



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD



TO: Commissioners Brown, Carlson, Mital, Simpson and Helgeson

FROM: Rene Gonzalez, Customer Solutions Manager; Anna Wade, Business Line Manager

DATE: June 27, 2018

SUBJECT: Septic System Financial Assistance

OBJECTIVE: Information Only

Issue

As directed by the Board following public testimony at the May Board Meeting, Customer Solutions staff evaluated EWEB’s Septic System Financial Assistance (SSFA) Program to develop improvements for ongoing funding and delivery efficiency. This memorandum provides an update to the direction of this program.

Background

The SSFA has been in existence since 2011. Participants include both EWEB customers and non-EWEB homeowners located above EWEB’s drinking water intake, within the McKenzie watershed. Financial need (income requirements) are not an eligibility criteria for assistance.

Two products are available under this program:

- 1) Cost Share - EWEB will reimburse 50% of the cost to inspect and pump septic systems which have not been inspected in the past 3 years.
- 2) Zero Interest Loan – Loans of up to \$10,000 are available to homeowners to help replace or make major repairs to septic systems or drain fields.

EWEB’s loan offering has not attracted material interest. As indicated in the table below, Cost Share has experienced a significant increase in demand the past two years. At current levels, allocated funding and processes require evaluation and adjustment.

	2018	2017	2016	2015	2014	2013	2012	2011
Participants	111	68	18	17	29	46	39	47
Average Incentive	\$281	\$291	\$291	\$298	\$294	\$254	\$278	\$227
Annual Budget	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$10,000	\$10,000	\$5,000
Total Allocation	\$31,142	\$19,772	\$5,231	\$5,073	\$8,536	\$11,700	\$10,851	\$10,436

86% of incentives paid under this program were for services rendered by Best Septic.

Discussion

Comprehensive changes to program characteristics and processing are still under review. Recommendations are likely to include the following:

Incentive: Flat incentive of \$250. This amount would capture over 60% of incentives paid under the program, without requiring manual calculation for each customer.

Eligibility: Residential units located within the Pure Water Partners boundary. Relative to the entire watershed, this boundary more surgically captures the area of highest risk for water quality and source protection. This new boundary would reduce the eligible population to 2,195 from approximately 4000, thereby allocating funds to priority areas.

Customer Solutions is working closely with Finance staff to address internal processes and financial reporting mechanisms to better support this program and to maintain ease of use on behalf of EWEB customers and community partners that contribute to water quality through participation.

TBL Assessment

Not at this time

Recommendation

None at this time

Requested Board Action

None at this time