

Item # SA

**City of Carson City
Agenda Report**

Date Submitted: March 6, 2007

Agenda Date Requested: 3/15/2007

Time Requested: 5 minutes

To: Board of Supervisors

From: Linda Ritter, City Manager

Subject Title: Action to adopt on second reading Bill No. 105, an ordinance amending Chapter 12.04 Senior Citizens Assistance, to provide a reduction, rather than a rebate, in sewer charges and to provide a reduction in water charges based upon household income, increasing the household income limits, allowing for discontinuance of the discount to any applicant who wastes water or violates the limitations on irrigation and other matters properly related thereto.

Staff Summary: The Board of Supervisors have directed staff to develop a method by which assistance can be provided to low income senior citizens in the payment of water charges. Currently, we offer a rebate for sewer charges based upon income level. Staff is proposing to change this rebate to a discount, and to add water charges to the fees that may be discounted. The discount can be anywhere from 10% to 90%, depending upon household income, and will be paid from the appropriate utility fund.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to adopt on second reading Bill No. 105, an ordinance amending Chapter 12.04 Senior Citizens Assistance, to provide a reduction, rather than a rebate, in sewer charges and to provide a reduction in water charges based upon household income, increasing the household income limits, allowing for discontinuance of the discount to any applicant who wastes water or violates the limitations on irrigation and other matters properly related thereto.

Explanation for Recommended Board Action: Using the system of assistance currently used, we avoid implementing a whole new system or process. Discounts seem to make more sense than rebates is we are intent on addressing affordability issues for seniors.

Applicable Statue, Code, Policy, Rule or Regulation: CCMC 12.04

Fiscal Impact: Estimated at \$20,000 per year from the Water Fund

Explanation of Impact: We currently pay approximately \$11,000 from the general fund for the sewer rebate program.

Funding Source: Water Fund

Alternatives: Do not support or provide direction for an alternative program.

Supporting Material: Ordinance

Prepared By: Linda Ritter

Reviewed By: _____

(Department Head)

[Signature]

(City Manager)

Melanie Barbetta

(District Attorney)

Date: _____

Date: 3-6-07

Date: 3-6-07

Board Action Taken:

Motion: _____

1) _____

Aye/Nay

2) _____

(Vote Recorded By)

AN ORDINANCE AMENDING CHAPTER 12.04 SENIOR CITIZENS ASSISTANCE, TO PROVIDE A REDUCTION, RATHER THAN A REBATE, IN SEWER CHARGES AND TO PROVIDE A REDUCTION IN WATER CHARGES BASED UPON HOUSEHOLD INCOME, INCREASING THE HOUSEHOLD INCOME LIMITS, ALLOWING FOR DISCONTINUANCE OF THE DISCOUNT TO ANY APPLICANT WHO WASTES WATER OR VIOLATES THE LIMITATIONS ON IRRIGATION AND OTHER MATTERS PROPERLY RELATED THERETO.

The Board of Supervisors of Carson City do ordain:

SECTION I:

That Chapter 12.04 of the Carson City Municipal Code is hereby amended as follows:

Chapter 12.04 SENIOR CITIZENS ASSISTANCE

Sections:

- 12.04.010 Purpose.
- 12.04.020 Definitions.
- 12.04.030 Discount.
- 12.04.040 Filing applications.
- 12.04.050 Applying the discount.
- 12.04.060 Appeals.
- 12.04.070 Fraudulent practices-Penalties.

SECTION II:

That section 12.04.010 of the Carson City Municipal Code is hereby amended as follows:

12.04.010 Purpose.

1. The board finds that:
 - a. Certain senior citizens of this city live, as a rule, on limited retirement incomes which remain fixed, and often face no opportunities to supplement such income.
 - b. Costs, including those that fund essential city services, rise causing the diversion of portions of income.
2. The board declares that:
 - a. It is the public policy of the city to provide some assistance to senior citizens.

- b. It is the purpose of these sections to provide some relief from the rates that must be charged for sewer and water services provided by the city through a system of discounts.

