



COUNCIL MINUTES

September 23, 2019

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on September 23, 2019 at 5:05 p.m.

COUNCIL PRESENT

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

COUNCIL ABSENT

Jeremy Whittaker

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

Mayor Giles excused Councilmember Whittaker from the entire meeting.

1. Review and discuss items on the agenda for the September 23, 2019 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: None

City Attorney Jim Smith discussed item 6-b, **(Amending Title 10 (Traffic), Chapter 1 (Bicycles and Skateboards), Sections 1 through 21 of the Mesa City Code, and adding new Sections 22 and 23 to the code. The changes include minor updates and revisions, removing obsolete items, and incorporating Shared Active Transportation Vehicles. (Citywide))** on the Regular Council Meeting agenda. He stated the decision was made to push back the effective date of the ordinance to allow additional time to comply with the 60-day notice statute. He explained the ordinance will be introduced at the Regular Council meeting, to be approved at the next Council meeting and during the interim terms and conditions will be proposed for the resolution.

2. Presentation/Action Items.

2-a. Hear a presentation and discuss an update on the City's Utility Assistance Program. Business Services Director Ed Quedens introduced Credit Services Supervisor Tomi Cable and Eva Felix, Director of Community Services for A New Leaf and displayed a PowerPoint presentation. **(See Attachment 1)**

Mr. Quedens stated each month the City bills 182,000 utility accounts with up to five utility services per account depending on the location. (See Page 2 of Attachment 1)

Mr. Quedens presented the utility billing cycle, stating the first bill is issued 30 days after services are turned on, 21 days later the bill is due, and delinquent the following day if not paid by the due date. He explained the second cycle starts with a bill being sent at Day 60 with a red banner stating "Delinquent" in the header requesting payment of the past due amount, then a delinquency/disconnect letter is mailed, a call stating disconnection is pending, and then turn-off is scheduled. He pointed out from the day service is started to disconnect is 72 days. (See Page 3 of Attachment 1)

Mr. Quedens verified 14,500 accounts receive delinquent/disconnect letters each month with 96% of them paying or making arrangements to pay before being disconnected. He stated each month about 450 accounts are turned off and a third of those accounts are turned back on within a day. (See Page 4 of Attachment 1)

Mr. Quedens advised the utility assistance being provided to residents are payment arrangements, ability to select a due date, the budget billing program and the Mesa Utility Assistance Program which is administered by A New Leaf-Mesa CAN, The Salvation Army and Lutheran Social Services to determine eligibility. (See Pages 5 and 6 of Attachment 1)

Mr. Quedens explained in 2018 the Mesa Utility Program was able to assist 265 customers with an average amount of \$379. (See Page 7 of Attachment 1)

Mr. Quedens highlighted other resources such as the Mesa Summer Electric Assistance Program (SEA), which is an income-qualifying program for residential Mesa utility customers, Community Action Human Resources Agency for MAGMA customers and Faith-based Organizations. (See Pages 8 and 9 of Attachment 1)

Ms. Felix stated due to the partnership with the City of Mesa, A New Leaf is able to assist Mesa residents with their utility issues. She thanked Council for the partnership.

In response to a question from Councilmember Luna, Ms. Felix responded A New Leaf also partners with SRP and Southwest Gas which allows them to provide wraparound services.

Councilmember Thompson commented the biggest hinderance is residents not knowing about the available programs.

In response to a question from Councilmember Duff, Mr. Quedens stated the process for assistance is to contact the City utility department first to alert them to the issue and the City will guide them through the process.

Ms. Cable discussed when a customer reaches out for assistance the City offers payment arrangements, and if further services are needed the City will put the customer in contact with other services.

In response to a series of questions posed by Councilmember Duff, Ms. Cable stated the earlier a customer contacts the City regarding their delinquency the better the City is able to assist. She explained the disconnect fee is \$11 plus tax and a reconnection fee is \$19 plus tax, and the customer may also be charged an increased deposit. She added the deposit is not used while the account is active.

