

AN ORDINANCE TO EXEMPT ELDERLY AND DISABLED RESIDENTS AND RESIDENCES WITH CHILDREN UNDER THE AGE OF FIVE FROM WATER SERVICE DISCONNECTION FOR NONPAYMENT OF UTILITY CHARGES

#0182

Sponsor:

**Council
Member
Darby**

WHEREAS, every resident of the City of Wilmington, regardless of where they live, race, or class, should have access to clean and safe water; and

WHEREAS, no one should fear that their water will be shut off at any time, but especially during a time when hand-washing and practicing proper hygiene is critical to prevent the spread of a deadly illness; and

WHEREAS, for the first time ever, Congress in December 2020 and March 2021 appropriated funds specifically for low-income water and wastewater assistance – a total of \$1.138 billion for an emergency Low Income Household Water Assistance Program (LIHWAP); and

WHEREAS, the FY 2021 Allocation of LIHWAP Funds to Delaware under the Consolidated Appropriations Act, 2021 (Public Law 116-260) and the American Rescue Plan Act of 2021 (Public Law 117-2) included funding amounts awarded for each grant as follows: 2021 Consolidated Appropriations Act - \$1,587,923.00; American Rescue Plan Act of 2021 - \$1,244,454.00; and

WHEREAS, grantees may use these funds to assist low-income households, particularly those with the lowest incomes, that pay a high proportion of household income for drinking water and wastewater services, by providing funds to owners or operators of public water systems or treatment works to reduce arrearages of and rates charged to such households for such services; and

WHEREAS, LIHWAP grantees are free to obligate any portion of these funds in FFY 2021, FFY 2022, or FFY 2023. All funds must be obligated by September 30, 2023 and expended (liquidated) by December 31, 2023; and

WHEREAS, the City of Wilmington needs time to collaborate with the Delaware - Division of State Service Centers to develop programs to successfully deploy LIHWAP dollars to help Wilmington residents struggling with water debt, and seeks to avoid water shut-offs to vulnerable residents while help is here.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

SECTION 1. Section 45-171 of the Wilmington City Code is hereby amended with the addition of the underlined language to read as follows:

Sec. 45-171. - When facilities charge payable; effect of nonpayment.

a. Beginning July 1, 1983, the facilities charge for water furnished by meter measurements shall be payable to the department of finance, in advance on or before the billing due date. If, after the billing due date, the whole or any portion thereof remains unpaid, the account shall be deemed delinquent and subject to the penalty and interest charges provided in this division. If the whole or any portion thereof remains unpaid 30 days after the billing due date, the water may be shut off and the water shall not again be supplied or furnished to such premises except upon payment of all water rent due the city, including turn-off and turn-on charges, together with penalties, interest and costs as provided in this division.

b. Elderly or disabled customers who meet the eligibility requirements for exemptions from municipal taxation of real property in the city pursuant to the

provisions of section 44-64, and residences with children under the age of five (5) shall be exempt from the shutoff provision of subsection (a) of this section.

- i) Application; affidavit. Application for such exemption must be made by the customer on forms to be furnished by the city's department of finance. The customer shall furnish the information to be executed in the manner required on such forms, and such forms and information shall be filed, with the city's department of finance.
- ii) Customers who qualify under the disability section shall be required to file a copy of a state, employer, or doctor's determination of disability with the department of finance, although all other conditions of the exemption still apply.
- iii) Customers who qualify as a residence with a child under the age of five shall be required to file proof that the child(ren) reside at the service address of the account holder.
- iv) Customers who have been granted exemptions from municipal taxation of real property under Sec. 44-64, shall not be required to submit an application for exemption under this section.
- v) Making a false written statement on any such application shall constitute the misdemeanor of making a false written statement and the application form shall bear such warning. The department of finance shall process each such application and such supporting documentation as it deems necessary and shall grant or deny the exemption. If the department of finance grants such exemption to the customer, the exemption will remain in effect, without the need to reapply, until the customer becomes deceased or no longer meets the conditions of eligibility. The city retains the right to verify the residency and income of the customer at any time and may

rescind the exemption if the customer becomes deceased or ceases to meet the conditions of eligibility. The department of finance has the authority to audit the list of customer receiving such exemption and may require the customer to submit an affidavit or other documentation to substantiate the exemption.

- vi) Rules and regulations. The finance director of the city may promulgate such rules and regulations and prescribe such forms as they shall deem necessary to implement this section.
- b) Notice of availability. The finance director of the city shall cause notice of this exemption to be distributed to all customers by publishing eligibility information on the City's website, in monthly billing statements, and including information in customer service scripts used by call center employees.
- c) Past due notice. Any past due notice sent to a customer by the Department of Finance shall include notice in at least English and Spanish which provides information on:
 - (1) The availability of payment assistance programs;
 - (2) Information on eligibility for payment assistance programs and the process to apply to each payment assistance program
- d) Reporting. The Department of Finance shall report monthly to Council the number of customers, by zip code and customer class:
 - i) that are in arrears.
 - ii) that have received shut-off notices.
 - iii) that have entered payment plans.
 - iv) that had water shut off.

SECTION 2. This Ordinance shall be effective upon its passage by City Council and approval by the Mayor.

First Reading June 2, 2022
Second Reading June 2, 2022
Third Reading

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2022.

Mayor

SYNOPSIS: This Ordinance exempts eligible elderly and disabled residents as well as residences with children under the age of five from having water shut off for nonpayment of water service charges.

FISCAL IMPACT STATEMENT: Although this legislation exempts eligible residents from water utility shutoffs for nonpayment, the effective deployment of LIHWAP funds should offset any negative fiscal impact to the City, therefore the legislation should be revenue neutral.