

Date: May 18, 2020
To: City Council

Through: Mike Kennington, Deputy City Manager/Chief Financial Officer

From: Candace Cannistraro, Office of Management and Budget Director

Subject: Senior Low-Income Discount

Purpose and Recommendation

The purpose of this City Council report is to recommend Council adopt a low-income senior discount and amend the Residential Water Schedule to include the discount.

Background

The City has committed to having several long-standing utility assistance programs. The ordinance amends the City's residential water utility service Schedule to include a new program for those City residential customers who are senior citizens with limited and/or fixed incomes which may adversely impact their ability to pay for utilities. The adoption of the revised schedule by ordinance will constitute a formal affirmation of the City's commitment to providing assistance to Mesa residential water customers who are senior citizens for these important City services.

Discussion

The Low-Income Senior Discount offers a residential customer in good standing receiving service through a ¾", 1", or 1 ½" meter a 30% discount off their water service charge (the fixed monthly rate component) should they meet the following eligibility requirements:

- The accountholder is 60 years of age or older
- Permanent full-time residence at the address where service is provided
- Provide evidence of low-income status as defined by the Arizona Department of Economic Security Low-Income Home Energy Assistance Program (LIHEAP)

These qualifications may be reviewed and verified by a third-party service. The discount will commence after approval following receipt of a completed application and demonstration of eligibility. The Water Resources Department Director is delegated authority to establish implementation policies and procedures, including verification of continuing eligibility. Billing components based on usage are not reduced by the discount.

Alternatives

An alternative to adopting a senior low-income discount and amending the Residential Water Schedule is to not adopt the discount and leave the Schedule as it is today.