



COUNCIL MINUTES

September 14, 2020

The City Council of the City of Mesa met in a Study Session Meeting via a virtual format streamed into the lower level meeting room of the Council Chambers, on September 14, 2020 at 5:01 p.m.

COUNCIL PRESENT

John Giles*
Mark Freeman*
Jennifer Duff*
Francisco Heredia*
David Luna*
Kevin Thompson*
Jeremy Whittaker

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

(*Council participated in the meeting through the use of video conference equipment.)

(Councilmember Whittaker participated in the meeting through the use of telephonic equipment.)

Mayor Giles conducted a roll call.

1. Review and discuss items on the agenda for the September 14, 2020 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff, and the following was noted:

Conflict of interest: None

Items removed from the consent agenda: 4-j

Councilmember Duff requested clarification be made on Agenda Item 3 of the August 24, 2020 Study Session minutes to include that the Promise Program dollars were matched using Human Service dollars rather than CARES dollars.

2-a. Hear a presentation, discuss, and provide direction on an update of the Mesa CARES Residential Utility Assistance Program, including a proposed increase in funding to the Program.

Business Services Director Ed Quedens displayed a PowerPoint presentation, stating the presentation is to update Council on the current program, customer response, resumption of utility disconnects, and proposed program updates. **(See Attachment 1)**

Mr. Quedens advised through the current program Mesa residents can apply for assistance through Mesa CAN. He mentioned the program is being funded by Mesa CARES dollars so

customers must show a COVID-19 financial impact such as a job loss or reduction of hours. He added the City is currently using the federal income standards, which is at the 200% poverty level, and the proposal will be to increase that to 225% poverty level to pick up individuals who are on unemployment. He stated the income is determined using a 30-day lookback. (See Page 3 of Attachment 1)

Mr. Quedens commented the current program was set up using the Department of Economic Security (DES) point system for the award evaluation, with most awards either \$480 or \$640, and split between Mesa, Salt River Project (SRP) and Southwest Gas (SWG) bills, depending on where the assistance is needed. He mentioned Mesa CAN has the ability to award \$1,000 in supplemental funding based on customer need. (See Page 4 of Attachment 1)

Mr. Quedens stated when the program was first established there was no way to know the pandemic would extend into the summer months creating such high utility bills. He added the proposal is to remove the award criteria from DES and pay off the May through October outstanding balances. (See Page 5 of Attachment 1)

Mr. Quedens presented the number of awards and dollar amounts since the program began, adding there are 48 new awards that staff are in the process of posting. He commented, similar to the normal utility assistance program, residents are slow to respond until there is an impending deadline; and as the message gets out that turnoffs will resume October 1, the applications will increase. (See Page 6 of Attachment 1)

Mr. Quedens reviewed the number of Mesa residential delinquent utility accounts. He remarked there is less concern for the 1 to 30 days past due accounts because most of those will be paid before they reach 31 days. (See Page 7 of Attachment 1)

In response to a question posed by Councilmember Thompson, Mr. Quedens advised he does not have customer information on the delinquent accounts to determine the method of payment. He expanded by saying the City continues to see increase in transactions coming in through the kiosks.

Mr. Quedens explained of the 8,525 past due accounts, 3,135 are at the point of turnoff. He noted there are another 498 non-Mesa customers who will be turned off October 1 if arrangements are not made with the City.

Mr. Quedens pointed out the delinquent account turnoffs were suspended on March 9 in response to COVID, which will resume October 1. He said the City is in alignment with SRP. He mentioned the threshold for turnoff is \$145 or more past due. (See Page 8 of Attachment 1)

Mr. Quedens indicated outreach for the program has included postcards and robocalls. He noted on August 26 all delinquent accounts received notification that their accounts are pending disconnection unless action is taken to either pay, set up a payment arrangement, or apply for assistance. (See Page 9 of Attachment 1)

Mr. Quedens stated beginning the week of September 14 field crews will attempt to personally contact residents who have a disconnect order pending, leaving a door hanger if contact is not made. He reported robocalls will begin October 1 to reach out to the residents who still have a disconnect scheduled. (See Page 10 of Attachment 1)

Mr. Quedens described the Expedited Safety Net Program which is intended to prevent as many disconnects as possible by providing customer service staff the ability to verify eligibility and pay off the Mesa utility balance without the customer having to go through the application process. He remarked for assistance with SRP and SWG, the customer will have to apply through Mesa CAN. (See Page 11 of Attachment 1)

Mr. Quedens recommended the Utility Assistance budget be increased from \$1 million to \$8 million to allow the City to use the Mesa CARES dollars to assist residents who have fallen behind on their utility bills. (See Page 13 of Attachment 1)

In response to a series of questions from Councilmember Duff, Mr. Quedens remarked the City has reached out two times to each customer with a disconnect status, and the third contact will be the door hangers. He advised the landing page on the Mesa CARES website gives options on how to apply. He mentioned the program is geared towards delinquent accounts; and if residents have other financial needs, there are other programs available. He reported the income threshold for an individual is \$2,392 and \$4,912 for a household of four per month.

