

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, FOR THE DELINQUENT UTILITIES ENFORCEMENT ACT DIRECTING THE CITY MANAGER OR DESIGNEE TO COLLECT ON ALL DELINQUENT UTILITY ACCOUNTS OVER \$50,000

WHEREAS, the City of Fresno (City) provides various utility services to properties throughout the City, including sewer, water, and solid waste services, for which the City charges a fee for services; and

WHEREAS, while most accounts within the City are current, there are some delinquent utility accounts; and

WHEREAS, while the City has had remarkable success in negotiating and collecting on some delinquent utility collections, there are still a number of these accounts that have become egregiously delinquent and overdue; and

WHEREAS, the City Council adopted an ordinance in 1970; as amended to address the collection of late payments for municipal service bills; and

WHEREAS, the Department of Public Utilities has depleted its fiscal reserves and was on the brink of insolvency; and

WHEREAS, the City Council recently approved the first rate increase for solid waste services since 2009; and

WHEREAS, given the current delinquency amounts, delinquent accounts may never be paid off if the City fails to take action to recover the amount owed; and

WHEREAS, for the benefit of rate payers, the City is now taking steps to recover payment on delinquent utility accounts to make the utility whole; and

1 of 4

Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval: AMK

Resolution No.

WHEREAS, in lieu of court action, the Council would like to increase the City's efforts in collecting on all delinquent utility accounts over \$50,000, including services charges and penalties; in order to minimize future rate increases as part of the City's Delinquent Utilities Enforcement Act.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

1. The City Manager is hereby directed to increase the City's efforts in collecting on all delinquent utility service accounts over \$50,000, and 120 days past due.

2. The City Manager should immediately begin collecting on any outstanding accounts that are nearing an overdue period of three years; in order to meet the statute of limitations for the collection of debt in California.

3. The City Manager shall have the authority to enter into utility payment agreements with a delinquent customer, up to \$100,000. Payment agreements over \$100,000 would require City Council approval.

4. The City Manager is authorized to initiate the discontinuation of utility services for customers whose account balances are \$100,000 or more; and unwilling to enter into an utility payment agreement.

5. To the extent that the City is able to recover penalties; the penalties recovered shall be placed into a special fund and distributed to income qualified utility customers affordability credit programs and/or used to offset operational costs to minimize future rate increases.

6. As a result of the drought, it is critical the City take action to protect public health and safety, through the conservation of water and to hinder City residents from

over watering and the public's interest in keeping utility service payment low; the City Manager is authorized to publish the names of those customers with delinquent utility service accounts over \$50,000, and 120 days past due

7. This resolution shall be effective upon final approval.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the _____ day of _____ 2024.

AYES :
NOES :
ABSENT :
ABSTAIN :

Mayor Approval: _____, 2024
Mayor Approval/No Return: _____, 2024
Mayor Veto: _____, 2024
Council Override Vote: _____, 2024

TODD STERMER, CMC
City Clerk

By: _____
Date
Deputy

APPROVED AS TO FORM:
ANDREW JANZ
City Attorney

By: _____
Angela M. Karst Date
Senior Deputy City Attorney