

**BEFORE THE CITY COUNCIL
FOR THE CITY OF LAFAYETTE, OREGON**

**A RESOLUTION UPDATING
UTILITY BILLING POLICIES**

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RESOLUTION NO. 2015-10

THE CITY COUNCIL (the "Council") OF THE CITY OF LAFAYETTE, OREGON (the "City") sat for the transaction of City business on Thursday, July 9, 2015 at 6:30 p.m. in the Council Chambers of Lafayette City hall.

WHEREAS, Chapter 4 of the Lafayette Municipal Code (LMC) establishes the rules and regulations regarding utilities for the City of Lafayette; and

WHEREAS, the Council previously adopted Resolution 2004-01 to set procedures and policies to interpret and implement those rules and regulations; and

WHEREAS, the Council previously adopted Resolution 2005-10, Resolution 2008-06 and Resolution 2011-09 to repeal previous resolutions and amend the policies adopted in Resolution 2004-01; and

WHEREAS, staff recommends that the Utility Billing Policies be revised to update the procedures adopted in 2004, to provide consistent rules and guidelines, and to remove references to water and sewer rates from the policies.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Lafayette, Oregon as follows:

Section 1. Resolution 2004-01 is hereby repealed and replaced with Resolution 2015-10;

Section 2. Resolutions 2005-10, 2008-06, and 2011-09 remain in effect; and

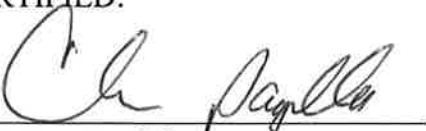
Section 3. Exhibit A, attached hereto and herein incorporated by reference, establishes the Utility Billing Policies to be used to implement Chapter 4 of the Lafayette Municipal Code.

This resolution shall be and is effective from and after its passage by the Council.

ADOPTED by the City Council this 9th day of July, 2015.

VOTE: Ayes: 4 Nays: 0 Abstentions: 0 Absent: 2

CERTIFIED:



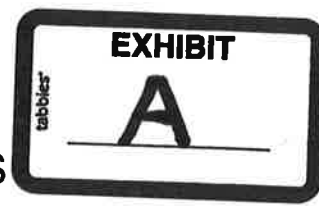
Chris Pagella, Mayor

ATTESTED:



Angela Speier, Asst. City Administrator

**CITY OF LAFAYETTE
UTILITY BILLING POLICY AND PROCEDURES
JULY 10, 2015**



Section 1. Utility Billing Policy

The following policy shall govern the provision of municipal utilities of the City of Lafayette, Oregon. The purpose of this policy is to provide consistent customer rules and guidelines. Individuals who have questions regarding the service provided by the City of Lafayette are encouraged to contact City staff at 503-864-2451.

Section 2. Utility Billing Information

The City of Lafayette shall be responsible for the calculation and generation of water and sewer utility bills. The City of Lafayette shall maintain account records for each customer that includes the customer's legal name, billing address, account number, service address, current charges, and account history including consumption, past due charges, penalties and fees.

Section 3. Municipal Utility Service Application

1. Any person, firm or corporation desiring to establish any municipal utility service shall make application for said service.
2. The application shall be on such form(s) as may now or hereinafter be prescribed by the City of Lafayette.
3. The application shall include the applicant's name, service address, mailing address, telephone number, date of birth, driver license or identification number, social security number, property owner's name (if applicable), and signature of party responsible for payment.
4. All applicants must furnish current photo ID. Any applicant who is the property owner must provide proof of ownership, which shall include the applicant name and service address. Documents from a title company or a mortgage statement are acceptable forms of proof.
5. Each service location shall be considered a separate account.
6. No service will be provided to applicants who have unpaid balances from previous utility accounts.

Section 4. Rate Calculation

All municipal utility charges shall be calculated in accordance with the specific rate(s) established by ordinance, resolution, or policy as adopted by the City of Lafayette City Council and applicable to each municipal utility or service provided to a customer.

Sewer rates for new utility customers with no winter water consumption in Lafayette are based upon the average consumption for the number of person in the household. Utility customers will be charged based on current adopted rates.

Commercial, industrial and other special contract rates may be imposed upon engineering advice and resolution by City Council.

