

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
DEPARTMENT OF COMMUNITY INITIATIVES**

AGENDA ITEM NO.

41 AB, C+D

TO: Mayor and City Council

FROM: Dennis J. Campa, Director, Department of Community Initiatives

THROUGH: Terry M. Brechtel, City Manager

COPIES: Frances A. Gonzalez, Assistant to the City Manager; City Attorney's Office; Finance Department; Office of Management and Budget; San Antonio Water System Board of Trustees; File

SUBJECT: AN ORDINANCE AUTHORIZING AGREEMENTS BETWEEN THE CITY OF SAN ANTONIO AND THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES TO IMPLEMENT THE LATERALS TO PEOPLE AND PLUMBERS TO PEOPLE PROGRAMS, RATIFYING THE 2003 PROJECT AGUA PLAN, AND ACCEPTING \$120,341 FROM THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES TO CONTINUE THE WATER METER DISCOUNT PROGRAM IN CALENDAR YEAR 2003

DATE: June 19, 2003

SUMMARY AND RECOMMENDATIONS

The following ordinances authorize agreements with the San Antonio Water System Board of Trustees for the continuation of the comprehensive water affordability programs.

- A. This ordinance authorizes the execution of an agreement between the City of San Antonio (City) and the San Antonio Water System Board of Trustees (System) to implement the Laterals to People (LTP) program.
- B. This ordinance authorizes the execution of an agreement between the City and the System to implement the Plumbers to People (PTP) program.
- C. This ordinance authorizes the ratification of the agreement for the 2003 Project Agua Plan for 2003. The plan details how approximately \$25,000 in Project Agua funds provided by the System and through private and corporate donations will be used to assist low-income and other vulnerable System ratepayers.
- D. This ordinance authorizes the acceptance of \$120,341 from the System to continue the third year of the Water Meter Discount Affordability Program (WMDAP), which provides for a 50% monthly discount on water meter charges for low-income System ratepayers. This ordinance also establishes a 2003 budget, and approves a personnel complement for administration of the program.

Staff recommends approval of these ordinances.

BACKGROUND INFORMATION

The City of San Antonio and the San Antonio Water System have developed various programs to address the need for financial assistance with utilities and related expenses.

- A. Laterals to People is an existing program that provides assistance to low-income San Antonio Water System ratepayers with incomes at or below 125% of the Federal Poverty Level (FPL) guidelines and lack funds to repair a health or safety problem with their sewer lateral system. The purpose for this program is to alleviate health hazards by providing adequate sewer services to persons. In 2002, over 250 System ratepayers were assisted through the LTP program.
- B. Plumbers to People is an existing program designed to conserve water by providing assistance to System water ratepayers with incomes at or below 125% of FPL guidelines who lack funds to repair or replace leaking or wasteful plumbing fixtures and/or water lines in their home. Last year, 514 San Antonio Water System ratepayers were assisted through the PTP program.
- C. Project Agua is a utility assistance program developed jointly by the City and the System. The program will provide approximately \$25,000 in utility assistance in 2003. The project was implemented in February 2003 and will continue through December 31, 2003. The Project Agua trust account is funded by the System and through private and corporate donations. The actual amount available in the trust each year for utility assistance is dependent on the rate of investment return for the trust.

Eligibility guidelines established in the plan include low-income System ratepayers, at or below 125% of the FPL guidelines who are: elderly (60+), disabled, or vulnerable ratepayers requiring continuous water service for life-sustaining medical equipment in the home. The assistance per eligible ratepayer is normally \$50 per calendar year. Ratepayers who receive assistance are required to make a minimum \$5 co-payment to the System. To date, 45 ratepayers have received assistance through this program.

- D. The Water Meter Discount Affordability Program provides a 50% discount (approximately \$2.81) of the monthly water meter charge to low-income System ratepayers whose total household income is at or below 125% of the current FPL guidelines. While this program is for all low-income System ratepayers, emphasis has been placed on senior citizen households. Current census data estimate that there are 55,000 potentially eligible System ratepayers. Once certified as eligible for the program, ratepayers continue to receive the monthly discount for the remainder of the calendar year in which they applied. Re-certification of System ratepayers for the program is performed annually. In the first two years of the program, over 63,000 ratepayers were certified as eligible for the program. Approximately 20,000 ratepayers will be certified as eligible during this calendar year.

POLICY ANALYSIS

This ordinance continues existing City policy of providing a community safety net, in the form of utility assistance, to its most vulnerable citizens. It also continues City policy of leveraging the funds of other entities as sources of utility assistance.

