

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2016-15A

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 15 OF THE SITKA GENERAL CODE BY ADDING A NEW CHAPTER 15.15 ENTITLED "COMMUNITY ASSISTED UTILITY SUBSIDIZATION EFFORT"

FAILED ON FIRST READING AS AMENDED June 14, 2016

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

2. SEVERABILITY. If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstance shall not be affected.

3. PURPOSE. The purpose of this ordinance is to add a new chapter to Title 15 of the Sitka General Code providing a regulatory framework for the subsidization of utility costs for low income households. This ordinance shall set forth how and when utility costs subsidizations shall be authorized, implemented; how long such subsidizations shall continue for; when such subsidizations shall be terminated; and, penalties for obtaining subsidies under false pretenses.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 15 is amended by adding a new Chapter 15.15 entitled, "Community Assisted Utility Subsidization Effort" to read as follows (new language underlined; deleted language stricken):

Title 15
Public Utilities

- 15.01 Electric Utility Policies
15.02 Watershed Control Program
15.04 Sewer System
15.05 Water System
15.06 Solid Waste Treatment and Refuse Collection
15.07 Storm Drainage
15.08 Utility Poles
15.12 Private Extensions of Water, Wastewater, and Stormwater Utilities
15.15 Community Assisted Utility Subsidization Effort

Chapter 15.15

48

Community Assisted Utility Subsidization Effort

49 Sections:

50 15.15.010 Definitions.

51 15.15.020 Municipal Utility Cost Subsidization Policy.

52 15.15.030 Eligibility Criteria.

53 15.15.040 Determining Eligibility.

54 15.15.050 Program Administration.

55 15.15.060 Responsibilities Incumbent Upon Subsidized Households.

56 15.15.070 Penalties For Obtaining Subsidization Under False Pretenses.

57

58 **15.15.010 Definitions.**

59 A. "Uncollectable Accounts" refers to any account or debt owed the City which has become
60 overdue by more than one hundred twenty days.

61 B. "Collection" means any action taken by the City to attempt to collect a debt or account which
62 is overdue.

63 C. "Credit" means the extension of any services by the City to any person or entity for which a
64 charge or fee is levied, and, for which the charge or service is provided in advance of payment.

65 D. "Debt" means any sum of money which a citizen of the City, or customer of the City in
66 some capacity, is legally obligated to pay to the City for any purpose.

67 E. "Good Standing" shall mean that any citizen, business, or other entity doing business with the
68 City does not have an account which is overdue.

69 F. "Overdue" refers to any debt owed to the City which has not been paid within thirty days of
70 the date the payment was due. As an exception, debts owed for utility services consumed are
71 considered overdue fifteen days after the date the payment was due.

72 G. "Write Off" refers to any debt for which collection action is no longer pursued.

73 **15.15.020 Municipal Utility Cost Subsidization Policy.**

74 A. It shall be the policy of the City and Borough of Sitka that households meeting certain
75 criteria shall be eligible for subsidization of their municipal utility costs from general
76 governmental sources.

77

78 B. Subsidization shall be in the form of general governmental subsidy payments to municipal
79 utilities on behalf of eligible households. Under no circumstances shall subsidization be in the
80 form of reduced utility rates or the provision of free utility services.

81

82 C. The amount of annual subsidization by the City shall be in the municipal Administrator's
83 annual Consolidated Operating Budget. The annual subsidization shall be further pro-rated
84 across the months of the fiscal year based on the historic amount of revenue for the month
85 divided by annual revenue. Applications for subsidization shall be processed on a first-come,

86 first-served basis for each month; once the monthly subsidization has been dispensed, no
87 additional subsidizations can be dispensed until the start of the next month.

88 D. Subsidization of utility costs, once extended by the City, shall not be a permanent entitlement
89 of receiving households. Subsidization for individual households may be revoked at any time by
90 the Assembly for any reason. Furthermore, failure of receiving households to adhere to program
91 requirements may be grounds for termination of subsidies.

92
93 E. Monies used for utility subsidization shall be accounted for in a separate fund and shall be
94 used for no other purpose than utility subsidization. The separate fund to be established shall be
95 funded at inception by a special appropriation from the Assembly.

