$1,038,000 |
| 2018 | \$612,000 | \$1,224,000 |
| 2019 | \$697,000 | \$1,393,000 |
| 2020 | \$672,000 | \$1,345,000 |
| 2021 | \$717,000 | \$1,434,000 |
| 2022 | \$753,000 | \$1,505,000 |



Impact on Residential Customers

| Volume Rates | Block 1 Rate | Block 2 Rate |
|--------------|--------------|--------------|
| Before | \$7.03 | \$10.02 |
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| Fixed Charge / Mo. | 5/8" Meter |
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- The lowest-volume users would experience the largest increase because the fixed charge is a larger part of their bills.
- The higher the monthly volume, the more a residential customer would benefit.
- Discretionary water usage becomes cheaper.
- Conservation is potentially decreased.
- Potentially difficult outcome relative to the affordability discussion.

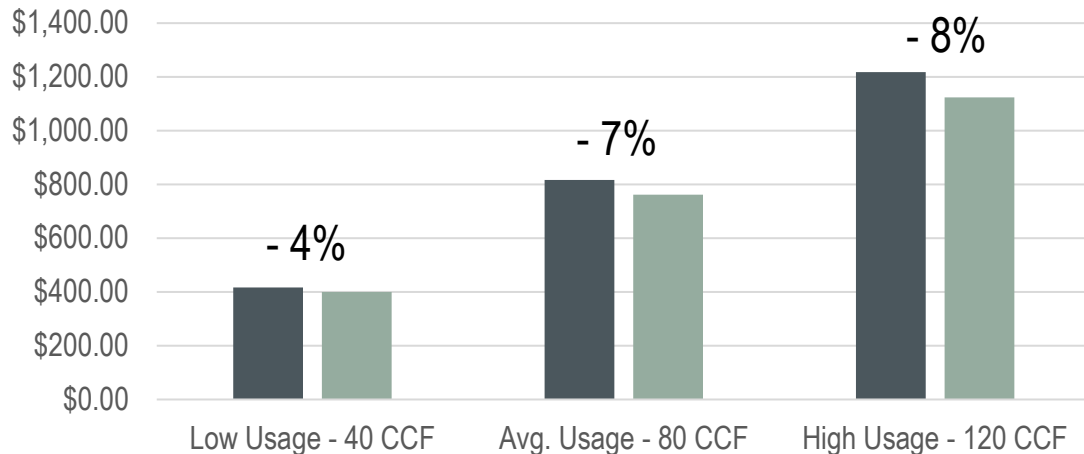


Impact on Commercial Customers

| Volume Rates | Block 1 Rate | Block 2 Rate |
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| Fixed Charge / Mo. | 2" Meter |
|--------------------|----------|
| Before | \$57.18 |
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Impact on Monthly Commercial Bill
(2" Commercial)



- Fixed charges are a small part of commercial bills, so they will tend to benefit.
- Industrial users with very high usage would benefit the most.
- Same conservation issues as with the residential impacts.
- Some of these effects could be mitigated with class-based rate structures.



What We Heard

- **Timing Matters**
- **Make Need Clear**
- **Take Comprehensive Look that Considers More Options**



Questions & Comments



Your Advice

1. Keep current rate structure – use current financial tools to manage volatility
2. Reduce revenue volatility by increasing fixed charges
3. Defer action until after Cost-of-Service Study (FY2027)



Next Steps

- By March 31
 - » Meeting summary emailed to RAC for approval
- April 19, 2023, 6:00 pm (Teams)
 - » Board of Commissioners Presentation: RAC's Recommendations & Advice
 - » RAC members provide public comment

 Are you available to represent RAC at the April 19 Board of Commissioners meeting?

 Please sign up on the sheet going around the room so we can coordinate with you.

THANK YOU!



Thank You!

Adjourn



Tualatin Valley Water District—Rate Advisory Committee

Meeting #6— RAC Final Recommendations

Tuesday, March 21, 2023

Tualatin Valley Water District Board Room (1850 SW 170th Avenue, Beaverton)

Doors Open/Dinner: 5:30 pm | Meeting: 6:00-8:00 pm

| Time | Topics |
|-------------|--|
| 6:00 | Welcome |
| 6:05 | Agenda Meeting Instructions Meeting Summary Approval |
| 6:10 | RAC Assignment Schedule |
| 6:15 | RAC Member & Public Comments Received |
| 6:25 | Customer Assistance Program Recommendation |
| 7:15 | Fixed Variable Rate Advice |
| 7:45 | Public Comment |
| 7:50 | Next Steps |
| 8:00 pm | Adjourn |



2022/2023 Rate Advisory Committee (RAC)

Member Questions & Answers

1) Can you provide an overview of how many TVWD customers currently get some form of rate assistance to better understand the current scope and scale of emergency and bill assistance?

