#### **ORDINANCE NO. 14-2013**

## AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ELK GROVE AMENDING ELK GROVE MUNICIPAL CODE CHAPTER 3.70 RELATING TO UTILITY SERVICES BILLING

**WHEREAS**, the City Council desires to provide a clean and healthy environment for its residents; and

WHEREAS, the City Council desires to create policy that fosters excellent customer service, a positive image of Elk Grove, and makes moving to or within Elk Grove as easy a process for residents as is possible, while protecting the City's financial stability; and

WHEREAS, the City Council recognizes that existing account activation procedures are burdensome to timely paying residents as they are transitioning from one location to another; and

**WHEREAS**, the City Council desires to maintain all available options for collections and administration of delinquent accounts to ensure the maximum amount of revenue is recovered for services provided.

NOW, THEREFORE, the City Council of the City of Elk Grove does hereby ordain as follows:

Section 1: Amend Chapter 3.70 relating to Utility Services Billing.

Elk Grove Municipal Code Chapter 3.70 is hereby amended to read:

# Chapter 3.70 UTILITY SERVICES BILLING

# Sections:

3.70.010	Level of service charges.
3.70.020	Service account creation.
3.70.030	Billing procedures.
3.70.040	Due dates and payment of bills.
3.70.050	Late charges and overdue interest.
3.70.060	Nonpayment of charges.
3.70.070	Household hazardous waste availability fee.
3.70.080	Service interruptions.
3.70.090	Hardship Assistance Programs

# 3.70.010 Level of service charges.

The City Council may establish the amount of utility service charges by resolution.

## 3.70.020 Service account creation.

- A. Service accounts will be created and billing activities will commence upon the occurrence of the following:
- 1. Storm Drain. All parcels as defined in EGMC Chapter 15.10 must have a billing account created. Pursuant to California Health and Safety Code Section 5471, the City may elect to have the storm drain utility charges collected with the property tax rolls.
- 2. Solid Waste. Except as otherwise expressly provided by this Chapter or Title 30, the owner, tenant, and/or occupant of every improved parcel (parcel with one or more nonresidential and/or residential buildings approved for occupancy) shall be automatically subscribed to a refuse collection service provided by the City.

## 3.70.030 Billing procedures.

#### A. Forms of Bills.

- 1. The City may bill and collect service charges together with rates, fees, tolls and charges of any other City-administered utility, as authorized by the City Manager.
- 2. The storm drainage utility billing shall be based on the use of the parcel as determined in EGMC Title 15. For each parcel of property there shall be only one (1) unit for purposes of billing for storm drainage services. In no case shall a parcel be divided into smaller units for billing purposes. The initial bill for storm drainage utility service shall be based on current parcel numbers, square footage and use codes on record in the County Assessor's Office, unless the City Manager determines that the actual use of the parcel is different than the use reflected in the use codes, in which case the billing shall be based on the actual use of the parcel.
- B. Billing Adjustments. The City Manager may adjust disputed service charges on any bill in the manner that he/she deems appropriate. The City Manager may issue an adjustment to a utility account up to one (1) year from the date the dispute is first presented to the City's Utility Billing Department provided the dispute is brought to the City's attention within one year of from the date of the disputed charge.
- 1. If a resident is receiving service but has not been billed due to any reason, the City Manager may issue an adjustment to a utility account up to three (3) years from the point the non-billing issue is discovered.
- 3.70.040 Due dates and payment of bills.
- A. The City may bill the service charges monthly, bi-monthly, quarterly or annually, in advance or arrears, as determined by the City Manager. The City Finance Department will collect bill payments. The service charges are payable on presentation of the bill and are due on the date shown on the face of the billing statement and are delinquent if payment is not received by the due date. The bill must clearly state the due date.
- B. Payments made by mail must be received no later than close of business for City offices on the due date. The City Manager may provide for payments to be made in person on or before the due date between posted hours on posted days, at specified locations. If a customer does not enclose full payment for all the service charges on the

consolidated utility billing statement, the City will allocate the amount paid to each service charge proportionally.