Section 5. Monthly Utility Bill

The Utility Billing Clerk shall provide each utility customer a combined monthly utility bill which shall include the monthly charges incurred by the customer for regular water and sewer services, plus any fees, penalties or previous balances. Bills for utility services shall be issued monthly by the Utility Billing Clerk and charges are required to be paid in full on a monthly basis. A billing statement is sent

as a convenience to the customer; monthly charges are due and payable on a monthly basis regardless if a bill was received by a customer.

Section 6. Additional Charges

Billings for extra services, reconnection of water, installation charges, or other special charges shall be calculated in accordance with the applicable utility or service rate resolution or ordinance. Additional charges may be included on the regular monthly billing statement or as a separate bill.

Section 7. Billing Cycle

Water meters are generally read between the nineteenth (19th) and the twenty-second (22nd) of each month. In the event that a meter reading cannot be obtained, the consumption will be estimated by the Utility Billing Clerk based on the customer's average consumption.

Monthly bills are mailed by the first (1st) of each month and this date shall be known as the billing date. The utility bill is due and payable in full by the twentieth (20th) of the month following the billing date.

For each month the bill is not paid in full by the due date, a late fee of \$5.00 shall be added to the charge. If the due date falls on a weekend or holiday, late fees will be assessed on the first business day after the due date.

Section 8. Delinquent Accounts and Disconnection of Service

1. Utility Bills that are not paid in full by the due date are considered delinquent and will be assessed a late fee. Written notice of delinquency and disconnection of service will be mailed to the customer within a week of becoming delinquent. The delinquent notice gives a 'pay by' date that is no earlier than ten (10) days from the mailing date.
2. Any customer whose utility bill remains delinquent after the 'pay by' date will receive a 48-hour shut off notice, delivered as a door hanger to the premise served. The shut off notice will indicate the date and time payment must be received to prevent disconnection and the date the service will be disconnected if payment is not received. A \$10.00 service charge will be billed to the customer's account for any shut off noticed processed.
3. The full delinquent balance due, including late charges, must be paid prior to the shut off date. Customers with delinquent balances on the shut off date will have their service disconnected without further notice.
4. Any customer who has their service disconnected for non-payment shall not be reconnected until payment is received for the full account balance, plus a \$30.00 reconnect fee. Service will be restored the same day payment is received. An additional fee of \$75.00 is charged for reconnect after 5:00 p.m. or before 8:00 a.m.
5. Customers who cannot pay the account balance in full by the 'pay by' date may contact the Utility Billing Clerk to request a reasonable extension. If the account balance is not paid by the extended deadline, service will be shut off the next day, without further notice, and all reconnect fees will apply.
6. No extension for payments of delinquent accounts will be granted beyond the shut off date, unless prior approval is granted by the City Administrator.
7. Tampering with City water meters is a violation of City ordinance and shall constitute a Class A violation under the City's municipal code (up to a \$500 fine).

Section 9. Payments for Service

The City of Lafayette provides several options for customers to make payment on their utility bill:

1. In person – delivered to City Hall, 486 3rd Street, Lafayette OR during. Payments may be in the form of cash, personal or business check, money order or bank draft. Office hours are Monday through Friday, 8:00 am to 5:00 pm.

2. Drop box – located near the entrance door to City Hall. Payments left in the drop box must be check or money order.
3. Electronic payments – processed by a third-party vendor, payments may be made using a credit or debit card, e-check, one-time bank bill pay or recurring ACH transactions. A transaction fee will be charged by the processing vendor for each of the above payment methods. Electronic payments may be set up through the City of Lafayette website (www.ci.lafayette.or.us) or directly to the processing vendor.
4. Electronic payments and/or transfers must be made at least one or more days in advance of the date the customer wants the transaction(s) to be posted to the account in order to provide sufficient time for payment to be processed. Actual posting of funds to the customer account may take up to forty-eight (48) hours once a confirmation is received.
5. All returned checks will be assessed a fee of \$25.00. Customers will be notified within one (1) business day that a check has been returned. The check must be replaced with cash or money order within three (3) business days or the water service will be shut off on the fourth (4th) day. If a customer has had two (2) returned checks in any twelve (12) month period, no checks will be accepted for utility payments during the following twelve (12) month period. After that the customer may again pay by check, but will be returned to a cash-only status for another twelve (12) months if there is one (1) returned check.
6. Collection procedures will be initiated with respect to unpaid, discontinued accounts. These accounts are referred to Valley Credit Service in Keizer Oregon.

