

CITY OF BLACKDUCK

ORDINANCE #2015-01

AN ORDINANCE AMENDING ORDINANCE #215 OF THE BLACKDUCK CITY CODE ENTITLED “ESTABLISHING UTILITY RATES AND COLLECTION PROCEDURES” TO CODIFY UTILITY RATES AND COLLECTION PROCEDURES BY ADOPTING SECTION 9 “ADJUSTMENTS TO UTILITY BILLS”

THE CITY OF BLACKDUCK DOES ORDAIN:

Blackduck City Code #215, entitled Establishing Utility Rates and Collection Procedures is hereby amended to read as follows:

Section 1: Rates and Fees

That water and sewer and all related rates and fees be established by resolution of the City Council and may be amended from time to time by resolution.

Section 2: Application for Service – Procedure and Owner – Customer Responsibility

Applications for service. Subdivision 1. Procedure Applications for water and/or sewer service installation and for water and/or sewer service shall be made to the City of Blackduck on forms prescribed and furnished by the City. By their signature, the applicant shall agree to conform to this ordinance and to rules and regulation that may be established by the city as conditions for use of the water. An account set-up fee for water and sewer service and/or an inspection/installation fee for new water/sewer connection must be paid at the time of application.

Accounts in name of owner. Subdivision 2. All accounts shall be carried in the name of the owner who personally, or by his or her authorized agent, shall apply for such service. The owner shall be liable for water supplied to the property, whether he or she is occupying the property or not. The owner of the property agrees, as a condition of receiving service, to be personally liable for water and sewer service furnished to tenants, lessees and other occupants of the premises. Unpaid charges that reach termination level may result in termination of service according to the provision of this ordinance, or any unpaid charges may be lien upon the property, or both at the option of the city.

Section 3: Deposits

At the time of filing an application for utility service, any applicant who has not established good credit during the applicant's previous period of water and/or sewer service from the city shall deposit a sum established by City Council resolution. An applicant, who within the last 12 months has not had service disconnected for nonpayment of a bill and has not been liable for disconnect for nonpayment of a bill, not in dispute, shall be deemed to have established good credit. The deposit shall be refunded after 6 consecutive months of prompt payment or upon termination of service with all bills paid. If the customer is delinquent in the water account the customer's deposit shall be applied on the delinquent account and an additional deposit shall be required to bring the deposit up to the amount originally required.

Section 4: Billing, Payment, and Delinquency

Statements for total utility charges will be mailed to each customer on or before the 20th of each month. The amount listed on the statement will be due on or before the 1st day of the following month. If payment is not made in full by that date, there shall be added to the amount due a late charge, established by City Council Resolution, for each month or fraction thereof that the account remains unpaid.

Section 5: Termination of Service for Nonpayment

Subdivision 1. At any normal monthly billing date, any premises with unpaid charges over 60 days past due will be considered delinquent. If a customer's account becomes delinquent, and satisfactory arrangements for payment have not been made with the City Administrator, the water department may, after the procedural requirements of Subdivision 2 have been complied with, discontinue service to the delinquent customer by shutting off the water at the stop curb box. When water to any premises has been discontinued, service will not be restored until payment of all delinquent amounts due plus a disconnection fee of \$25.00 and a reconnection fee of \$25.00 have been made.

Subdivision 2. Procedure Water shall be not shut off under Section 5 Subdivision 2 until notice and an opportunity for a hearing have first been given the occupant of the premises involved. This notice shall be personally served and shall state that if payment is not made before a date stated in the notice but not less than 15 days after the date in which the notice was given, the water to the premises will be turned off. The notice will also state the occupant may before such date demand a hearing on the matter, in which case the supply will not be shut off until after a hearing is held. If the customer requests a hearing before the date specified, a hearing shall be held on the matter by the City Council at least one week after the date on which such request was made. If as a result of the hearing, the City Council finds that the amount claimed to be owed is actually due and unpaid and that there is no legal reason why the water supply of the delinquent customer may not be shut off in accordance with this ordinance, the City may shut off the supply.

