

Help 2 Others

Board of Public Utilities

May 21, 2026

Kevin Buchanan, Budget & Financial Analysis Manager

History

- 2014 - 2016: City Council and BPU express interest in Santa Rosa Water developing a program to assist low-income residents with their water bill
- Due to Prop 218 requirements, funding can not be from rate revenue
- Cell phone tower lease revenue and donations provide funding for the program
- 2016 - H2O Program established offering a 50% subsidy on fixed charges
- 2019 – Subsidy is increased to 100% of fixed charges

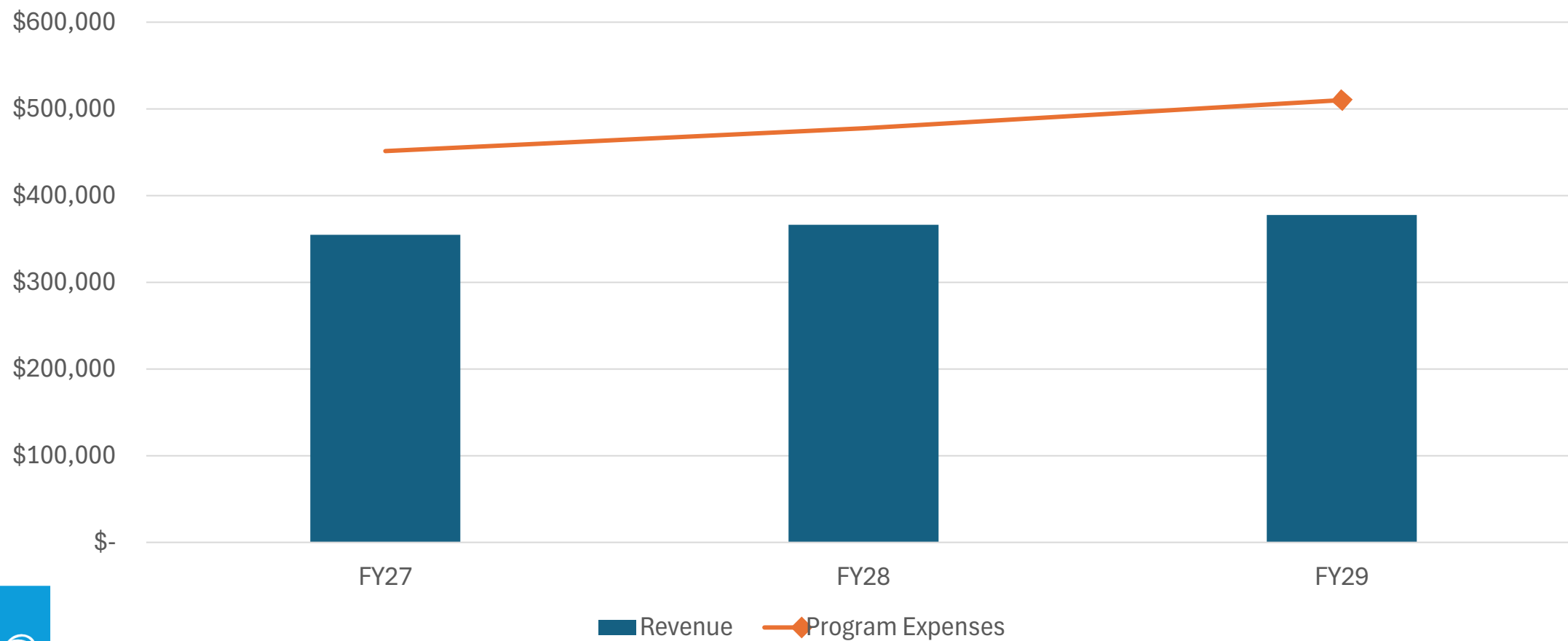
Program Overview

- The Help 2 Others (“H2O”) water bill assistance program provides financial assistance to qualifying residential customers for a portion of their monthly water and sewer service charges
 - 100% off the monthly fixed service charge for water
 - 100% off the monthly fixed service charge for sewer
 - Estimated savings are approximately \$45.15 per month, based on water and sewer service charges starting July 1, 2025.
- Participants responsible for paying the full amount of any water and sewer usage charges incurred

