



City of San Antonio

Agenda Memorandum

File Number: 17-1705

Agenda Item Number: 22.

Agenda Date: 3/9/2017

In Control: City Council A Session

DEPARTMENT: Human Services

DEPARTMENT HEAD: Melody Woosley

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

2017 SAWS Project AGUA and Affordability Discount Programs

SUMMARY:

This ordinance authorizes the execution of a five-year agreement beginning with calendar year 2017 through 2021 with the San Antonio Water System (SAWS) to administer utility assistance credits and water meter discounts, and to accept funds for administrative costs. This ordinance authorizes acceptance of \$258,000.00 from SAWS to administer Project AGUA utility assistance credits and Affordability Discount Program water meter discounts for the period of January 1, 2017 through December 31, 2017.

BACKGROUND INFORMATION:

The Department of Human Services (DHS) and San Antonio Water System (SAWS) collaborate on two utility affordability programs for low-income SAWS ratepayers: Project AGUA and the Affordability Discount Program (ADP).

Project AGUA

Project AGUA is a utility assistance program developed by the City and SAWS in January 2003. SAWS funds Project AGUA through private and corporate donations that are deposited in a trust fund. The annual Project AGUA amount available for assistance credits is estimated at \$200,000.00 per year; however the actual amount available is dependent on actual contributions and interest earnings. The maximum annual assistance per household is \$115.00. It is anticipated that 1,739 households will benefit on an annual basis from Project AGUA.

Affordability Discount Program

Established in 2000, the Affordability Discount Program (ADP) provides low income ratepayers with a sliding fee discount on their monthly water meter charge ranging from \$3.73 to \$21.40. In 2017, \$1.75 million will be available for

discount credits. Once DHS certifies ratepayers as eligible for the program, they continue to receive the monthly discount for up to 24 months. It is anticipated that 193,275 households will benefit on an annual basis from ADP Program.

Project AGUA credits and participation in the Affordability Discount Program are available to SAWS residential customers with earnings at or below the 125% Federal Poverty level (FPL). Priority consideration is given to ratepayers in the following categories:

- Households with members 60 years of age and older
- Households that have a member with a disability
- Households with children in school, 18 years and younger
- Households with a member that has critical care needs for life-sustaining medical equipment

On behalf of SAWS, DHS conducts program outreach, ratepayer intake, accepts and processes applications, and determines program eligibility for both Project AGUA and the ADP programs. SAWS will reimburse the City \$258,000.00 annually to administer both programs.

ISSUE:

This Council action authorizes a five-year agreement beginning with calendar year 2017 through 2021 with the San Antonio Water System (SAWS) to administer utility assistance credits and water meter discounts, and to accept funds for administrative costs for two projects.

Project AGUA provides assistance credits to qualified low-income SAWS ratepayers. The maximum annual assistance per household is \$115.00. It is anticipated that 1,739 households will benefit on an annual basis from Project AGUA.

Affordability Discount Program provides low income ratepayers with a sliding fee discount on their monthly water meter charge ranging from \$3.73 to \$21.40. It is anticipated that 193,275 households will benefit on an annual basis from the Affordability Discount Program.

ALTERNATIVES:

Should this ordinance not be approved, SAWS would need to identify another entity to provide utility assistance or to consider providing the service directly to the ratepayers. These options could delay the provision of services to the community.

FISCAL IMPACT:

This ordinance authorizes a five-year agreement with SAWS for the issuance of Project AGUA utility assistance credits and Affordability Discount Program water meter discounts for the period of January 1, 2017 to December 31, 2021 and authorizes an administrative payment from SAWS to the City of San Antonio of \$258,000 annually adjusted based on the consumer price index for the duration of the agreement.

RECOMMENDATION:

Staff recommends approval of this ordinance accepting \$258,000.00 from the San Antonio Water System (SAWS) to administer Project AGUA utility assistance credits and Affordability Discount Program water meter discounts for the period January 1, 2017 through December 31, 2021; approving a five-year agreement with SAWS; and annual appropriation of administration funds through 2021.