➤ **Answer:** Due to COVID-19, this is not a simple answer. See the question #9 , which answered the question, “Number of customers on assistance in the 3 months following a rate increase.” If you want specific information for another time frame, we need to know what this is before proceeding.

2) How many customers were disconnected/shut off due to non-payment in 2019? (a longer time period may be better. I’m saying 2019 because it was not affected by moratoriums)

| 2019 Shut-off Count by Month | | | | | | | | | | | | |
|------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------|
| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| 667 | 494 | 379 | 556 | 454 | 437 | 460 | 441 | 570 | 446 | 332 | 469 | 5705 |

3) Are some customers required to pay a deposit to establish water service?

➤ **Answer:** No

4) What is the time period from bill due date to disconnection if a customer does not pay? What type of notices are sent out?

➤ **Answer:** Disconnections are suspended during the implementation and conversion to the new billing system. The District stopped disconnecting customers for non-payment in April 2022, and the timing to resume disconnections has not been determined. Before resuming disconnections, outreach occurs for at least one full two-month billing cycle, where customers are offered assistance and payment arrangements. Customers can avoid having their services disconnected by calling the District and making alternative payment arrangements. The scheduled billing cycle is:

- Bill due: 14 days after issue
- Reminder notice: 28 days
- Urgent Notice: 40 days
- Urgent Call Notice: 45 days
- Disconnect: 47 days



5) Did your contracted low-income needs assessment (EJ Metrics) provide any data on average water usage/bills of low-income households specifically?

➤ **Answer:** No. The analysis conducted by EJ Metrics is based on “water needs” rather than water usage. The specific needs used for the analysis were 50 gallons per capita per day. Therefore, a 3-person household’s essential needs were 150 gallons per day, or about 4,500 gallons per month (or, about 6 CCF; a CCF is a hundred cubic feet). There is no data source available to cross-reference customer bills with income levels.

6) Can you provide any data on water usage at higher percentiles of the usage spectrum (e.g. how high are water bills for the top 20% users)? (Affordability needs to take into account low-income customers with higher water bills, for instance due to less efficient houses or job requirements)

➤ **Answer:** TVWD currently doesn't have information that correlates water usage and income; however, we plan to use our GIS resources to map water usage by census tract and use American Community Survey data as a proxy for income.

7) Could the affordability calculations be redone for 1 and 2 person households? These types of households tend to have much less discretionary income. If not, could you provide the average water bill for such 1 and 2 person households?

➤ **Answer:** The Hours Minimum Wage (HM) calculation could be redone for 1 or 2-person households; the outcome would be fewer hours than those shown during the 2nd RAC meeting because the total bill would be lower due to less water usage vs. the same hourly wage used in the equation. The AR20 calculation could only be redone with additional analysis by EJ Metrics. However, EJ Metrics is no longer available as a resource for the District due to competing time commitments.

➤ **Answer:** The District cannot provide the average water bill for such 1 and 2-person households because the District does not have records of household size for its customers.

8) Number of delinquent accounts the three months following a rate increase

➤ **Answer:** Historically the District increases its water rates on Nov. 1 of each year. The District bills bimonthly (i.e., every other month), so the counts presented below also alternate every other month when the bill cycles are due (e.g., Dec. 2013 matches with February 2014, two months later).



9) Number of customers on assistance in the 3 months following a rate increase

| Shutoffs After Nov. 1 Rate increase | | | | | | | | | | |
|-------------------------------------|------|------|------|------|------|------|------|------|------|------|
| Rate Increase Nov 1 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| December | | 571 | 438 | 620 | 503 | 379 | 537 | 464 | 1419 | 1052 |
| January | 604 | 497 | 485 | 831 | 683 | 663 | 468 | 364 | 1298 | 927 |
| February | 413 | 405 | 363 | 604 | 439 | 430 | 621 | 396 | 1267 | 508 |

Shut-off List Notes:

- Counts include customers who have arrearages aged long enough to be on the shutoff list.
- Data does not reflect actual shutoffs. Customers can pay, enter into payment arrangements, or apply for assistance to avoid shutoffs.
- The District does not do shutoffs in December.
- Since COVID began in March 2020, shutoffs were conducted for five bi-monthly billing cycles (July 2021 through the April 2022). The District suspended cutoffs due to the pandemic from March 2020 to July 2021 and because of a billing system conversion initiative starting in April of 2022.