Execution of these agreements will formalize the City's relationship with the System for implementation of these programs. In the LTP and PTP programs, the City's responsibilities are limited to processing applications and determining eligibility. In Project Agua, City staff also

recommend the amount of financial assistance the applicants should receive. In the WMDAP, City staff also provide community outreach, and conduct database matching to identify additional program applicants. The System coordinates, funds, and provides quality control for all LTP and PTP repairs, provides a credit to the account of ratepayers deemed eligible for Project Agua, and provides annual operating funds of \$120,341 to the City for WMDAP operations and credits the accounts of eligible applicants on a monthly basis.

Ordinance No. 92752, passed and approved on October 19, 2000, established WMDAP and Ordinance No. 93597, passed on March 15, 2001, approved the Inter-jurisdictional Agreement implementing the program with the City and the System as joint partners.

FISCAL IMPACT


There is no General Fund impact associated with any of these programs. Services provided through the Laterals to People and Plumbers to People programs are approximately \$1,000 and \$800 per household, respectively. Ratification of the 2003 Project Agua plan will distribute approximately \$25,000 in System funds to eligible System ratepayers. This ordinance also authorizes acceptance of \$120,341 from the System and establishes a 2003 WMDAP budget. These funds will be used to provide the City with the personnel, outreach, and database services necessary to achieve program objectives.

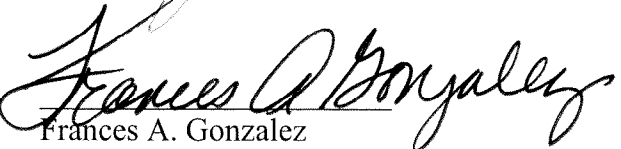
COORDINATION

These ordinances were coordinated with the City Attorney's Office, Finance Department, Office of Management and Budget, and the System.

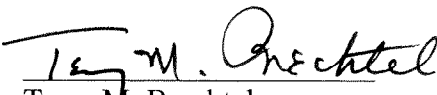
SUPPLEMENTARY COMMENTS

Provisions of the City Ethics Ordinance do not apply.


Dennis J. Campa, Director
Department of Community Initiatives


Frances A. Gonzalez
Assistant to the City Manager

Approved:


Terry M. Brechtel
City Manager

MEMORANDUM OF AGREEMENT
(Sewer Lateral Program)

This MEMORANDUM OF AGREEMENT (this "Memorandum") is made and entered into by and between the CITY OF SAN ANTONIO, (hereinafter referred to as "City"), a Texas municipal corporation, and the SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES (hereinafter referred to as the "System") a municipal water, wastewater and reuse utility, (hereinafter referred to, collectively, as the "Parties", and individually as a "Party").

PURPOSE

The purpose of this Memorandum is to describe the method by which the City and the System shall implement and administer a program to provide assistance to needy customers who lack funds to repair a health and/or safety problem with their sewer lateral system (the "Sewer Lateral Program"). The public purpose for the expenditures made pursuant to the Sewer Lateral Program is to alleviate health hazards by providing adequate and healthful sewer services to persons with incomes at 125% or lower than the federal poverty income level.

I. TERM

The term of this Memorandum shall commence upon the Effective Date as established herein and terminate as of December 31, 2008. The term shall be automatically renewed each year thereafter for successive one year terms, unless either Party provides written notice of its desire not to renew, not less than thirty (30) days prior to the end of any term. In addition, this Memorandum may be terminated by either Party upon ninety (90) days written notice of such Party's desire to terminate. This Memorandum may be terminated at any time if agreed in writing by the Parties.

II. SELECTION OF PARTICIPANTS

2.01 The City of San Antonio Department of Community Initiatives (the "DCI") shall receive all Sewer Lateral Program applications in the form of Exhibit A.

2.02 Except as set forth herein, the DCI shall determine each applicant's eligibility and will be the sole approval authority for determining the eligibility of participants in the Sewer Lateral Program. In making any such determinations regarding eligibility, the DCI shall follow and abide by the Eligibility Criteria (as defined herein) for the Sewer Lateral Program. Except as approved in writing by the System's Vice President of Operations, qualified applicants must meet the following criteria (the "Eligibility Criteria"):

- a) the applicant's household income does not exceed 125% of the federal poverty income level;
- b) the applicant owns and resides in the home requiring the repair; and
- c) the applicant is a System ratepayer or the applicable lateral-sewer line is serviced by the System.

2.03 The DCI shall not waive any of the Eligibility Criteria without the written approval of the System's Vice President of Operations.