In response to a question from Councilmember Duff, Mr. Quedens stated there are field crews available to check for leaks or issues at the residence. He explained community services has offered presentations to assist residents to learn ways to lower their utility bill.

In response to a question posed by Councilmember Duff regarding the demand for assistance, Ms. Cable explained the issue is giving residents the knowledge and being open to seek help. She suggested holding town hall meetings with agencies to help get the information to residents.

Councilmember Duff encouraged staff to add information to the delinquency letter stating the resources available.

In response to a question from Vice Mayor Freeman regarding whether there are certain areas that receive more assistance, Mr. Brady responded staff will create a map showing the areas where assistance has been provided.

In response to a question from Vice Mayor Freeman, Ms. Cable explained the budget billing is an average of the bills over the previous year and setting the payment based on the average.

Mr. Quedens added the budget billing program opens in October to allow a balance to be built up before the summer months.

Mr. Quedens continued by saying the City has implemented a pilot program to suspend electric disconnects between June and September and the accounts are eligible for turn-off on October 1 if there have not been arrangements made to pay the unpaid bill. (See Page 10 of Attachment 1)

In response to a question from Councilmember Thompson, Mr. Brady stated the dates of June to September were picked by following the trends of Salt River Project (SRP) and Arizona Central Project (APS). He added on excessive heat days there are no disconnections and staff is cognizant of the difficulty of paying the accumulated balances off at the end of September.

Mr. Quedens presented the program enhancements as follows: (See Pages 11 and 12 of Attachment 1)

- Increasing disconnect threshold from \$50 to \$150
- Continue no disconnects for any service except gas during excessive heat warnings issued by the National Weather Service
- Increasing Mesa Utility Assistance Program funding from \$100,000 to \$125,000
- Proposal – Water Service Charge Reduced by 30%
 - Lower income seniors
- Implementation of Advanced Meter Infrastructure (AMI)
 - Smart meters
 - What can the City and the customer do with usage data
 - AMI presentation coming in late October

Mr. Brady highlighted the proposal and explained the goal is to increase the disconnect threshold, increase funding to partners to be able to provide assistance to everyone who is eligible, decrease the water service charge for qualified, eligible low-income seniors and implementing AMI.

Councilmember Luna suggested reaching out to East Valley Adult Resources to inform them of the Utility Assistance Program.

Mayor Giles thanked staff and all the agencies who partner with the City in responding to the need for utility assistance.

3. Acknowledge receipt of minutes of various boards and committees.

3-a. Sustainability and Transportation Committee meeting held on May 20, 2019.

3-b. Historic Preservation Board meeting held on August 6, 2019.

It was moved by Vice Mayor Freeman, seconded by Councilmember Thompson, that receipt of the above-listed minutes be acknowledged.

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Duff-Heredia-Luna-Thompson

NAYS – None

ABSENT – Whittaker

Mayor Giles declared the motion carried unanimously by those present.

4. Current events summary including meetings and conferences attended.

Mayor Giles –	Mesa Historical Museum Exhibit Naturalization Ceremony Mount Calvary Baptist Church 101 st Anniversary
Vice Mayor Freeman –	Mesa Historical Museum Exhibit Abrazo Hospital Ribbon Cutting Arizona Forward Award
Councilmember Heredia –	Mesa Book Festival Podcast
Councilmember Luna –	Arizona Forward Award Naturalization Ceremony DATOS: The State of Arizona’s Hispanic Market All Saints Catholic Church Public Safety Meeting Mesa Book Festival Podcast
Councilmember Thompson –	Arizona Forward Award Naturalization Ceremony Recognized Amy Gentry – Mesa Leadership Development Program
Councilmember Duff –	Arizona Forward Award Parking Day Keep Nature Wild and Mezona Market Hosted Climate Strike Mesa Book Festival Podcast Mount Calvary Baptist Church 101 st Anniversary

5. Scheduling of meetings and general information.

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

Thursday, September 26, 2019, 7:30 a.m. – Study Session

Saturday, September 28, 2019, 6:00 a.m. – Love your City Event

6. Adjournment.

Without objection, the Study Session adjourned at 5:51 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 23rd day of September 2019. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

