

#12.3

Agenda Item
For Council Meeting of: April 26, 2022

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: KIMBERLY ZUNINO, DEPUTY DIRECTOR, ADMINISTRATION
SANTA ROSA WATER
SUBJECT: APPROPRIATION OF GRANT FUNDS FOR PAYMENT OF
OVERDUE WASTEWATER CHARGES ON CUSTOMER
ACCOUNTS

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by Santa Rosa Water that the Council, by resolution, authorize the Chief Financial Officer to appropriate \$679,400.67 of American Rescue Plan Act (ARPA) funds to revenue account Utilities Administration Fund – Federal Grants and increase budget by \$679,400.67 in expenditure key H2O – Help to Others to apply payments to customer accounts for overdue wastewater charges.

EXECUTIVE SUMMARY

The state of California allocated \$985 million from the Federal American Rescue Plan Act of 2021 funding to the State Water Resources Control Board (Water Board) to establish the California Water and Wastewater Arrearages Program (Program).

Santa Rosa Water had previously applied for and received funding from the Program for payment of overdue water charges for 724 Santa Rosa Water customer accounts with eligible overdue charges. Santa Rosa Water submitted an application for funding for wastewater arrearages to the Water Board in March 2022. Approximately 887 Santa Rosa Water wastewater accounts will receive payments for eligible overdue wastewater charges.

BACKGROUND

Initially, the Program prioritized funding and only accepted applications for overdue water charges. Santa Rosa Water submitted an application for overdue water charges to the Water Board and it was subsequently approved, with funds being disbursed and applied to customer accounts in February 2022. The application for overdue wastewater charges was submitted to and accepted by the Water Board in March 2022 and is awaiting disbursement of funds.

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Eligible charges are 60 days or more in arrears for water and wastewater use from March 4, 2020 through June 15, 2021. The Program requires funding be returned to the State if customer accounts receive any payments that reduce the eligible overdue charges after the application is submitted. The Program requires that payments be applied to customer accounts within 60 days of funding issuance and that written notification be made to customers who received payment. Notification must identify the funding source, the amount applied and that payment plans are available for any remaining overdue charges. Notification was made to customers who received payment for overdue water charges and customers with eligible overdue wastewater charges will be notified once payment is applied.

PRIOR CITY COUNCIL REVIEW

None

ANALYSIS

The water arrearage application was submitted in November 2021 and provided \$353,421 of funding for overdue charges on 724 customer accounts.

The wastewater arrearage application was submitted in March 2022. When the application was submitted in March, 887 customer accounts had eligible overdue wastewater charges in the amount of \$659,612.30. The Program also provides funding for administration costs up to 3% in the amount of \$19,788.37. The total funding applied for was \$679,400.67.

The Program requires that any payments applied to the eligible overdue wastewater charges from March 2022, the time of application, to April 2022, anticipated issuance of funding, must be returned to the State. Therefore, the customer accounts will be reviewed, eligible charges confirmed, and payments will then be applied to customer accounts and customer notification will be provided. Any remaining funds will be returned to the State as required.

In order to apply payments to qualifying customer accounts with overdue wastewater charges, \$679,400.67 must be appropriated to revenue account 0601-4411 and expenditure key 300201 must be increased by \$679,400.67.

ENVIRONMENTAL IMPACT

The actions provided for herein are exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment. No further environmental review is required.

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BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution

CONTACT

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