

LAKEHAVEN UTILITY DISTRICT
King County, Washington

Resolution No. 2002-976

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A Resolution of the Board of Commissioners of the Lakehaven Utility District ^{Modifying the} ~~establishing a~~ customer assistance program for the collection and disbursement of monetary contributions made for benefit of eligible District residential customers requiring assistance with a water or sewer account, or in meeting expenses associated with the implementation of water conservation measures, and amending Federal Way Water and Sewer District Resolution No. 93-715.

WHEREAS, the District provides water and sewer services to an area inhabited by approximately one hundred thousand individuals, and

WHEREAS, as a result of a wide variety of causes and circumstances, many customers of the District suffer financial hardships which make it difficult, if not impossible, to meet necessary living expenses, and

WHEREAS, without assistance, certain of these customers will suffer the interruption of domestic water service under the District's lawfully adopted policy of discontinuing such service in response to a continuing account delinquency, and

WHEREAS, for the benefit of the water resource, the District encourages customers to exercise water conservation practices, including the installation of conservation devices and repair of plumbing leaks, and

WHEREAS, in addition to the difficulties which can be encountered in maintaining the sewer and water account, customers experiencing financial hardships may be less able to bear the cost of implementing conservation measures, and

WHEREAS, to the extent funds are available after their application for benefit of delinquent accounts, the use of program funds to assist such customers with water conservation activities would be beneficial for the District and all customers, and

WHEREAS, the Board of Commissioners wishing to assist customers affected by adverse economic circumstances and having considered the implementation of a program for customer assistance,

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The District hereby adopts and there is created a program for benefit of District customers to be known as the Customer Assistance Program (C.A.P.). The purpose of the program will be to secure and distribute monetary contributions for benefit of qualified District customers whose financial circumstances limit their ability to meet necessary monthly living expenses and who would, without intervention, suffer the discontinuance of residential water service as a result of a delinquency in the water account and, secondarily, who may lack the financial ability to implement water conservation measures. The contribution of District funds to the program is prohibited.
2. The District shall use appropriate means to encourage public awareness of the program and to facilitate contributions to the fund necessary to the provision of financial aid as described herein. In order to efficiently implement the distribution of the funds, the District shall execute an agreement with South King County Multi-Service Center (Multi-Service) providing for the transfer of monies held for application to customer accounts in conformance with the terms of this resolution. Any change in the designation of the charitable organization to act in the distribution of program funds shall not require an amendment to this resolution.
3. All funds received under the program shall be deposited in a District account maintained for receipt of such funds. Funds held shall be periodically transferred to Multi-Service for application to customer accounts. Payments by Multi-Service under the program shall be made directly to the District in the customer's name and no payment shall be made directly to any customer.
4. Multi-Service shall administer eligibility requirements for those applying for benefits under the program as follows:
 - a) Customer must maintain a residential water and/or sewer account with the District.
 - b) Customer or family member may obtain benefits only once per calendar year.
 - c) Delinquency is not a result of the intentional effort to obtain benefits regardless of financial eligibility.
5. Eligible customers shall be entitled, to have funds applied to a delinquent water and sewer account. Subject to the limits expressed below, the funds shall be paid for benefit of curing a potential or actual account deficiency accrued during the four months prior to application for benefits. The ceiling for application of funds to an individual water account shall be \$75. The


or sewer
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ceiling for application of funds to a combined water and sewer account shall be \$150.

6. To the extent C.A.P. funds are available after the needs of eligible customers requiring assistance with account delinquencies have been met, the District may use program funds to assist financially distressed customers in purchasing and installing conservation devices and equipment and for repairing plumbing leaks.
7. Contributions from customers with an account deficiency on their individual residential or commercial account or accounts will not be accepted for use under the program. The District shall take steps to notify customers that payments to the District will, despite their characterization as a contribution to the program, be first applied to any deficiency in the customer's account.
8. Unless amended by subsequent resolution, payment for services to Multi-Service or any other charitable organization utilized in the administration of the program shall not exceed 10% of the funds disbursed by the organization.
9. Federal Way Water and Sewer District Resolution No. 93-715 is amended in relevant part to provide that funds held pursuant to the terms thereof shall be handled and considered as contributions to the Customer Assistance Program.
10. The Board reserves the right to amend, suspend, or cancel the provisions herein at any time.