2.04 Upon approval of eligibility, the DCI shall assign a number to the work order and the approval shall be relayed directly via Excel spreadsheet to the System's Program Manager (as defined herein). The System shall acknowledge receipt of the approval and shall attempt to contact the individual customer within the next 24-hour workday. If the repair is life threatening or health issues are particularly time sensitive, the System shall respond as soon as possible with emergency repair crews.

III. SCOPE OF WORK

3.01 The scope of work to be conducted for each approved participant for the Sewer Lateral Program shall be strictly limited to work from the participant's property line to the participant's house. No work will be done within the participant's house pursuant to the Sewer Lateral Program. In connection with any work to be done in connection with an approved participant, the System's Operations department staff will be responsible for any repairs outside the participant's property line.

3.02 Due to the number of eligible candidates and the limited program funds, the Parties agree that all work to be performed under the Sewer Laterals Program must be prioritized and conducted in the most cost effective manner as possible. The Parties agree that the use of contract plumbers is the preferred methodology for accomplishing the Sewer Lateral Program. However, if the cost of using contract plumbers greatly limits the scope and size of the needy families served by this Sewer Lateral Program, the work will, at the discretion of the System, be accomplished by in-house System plumbers. Each individual decision to hire a contract plumber will stand on its own merit and the decision to utilize a contract plumber will be made by the System's Program Manager.

3.03 The System shall be the sole authority for authorizing the type of work to be performed, selecting the contractor to perform the work, and determining the allowable dollar amount for each Sewer Lateral Program repair.

3.04 The DCI staff shall not be involved in the authorization, contracting, or inspection of any plumbing repairs accomplished under the Sewer Lateral Program.

IV. RECORD KEEPING

4.01 The DCI and the System are both responsible to maintain detailed records on all program activity. Record keeping shall commence when the applicant's application is determined to be eligible and receives a work order number. Examples of detailed record keeping include, as applicable:

- Work order number
- Field coordinator estimated scope of work
- System Operations department estimated work cost

- Contract Plumber's initial and subsequent bids and estimates
- Plumbing permit number
- Any Video televising data
- Costs broken out by parts and labor
- Signed Release of Damages by participant

4.02 On a monthly basis, the System shall provide the DCI with a detailed list (by client name and address) of all Sewer Lateral Program repairs accomplished within the previous month. This list shall only include participants whose eligibility for the program was previously verified by the DCI casework staff. Prior to the 5th of each month during the term of this Memorandum, the System's files will be transmitted to DCI and a monthly records check will be conducted by the DCI. The DCI will acknowledge identical records via email to the System within ten (10) working days after receiving the System's detailed list.

4.03 The System's Program Manager and the Community Action Manager of the DCI will jointly resolve, file discrepancies, and authorize corrective actions as required.

V. LIASONS AND NOTICES

5.01 Unless written notification from the System to the contrary is received by the City, the System's Vice President of Operations, or his/her designated representative, shall be its designated representative responsible for the oversight and management of the System's obligations and responsibilities under the Sewer Laterals Program and this Memorandum. The System's Vice President of Operations has initially designated the System's Operations Specialty General Foreman (currently Ross Harris) as his designated representative and Program Manager, until the System's Vice President notifies the City otherwise.

5.02 Unless written notification from the City to the contrary is received by System, the City Manager, or his/her designated representative, shall be the City's designated representative responsible for oversight and management of the City's obligations and responsibilities under the Sewer Laterals Program and this Memorandum. The City Manager has initially designated Rolando Morales as the City Manager's designated representative, until the City Manager notifies the System otherwise.

5.03 Communications between the City and the System shall be directed to the designated representatives of each Party as set forth below.

5.04 For purposes of this Memorandum, all official communications and notices among the Parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses of the designated representatives of each Party set forth below.

If to the City:	Rolando Morales City of San Antonio, DCI 115 Plaza de Armos, Suite #150
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San Antonio, Texas 78205

If to the System: Ross Harris
 Operations Specialty General Foreman
 San Antonio Water System
 1001 E. Market Street
 San Antonio, Texas 78205

5.05 Notice of change of address by any Party must be made in writing and delivered to the other Party's address for notice within five (5) business days of such change.

VII. CHANGES AND AMENDMENTS

Except when the terms of this Memorandum expressly provide otherwise, any alterations, additions, or deletions to the terms hereof shall only be by written amendment.

VIII. ASSIGNMENTS

No Party hereto shall transfer, pledge or otherwise assign this Memorandum or any interest in and to same, or any claim arising hereunder without the express written consent of the other Party.

IX. SEVERABILITY OF PROVISIONS

If any clause or provision of this Memorandum is held invalid, illegal or unenforceable under present or future federal, state or local laws, then and in that event it is the intention of the Parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this Memorandum shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein.