Answer:

| TVWD Customer Emergency Assistance Program Counts | | | |
|---|-----|--------------------|-----|
| | Jan | Feb | Dec |
| 2013 | | | |
| 2014 | | | |
| 2015 | | | 31 |
| 2016 | 13 | 20 | 13 |
| 2017 | 13 | 9 | 13 |
| 2018 | 18 | 11 | 12 |
| 2019 | 10 | 16 | 10 |
| 2020 | 13 | 19 | 0 |
| 2021 | 0 | 0 | 12 |
| 2022 | 21 | 8 | |
| | | Data not available | |

Notes:

- Several utility assistance programs were offered during the COVID pandemic.
- The funding for these COVID-related assistance programs came from various federal funding packages, some of which were provided through county and state agencies.
- While state and federal COVID relief programs (which covered water, wastewater, and stormwater utility bills) were available, TVWD's Customer Emergency Assistance Program was not offered.
- Due to the variance in funding, the number of programs offered during pandemic, and not using shutoffs consistently the data isn't comparable through this entire time period.

10) Other assistance programs:

➤ **Answer:**

- CARES Utility Assistance Program, which the Washington County Commissioners funded. The program offered bill forgiveness to customers from all Washington County water utilities: drinking water, waste/storm water. Details are in the table below.
- LIHWA – federal funded \$902,000 for utility assistance (water, waste/storm) for Washington County residents.
- OERAP – Oregon Emergency Rental Assistance program also paid utility bills.
 - TVWD doesn’t have data about LIHWA or OERAP in terms of customers who received the assistance, how much they may have received, or the total amount of assistance distributed by each program.
- ARPA funding – Washington County also provided \$2 million for utility assistance (water, waste/storm) for Washington County residents in July 2022. These funds were directly applied to account balances in specific census tracts (based on population and population of low-income residents). TVWD’s customers received \$644,000 of payments (combined), of which \$308,000 was for water service. Customers received letters and could opt out, which resulted in only two customers opting out.
- Community funded utility assistance is provided by: Beaverton Resource Center, Care to Share, St. Vincent DePaul, Salvation Army and other miscellaneous social service providers.

| CARES Assistance Program ROUNDUP | Washington County | TVWD* | Rounded percentage |
|---|--------------------------|--------------|---------------------------|
| # of Payments pledged | 1,114 | 480 | 43% |
| Total of payments Pledged | \$540,565.38 | \$278,850.72 | 52% |
| Average Payment | \$485.24 | \$580.94 | n/a |
| # of Payments \$1000 or larger | 96 | 59 | 61% |

*Note: TVWD bills jointly with Clean Water for most customers.

- 27% of the TVWD customers with past due arrearages were served by the CARES Act Utility Assistance program. At the end of CARES, on December 31, 2020, arrearages totaled \$763,628 for TVWD and \$515, 235 for Clean Water Services, and the customer count matching these totals was 1,815. The table above shows 1,419 of TVWD shutoff list. This may be due to clean water only accounts, which can’t be shut off or a variation in the parameters used to create the report. Arrearage totals includes all account types, some of which can’t be shutoff (fireline/clean water only).



11) At the first RAC meeting, I believe it was mentioned that many residential customers cannot be identified because they didn't receive water bills. Would you mind reminding me about this data?

- **Answer:** Yes, we're happy to remind you of what was shared. We shared that the Customer Assistance Program (CAP) would only apply to single-family residential customers because those residences have individual meters and each of them receive a bill from TVWD. We know there are - 56,376; however, we also shared the CAP would not apply to multi-family customers – it's not because we can't identify them but because individual dwelling units do not receive a bill from TVWD, rather the bill goes to their landlords because it is affiliated with the building water meter. TVWD knows there are 1,082 multi-family accounts, but the District has no way to know how many dwelling units are occupied or vacant—or the number of people living within occupied multi-family units or complexes—at any given time. Moreover, the District could not realistically administer a CAP for those individual dwelling units because they don't receive a bill to begin with, so there is not a direct link between TVWD and the dwelling unit resident.