Section 6: Collection with Real Estate Taxes

Collection with Taxes The City may prepare an assessment roll each year providing for assessment of the delinquent amounts against the respective properties served. The assessment roll shall be delivered to the City Council for adoption on or before October 15th of each year. Upon such adoption, the City Administrator/Clerk shall certify the assessment roll to the County Auditor for collection along with taxes. (Authorized by MN Statute 444.075)

Section 7: Owners Responsibility for Tenants Bill

Owners Responsibility for Tenants Unpaid Bill The property owners are hereby considered to be responsible for any tenant's unpaid water bill, therefore the landlords shall be subject to Section 5 and 6, dealing with shut off for nonpayment or collection with taxes.

Section 8: Meter Tampering – Civil Action for Damages Authorized

The City shall be authorized to recover double the costs of the water service provided, plus the costs and expenses of investigation and related service connections or disconnections by its employees plus attorney fees, trial costs and witness fees, from any person who deliberately commits, authorizes, attempts, solicits, aids, or abets meter bypassing, tampering, unauthorized connection or unauthorized metering, or from any person who knowingly receives water service as a result of these specific activities.

Section 9: Adjustments to Utility Bills

Subdivision 1.1: Policy and Purpose It is the policy of the City of Blackduck to make adjustments to customer utility bills where said adjustment is necessary to correct utility mistakes, equipment failures, or fairly apply the rates and rules of the utility. The purpose of this policy is to improve customer service by enabling staff to quickly and accurately respond to customer requests for adjustments to utility bills rather than waiting for the matter to come before the City Council and also setting forth the situations where adjustments will and will not be considered.

Subdivision 1.2: Responsibility A Utility Bill Committee made up of the Public Works Supervisor, the City Administrator and the Deputy Clerk shall determine the amount, if any, of the adjustment to be made. The City Administrator or designee shall receive requests and notify the customer of the determination.

Subdivision 1.3: Adjustments Allowed

(A) The panel is authorized to make adjustments to utility bills, without prior City Council action, for the following situations:

(1) Billing Errors: Where an error has occurred that results in an inaccurate utility bill being sent to a customer, the Utility Bill Committee shall correct the error as soon as discovered, whether by the customer or by the Committee. These adjustments include data recording and entry errors as well as meter failures if tested and found to be inaccurate.

(2) Sanitary Sewer: Where a customer experiences extraordinary water consumption during a billing period due to break or malfunction in customer owned plumbing, equipment and said water did not enter the sanitary sewer system, the Utility Bill Committee may adjust the sanitary sewer charge to an amount that is more typical of that customer's normal usage.

(B) When an adjustment is made a credit for the amount of the adjustment, including any sales tax payable on the amount, shall be made to the customer's account.

(C) When a customer makes a written request for an adjustment, the amount under consideration for adjustment shall not be payable until a determination on the adjustment is made. All other amounts not in dispute shall be due according to Section 4.

(D) When a customer pays an amount that is later adjusted, the credit shall remain on the account. No cash refunds shall be made for adjustments.

Subdivision 1.4: Adjustments Not Allowed

(A) The utility will not consider adjustments for the following situations:

(1) Water. Adjustments to water charges where a customer experiences extraordinary water consumption during a billing period due to break or malfunction in customer owned infrastructure or devices not limited to but including plumbing, water lines or related equipment.

(2) Sanitary Sewer. Adjustments to sanitary sewer charges for customers who claim normal outdoor water usage (for example, lawn or garden sprinkling, car washing, filling swimming pools) where the water used did not enter the sanitary sewer system.

Subdivision 1.5: Requests for Adjustments The City Administrator and Public Works Supervisor shall require the request to be in writing. Written requests shall state the name of the account holder, service address, contact information, and the reason for the requested adjustment. The customer shall further provide all information requested by the utility deemed necessary to make a determination on the request.

Subdivision 1.6: Response The utility shall respond to the written request for adjustment within twenty (20) business days after receiving from the customer all the information necessary to make a determination on the request.

Subdivision 1.7: Reporting The panel shall provide a quarterly report to the city council on adjustments made under this policy exceeding one hundred dollars (\$100).

Subdivision 1.8: Appeals Customers who disagree with the determination of the panel regarding their requested adjustments may appeal to the City Council. Said appeal must be in writing and shall be scheduled to be heard at the regular meeting immediately after receipt of the written appeal.

Section 9: Repealer:

All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

Section 10: Effective:

This ordinance shall take effect and be in force from and after its passage and publication in accordance with law.

Passed:

Attest:

Approved:

Christina Regas, City Administrator

Daryl Lundberg, Mayor