

Subject: Ordinance Amendment: Chapter 106 - Utilities, Article V - Utility Service Charges and Collection, Section 106-503(b), Deposits to assure payment. (First Reading)
Reviewed By: City Manager: Dana L. Muscott; Deputy City Manager: Tony Reyes
Electric Director: Jay Anderson; Finance Director: George Martini
Prepared By: Patty Martindale, Administrative Financial Analyst

PERTINENT FACTS:

Bay City Electric Light & Power (BCELP) in collaboration with the Finance Department is requesting approval to amend the Code of Ordinances, Utilities Article V. - Utility Service Charges and Collection, Sec. 106.503 - Deposits to Assure Payment, Item (b).

The City operates Electric, Water, and Sewer utilities, and also provides refuse collection services to all City residents, as well as electric service to some out-city customers. These services are billed monthly. Generally, any unpaid bills can be liened on the property tax bill for the home/business where the services were provided. This amendment will clarify the utility deposit requirements for large customers who could pose a revenue risk to the City.

This update is recommended to assist in protecting the financial integrity and stability of the City, Electric, Water, and Sewer Utilities from potential revenue losses.

The proposed change includes modification to Item (b) within the Code of Ordinances, Utilities, Article V. - Utility Service Charges and Collection, Sec. 106.503 - Deposits to Assure Payment is, herewith, presented for approval.

LEGAL ISSUES:

The proposed ordinance amendment has been reviewed and approved by Neil Wackerly, City Attorney.

TIME SENSITIVITY:

Routine

BRIEFLY DESCRIBE THE NATURE OF THE TIME SENSITIVITY:

FINANCIAL CONSIDERATIONS:

The amendment to Code of Ordinances, Utilities, Article V. - Utility Service Charges and Collection, Sec 106.503 - Deposits to Assure Payment, Item (b) will assist to maintain the financial stability of City and its Utilities.

RECOMMENDED ACTION:

*City Manager recommending Ordinance amendment to the Code of Ordinances, Chapter 106 - Utilities, Article V - Utility Service Charges and Collection, Section 106-503(b), Deposits to assure payment.

RECOMMENDATION: Receive for first reading and refer to next meeting for second reading and possible adoption.

ATTACHMENTS:

1. Ordinance Chapter_106-Section 503_(b) Deposits (1st Reading) 011921