Updates Since March 5

- \$47,000 in non-rate payer revenue identified for future years
- Expected H2O reserves to be \$298,000 at June 30, 2026

Current Subsidy Unsustainable



Feedback from March 5th BPU Study Session

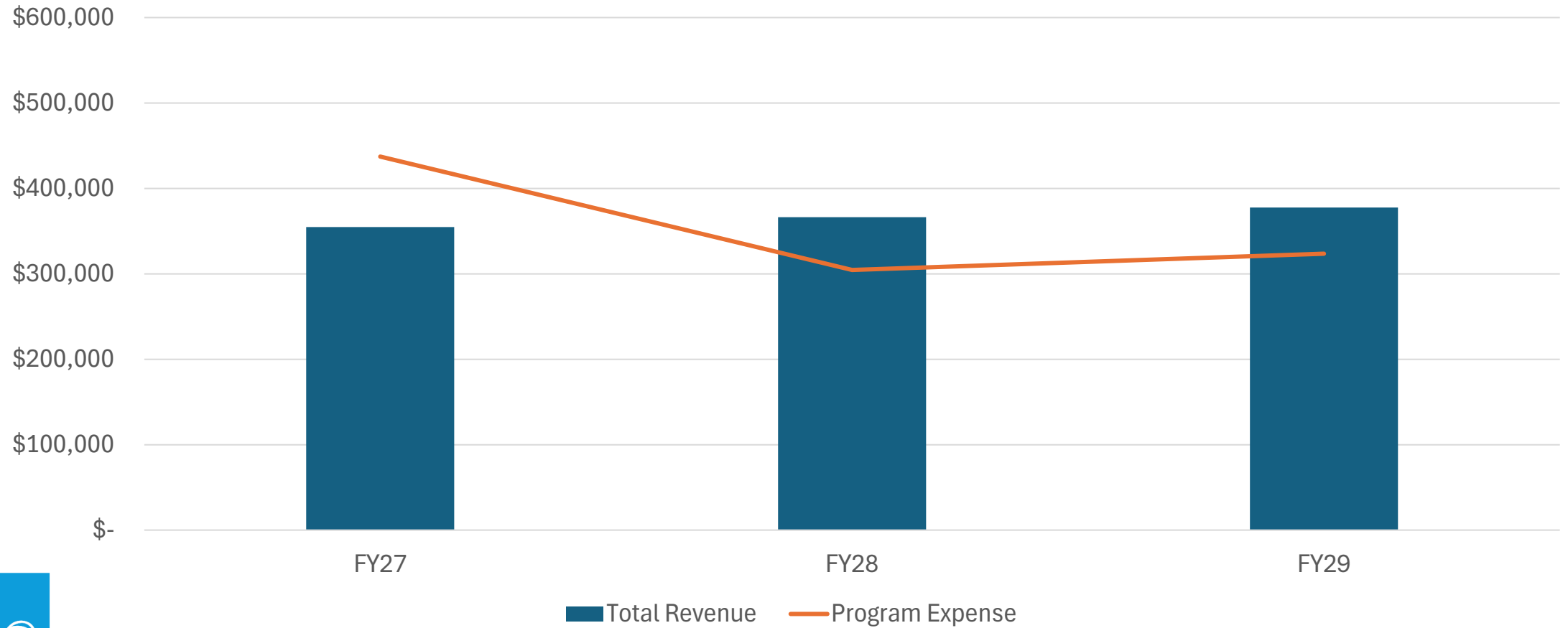
- Add more people from the waitlist
- Reduce subsidy to accommodate more people
- Save reserves in the event additional telecom leases end

Proposed Changes

- Add 50 additional customers
- Reduce the subsidy from 100% to 75% for FY27
- Reduce the subsidy from 75% to 50% for FY28

- Reserves would be at ~\$330,000 by end of FY29

Proposed Changes



Recommendation

- It is recommended by Santa Rosa Water that the Board of Public Utilities, by motion, approve the following changes to the Help 2 Others program:
 1. For Fiscal Year 2027, add 50 additional applicants from the wait list and lower the program subsidy to 75% of fixed fees
 2. For Fiscal Year 2028, lower the program subsidy to 50% of fixed fees