

ORDINANCE

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**AN ORDINANCE TO ESTABLISH WATER RATES
IN THE CITY OF FARMINGTON
AND TO PROVIDE FOR THE COLLECTION THEREOF**

BE IT ORDAINED by the City Council of The City of Farmington, Iowa as follows:

SECTION 1 Repealer

That all Ordinances, or parts of Ordinances, in conflict herewith be and the same are hereby repealed.

SECTION 2 Rates, Charges and Deposits

That in lieu of the rates established in any or all previous Ordinances establishing water rates in the City of Farmington, Iowa, there shall be and there is hereby enacted and substituted in lieu thereof the following rates which shall apply for the sale and purchase of water in the City of Farmington, Iowa:

Residential & Commercial Minimum Rates:

Effective January 1, 2024

Minimum Water Usage 0-2000 gallons/month: \$27.00 + Tax

Additional Water Usage: \$12.00 per 1000 gallon/month + Tax

On January 1 of each year thereafter and through December 31 of each year thereafter until December 31, 2026, the above rates shall increase by one percent (1%) automatically as follows:

January 1, 2025 - 0-2000 gallon/month: \$27.27 + Tax

\$12.12 per 1000 gallon/month + Tax

January 1, 2026 - 0-2000 gallon/month: \$27.54 + Tax

\$12.24 per 1000 gallon/month + Tax

All new residents in the City of Farmington requiring new accounts on the Utility System will be charged seventy-five dollars (\$75.00) deposit and ten dollars (\$10.00) membership fee. The deposit is refundable to a property owner, if requested, after a year when the customer has maintained a satisfactory bill paying history for a year. The \$10.00 membership fee is not refundable. A property owner who has paid the \$75.00 deposit, and who is renting the residence to another person, can opt to transfer the amount to the renter. In that

case, however, the deposit is not refundable to the property owner, but must continue to be attached to the property. When any renter of a property pays the \$75.00 deposit, the deposit will not be refunded until property owner confirms to the satisfaction of the Mayor that the renter has vacated the property. If a renter's utility accounts with the City are delinquent at the time of that the renter vacates the property, the deposit will be applied to the delinquent accounts. All requests for return of deposit will require proof of payment of the same.

SECTION 3 Payments, Collections and Shut-Offs

Be it further ordained that bills for the rates and charges are herein established and shall be sent monthly. All bills shall be due and payable on the first day of the month following the period of service and shall be paid in full on or before the fifteenth day of each month at the office of the City Clerk. All amounts that remain outstanding after the fifteenth day of the month shall be deemed to be delinquent and the account shall be deemed a delinquent account. On each delinquent account there shall be charged an administrative fee for such delinquency equal to ten percent (10%) of the gross amount due from said customer. Once an account becomes delinquent, written notice of overdue account shall be sent to said account holder, by ordinary mail, to the account holder's address. Said notice shall inform the account holder of the nature of the delinquency and specify the date of termination of services in the event the delinquency is not cured which, unless provided otherwise shall be include (a) the past due amount, (b) that if payment in full is not received by the City Clerk on or before 9:00 AM on the 28th day of the month in which the notice is sent, a 24-hour disconnection notice will be hung at the property and an additional ten dollar (\$10.00) administrative fee will be charged to the account, (c) that if payment in full is not received by the City Clerk on or before 12:00 noon the next business day following the posting of the 24-hour disconnection notice, services will be shut-off, terminated and disconnected and an additional forty dollar (\$40.00) shut-off fee will be charged to the account and (d) that the account holder may request a hearing pursuant to the Code of Iowa. If the account holder is a tenant and if the owner or landlord of the property or premises has made a written request for notice, the notice shall also be given to the owner or landlord.

If a hearing is requested by noon of the day on which shut-off is to occur, the Mayor shall conduct an informal hearing and shall make a determination as to whether the discontinuance or disconnection is

justified. If the Mayor finds that discontinuation or disconnection is justified, then such discontinuance or disconnection shall be made, unless payment in full has been received by the City Clerk.

Said accounts shall remain terminated and services for the account holder may remain shut-off until all amounts due on the account are paid in full.

The services established by the provisions of this Ordinance are designed as an integral part of the City's program of health and sanitation. The City may enforce collection of the rates, charges and fees noted, above, by bringing proper legal action against the proper party bearing responsibility for the payment therefor to recover any sums due for such services plus a reasonable attorney's fee to be fixed by the Court.

SECTION 4 Lien of Unpaid Charges

All rates and charges unpaid after the fifteenth day of the month following the period of service constitute a lien upon the premises charged therewith and are subject to certification to the County Treasurer for collection unless said amounts total less than \$5.00. At least 30 days before services to a delinquent account holder are certified as a lien for unpaid services to the County Treasurer, written notice of overdue account shall be sent to said account holder, by ordinary mail, to the account holder's address. Said notice shall inform the account holder of the nature of the delinquency, shall specify the date of termination of services in the event the delinquency is not cured, if any; shall state the date certification of a lien may be made to the Treasurer, if any; and shall afford the account holder the opportunity for a hearing prior to discontinuance of service if shut-off is intended. Further, if the account holder is a tenant and if the owner or landlord of the property or premises had made request for notice, the notice shall also be given to the owner or landlord.

An administrative fee of \$5.00 shall be imposed for certifying and filing of the lien with the County Treasurer, which amount shall be added to the amount of the lien to be collected at the time of payment of the assessment from the payor. An administration fee of \$40.00 shall be imposed for shut-off based on uncured delinquency, which shall not be added to the lien to be collected but which shall be paid prior to the account holder obtaining future services.

An administrative fee of \$10.00, payable in advance, may be imposed for a temporary shut-off when requested by an account holder for temporary vacancy of the property.

Residential or commercial rental property where a charge for water service is separately metered and paid directly to the City by the tenant is exempt from the lien for delinquent rates or charges associated with such water service if the landlord gives written notice to the City that the property is residential or commercial rental property and that the tenant is liable for the rates or charges. Upon receipt of such a notice, the City may require a deposit not exceeding the usual cost of ninety days of water service to be paid. Additionally, notwithstanding anything herein, a lien shall not be filed against land if the premises served on the land are located on leased land; if the premises served are located on leased land, a lien may be filed against the premises only.

SECTION 5 Tapping Fee

Be it further ordained that a service or tapping fee of two hundred and fifty dollars (\$250.00) plus all labor and materials shall be charged whenever a new service is installed. When a new service is installed to a property that is used only for seasonal purposes or for a property that does not use water, the minimum water charge will be billed for thirty (30) consecutive months.

SECTION 6 Right of Access

Be it further ordained that the City, its lawful employees or agents, shall have the right of access to the users' premises for the purpose of reading the meter and inspecting and maintaining said meter and water installations; provided further that the water user shall be responsible for any damage occasioned the meter other than such damage as consists of ordinary and normal wear, tear, and depreciation of normal usage.

SECTION 7 Severability

If any section, sentence, phrase, or work contained herein is held to be invalid, the invalidity hereof shall in no manner be construed to affect the validity of the remaining portion hereof.

SECTION 8 Effective Date

This Ordinance shall be in effect after its final passage, approval and publication as provided by law.

Passed and Approved: November 13, 2023.

Kevin Denly, Mayor

ATTEST:

Alisha Davidson, Clerk

First Reading – October 9, 2023

Second Reading - Waived

Third and Final Reading – November 13, 2023

Publication Date: November 23, 2023

Effective Date: November 23, 2023

NOTE – The prior Ordinance to Establish Water Rates was adopted and passed by the City Council of the City of Farmington, on the 14th day of November, 2016. It was amended on August 10, 2020