

EXECUTIVE BRIEF REGULAR MEETING

AGENDA DATE: July 21, 2020

DEPARTMENT: City Commission

TITLE:

Enacting a new moratorium on utility shutoffs

SUMMARY:

Deliberating and deciding whether the City Commission should enact a new moratorium on utility shutoffs for residential utility customers.

BACKGROUND AND JUSTIFICATION:

At the June 30, 2020 electric utility meeting, the City Commission voted 5-0 to approve resolution number 21-2020, a resolution that established a payment plan for utility customers with accounts subject to service disconnection during the period of March 16, 2020 to July 16, 2020 for non-payment. The resolution established a payment plan of 12 months for residential accounts and 24 months for commercial accounts that have become delinquent.

After speaking with members of the community, Commissioner Hardy has come to believe that the Commission ended the moratorium on shutoffs without considering all criteria that were relevant to its initiation in March. He argues that these criteria, when fully considered and given their due weight, suggest not only that the commission should not have ended the moratorium on shutoffs but also that the commission should enact a new one.

In ending the moratorium, the Commission considered primarily whether other utilities were ending their moratoriums and how the City's moratorium affected the electric utility's finances. But Commissioner Hardy feels that other relevant considerations were either not discussed or not given their due weight.

He notes that the country is still in the throes of the COVID-19 pandemic, and that the pandemic is much worse now than it was when the moratorium was initiated. He further notes that residents and customers still need to wash their hands and stay home as much as they can, and he argues that if the Commission enacted a moratorium in March on that basis, then the commission should not have ended the moratorium in July given that the basis for its enactment still applies.

Furthermore, Commissioner Hardy notes that many Floridians remain unemployed or underemployed, and that many such Floridians have been unable to access the benefits they need to make ends meet. The many issues plaguing Florida's unemployment system are well documented.

Commissioner Hardy also notes that the City has a large undocumented population, and that these residents are not eligible for benefits meant to ease the financial strain brought about by the COVID-19 recession. They are not eligible for unemployment benefits, COVID Cares Act stimulus checks, rental assistance money, and so on.

Finally, Commissioner Hardy feels that while the final version of the resolution to end the moratorium on utility shutoffs and establish payment plans for residents with large overdue balances was much better than the resolution first presented to the City Commission, he believes that it will impose a financial strain on many residents that cannot be compared to the city's short-term financial losses due the moratorium. The City can weather this financial storm without catastrophe. The same cannot be said for many of the City's residents. The City should therefore shoulder the burden of weathering this storm and accept the moral responsibility it has to recover lost revenue without indenturing its residents, many of were poor before the COVID-19 recession, many of whom are the brink on financial ruin now that this recession has started.

MOTION:

Motion to:

- (1) Enact a moratorium on utility shutoffs retroactive to July 17th, 2020; and
- (2) Develop criteria for evaluating whether the moratorium should be lifted;
- (3) Establish that moratorium should be lifted only when the criteria for doing so have been met.

ATTACHMENT(S):

Fiscal Impact Analysis - NA