CITY OF THORNE BAY ORDINANCE NO. 19-05-07-01

AN ORDINANCE AMENDING THORNE BAY MUNICIPAL CODE TITLE 13 – UTILITIES, ADDING A NEW CHAPTER 13.03-DELINQUENT ACCOUNTS & SECURING COLLECTION OF DEBTS, SECTIONS 13.03.010 THROUGH 13.03.050, AUTHORIZING THE CITY TO UTILIZE THE PLACEMENT OF LIENS TO SECURE PAYMENT OF ACCOUNT FEES INCLUDING UTILITY, HARBOR, PARKING, AND SERVICE FEE CHARGES

- Section 1. <u>Classification</u>. This ordinance is of a general and permanent nature, the new chapter and sections hereby added to Title 13 Utilities, shall be added to the Thorne Bay Municipal Code.
- Section 2. <u>Severability</u>. If any provisions of this ordinance or any application thereof to any person or circumstances is held invalid, the circumstances shall not be affected thereby.
- Amendment of Title. Title 13 Utilities, of the Thorne Bay Municipal Code is amended to add a new Chapter 13.03 Delinquent Accounts & Securing Collection of Debts, consisting of new Sections 13.03.010 through 13.03.050. In accordance with the City's authority under AS 29.35.010 and other relevant statutes, new Chapter 13.03 provides for the creation, recording, and notice of a lien by the City on real or personal property to secure payment of past due utility fees and charges. The Chapter and Sections of 13.03.010 13.03.050, shall read as set forth below in Ordinance 19-05-07-01

Section 4. <u>Effective Date</u>. This ordinance shall become effective upon adoption.

PASSED AND APPROVED May 14, 2019

ATTEST:

Harvey Medonald, Mayor

Teri Feibel, CMC

[Introduction: April 16, 2019] [Public Hearing: May 7, 2019] [Public Hearing: May 7, 2019]

ADDITIONS ARE CAPITALIZED

Deletions are red and stricken

AMENDMENT OF TITLE 13-UTILITIES

ADDITION OF NEW CHAPTER 13.03 – DELINQUENT ACCOUNTS & SECURING COLLECTION OF DEBTS,

CONSISTING OF NEW SECTIONS 13.03.010-13.03.050

ADDING SECTIONS:

- ◆ 13.03.010 ACCOUNTS CONSIDERED DELINQUENT.
- ♣ 13.03.020 DELINQUENCY NOTICE.
- 13.03.040 TERMINATION OF SERVICE.
- 13.03.050 LIENS & COLLECTION. .

13.03.010 ACCOUNTS CONSIDERED DELINQUENT.

UTILITY BILLS NOT PAID BY THE TWENTIETH DAY OF THE MONTH FOLLOWING MAILING SHALL BE CONSIDERED DELINQUENT AND WILL BE ASSESSED A FINANCE CHARGE OF 0.875% (PERCENT) EACH MONTH UNTIL PAID IN FULL.

13.03.020 DELINQUENCY NOTICE.

THE CLERK'S OFFICE MAY, BUT SHALL NOT BE REQUIRED TO, SEND A NOTICE OF DELINQUENT ACCOUNT TEN DAYS AFTER THE ACCOUNT BECOMES DELINQUENT.

13.03.030 TERMINATION NOTICE.

WITHIN FIFTEEN DAYS AFTER AN ACCOUNT BECOMES DELINQUENT, A NOTICE OF TERMINATION OF SERVICE SHALL BE SENT TO THE CUSTOMER. THE NOTICE SHALL STATE A DATE ON, OR WHICH WATER WILL BE TURNED OFF IF THE DELINQUENT ACCOUNT IS NOT PAID IN FULL PRIOR THERETO. SUCH DATE SHALL NOT BE LESS THAN FIVE OR MORE THAN FIFTEEN DAYS FROM THE DATE OF NOTICE. A DELIVERY TO THE PREMISES RECEIVING UTILITY SERVICES OR MAILING TO THE ADDRESS OF RECORD OF THE CUSTOMER SHALL BE CONSIDERED A DELIVERY TO THE CUSTOMER.

13.03.040 TERMINATION OF SERVICE.

AN AGENT OF THE CITY SHALL TERMINATE SERVICES ON THE DATE SO SPECIFIED IN THE NOTICE OF TERMINATION OF SERVICE UNLESS THE ACCOUNT IS PAID IN FULL.

13.03.050 LIENS & COLLECTION.

THE CITY MAY USE ALL LEGAL MEANS AND PURSUE ALL LEGAL REMEDIES TO COLLECT UNPAID UTILITY SERVICE FEES AND CHARGES.

- a. UPON ANY DELINQUENCY, ALL RATES, FEES, CHARGES, ASSESSMENTS, PENALTIES, AND INTEREST DUE AND OWING UNDER THIS TITLE SHALL CONSTITUTE A LIEN OF THE CITY UPON THE REAL PROPERTY RECEIVING THE BENEFIT OF THE SERVICE OR UTILITY.
- b. UPON ANY DELINQUENCY, ALL RATES, FEES, CHARGES, ASSESSMENTS, PENALTIES, AND INTEREST DUE AND OWING UNDER THIS TITLE SHALL CONSTITUTE A LIEN OF THE CITY UPON THE PERSONAL PROPERTY OF PERSON WHO REQUESTED SERVICE.
- c. THE CITY MAY CREATE, RECORD, AND PROVIDE NOTICE OF A LIEN TO SECURE PAYMENT OF PAST DUE UTILITY RATES, FEES, CHARGES, ASSESSMENTS, PENALTIES, AND INTEREST AS DESCRIBED IN THIS SECTION. A LIEN MAY BE RECORDED BY THE CITY IN THE KETCHIKAN RECORDER'S DISTRICT, RECORDING DISTRICT 102, IN THE FIRST JUDICIAL DISTRICT, AND IN THE STATE RECORDER'S OFFICE UCC CENTRAL FILE SYSTEM, AS APPLICABLE; HOWEVER, FAILURE TO SO RECORD SAID INTERESTS SHALL NOT BE CONSTRUED AS A WAIVER OR ABROGATION OF ANY AND ALL PRIORITIES, RIGHTS AND INTERESTS OF THE CITY AT LAW AND IN EQUITY.
- d. UPON FULL SATISFACTION OF PAYMENT OF ALL FEES, CHARGES, INTEREST, PENALTIES, AND COSTS FOR RECORDING A NOTICE OF LIEN AND DISCHARGE OF LIEN, DUE AND OWING TO THE CITY, THE CITY SHALL RECORD A CERTIFICATE DISCHARGING THE LIEN.
- e. IN AN ACTION TO ENFORCE A LIEN, THE COURT SHALL ALLOW AS PART OF THE COSTS ALL MONEY PAID FOR DRAWING THE LIEN AND FOR FILING AND RECORDING THE LIEN CLAIM AND DISCHARGE OF LIEN, AND A REASONABLE ATTORNEY FEE FOR THE FORECLOSURE OF THE LIEN.
- f. THE REMEDY PROVIDED IN THIS SECTION IS NOT EXCLUSIVE AND SHALL BE IN ADDITION TO ALL OTHER REMEDIES AVAILABLE TO THE CITY TO COLLECT PAST DUE UTILITY FEES AND CHARGES OWED UNDER THIS CHAPTER.