In response to a question from Vice Mayor Freeman, Mr. Quedens stated the CARES funding goes back to March 1 and must be expended by December 30. He indicated the City is attempting to get the delinquent accounts current by starting the disconnects in October but will most likely be expending funds through the program into November.

In response to a question posed by Vice Mayor Freeman regarding how wages are verified, Eva Felix, Director of Community Services for A New Leaf, announced the 30-day income verification can be done with a pay stub, unemployment benefits, or a self-certified zero-income statement.

In response to a question from Councilmember Luna, Michael Hughes, Chief Executive Officer of A New Leaf, replied additional staff have been added in anticipation of a potential onslaught of applications to keep up with the demand. He commented that it is commendable that the City is helping the people in the community and A New Leaf is doing everything possible to ensure a timely response. He expressed his concern with residents waiting until the last minute to apply.

Mr. Brady elaborated the City controls the timing of turnoffs and will be coordinating with customer service and water services to spread out and strategically manage the delinquent account turnoffs through the Expedited Safety Net Program.

Mr. Quedens acknowledged there will be challenges as customers will panic thinking their utilities will be automatically turned off on October 1 which will overwhelm Mesa CAN and the customer service staff; however, staff will continue to do everything possible to come up with solutions quickly.

In response to a question from Councilmember Heredia regarding the process and making sure there is accessibility to everyone who needs assistance, Ms. Felix verified that staff is cognizant that many of Mesa's most vulnerable members of the community have been affected and are unable to come in to provide paperwork; therefore, there are multiple ways for those residents to turn in the application and verification documents.

Mr. Quedens stated Mesa CAN has received guidance from DES that certain substitute documents are acceptable, and Mesa has adopted those changes.

In response to a question posed by Councilmember Heredia, Mr. Quedens advised that the Safety Net Program has not been finalized; however, the plan is to require a certification form to verify eligibility to avoid having to deal with personal documents and to move the process along more quickly. He reported if a customer's service is turned off and staff are informed there is a pending application with Mesa CAN, service will be restored until the information is verified.

Mr. Brady explained the objective is to have customers with delinquent accounts contact the City to begin the conversation regarding assistance. He said despite all the outreach, there is not enough community engagement with the program.

In response to a question from Councilmember Thompson regarding how many of the approximately 8,500 past due accounts are active, Mr. Quedens confirmed those are all active accounts.

In response to a question posed by Councilmember Thompson, Ms. Felix remarked wraparound services are provided to individuals who need assistance outside of utilities, including food insecurities, employment, and financial coaching.

In response to a question from Mayor Giles, Mr. Brady indicated due to the amount in arrears the recommendation is to increase the funding for the program to \$8 million.

Mayor Giles agreed that the number of delinquent accounts indicates serious financial struggles. He expressed concern that residents are unaware that help is available, adding it is incumbent upon Council and staff to do everything possible to get the word out to prevent disconnects by putting the message on social media and reaching out to the faith community and non-profits.

Councilmember Duff suggested Mesa CAN set up a table at the COVID testing and flu shot events to hand out flyers to get the word out.

Mr. Brady announced the City will be providing bags at the event that will include information, masks, sanitizer, and cleaning supplies.

Mayor Giles thanked staff for the presentation.

3. Current events summary including meetings and conferences attended.

Councilmember Duff – Virtual Community Conversation discussion

Councilmember Thompson – Detective John Fitzgerald's Retirement Party
Groundbreaking for Eastmark Fire Station

Councilmember Duff announced the next Community Conversation discussion on the transportation bond will take place September 24.

4. Scheduling of meetings.

City Manager Christopher Brady stated that the schedule of meetings is as follows:

Thursday, September 17, 2020, 7:30 a.m. – Study Session

5. Adjournment.

Without objection, the Study Session adjourned at 5:47 p.m.

JOHN GILES, MAYOR

ATTEST:

DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 14th day of September 2020. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

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(Attachments – 1)