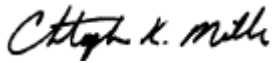


REQUEST FOR COUNCIL ACTION

Date: 06/08/09
Item No.: 13.a

Department Approval

City Manager Approval



Item Description: Consider Amending City Code Chapter 801.16 D, 802.12 E, and 803.01 I

BACKGROUND

Under City Code Chapters 801.16 D, 802.12 E, and 803.01 I, the City is allowed to certify delinquent utility accounts to the County Auditor for collection on the following year's property taxes. The Code reads as follows:

801.16D

Action to Collect Charges: Any amount due for water charges in excess of 90 days past due on October 1 of any year shall be certified to the County Auditor for collection with real estate taxes in the following year. This certification shall take place regardless of who applied for water services, whether it was the owner, tenant or other person. All applications for water service shall contain an explanation in clear language that unpaid water bills will be collected in real estate taxes in the following year. The City shall also have the right to bring a civil action or other remedies to collect unpaid charges. (Ord. 661, 3-13-1972)

802.12E

Action to Collect Charges: Any amount due for sewer charges, including Metropolitan Waste Control Commission sewer charges, in excess of ninety 90 days past due on October 1 of any year shall be certified to the County Auditor for collection with real estate taxes in the following year. This certification shall take place regardless of who applied for sewer services, whether it was the owner, tenant or other person. The City shall also have the right to bring a civil action or other remedies to collect unpaid charges. (Ord. 661, 3-13-72; amd. 1995 Code)

803.01I

Certification of Past Due Fees on Taxes: Any past due storm water drainage fees, in excess of 90 days past due on October 1 of any year, may be certified to the County Auditor for collection with real estate taxes in the following year, pursuant to Minnesota Statute, section 444.075, subdivision 3. In addition, the City shall also have the right to bring a civil action or to take other legal remedies to collect unpaid fees. (Ord. 937, 1-9-84; amd. 1995 Code)

Under the current Code, the City is only allowed to certify delinquent accounts once annually.

31 In recent years, the City has seen increased bankruptcy filings from utility customers which under federal
32 law can in some instances prohibit the City from initiating collection efforts. If amounts owed are
33 subsequently discharged it effectively requires all other utility customers to pay for the unpaid charges.
34 However, amounts that are already certified to the County Auditor are considered collectible in many
35 instances under bankruptcy laws.

36
37 The City can reduce the amount of uncollectible monies if it were to increase the frequency of when it
38 certifies delinquent accounts. An amendment to City Code is necessary to allow this. If approved, City
39 Staff would likely utilize biannual certifications.

40 **POLICY OBJECTIVE**

41 Amending City Code to allow for more frequent certifications of delinquent utility accounts will reduce the
42 amount of charges that are written off thereby relieving the added burden to paying customers.

43 **FINANCIAL IMPACTS**

44 Not applicable.

45 **STAFF RECOMMENDATION**

46 Staff recommends the Council amend City Code as detailed above.

47 **REQUESTED COUNCIL ACTION**

48 Motion to amend City Code Chapters 801.16 D, 802.12 E, and 803.01 I.
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Prepared by: Chris Miller, Finance Director

Attachments: A: Draft Ordinance amending City Code Chapters 801.16 D, 802.12 E, and 803.01 I.

City of Roseville
ORDINANCE NO.

AN ORDINANCE AMENDING
TITLE 8 SECTION 801.16 D - WATER RATES AND COLLECTION OF CHARGES
TITLE 8 SECTION 802.12 E - SEWER RATES AND COLLECTION OF CHARGES
TITLE 8 SECTION 803.01 I - STORMWATER RATES AND COLLECTION OF CHARGES

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1:

Title 8, Section 801.16 D, Water Rates and Collection of Charges of the Roseville City Code is amended to read as follows:

D. Action to Collect Charges: Any amount due for water charges in excess of 90 days past due ~~on October 1 of any year~~ shall be certified to the County Auditor for collection with real estate taxes ~~in the following year~~. This certification shall take place regardless of who applied for water services, whether it was the owner, tenant or other person. All applications for water service shall contain an explanation in clear language that unpaid water bills will be collected in real estate taxes in the following year. The City shall also have the right to bring a civil action or other remedies to collect unpaid charges. (Ord. 661, 3-13-1972)

Title 8, Section 802.12 E, Sewer Rates and Collection of Charges of the Roseville City Code is amended to read as follows:

E. Action to Collect Charges: Any amount due for sewer charges, including Metropolitan Waste Control Commission sewer charges, in excess of ninety 90 days past due ~~on October 1 of any year~~ shall be certified to the County Auditor for collection with real estate taxes ~~in the following year~~. This certification shall take place regardless of who applied for sewer services, whether it was the owner, tenant or other person. The City shall also have the right to bring a civil action or other remedies to collect unpaid charges. (Ord. 661, 3-13-72; amd. 1995 Code)

Title 8, Section 803.01 I, Sewer Rates and Collection of Charges of the Roseville City Code is amended to read as follows:

I. Certification of Past Due Fees on Taxes: Any past due storm water drainage fees, in excess of 90 days past due ~~on October 1 of any year~~, may be certified to the County Auditor for collection with real estate taxes ~~in the following year~~, pursuant to Minnesota Statute, section 444.075, subdivision 3. In addition, the City shall also have the right to bring a civil action or to take other legal remedies to collect unpaid fees. (Ord. 937, 1-9-84; amd. 1995 Code)

SECTION 2: Effective date. This ordinance shall take effect upon its passage and publication. Passed by the City Council of the City of Roseville this 15th day of June 2009.

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(SEAL)

CITY OF ROSEVILLE

BY: _____
Craig D. Klausning, Mayor

ATTEST:

William J. Malinen, City Manager