

SUBSTITUTE NO. 1 TO ORD. 22-033

AN ORDINANCE TO AMEND CHAPTER 45 OF THE CITY CODE TO ESTABLISH AN AFFORDABLE WATER PROGRAM

**Rev. 1
#0213**

Sponsor:

**Council
Member
Darby**

Co-Sponsor:

**Council
Member
Johnson**

WHEREAS, *Wilm. C. (Charter) § 5-403* states that “rate and charges [for water, sewerage, and stormwater] ... shall be such as to yield to the city at least an amount equal to operating expenses and interest and sinking fund charges on any debt incurred or about to be incurred for water supply, sewage and sewage disposal purposes.”

WHEREAS, *Wilm. C. § 45-3* provides that the “Department of Finance shall have jurisdiction, supervision, and control of the rates, fees or charges established by City Council”; and

WHEREAS, the COVID-19 pandemic has had devastating effects on the City’s poorest citizens; and

WHEREAS, in response, City Council passed Ordinance 23-019 on May 18, 2023, establishing a Permanent Water Utility Assistance Program to assist City utility customers with their water and sewer bills; and

WHEREAS, the Permanent Water Utility Assistance Program only assists City residents on the back end, *i.e.*, after they receive their bill; and

WHEREAS, other jurisdictions, including the City of Philadelphia, have established an Affordable Water Program to provide immediate relief to its customers while maintaining a responsibility to fix rates and charges to such a rate to yield to the city at least an amount equal to operating expenses and interest; and

WHEREAS, City Council deems it necessary and proper to establish a Water Affordability Program for City residents.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON

HEREBY ORDAINS:

SECTION 1. Chapter 45 of the City Code is hereby amended by adding a new Section 45-8 thereto containing the underlined language to read as follows:

Sec. 45-8. – Affordable Water Program.

- (a) Authorization. The department of finance is hereby authorized to establish an affordable water program.
- (b) Funding. Funding for this program shall come from an adjustment of the yearly water, sewer, and stormwater fees that will allow the utility to remain revenue neutral.
- (c) Minimum Eligibility Requirements. There shall be a minimum of three tiers: (i) residential households whose incomes do not exceed 50% of the federal poverty level; (ii) residential households with income from fifty percent (50%) to one-hundred percent (100%) of FPL; and (iii) residential households with incomes between one-hundred percent (100%) and one-hundred fifty percent (150%) of FPL. The department of finance may establish additional minimum eligibility requirements.
- (d) Administration and Enforcement. Administration and enforcement shall be coordinated by the department of finance. The department is authorized to prescribe, adopt, promulgate, and enforce rules and regulations pertaining to any aspect of the administration and enforcement of this program, including, but not limited to, establishing additional minimum eligibility requirements, application procedures, and required documentation. The department of finance shall develop a policy manual that shall govern the administration of this program.

SECTION 2. The Department of Finance shall issue its findings and recommendations to establish the Affordable Water Program by January 1, 2025.

SECTION 3. Chapter 45 of the City Code is hereby amended by renumbering certain reserved sections thereof by deleting the stricken language and adding the underlined language to read as follows:

Secs. 45-79 – 45-30. – Reserved.

SECTION 3. This Ordinance shall become effective upon its passage by City Council and approval by the Mayor.

First Reading.....August 25, 2022
Second Reading.....August 25, 2022
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2024.

Mayor

SYNOPSIS: This Ordinance amends Chapter 45 of the City Code to require the Department of Finance to propose an Affordable Water Program, and to present its findings to City Council by January 1, 2025.

FISCAL IMPACT STATEMENT: The fiscal impact of this Ordinance cannot be precisely quantified.