Resolution retroactively authorizing the San Francisco Public Utilities Commission to accept and expend federal funds sourced by the American Rescue Plan Act of 2021 and administered by the State Water Resources Control Board with a total amount of $9,302,044 to assist eligible residential and commercial customers who accrued wastewater customer account arrears during the COVID-19 pandemic from March 4, 2020, through June 15, 2021.

WHEREAS, on February 25, 2020, Mayor London N. Breed declared San Francisco to be in a local state of emergency due to the threat of a novel (new) coronavirus (COVID-19), posing serious health threats to the population; and

WHEREAS, On March 4, 2020, Governor Gavin Newsom declared a state of emergency for all of California to protect against the threat of COVID-19; and

WHEREAS, On March 13, 2020, Mayor Breed issued a second supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency Dated February 25, 2020, stating that “the San Francisco Public Utilities Commission (SFPUC) shall suspend for 60 days: (a) the discontinuation or shut off of water service for residents and businesses in the City for non-payment of water and sewer bills, (b) the discontinuation or shut off of power service for SFPUC Hetch Hetchy Power Customers in San Francisco for non-payment of power bills, (d) the imposition of late payment penalties or fees for delinquent Hetch Hetchy Power Customer accounts and (e) the return of delinquent CleanPowerSF Customers to PG&E generation service for failure to pay CleanPowerSF charges;” and
WHEREAS, On April 27, 2021, the SFPUC extended the suspension of shutoffs on water and power service due to late or non-payment and the issuance of associated late penalties and fees through March 31, 2022, by adopting Resolution No. 21-0063; and

WHEREAS, As customers struggle to afford utility bills due to this economic hardship cause by COVID-19, there has been a rise in the numbers of total arrearages across all customer types, burdening customers with the financial strain of piling bills and resulting in loss of revenues for the SFPUC; and

WHEREAS, The number of single family residential water and wastewater accounts with delinquent bills more than 90 days past due more than quadrupled during the pandemic, going from 1,712 in March 2020 to 7,279 in May 2022; and

WHEREAS, Commercial customer water and wastewater delinquent accounts with a balance over 90 days past due almost tripled, increasing from 624 in March 2020 to 1,741 in May 2022; and

WHEREAS, On July 13, 2021, as part of the Fiscal Year 2021-22 State Budget Act (SB 129), $985 million was appropriated from the Coronavirus Fiscal Recovery Fund, established by the American Rescue Plan Act of 2021, to the State of California Water Resources Control Board (SWRCB) for payments to community water systems and $1 billion was appropriated from the same fund to the state of California Department of Community Services (CSD) to electric utilities to forgive residential and commercial customers arrearages that accrued during the covid-19 pandemic relief bill period (March 4, 2020, through June 15, 2021); and

WHEREAS, On July 16, 2021, as part of Assembly Bill 135, the requirements of the California Arrearage Payment Program were established, and on July 23, 2021, as part of Assembly Bill 148, the requirements of the California Water Wastewater Arrearages Payment Program (CWWAP) were established to address water and wastewater arrearages accumulated during the pandemic; and
WHEREAS, In response to the public health and economic crisis from the COVID-19 pandemic, the San Francisco Public Utilities Commission (SFPUC) continues to take measures to assist customers struggling to pay their utility bills; and

WHEREAS, The SFPUC submitted applications for the water and power programs in December 2021, which were approved in early 2022 but wastewater was not included in that Resolution, as the details of the wastewater program had not yet been released; and

WHEREAS, Because CWWAPP had an excess of funds due to fewer utilities applying to the program than expected, water and wastewater agencies were also allowed to apply for reimbursement of water and wastewater discounts provided during the same time period as the eligible arrears - March 4, 2020 to June 15, 2021; and

WHEREAS, The wastewater application was submitted, and approved in April 2022, and funds were received on May 23, 2022; and

WHEREAS, The SFPUC disbursed all funds in early June 2022 to ensure adherence to State guidelines, given the 60-day window of disbursement, and the timely issuance of much needed debt relief to customers; and

WHEREAS, Due to this program rule, this item is being brought to the Board of Supervisors retroactively and a delay or denial in approving the resolution will require the SFPUC to reverse credits given to customers to pay off eligible customer wastewater arrearages, resulting in continued debt owed to the SFPUC and burden on customers impacted by the COVID-19 pandemic; and

WHEREAS, This grant does not include an Annual Salary Ordinance (ASO) Amendment, and does not include funding for new staff members; and

WHEREAS, On June 14, 2022, the SFPUC Commission, by Resolution No. 22-0110, recommended that the Board of Supervisors accept this grant; now, therefore, be it
RESOLVED, That the Board of Supervisors retroactively authorizes the SFPUC to accept and expend grant funds in the amounts of $9,302,044 to assist eligible residential and commercial customers who accrued wastewater customer account arrears during the COVID-19 pandemic period between March 4, 2020, through June 15, 2021, pursuant to Administrative Code, Sec. 10.170-1; and, be it

FURTHER RESOLVED, That the General Manager of the SFPUC is hereby authorized and empowered to execute, deliver, and perform, in the name of the City and County of San Francisco, all applications, contracts, agreements, amendments and payment requests necessary to secure the State grant funds and implement and carry out the purposes specified in the applicable grant application; and, be it

FURTHER RESOLVED, That the Board of Supervisors ratifies any administrative action taken to date with respect to these grants and grant funds.
RECOMMENDED: __________________________

DENNIS HERRERA
General Manager of the SFPUC

APPROVED: __________________________

LONDON BREED
Mayor

________________________

BEN ROSENFIELD
Controller
Resolution retroactively authorizing the San Francisco Public Utilities Commission to accept and expend federal funds sourced by the American Rescue Plan Act of 2021 and administered by the State Water Resources Control Board with a total amount of $9,302,044 to assist eligible residential and commercial customers who accrued wastewater customer account arrears during the COVID-19 pandemic from March 4, 2020, through June 15, 2021.

September 07, 2022 Budget and Finance Committee - RECOMMENDED

September 13, 2022 Board of Supervisors - ADOPTED
Ayes: 11 - Chan, Dorsey, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

I hereby certify that the foregoing Resolution was ADOPTED on 9/13/2022 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved: 9/16/22