Jg/la
(Attachments – 1)

Mesa

Utility Assistance Programs

September 23, 2019

Ed Quedens, Business Services Director
Tomi Cable, Credit Services Supervisor
Eva Felix, A New Leaf



mesa·az

Mesa Utility Billing Information

- ✔ 182,000 Utility Accounts
- ✔ Each with 1 to 5 Utility Services (Water, Wastewater, Gas, Electric, Solid Waste) depending on the location

Mesa Utility Billing Cycle

- ▶ **Day 1 - Services turned on**
- ▶ Day 30 - Bill 1 issued
- ▶ **Day 51 - Bill 1 is due**
- ▶ Day 52 - Bill 1 is delinquent
- ▶ Day 60 - Bill 2 is issued - “DELINQUENT” in header
- ▶ Day 65 - Delinquency/Disconnect letter is issued for Bill 1
- ▶ Day 71 - Robo call - Disconnect is pending
- ▶ **Day 72 - Collection turn-off scheduled**



Non-Payment Disconnects

- ✔ Delinquent balance greater than \$50
- ✔ ~ 14,500 Accounts receive delinquent/disconnect letters each month
- ✔ ~ 96% Pay or make payment arrangements before disconnect

Utility Assistance Available

- ✔ Payment Arrangements – Up to 6 per year
- ✔ Select a Due Date
- ✔ Budget Billing Program

Utility Assistance Available

- Mesa Utility Assistance Program
 - \$100,000 Annually (increased from \$50,000 in FY18/19)
 - Administered by A New Leaf-Mesa CAN, The Salvation Army and Lutheran Social Services
 - Use their existing guidelines to determine who is eligible (LIHEAP)
 - Provide City notice of award and City applies to the Utility Account

Utility Assistance Available

Mesa Utility Assistance Program

FY	Available	Utilized	Awards	Avg Amt	Months
4/1/15 - 6/30/15	\$50,000	\$48,919	138	\$354	3
2015/16	\$50,000	\$50,622	204	\$248	6
2016/17	\$50,000	\$50,694	168	\$302	6
2017/18	\$50,000	\$49,999	131	\$382	8
2018/19	\$100,000	\$100,408	265	\$379	11
2019/20	\$100,000	\$21,719	61	\$356	1.5

Utility Assistance Available

- ✔ Mesa Summer Electric Assistance Program (SEA)
 - ✔ Residential Customers
 - ✔ Mesa's Electric Utility Area
 - ✔ Income qualified (\$27,000)
 - ✔ Assistance on July, August and September bills
 - ✔ Up to \$15.85 per month (\$47.55 Total)
- ✔ 191 Customers in 2019 / 200 in 2018

Utility Assistance Available

- Other Resources Available (Other Funding Sources)
 - Community Action Human Resources Agency (MAGMA Customers)
 - Faith-based Organizations
 - Queen of Peace, St. Vincent De Paul
 - Lutheran Social Services
 - The Salvation Army
 - New Leaf – Mesa Community Action Network



Pilot Program

- ✔ 2019 - Pilot program suspended electric disconnects from June 1 to September 30
 - ✔ ~170 accounts / Average outstanding balance \$555
 - ✔ Eligible for turn-off on October 1 – if unpaid/no payment arrangement

Program Enhancements

- ✔ Increasing Disconnect Threshold from \$50 to \$150
- ✔ Continue No disconnects for any service except Gas during Excessive Heat Warnings issued by the National Weather Service
- ✔ Increasing Mesa Utility Assistance Program funding from \$100,000 to \$125,000

Program Enhancements (cont.)

- Proposal – Water Service Charge Reduced by 30% (approx. \$100/year per account in FY 20/21)
 - Lower Income Seniors
- Implementation of Advanced Meter Infrastructure (AMI)
 - Smart Meters
 - What can the City and the Customer do with usage data
 - AMI presentation coming in late October

Discussion