ADOPTED by the Board of Commissioners of the Lakehaven Utility District, King County, Washington, at an open public meeting thereof this 11th day of July, 2002.

ATTEST:



President and Commissioner

_____ ✓
Yea



Vice President and Commissioner

_____ ✓
Yea

Edward T. Stewart ✓
Secretary and Commissioner Yea Nay Abstain

Beverly G. Tweddle ✓
Commissioner Yea Nay Abstain

Donald A. Miller ✓
Commissioner Yea Nay Abstain

Approved as to form:

John H. [Signature]
General Counsel

AGREEMENT FOR CHARITY SERVICES

THIS AGREEMENT, by and between Lakehaven Utility District, a municipal corporation of the State of Washington, (hereinafter "District") and Multi-Service Center, a non-profit corporation organized under the laws of the State of Washington, (hereinafter "Multi-Service").

WITNESSETH:

WHEREAS, the District provides water and sewer services in Federal Way and surrounding areas pursuant to authority granted under state law, and

WHEREAS, in an effort to provide aid to customers whose financial circumstances place a limitation on their ability to maintain their residential sewer or water account, the District has adopted a Customer Assistance Program whereby customers, employees, and others contribute to a fund designated for benefit of those customers in need of assistance, and

WHEREAS, Multi-Service provides a variety of charitable services to the public and would be capable of handling the disbursement of contributions received by the District under the Customer Assistance Program, and

WHEREAS, the parties believing that such an arrangement would be of benefit to those contributing to and receiving assistance from the Program,

NOW THEREFORE, BE IT AGREED as follows:

1. The parties agree that Multi-Service will accept contributions made to the District's Customer Assistance Program for disbursement on behalf of District customers under the terms of this Agreement and District Resolution No. 2002-976, the provisions of which are incorporated by reference as if fully set forth herein.
2. The District will transfer funds to Multi-Service on a monthly basis. Upon receipt of funds, Multi-Service will verify receipt to the District and deposit the funds in an account maintained for purposes of making distributions on behalf of District customers pursuant to this Agreement.
3. Multi-Service will be responsible to contact the District for verification of customer account status prior to disbursing any funds. No monies shall be disbursed where the District has denied the eligibility of the customer in question.
4. Where it has been determined that program funds shall be applied to a particular account or accounts, Multi-Service shall, as soon thereafter as is practicable, issue its check payable to the District in the name of the customer or customers designated for receipt of the assistance.

5. The District shall be provided a monthly summary of activity on the account, which shall indicate, at a minimum, funds received, customer payments made, retained funds and account balance. Records maintained by Multi-Service shall be subject to audit under applicable provisions of state law.

6. As payment for the services set forth herein, Multi-Service shall be entitled to retain, for each disbursement made, the greater of \$10.00 or 10% of the amount disbursed to the District for application to a customer account. Multi-Service shall issue a check in payment for its services as provided under this paragraph at the end of each month or as soon thereafter as disbursements for the preceding month can be established.

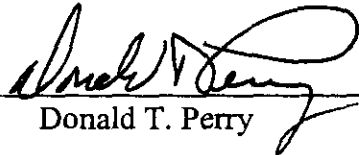
7. Either party may terminate this Agreement on the provision of 60 days notice. Once notice of termination is received, no further transfer of funds will be made to Multi-Service. Multi-Service shall continue to disburse funds held to date and shall return any remaining funds to the District upon the effective date of termination.

8. Multi-Service agrees to be bound by any change in District policy with respect to distributions made hereunder upon receipt of written notice of any such change issued from the District's Director of Finance and Administration.

DISTRICT

Lakehaven Utility District
King County, Washington

BY


Donald T. Perry

ITS General Manager

Date 11/21/02

MULTI-SERVICE

Multi-Service Center,
King County, Washington

BY



ITS Acting Executive Director

Date 11/13/02