

# RESOLUTION NO. 7015

# A RESOLUTION SETTING RATES FOR A CITY SERVICES FEE

WHEREAS, on June 23, 2021, the Albany City Council adopted Ordinance No. 5960 adding Albany Municipal Code Chapter 3.12, City Services Fee; and

WHEREAS, Albany Municipal Code Chapter 3.12 provides that the City Council will establish city services fee rates by resolution; and

WHEREAS, the City Council will consider future city services fee rate adjustments based on actual and anticipated revenues and expenditures within the General Fund.

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that the rates and policies as set forth in Exhibit A are hereby adopted and will be effective July 1, 2021.

DATED THIS  $\frac{23}{2}$  DAY OF JUNE 2021.

layor

ATTEST:

City Clerk

#### **CITY SERVICES FEE**

City services fees shall apply to developed properties and are established for four rate classes: single family residential, multi-family residential, multi-unit commercial, and commercial/industrial including mixed-use accounts.

The Finance Director (Director) or his/her designee is responsible for determining the appropriate classification for each customer account. In making that determination, the Director may use utility billing records, building or other permits on record with the City of Albany or applicable county, or other publicly available information.

#### PHASED IMPLEMENTATION

The application of a city services fee to customer accounts may be phased in as deemed appropriate by the Director to ensure proper development of data and billing systems resulting in accurate calculation of customer bills. The phased application of the city services fee by customer class, billing cycle, or other appropriate method will be implemented as quickly as possible.

### RATES BY CLASSIFICATION AND METER SIZE

#### Rate Table

Class	Basis	Rate
Single-Family Residential	Per Unit	\$9.00
Multifamily Residential	Per Unit	\$7.20
Commercial/Industrial	By meter size (table below)	
Multi-unit Commercial	Per Unit	\$9.00

# Commercial/Industrial Rate Table

Meter Size	Rate
3/4"	\$9.00
1"	\$22.50
1 1/4"	\$31.50
1 1/2"	\$45.00
2"	\$72.00
3"	\$144.00
4"	\$225.00
6"	\$450.00
8"	\$720.00
10"	\$1,890.00

<u>Special Conditions for Shared Water Meters</u>: In cases where multiple classifications are served by a single water meter, e.g., a commercial building that shares a water meter with multi-family apartment units, the customer account shall be charged a city services fee for each multi-family dwelling unit along with a separate city services fee for each commercial operation based on the multi-unit commercial rate.

#### **APPEALS**

Customers with questions about their city services fee will be provided informal opportunities to ask questions about their bill and the City will work to help the customer understand how the bill is calculated for their property. If, after the bill calculation has been explained and is understood, the customer still disagrees with the bill, the customer may formally appeal the bill.

Initial appeal: Any customer who disagrees with the calculation of the city services fee for his or her property may apply to the Director for reconsideration of the city services fee. The formal appeal requires payment of a \$25.00 appeal fee, must state the grounds for reconsideration, and must be filed in writing with the Director no later than thirty (30) days after date of the billing. The Director shall review the request to determine whether an error was made in the calculation of the city services fee. If an error has been made in the calculation, the Director may approve a change to the city services fee amount charged to the customer. If the appeal is denied, the reason(s) for the denial will be reduced to writing and provided to the customer.

Appeal to City Manager: An appeal of the Director's decision may be brought before the City Manager within thirty (30) days of the date of the Director's decision on the initial appeal. The request must state the grounds for the reconsideration of the Director's decision and must be filed in writing with the City Manager. If the City Manager determines that an error has been made in the calculation, the City Manager may approve a change to the city services fee amount charged to the customer. If the appeal is denied, the reason(s) for the denial will be reduced to writing and provided to the customer. The decision of the City Manager shall be final.

Successful Appeal: If an appeal of the city services fee amount is successful, the revised fee amount shall be applied to the account beginning with the bill that was the subject of the initial appeal, a credit will be applied to the account, and the \$25.00 appeal fee will be refunded to the customer account. The revised fee amount will be reflected in future billings for the property until the classification or meter size for the property changes, or until the rate is changed by resolution.

#### GENERAL UTILITY INFORMATION

Billing Accounts: In cases where multiple utility accounts exist on one parcel, e.g., commercial retail mall, multi-family apartment units, etc., the City will work with the property owner to either bill one of the accounts for the city services fees for the full parcel, or a new account may be created in the property owner's name and that account will be billed for the city services fees for the parcel. If a non-single family residential customer has two or more parcels associated with a single business operation, e.g., a commercial building and an adjacent parking lot, those parcels may be consolidated into one bill for city services fee purposes.

**Non-Metered Accounts:** The Director or designee shall establish meter-equivalent rates for sewer-only or stormwater-only accounts based on the permitted use of the property and/or the type of operation at the property and comparing them to similar operations within Albany that do have a water meter to the property.

Monthly Bills: Bills will be rendered monthly. Bills for new accounts or closed accounts, or bills that, for any other reason, cover a period of time more or less than the normal billing period, shall be prorated. City services fees are not subject to vacancy credits and will not be discontinued when properties become vacant. However, under conditions where the City discontinues billing for other utility services, it may, at its discretion, choose to also discontinue billing for city services fees.

<u>Commencement</u>: The city services fee shall commence upon connection to the City's water or sewer system, or upon completion, occupancy, or use of the improvements, whichever comes first. Areas that are annexed to

# **EXHIBIT A**

the City or under contract to annex shall become subject to the city services fee on the date of annexation or the date of the annexation contract, whichever comes first.

Adjustments, Back-billing, Credits, and Refunds: When the City determines that a customer has been mistakenly charged too much for the city services fee, the City will apply a credit to the customer account based on the date the error first occurred, the date the current customer became responsible for the bill, or a period not to exceed three years, whichever is less. If the date cannot be reasonably determined, the City will estimate the amount of the credit based on a period not to exceed three years.

When the City determines that a customer has not been charged or has not been charged enough for the city services fee, the City will back-bill the account based on the date the error first occurred, the date the current customer became responsible for the bill, or a period not to exceed three years, whichever is less. If the date cannot be reasonably determined, the City will estimate the bill for a period not to exceed three years. Customers who receive such a delayed bill will be offered the opportunity to make arrangements for installment payments.

Adjustments may be made on a case-by-case basis where deemed necessary as determined by the Director.

<u>Unified Billing</u>: The city services fee shall be billed and collected by the City in the same manner and at the same time as water, sewer, and stormwater charges. Partial payments on the account shall be applied first to the city services fee, second to the stormwater charge, third to the sewer charge, and finally, to the water charge. The customer shall not be allowed to specify a different allocation of payment.

<u>Delinquent Accounts</u>: An account is delinquent ten (10) calendar days after the date of the bill. Delinquent accounts will receive written notice of the delinquency and may be subject to administrative service charges and water service discontinuation until the entire bill balance is paid in full.

<u>Collection</u>: Any balances due on delinquent accounts may be recovered by civil action in the name of the City against the property owner, the person, or both. Change of ownership or occupancy of premises found delinquent shall not be cause for reducing or eliminating the debt due. Should the City find it necessary to collect any delinquent City services fees or administrative fees, it shall be entitled to use any means provided by the laws of the State or permitted by the Charter and ordinances of the City of Albany. Fees and charges that are delinquent may be subject to interest charges at nine percent per annum. Any interest charges due hereunder which is not paid when due may be recovered in an action by the City.