96

97 **15.15.030 Eligibility Criteria.**

98 A. Any household will be eligible to apply which is receiving, or which has a pending
99 application for any one of the following:

- 100 1. Assistance from the State of Alaska under the Food Stamp Program administered by the
101 Division of Public Assistance, Alaska Department of Health and Social Services,
102 2. The General Assistance Program administered by Sitka Tribe of Alaska,
103 3. The Temporary Assistance to Needy Families Program administered by Central Council
104 Tlingit and Haida Indian Tribes of Alaska and the Alaska Department of Health and
105 Social Services Division of Public Assistance,
106 4. The Women Infant and Children (WIC) Program administered by Southeast Alaska
107 Regional Health Consortium,
108 5. Children in the household qualify for the Free-or-Reduced Lunch Program administered
109 by the Sitka School District.

110

111 B. Termination of assistance from any of the following programs shall discontinue eligibility for
112 subsidization of City Utility Costs:

- 113 1. The State of Alaska under the Food Stamp Program administered by the Division of
114 Public Assistance, Alaska Department of Health and Social Services,
115 2. The General Assistance Program administered by Sitka Tribe of Alaska,
116 3. The Temporary Assistance to Needy Families Program administered by Central Council
117 Tlingit and Haida Indian Tribes of Alaska and the Alaska Department of Health and
118 Social Services Division of Public Assistance,
119 4. The Women Infant and Children (WIC) Program administered by Southeast Alaska
120 Regional Health Consortium,
121 5. Children in the household cease to qualify for the Free-or-Reduced Lunch Program
122 administered by the Sitka School District.

123 C. An applying household will be deemed ineligible for assistance if it, or its constituents, have
124 any past due obligation owed to the City other than utility-related obligations. These other
125 obligations shall include all unpaid citations and billings for protective custody costs. On a case-
126 by-case basis, the Administrator may write off past due obligations in order for an applying
127 household to be eligible for assistance.

128

129 **15.15.040 Determining Eligibility.**

130 A. Any household meeting tentative eligibility criteria and desiring utility cost subsidization
131 must complete and submit an application, along with required documentation, to the entity or
132 organization engaged by the City to manage the utility cost subsidization program.

133 B. The entity administering the utility cost subsidization program shall examine all submitted
134 applications, determine the eligibility of households requesting subsidization, and, provide a
135 recommendation to the City on all completed applications submitted to it under the program.

136
137 **15.15.050 Program Administration.**

138 A. Upon determination of eligibility for an applying household, the entity administering the
139 utility cost subsidization program shall submit a recommendation to the City. The
140 recommendation shall contain the following elements:

141
142 (1) Determination of eligibility or ineligibility

143
144 (2) Length of subsidization

145 B. Upon receipt of a subsidization recommendation, the City shall credit the qualifying
146 household's utility account \$100, not including sales tax.

147 C. The Municipal Administrator shall have the authority to reject or modify any
148 recommendations submitted by the administering entity to the City.

149
150 **15.15.060 Responsibilities Incumbent On Households Receiving Utility Subsidization.**

151 A. To remain eligible for continued subsidization, a household must meet all other financial
152 obligations to the City in a timely basis. Having any obligation owed to the City become past
153 due while receiving subsidization shall be cause for termination of subsidization.

154 B. Households receiving subsidization which undergo changes in financial status causing them
155 to no longer be eligible for subsidization, such as no longer receiving Food Stamps, General
156 Assistance or Temporary Assistance to Needy Families or Women Infant and Children (WIC)
157 Program assistance, or if children in the household cease to qualify for the Free-or-Reduced
158 Lunch Program administered by the Sitka School District, shall immediately notify the
159 administering entity.

160

161 **15.15.070 Penalties For Obtaining Subsidization Under False Pretenses.**

162 A. It will be unlawful for any citizen, or household, to obtain utility cost subsidization from the
163 City under false pretenses. It will also be unlawful for any citizen, or household, to continue to
164 accept subsidization from the City after experiencing a change in financial status which would
165 end eligibility.

166 B. Upon the determination that an unlawful act may have occurred in which utility cost
167 subsidization was obtained under false pretenses, the City will immediately notify the
168 appropriate law enforcement agency so that a criminal investigation can be initiated.

169

170

171 **5. EFFECTIVE DATE.** This ordinance shall become effective 60 days after the
172 date of its passage.

173

174 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of
175 Sitka, Alaska this 28th day of June, 2016.

176

177

178

Mim McConnell, Mayor

179 ATTEST:

180

181

182

183 _____
Sara Peterson, CMC

184 Municipal Clerk

185

186 1st reading 5/24/16 amended

187 1st reading as amended 6/14/16 FAILED