X. ENTIRE AGREEMENT

This Memorandum constitutes the final and entire understanding between the Parties regarding the subject matter hereof.

XI. TEXAS LAW TO APPLY

This Memorandum shall be construed under and in accordance with the laws of the State of Texas.

XII. AUDITS AND RECORD RETENTION

The Parties understand and agree that they shall retain and make available for inspection and audit to the other Party, or the other Party's designated representative, upon request for a period of three (3) years after the service provided under the Sewers Lateral Program was performed.

XIII. EFFECTIVE DATE

The effective date of this Memorandum shall be the date of later signature in time.

CITY OF SAN ANTONIO

By: _____

Name: _____

Title: _____

Date: _____

SAN ANTONIO WATER SYSTEM

By: _____

Name: EUGENE HABIGER

Title: CEO/PRESIDENT

Date: 6/16/03

EXHIBIT A



SAN ANTONIO WATER SYSTEM (SAWS)
LATERALS TO PEOPLE
CLIENT ELIGIBILITY FORM



1. Description of Plumbing Problem: _____

2. Client Information:

2.1 SAWS Account Number: _____

Attach a copy of latest SAWS bill. Note: some Bexar Met Water District ratepayers may have their lateral-sewer line serviced by SAWS. If the client is a Bexar Met ratepayer, annotate this in 2.1 above. Confirmation that a Bexar Met customer has their lateral-sewer line serviced by SAWS may be obtained from the SAWS LTP POC

2.2 Address: _____

2.3 Does client Own and Reside in the Home at this Address? ☐ Yes ☐ No *Attach proof of home ownership*

2.4 Name (Last, First, MI): _____ 2.5 Date of Birth ____/____/____

Attach copy of valid picture ID

2.6 Name on SAWS Account (if different than client; Last, First, MI): _____

2.7 Phone: _____ 2.8 Social Security Number: _____ 2.9 Household Size: _____

2.10 Annualized Household Income (based on last 30 days) \$ _____ per year *Attach proof of income*

2.11 Is the Client Program Eligible? (Client MUST meet all three of the following criteria to be program eligible: 1. Client household income at or below 125% of poverty guidelines; 2. Client owns and resides in the home requiring lateral-sewer repairs; 3. Client is a SAWS ratepayer or has their lateral-sewer line serviced by SAWS)

☐ Yes (client meets ALL three eligibility criteria) ☐ No (client does NOT meet one or more eligibility criteria)

2.12 Other Information (check all that apply): ☐ Elderly Head of Household ☐ Disabled Head of Household

☐ Unemployed Head of Household ☐ Small Children in Household (less than 3 years old)

3. Client Signature and Authorization: I hereby certify that the information I have provided on this form is true to the best of my knowledge and belief. Furthermore, I authorize the City of San Antonio and the San Antonio Water System to use the information I have provided on this form to determine my eligibility for the Laterals to People assistance program. I also authorize the City Of San Antonio and the San Antonio Water System to maintain the information I have provided on this form to determine my eligibility for future City of San Antonio and San Antonio Water System assistance programs.

Client Signature

Date

4. FOR INTERNAL USE ONLY

Site: _____ Caseworker: _____ Date: _____

Based on the information provided to us by the client listed above, we certify that he/she is a DCI client and meets all eligibility criteria for the Laterals to People program. We understand that the final determination as to the type, cost, and inspection of LTP repairs is the sole responsibility of SAWS. All case notes and other supporting documentation have been retained in the original client file.

Caseworker Signature

Date

Casework Supervisor Signature

Date

Community Action Manager Signature (required to waive eligibility criteria)

Date

MEMORANDUM OF AGREEMENT
(Plumbers to People Program)

This MEMORANDUM OF AGREEMENT (this "Memorandum") is made and entered into by and between the CITY OF SAN ANTONIO, (hereinafter referred to as "City"), a Texas municipal corporation, and the SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES (hereinafter referred to as the "System") a municipal water, wastewater and reuse utility, (hereinafter referred to, collectively, as the "Parties", and individually as a "Party").

PURPOSE

The purpose of this Memorandum is to describe the method by which the City and the System shall implement and administer a program to conserve water by providing assistance to System water ratepayers with incomes at or below 125% of the Federal Poverty Level (FPL) guidelines who lack funds to repair or replace leaking or wasteful plumbing fixtures for water or water lines in their home.