- Census data about renter vs. owner households for Washington County tells us that 60% of all households are owners, 40% are renters. This information was used to help estimate the number of potential customers a CAP might expect, at a maximum, to qualify for the proposed program.

12) Delinquent accounts: What percentage of the shutoffs are repeats?

Answer: The District doesn't currently track this information. The shutoff process hasn't been used since April 2022.

13) TVWD Assistance Programs:

A. Emergency assistance program counts: There are very few customers (30-40 per quarter?) using this program? Why? Lack of demand? Too difficult to enroll?

- **Answer:** The District doesn't know for certain why customers do not enroll or apply for assistance.
- **Answer:** Some factors influencing recent participation include:
 - The District's assistance programming was paused when other federal and state programs are/were available to preserve customer funds. All the federal programs included water, and waste and stormwater services—while TVWD's customer funded program is limited to providing drinking water assistance.
 - The District changed our nonprofit partner and the benefit amount during COVID, increasing the benefit from \$65 to over \$200 per year. During COVID, state and federal



programs were significantly more generous with some completely retiring arrearages (an amount of money owed that should have been paid earlier).

- The District program wasn't offered when the state/federal offers were available, which would lower customer participation in our program.
- Suspending shutoffs impacts the urgency to apply for assistance. Shutoffs have only been performed from July 2021-April 2022 since March 2020.
- Nationally, participation in income -qualified programs is low.

Reference presentations, and the information provided to answer question 9 for additional information:

- <https://www.tvwd.org/district/page/2022-rate-advisory-committee-session-1>
- <https://www.tvwd.org/district/page/2022-rate-advisory-committee-session-2>

B. Deferred Payment Plans: How many customers participate? Trends?

- **Answer:** The report from the new billing system is under construction. The customers currently on deferred payment plans include customers on payment arrangements prior to April 2022, or customers who voluntarily requested one between then and now. Customers on repayment arrangements will increase when we resume shutoffs because entering into a repayment plan is one of the terms to receive customer assistance and/or avoid a service shutoff.

14) TVWD Assistance Program Funding:

A. Of the \$41K spent for the 2019-2021 budget cycle, what was the split between emergency funds and deferred payment plans?

- **Answer:** The funds budgeted for the Customer Emergency Assistance Program are designated only for that program. Deferred payment plans do not receive funds from the District. Essentially, deferred payment plans stretch the repayment period and do not use resources allocated to the assistance program.

B. Of the district funded \$500K budget for 2021-2023, a) what is the spend pattern thus far and b) how was this budget determined?

- **Answer to Question A:** The Customer Emergency Assistance Program has been activated and deactivated, whenever other assistance programs were available. Throughout COVID the following programs were offered at various points in time:
 - CARES Utility Act
 - Low Income Household Water Assistance
 - Oregon Emergency Rental Assistance Program



- American Rescue Plan Act (ARPA).

These programs were considered primary when they were in effect, so TVWD Customer Assistance Funds were paused to preserve resources.

- **Answer to Question B:** The \$500,000 funding amount was selected to approximately match the program being proposed by the District's billing partner, Clean Water Services (CWS). The goal was to integrate the two assistance programs to provide an incentive for customers to become current on both their TVWD and CWS bills. CWS was unable to implement its program because of coordination requirements with some of the cities within its service area. Rather than rely on its proposed customer assistance program, CWS was successful in pursuing federal funds through Washington County described above (both CARES and ARPA.)

#1

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Sunday, March 05, 2023 3:46:41 PM
Last Modified: Sunday, March 05, 2023 4:25:30 PM
Time Spent: 00:38:48
IP Address: 50.39.188.156

Page 1: Welcome Rate Advisory Committee Members.

Q1

Please share your name below:

Carlos D. Romo

Q2

Based on the discussion at RAC Meeting #5, would you recommend the District change its rate structure to recover more of its costs from fixed charges than it currently does.

I support a recommendation that the District change its' rate structure (please comment below).

Please share your thoughts and comments here.:

Rate structure changes to recover more of fixed costs should be done only upon notifying customers/users with a thorough and detailed explanation as to why the changes are necessary. The changes should be properly and thoroughly validated through use of data and a full disclosure and information campaign should be given to the users to justify the changes.