SECTION III:

That section 12.04.020 of the Carson City Municipal Code is hereby amended as follows:

12.04.020 Definitions.

1. "Application" means an application for senior citizens assistance, and an "applicant" is a person who files such an application. When two (2) members of a household are able to meet the qualifications for an applicant, they may determine between themselves who is to be the applicant. Only one (1) application may be filed for any household.
2. "Director" means the public works director or his/her designee.
3. "Home" means residential living quarters located in Carson City in which an applicant actually resides on a full time basis. The quarters may consist of a single dwelling unit, or a unit which is an integral part of a larger complex such as a multi-dwelling or multi-purpose building providing that it is served by its own meter.
 - a. The term "home" includes a mobilehome or dwelling which the applicant possesses under a contract of sale, deed of trust, life estate, joint tenancy or tenancy in common.
4. "Household" means an applicant and spouse.
5. "Household income" means the income received by an applicant plus the income received by the applicant's spouse or co-occupant.
6. "Income" means adjusted gross income, as defined in the U.S. Internal Revenue Code, plus the following items: tax-free interest; the *untaxed portion of pensions and compensations*; payments received under the Federal Social Security Act, including supplemental security income but excluding hospital and medical insurance benefits for the aged and disabled; public welfare payments, including shelter allowances; unemployment insurance benefits; all "loss of time" and disability insurance payments; disability payments under Workmen's Compensation laws; alimony; support payments; allowances received by dependents of servicemen; the amount of recognized capital gains and losses excluded from adjusted gross income; life insurance proceeds; bequests and inheritances; cash gifts over three hundred dollars (\$300.00) not between household members and such other kinds of cash flow into a household as the director specifies by regulation.
7. "Senior citizen" means any person who is domiciled in Carson City and will attain the age of sixty-two (62) years on or before the last day of June of the year in which the application is filed.

SECTION IV:

That section 12.04.030 of the Carson City Municipal Code is hereby amended as follows:

12.04.030 Discount.

1. A senior citizen who pays variable capitalization charges and user charges to a sewer utility account and monthly service and commodity charges to a water utility account in his or her name, resides in the home, and whose household income is within an income range for which a discount is allowed, is entitled to a discount of sewer use fees and water service and commodity charges actually charged by Carson City during that following fiscal year beginning July 1 to the extent determined by the percentage shown opposite the household income range on the schedule below:

If the Amount of Applicant's Household Income Is Over	But Not Over	Percent of Variable Sewer Capitalization and User Charges and Water Monthly Service and Commodity Charges Paid to Be Discounted to the Applicant
\$0	\$ 15,776	90
\$ 15,777	\$ 18,387	80
\$ 18,388	\$ 21,120	50
\$ 21,121	\$ 23,730	25
\$ 23,731	\$ 26,714	10

SECTION V:

That section 12.04.040 of the Carson City Municipal Code is hereby amended as follows:

12.04.040 Filing applications.

Between January 15th and April 30th, an application for a discount for the following fiscal year beginning July 1 may be filed with the Carson City assessor's office, under oath, upon forms provided by the assessor.

SECTION VI:

That section 12.04.050 of the Carson City Municipal Code is hereby amended as follows:

12.04.050 Applying the Discount.

The assessor shall examine each application and determine the eligibility of the applicant and the appropriate discount. The assessor will then forward the application to the public works director. All capitalization charges and user charges from the sewer utility account and monthly service and commodity charges from the water utility accounts shall be discounted by the appropriate amount beginning the month of July of the year in which the application is

determined to be eligible. The discount shall be applied for a 12 month period. Application for discounts shall be required to be filed each year.

The public works director may discontinue any discount to any applicant who is determined to waste water pursuant to Carson City Municipal Code Section 12.01.120, Waste of water prohibited, or to violate the limitations on irrigation pursuant to Carson City Municipal Code 12.01.130, Limitations on irrigation.

SECTION VII:

That section 12.04.060 of the Carson City Municipal Code is hereby amended as follows:

12.04.060 Appeals.

1. Any applicant whose application is rejected or not approved by the utilities director may appeal that action to the board by notifying the city manager in writing on or before July 31st of the year the application was filed.
2. The appellant shall be required to provide proof of eligibility for the discount offered at a hearing before the board.
3. The hearing shall be conducted and the matter determined on or before August 31st of the year the application was filed.

SECTION VIII:

That section 12.04.070 of the Carson City Municipal Code is hereby amended as follows:

12.04.070 Fraudulent practices-Penalties.

Any person who shall knowingly obtain or attempt to obtain a discount under Sections 12.04.010 through 12.04.070 to which he or she is not entitled or in an amount greater than the entitlement through the submission of false or fraudulent statements or proof shall:

1. Repay any discount received together with a ten percent penalty;
2. Forfeit eligibility for any discount in that year; and
3. Be punished for a misdemeanor.

SECTION IX:

That no other sections of Title 12 of the Carson City Municipal Code are affected by this ordinance.

Proposed on _____ (month) _____ (day) 2007.

Proposed by Supervisor _____

Passed _____ (month) _____ (day) 2007.

Vote:

Ayes:

Supervisors _____

Nays:

Supervisors _____

Absent:

Supervisors _____

Attest:

Alan Glover, Clerk/Recorder

Marv Teixeira, Mayor

This ordinance shall be in force and effect from and after the ____ day of the month of _____ of the year 2007.