I. TERM

The term of this Memorandum shall commence upon the Effective Date as established herein and terminate as of December 31, 2008. The term shall be automatically renewed each year thereafter for successive one-year terms, unless either Party provides written notice of its desire not to renew, not less than thirty (30) days prior to the end of any term. In addition, this Memorandum may be terminated by either Party upon ninety (90) days written notice of such Party's desire to terminate. This Memorandum may be terminated at any time if agreed in writing by the Parties.

II. SELECTION OF PARTICIPANTS

2.01 The City of San Antonio Department of Community Initiatives (the "DCI") shall receive all Plumbers to People (PTP) Program applications.

2.02 Except as set forth herein, the DCI shall determine each applicant's eligibility and will be the sole approval authority for determining the eligibility of participants in the PTP Program. In making any such determinations regarding eligibility, the DCI shall follow and abide by the Eligibility Criteria (as defined herein) for the PTP Program. Except as approved in writing by the System's Vice President of Planning, Programming and Quality Control (PPQC), qualified applicants must meet the following criteria (the "Eligibility Criteria"):

- a) the applicant's household income does not exceed 125% of the FPL guidelines;
- b) the applicant owns and resides in the home requiring plumbing repairs; and
- c) the applicant is a System water ratepayer

2.03 The DCI shall not waive any of the Eligibility Criteria without the written or electronic approval of the System's Vice President of PPQC or his/her designee.

III. SCOPE OF WORK

3.01 The System shall be the sole authority for authorizing the type of work to be performed, selecting the contractor to perform the work, and determining the allowable dollar amount for each PTP Program repair.

3.04 The DCI staff shall not be involved in the authorization, contracting, or inspection of any plumbing repairs accomplished under the PTP Program.

IV. RECORD KEEPING

On a monthly basis, the System shall provide the DCI with a detailed list (by ratepayer name and address) of all PTP Program repairs scheduled or accomplished within the previous month. This list shall only include participants whose eligibility for the program was previously verified by the DCI casework staff.

V. LIAISONS AND NOTICES

5.01 Unless written notification from the System to the contrary is received by the City, the System's Vice President of PPQC, or his/her designee, shall be its designated representative responsible for the oversight and management of the System's obligations and responsibilities under the PTP Program and this Memorandum. The System's Vice President of PPQC has initially designated the System's Conservation Director (currently Calvin Finch) as the System's designated representative and Program Manager until the System's Vice President of PPQC notifies the City otherwise.

5.02 Unless written notification from the City to the contrary is received by System, the City Manager, or his/her designated representative, shall be the City's designated representative responsible for oversight and management of the City's obligations and responsibilities under the PTP Program and this Memorandum. The City Manager has initially designated the DCI's Community Action Manager (currently Rolando Morales) as the City's designated representative, until the City Manager notifies the System otherwise.

5.03 Communications between the City and the System shall be directed to the designated representatives of each Party as set forth herein.

5.04 For purposes of this Memorandum, all official communications and notices among the Parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses of the designated representatives of each Party set forth below.

If to the City:	Rolando Morales
	City of San Antonio, DCI
	115 Plaza de Armas, Suite #150
	San Antonio, Texas 78205

If to the System: Calvin R. Finch, Ph.D.
Director- Conservation Department
San Antonio Water System
1001 E. Market Street
San Antonio, Texas 78205

5.05 Notice of change of address by any Party must be made in writing and delivered to the other Party's address for notice within five (5) business days of such change.

VI. CHANGES AND AMENDMENTS

Except when the terms of this Memorandum expressly provide otherwise, any alterations, additions, or deletions to the terms hereof shall only be by written amendment.

VII. ASSIGNMENTS

No Party hereto shall transfer, pledge or otherwise assign this Memorandum any interest in and to same, or any claim arising hereunder without the express written consent of the other Party.

VIII. SEVERABILITY OF PROVISIONS

If any clause or provision of this Memorandum is held invalid, illegal or unenforceable under present or future federal, state or local laws, then and in that event it is the intention of the Parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this Memorandum shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein.

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X. TEXAS LAW TO APPLY

This Memorandum shall be construed under and in accordance with the laws of the State of Texas.

XI. AUDITS AND RECORD RETENTION


The Parties understand and agree that they shall retain and make available for inspection and audit to the other Party, or the other Party's designated representative, all PTP Program

records and files upon request for a period of three (3) years after the service provided under the PTP Program was performed.

XII. EFFECTIVE DATE

The effective date of this Memorandum shall be the date of later signature in time.

CITY OF SAN ANTONIO

By: _____ 

Name: _____

Title: _____

SAN ANTONIO WATER SYSTEM

By:  _____

Name: Eugene C. Habigen

Title: President / CEO