

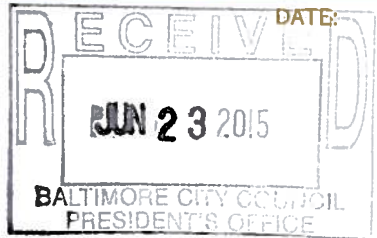
FROM	NAME & TITLE	Rudolph S. Chow, P.E., Director
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building
	SUBJECT	CITY COUNCIL BILL 15-0236R

CITY of
BALTIMORE
MEMO



TO

The Honorable President and Members
of the Baltimore City Council
c/o Natawna Austin
Room 400 – City Hall



June 23, 2015

I am herein reporting on City Council Bill 15-0236R introduced by Council Members Stokes, Henry, Middleton, Clarke, Kraft, Holton, Welch, Spector, Scott, Curran, Branch, Costello, President Young, and Council Member Reisinger.

The purpose of the Bill is to call on the Department of Public Works to halt water shut-off efforts directed against residential accounts owing hundreds of dollars each until it has collected from, or shut –off water to, the commercial accounts that owe the City millions in unpaid water bills.

Beginning April 1 through October 31 of every year, the City implements its water turnoff program. While this year’s program got a lot of media attention, this is an annual event. Water bill accounts that have more than \$250 outstanding and are at least two quarters in arrears are delinquent and eligible for turnoff. Eligible accounts receive at least one delinquent notice and one turnoff notice. The goal of the program is to prompt customers to pay their bills or enter into payment plans before the delinquencies become unmanageable.

A turnoff list is produced for all accounts (residential, commercial, institutional) that meet the turnoff program requirements. The initial list for this year identified about 23,000 eligible accounts. This list is scrubbed to remove accounts that have active payment plans that are in good standing, have active Law Department agreements that are in good standing, are under review (informal conference, adjustment pending, meter inspection scheduled), have documented serious medical conditions, are in bankruptcy proceedings or in tax lien certificate sale.

One of the reasons that the commercial accounts have received so much attention this year is that it is the first time these accounts are being held accountable for their unpaid water consumption through the water turnoff program. The commercial accounts are comprised of any water service having a 3-inch or larger water meter, including commercial businesses, industrial and institutional entities, and large multi-family complexes. Commercial accounts are receiving delinquency and turnoff notices and extra effort is being made to contact these account holders. The Department is collecting past due amounts, setting up payment plans, and working on contested bills. So far, 186 commercial accounts have paid \$2.4 million to bring their accounts current, or have made partial payments and have entered into payment plans. The turnoffs for those commercial accounts who have not responded or who have not paid are now underway.

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For the residential customers, payment plans are just one way in which they can get their accounts under control. The City also offers several assistance programs to those who qualify, and many customers who responded to their delinquency notices were able to apply for and receive help with their bills. Between April 1 and June 19, 477 customers received the Senior Discount, 382 took advantage of the Low Income Grant, and 388 qualified for the Hardship Exemptions.

- The Low Income Senior Citizen Water Discount Program – Customers who are at least 65 years old and meet the income criteria are eligible for a 39% discount.
- Low Income Assistance Program – Customers who meet income criteria are eligible for a \$161 credit against their bill and can also enter into a payment plan for the balance due.
- Hardship Exemption Program – Customers who meet income or other assistance criteria are exempt from paying the Bay Restoration Fee and the Stormwater Remediation Fee.

In fiscal year 2014 2,374 customers applied for the Senior Citizen water Discount Program at a value of \$421,544. Another 1,973 customers applied for the Low Income Assistance Program at a value of \$277,565. These programs and applications are listed on the City website, available through the City's Community Action Centers and Senior Citizen Centers, and are brought to community meetings and events by our Community Liaisons. The Mayor's Office of Human Resources and the Department of Housing and Community Development have been good partners in promoting these programs as well. We are working closely with these agencies to promote not only these assistance programs, but the site of programs offered through the City and other entities that can help bring down other bills to assist with customers' financial pressures.

The Department of Public Works will be present at the hearing on City Council Resolution 15-0236R to share further information about the water turnoff program and to answer questions of the Council.

Sincerely,


Rudolph S. Chow, P.E.
Director

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