# 3.70.050 Late charges and overdue interest.

If any service charge becomes delinquent, a late charge of ten (10%) percent of the amount that has become delinquent will accrue thereon. The delinquent amount and late charge will thereafter accrue added overdue interest equal to the lesser of one and five-tenths (1.5%) percent per month and the maximum amount permitted by law until paid or placed on the annual tax bill. If the delinquent amount and a late charge are placed on the annual tax bill, the total delinquent amount plus all penalties will incur an additional ten (10%) percent penalty.

## 3.70.060 Nonpayment of charges.

#### A. Storm Drain Lien.

- 1. The City shall notify the assessee shown on the latest equalized assessment roll whenever delinquent and unpaid fees, which would become a lien on the parcel pursuant to subsection (B) of this section, remain delinquent and unpaid for two (2) billing cycles.
- 2. The storm drainage service fee and any penalties levied pursuant to this chapter shall constitute a lien upon the parcel subject to the fee, as provided for in Section 5473.11 of the Health and Safety Code, if the fee remains delinquent for a period of two (2) billing cycles and the City has notified the assessee of the parcel shown on the latest equalized assessment roll of the delinquent fees and the lien provided by this section.
- 3. The lien provided herein shall have no force or effect until a certificate specifying the amount of the unpaid fees is recorded with the Sacramento County Clerk-Recorder.
- 4. Any delinquent storm drainage service fees and penalties may be collected on the tax roll in the same manner and at the same time as the City's ad valorem property taxes.

### B. Other Utility Services.

- 1. Service shall be subject to termination if the bills, plus any applicable fees and penalties, remain unpaid for a period in excess of two (2) billing cycles. Delinquent amounts not paid by the time the next bill is prepared shall be separately stated on the next bill rendered to the customer, and such amount shall be subject to a late charge as described in this section and such statement shall constitute a notice of the delinquency to the customer.
- 2. If terminated, service shall not be reinstated without satisfying the delinquent account balance, filing an application and placing a deposit.
  - a. Applications. Customers subject to service termination as described in EGMC Chapter 3.70.060(B)(1) shall complete an application for reinstatement in order to reactivate service. The application shall be made on the form provided by the City. Before service is reinstated, the applicant must provide all information requested, show proper identification, sign the application and pay any applicable deposits.

- b. Deposits. Both residential and commercial applicants for reinstatement of utility services will be required to establish credit before receiving a reinstatement of service. The method for establishing credit shall be a service deposit. The amount of the deposit shall be set by the City Council by resolution. If service is again terminated for nonpayment, or the account is closed for any reason, the City shall first apply any deposit on file to any unpaid balance on the account, and then refund the remaining balance to the account holder, if any. After a reinstated account has remained in good standing without any late payments or delinquent balances for twelve (12) billing cycles, the cash deposit shall be credited to the account.
- 3. Customers subject to possible termination as identified in subsection A, of this section shall be eligible to establish a repayment plan to the satisfaction of the Finance Director. No account shall be terminated if a repayment plan is active and in good standing.
- 4. If service is interrupted due to nonpayment and a deposit and application have not been previously collected, a deposit and an application shall be required to re-start services. A disconnect/reconnect fee shall be imposed on the customer at that time, whether or not all their containers have been retrieved. The amount of the disconnect/reconnect fee shall be as established by the City Council by resolution. If a customer receives service at more than one (1) location and the bill for service at one (1) location is not paid within the time provided for payment, service at all locations may be discontinued. When a service is discontinued due to nonpayment, service shall not be resumed until all charges, fees and penalties are paid, or a repayment plan is established to the satisfaction of the Finance Director. A customer's current service may be discontinued if the closing bill for service furnished at a previous location is not paid within sixty (60) days of transfer.
- 5. Solid Waste Assessment and Lien. In addition to any other remedy allowed by law, the City may collect delinquent solid waste fees or charges in the manner provided in Section 25831 of the Government Code as applied to cities in Section 38790.1 of the Government Code. This provision will not be invoked until charges are unpaid for two (2) billing cycles.