Q3

What impacts on the customer experience should the District's Board consider as it ponders the question of changing TVWD's rate structure to recover more of its cost from fixed charges than it does today?

Affordability, inflation, income/wages and demographics

Q4

Do you have any other feedback or recommendations for the District's Board of Commissioners regarding a potential change TVWD's rate structure?

The changes should be done with measured data and justification; sufficient notice--a thorough explanation as to why it is necessary to change the rates

Q5

Based on RAC discussions, would you like the RAC to recommend CAP Concept #1 to the TVWD Board of Commissioners if it incorporates the feedback provided at the January meeting and affirmed at the February meeting? RAC feedback on CAP Concept #1: Program should be equitable for larger households, which is achievable with % discount. Level of discount should reduce the risk of water shutoffs. Program funding should be "right sized" and affordable for ratepayers. Water conservation is important but not a driver for the customer assistance program. Program funding should be adaptable to the realized participation each year.

Support (please to provide comments),

Please provide additional comments or feedback here.:

The RAC feedback for Concept #1, in my view, takes into consideration an equitable, justifiable and more affordable approach. All users, according to their income and at the level they can afford, in my view, should share in the overall costs of usage.

Q6

Do you have other feedback on CAP Concept #1 or items you would like fellow RAC members to consider as they make a decision on what to recommend to the Board of Commissioners during RAC Meeting #6?

Repeating, allocation and distribution of costs should be equitable and should take into consideration factors such as usage, income and conservation. I believe Concept #1 achieves these principles.



TUALATIN VALLEY
WATER DISTRICT

December 12, 2022

At the November meeting there was a recommendation to establish low-income support consistent with values of the committee. That is certainly a relevant consideration. However, here is the problem: Oregon and Washington are trying to deal with a long-term problem of embedded racism and oppression of minorities which has become a part of how our society operates. Both state governments are working internally to identify and figure out what can be done to correct past wrongs that continue to affect families generation to generation. At the same time we face climate change more quickly than we imagine possible. For example, Seattle will become pretty much like today's Miami by 2095 to 2121, depending on the calculation. Trying to handle disaster preparedness and resilience will be really expensive, so electricity rates will shoot up year over year due to the drive for electrification. If natural gas is to be shut down, there will also be the full cost of running gas systems with fewer and fewer customers as upper income customers leave the systems. I don't know what kind of water projections are being done here and how water supply will be ensured as we go forward into years of climate damage to the environment and built infrastructure, but I do work with the "decision making under deep uncertainty" tools developed and used by the WUCA water utilities and would be interested in climate planning efforts.

So, as we go forward, due to climate change, we can expect supply chain problems to increase, and costs of food and utilities to increase, more and more. Right now the US economy does not produce enough living wage jobs for half the population of workers. The same is true for Oregon. This means that something over one-half of workers are not paid a living wage. (There are several metrics for this, I am just using living wage as one of the metrics.) The poverty level is an ill-constructed measure, probably a good job for a first try. But it does not capture income insufficiency, which can be estimated at more like 250% to 450% of poverty depending on family size and where a person lives. With costs going up and the economy under strain from climate disasters, more and more people will become unable to pay for utilities over time between now and 2050. So, the plan should take these factors into account.

In this context, I would like suggest to additional criteria for consideration. First, the new low-income support should include home retrofits for water systems, including leak detection and replacement of home water systems as necessary. Second, this work on home systems should be free to the low-income customer. Third, on the rate side, the primary criterion for consideration should be that the rate actually work for each low-income household included in the rate. Forth, that farm worker families, to the extent they are included in the water system, should be provided just and reasonable rates - not in terms of the jargon of the regulatory system where just and reasonable means a close approximation to imaginary free market rates, but in the everyday language sense of just and reasonable - access to sufficient water at a price that can be comfortably paid. The rate has to actually work for low-income families, and not just be a gesture in direction of lowering rates. Fifth, whatever the new rate, there should be careful examination to insure that other rate provisions do not cancel its effect for the lowest income customers. Often discounted or tiered rates work well for the upper ranges of poverty income, but effects are cancelled out by a minimum payment provision or a maximum subsidy provision, or late fees, or service restoration fees.

I will be doing inspections for the Utilities and Review Board in Nova Scotia this week, so I will miss the December meeting, but I will try to send some more suggestions. I am very happy that you will try to put a low-income program and/or rate into place.

-Received online 12/12/2022