

# EXECUTIVE BRIEF SPECIAL MEETING

**AGENDA DATE:** June 18, 2020

**DEPARTMENT:** Electric Utility

**TITLE:**

Resumption of Disconnects for Non-Payment and Implementation of Utility Bill Payment Plan

**SUMMARY:**

This item proposes the resumption of service disconnects for non-payment of utility bills on July 17, 2020 and the implementation of a residential and commercial customer payment plan for utility bills

**BACKGROUND AND JUSTIFICATION:**

The City of Lake Worth Beach ("City") has been operating under an administrative order which suspended service disconnections through the end of June 2020 due to COVID-19. To date this order has allowed customers to defer payment on their City electric, water, sewer, and commercial refuse utility charges without late fees or penalties. As of June 8, 2020, a total of 1,747 customer accounts, or approximately 6.4% of City's utility customers, are in arrears greater than 30 days and 60 days in the collective amount of \$998,459, or 15.1% of City utility receivables; with the understanding that the data of customer accounts and collection amounts on the aging report change daily and have been increasing.

In addition to suspension of service disconnects and waiver of late fees, City Staff has undertaken an outreach program to affected customers to make them aware of sources of assistance in paying utility bills. Efforts to make customers aware of assistance programs have been undertaken via web on the City's web site, and phone and direct mail campaigns. Staff has made 3,723 phone calls to customers, leaving 1,489 voice mail messages and speaking directly with 1,523 customers, of which 1,391 expressed interest in receiving information on assistance programs. All interested customers were mailed program information. Program information has also been mailed to all City customers in the same envelope as their monthly bills, and also in lieu of traditional late payment reminder notices. A total of 619 applications for assistance by City utility customers have been received by the Palm Beach County assistance agency.

City Staff has provided periodic updates to the City Commission throughout the period as well as participating in public presentation and discussion on the elements of a plan that would include payment of outstanding balances and resumption of service disconnects.

**MOTION:**

Move to approve/disapprove the following:

- a) The City utility service disconnects shall resume on July 17, 2020 in order of meter read cycles, and
- b) The implementation of City utility payment plans for customers with accounts subject to service disconnection during the period of March 16, 2020 to July 16, 2020 for non-payment, upon request by customer, and
- c) The payment plans shall provide for payment of current and past due amounts over a period of \_\_\_\_ months for residential customers and \_\_\_\_ months for commercial customers (*number of months to be determined by the Commission*), and
- d) The reviews of utility bill deposits as required in City Resolution 70-2013 Sections 3.A.1, 3.A.3, 3.B.1, and 3.B.3 be suspended for all customers through September 30, 2020, and
- e) When the reviews of utility bill deposit reviews resume (October 1, 2020), that any delinquent payments from any customer during the period of March 16, 2020 through July 16, 2020, not be counted for determination of need for additional deposit.

Items b, c, d and e above will be memorialized in a resolution for the Commission's approval at the Electric Utility's June 30, 2020 meeting.

**ATTACHMENT(S):**

Fiscal Impact Analysis  
Utility Aging Report as of June 8, 2020  
Resolution 70-2013