#### 3.70.070 Household hazardous waste availability fee.

The City shall charge a monthly Household Hazardous Waste (HHW) fee to all residents whose services are terminated due to nonpayment, or are approved for a service interruption pursuant to this chapter or garbage exemption or as provided for in EGMC Title 30. The amount of this fee shall be set by the City Council by resolution.

## 3.70.080 Service interruptions.

The City Council may by resolution adopt a service interruption policy for the temporary suspension of all solid waste services (trash, green waste and recycling). No suspension of storm drain service shall be permitted. The City Council may by resolution adopt a cost recovery fee to recover the costs associated with monitoring this program and any administrative costs related to the service interruption.

## 3.70.090 Hardship Assistance Programs.

- A. Ongoing rate assistance. The City Council may by resolution adopt a discounted solid waste services rate and eligibility criteria for receiving such a rate to be used by the Finance Director in implementing the rate assistance program. Continued availability of the program is subject to annual budget appropriations from the City's General Fund. The program may be discontinued or modified by City Council at any time.
- B. Continuous service program. The City Manager, at his or her discretion, may suspend the service termination procedures identified in EGMC Chapter 3.70.060(B)(1) through EGMC Chapter 3.70.060(B)(4) for a residential property in the event of extreme financial and/or medical hardship leading to a health and/or safety concern for the resident or neighboring residences. Notwithstanding the foregoing, the City shall proceed with collection as authorized by law, including without limitation all other actions provided for under EGMC Chapter 3.70, including EGMC Section 3.70.060(B)(5).

## Section 2: No Mandatory Duty of Care.

This ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the City or any officer or employee thereof a mandatory duty of care towards persons and property within or without the City, so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

## Section 3: Severability.

If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. This City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the ordinance be enforced.

## Section 4: Savings Clause

The provisions of this ordinance shall not affect or impair an act done or right vested or approved or any proceeding, suit or prosecution had or commenced in any cause before such repeal shall take affect; but every such act done, or right vested or accrued, or proceeding, suit or prosecution shall remain in full force and affect to all intents and purposes as if such ordinance or part thereof so repealed had remained in force. No offense committed and no liability, penalty or forfeiture, either civilly or criminally incurred prior to the time when any such ordinance or part thereof shall be repealed or altered by said Code shall be discharged or affected by such repeal or alteration; but prosecutions and suits for such offenses, liabilities, penalties or forfeitures shall be instituted and proceeded with in all respects as if such prior ordinance or part thereof had not been repealed or altered.

## Section 5: Effective Date and Publication

This Ordinance shall take effect thirty (30) days after its adoption. In lieu of publication of the full text of the ordinance within fifteen (15) days after its passage, a summary of the ordinance may be published at least five (5) days prior to and fifteen (15) days after adoption by the City Council and a certified copy shall be posted in the office of the City Clerk, pursuant to GC 36933(c)(1).

ORDINANCE NO. 14-2013

INTRODUCED: August 28, 2013
ADOPTED: September 11, 2013
EFFECTIVE: October 11, 2013

STEVEN M. DETRICK, VICE MAYOR of the CITY OF ELK GROVE

ATTEST:

APPROVED AS TO FORM:

JASON LINDGRENSCITY CLERK

JONATHAN P. HOBBS,

**CITY ATTORNEY** 

Date signed: September 13, 2013

## CERTIFICATION ELK GROVE CITY COUNCIL ORDINANCE NO. 14-2013

STATE OF CALIFORNIA	)	
COUNTY OF SACRAMENTO	)	SS
CITY OF ELK GROVE	)	

I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing ordinance, published and posted in compliance with State law, was duly introduced on August 28, 2013 and approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on September 11, 2013 by the following vote:

AYES: COUNCILMEMBERS: Detrick, Hume, Trigg

NOES: COUNCILMEMBERS: None

ABSTAIN: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: Davis, Cooper

A summary of the ordinance was published pursuant to GC 36933(c) (1).

Jason Lindgren, City Clerk City of Elk Grove, California