Section 10. Move outs & Extended Vacations

Upon cancellation of utility service, the customer may request that the water be left on for a certain amount of time. The utility account will remain active and the customer will continue to be charged for minimum service plus any water consumption. The account may be charged a reduced rate for sewer service.

When a utility account is finalized, the monthly sewer charges may be reduced by half if the account was active for fifteen (15) days or less in a billing cycle. Utility accounts with active service for sixteen (16) days or more in a billing cycle will be charged the full month rate.

If a utility customer plans to be absent from a residence for an extended period, a temporary shut-off may be requested. No minimum charge will be billed for full months between meter readings during which there is no service and billing will be suspended for the account.

Section 11. Deposits, Beginning or Ending Utility Services

All renters requesting utility service must pay a deposit at the time of applying for service. The deposit is required to recover the amount of any unpaid balance on the account when service is terminated. New service will not be initiated for a customer until the deposit is paid in full. New service will not be initiated if the customer has a remaining balance on a previous service account.

The required deposit is calculated on the estimated usage of water and sewer services for a two (2) month period, based on the number of persons in the household, up to five (5) persons. Deposit amounts will be adjusted any time new rates for water and sewer are applied. Existing customers will not be required to increase the amount on deposit. The deposit is refundable at the time utility service is cancelled and will be applied to any outstanding charges and final billing.

Deposits for commercial and industrial customers who do not own their premises will be set by the City Administrator on a case by case basis.

Section 12. Water leaks

In the event of a water leak at a premise, a customer may be eligible for an adjustment in charges resulting from the leak. Proof of leak repair must be provided to the Utility Billing Clerk prior to any adjustments being made.

Utility customers may receive a one-time adjustment for increased charges resulting from a water leak, for a period of no more than three (3) months. The adjustment will be calculated using the water consumption and charges from the same billing cycle during the previous year. Customers may receive a credit of up to half of the difference in charges. No customer shall receive more than two (2) leak adjustments in any twelve (12) month period.

Failure to repair water leaks at premises may result in disconnection of services.

Section 13. Disputed Utility Bills

Any dispute regarding a customer's utility bill shall be directed to the Utility Billing Clerk for resolution using the procedures listed below.

1. The Utility Billing Clerk shall contact the customer in order to make a written record of the customer's exact complaint. That record shall become a part of the customer's file.
2. The Utility Billing Clerk shall investigate the City's records on the matter and determine if it is appropriate to enter an error correction in the customer's account, have their meter re-read, and/or have City Public Works staff check for a leak. The Utility Billing Clerk shall then contact the customer to explain what the investigation has determined and what steps, if any, are being taken and determine if those steps will resolve the customer's complaint.
3. If the customer indicates that the proposed steps will not resolve his/her complaint, then the Utility Billing Clerk shall inform the customer of her/his right to further discuss the matter with the City Administrator. The Utility Billing Clerk shall inform the City Administrator of the particulars of the situation immediately.
4. The City Administrator shall assure that established City policy is followed in an additional attempt to resolve the complaint with the customer. Should the complaint involve a matter in which City policy is not clear or is interpreted differently by the parties, the City Administrators judgement shall be final in the matter unless (s)he determines that a policy clarification is required from City Council. In such a case, the City Administrator shall propose an appropriate resolution or ordinance to Council for their consideration.

Section 14. Owner – Tenant Policy

The City of Lafayette recognizes the rights and duties of owner/owner representatives and tenants as outlined in federal law, state statutes, and local ordinances.

Notification for the establishment of utility service at a rental service address must be made by the party responsible for the utility charges, either the owner/owner representative or tenant. Utility charges incurred by the account holder remain the responsibility of that holder and do not transfer to another party.

Notice of termination of service shall be made by the account holder. Notice of termination may be made by the owner/owner representative in the event the tenant has vacated the premise without notice or upon court mandated eviction. The account holder will be responsible for all charges incurred until such time the Utility Billing Clerk is notified of a request to terminate service.

The City of Lafayette will not mediate disputes regarding billing issues between an owner/owner representative and a tenant.

Section 15. Severability and Conflict

These policies are established in compliance with Lafayette Municipal Code Sections 4.150 through 4.270 and any and all resolutions adopted by the Lafayette City Council. In case of conflict between the provisions of any ordinance, rate schedule or special contract and these utility policies, the provisions of the ordinance, rate schedule or special contract shall apply.