

AGENDA
VENETA CITY COUNCIL WORK SESSION
MONDAY, MARCH 14, 2016 – 6:30 P.M.
Veneta Administrative Center, 88184 8th Street, Veneta, Oregon

1. **PRESENTATION FROM CITY AUDITOR**
2. **TOBACCO RETAIL LICENSING ORDINANCE - POLICY CONSIDERATIONS** (pgs. 3-16)
3. **COMPREHENSIVE REVIEW OF POLICY OPTIONS FOR UTILITY BILLING CYCLE** (pgs. 17-27)
4. **ADJOURN**

VENETA CITY COUNCIL

AGENDA ITEM SUMMARY

Title/Topic: Tobacco Retail Licensing Ordinance—Policy Considerations

Meeting Date: March 14, 2016
Department: Legal/Administration
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ISSUE STATEMENT(S)

Lane County Public Health has asked the Council to consider adopting a Tobacco Retail Licensing Ordinance.

BACKGROUND

At its meeting on December 14, 2015, the Council heard a presentation by Lane County Public Health explaining changes made to Lane County Code Chapter 9 in response to comments and concerns expressed by Lane County cities. The County is again asking Lane County cities to consider adopting the amended provisions to regulate tobacco and tobacco paraphernalia sales to minors and to establish a tobacco licensing requirement within Lane County's urban areas.

The County's full tobacco regulation ordinance both prohibits the sale and distribution of electronic smoking devices (ESDs) to minors and prohibits minors from possessing or using ESDs. The 2015 State Legislature adopted comparable legislation governing the use of ESDs¹ by minors, most of which is now applicable statewide (a few sections will go into effect July 1, 2016). The balance of the County's Ordinance governs tobacco retail licensing and sale regulations, and sets associated fees and penalties.

RELATED CITY POLICIES

Veneta Municipal Code—Chapter 12.10 prohibiting smoking within City Parks.

COUNCIL POLICY CONSIDERATIONS

Staff has identified the following policy issues for Council consideration associated with Veneta's adoption of all or any part of Lane County Ordinance 15-05, regulating tobacco sales:

1. **Is the Council satisfied with the limitation on “inhalant delivery system” distribution and use by minors and the Indoor Clear Air Act under the State legislation?** (See HB 2546, attached). The differences between the State and County's legislation are minimal. However, the Council does retain the right to set a higher ceiling than the State legislation's minimum floor. For example, within the Indoor Clean Air

¹ ESDs are called “inhalant delivery systems” in the State legislation, HB 2546.

Act, the parameter for “smoking” within ten feet of doors or windows could be increased to twenty-five feet.

2. **If either ESD or tobacco licensing regulations are adopted, does the Council wish to “parrot” County provisions for the most part, or draft its own unique provisions?** Staff sees a significant benefit in retaining County language to the greatest extent possible. Staff anticipates engaging the County via an IGA to administer and enforce any Ordinance requirements adopted. Similar provisions ensure consistent enforcement and administration within and outside the City. Differences between City and County Code provisions could cause confusion for retailers, as well as undermine County enforcement efforts.
3. **Is the Council troubled by minors’ use of tobacco? If so, will retail licensing regulations diminish that problem, particularly in the context of the numerous Oregon tobacco laws and policies already promulgated by the State?** See attached Oregon Health Authority Oregon Tobacco Laws and Policies, dated January 2014. On one hand, tobacco retail licensing may provide a better opportunity to track tobacco retailers and their practices—as well as provide an educational opportunity for those retailers who may not understand that certain practices enhance or promote minors’ use of tobacco. On the other hand, local licensing may be unnecessary or ineffective given State regulations. Further, local retailers may object to an additional hurdle and cost to their business operations.
4. **Would the Council want the definition of “Tobacco Paraphernalia” to include marijuana paraphernalia which potentially could be used for tobacco use?** Section 9.700(15) of the Lane Code (LC) defines “tobacco paraphernalia” as “cigarette papers or wrappers, pipes, cigarette rolling machines and any other items specifically designed for the consumption or preparation of tobacco products.” This definition is unclear, as written. At least one city is considering changing this definition to specifically exclude paraphernalia sold by State licensed medical or recreational marijuana facilities. Such an exclusion recognizes possible preemption under State licensing legislation and the fact that minors are not allowed within licensed marijuana facilities.
5. **Does the Council want to charge a licensing fee?** At least one City is considering requiring retail licensing, but not charging a license fee. This avoids retailers’ potential financial objections to the licensing requirement. It is also possible that so little fee revenue would be generated that fee collection would be of negligible benefit. On the other hand, there may be no other City resources available to pay for associated administrative and enforcement costs. The County has already asked how much the City would contribute towards such efforts. The City may want this to be a cost neutral regulatory scheme, with collected fees covering the City’s only contribution towards County administrative and enforcement costs.
6. **Would the Council want the same or a different buffer between schools and licensed retailers?** LC 9.754 sets a 1,000 foot buffer between licensed retailers and schools. The

Council could adopt a buffer of this same distance or a greater or lesser distance, depending upon the threat the Council finds such retailers pose to minors.

7. **The City may choose to impose the same or different fines and penalties than the County.** The penalties and fees set within the County Code provisions were recently amended to reflect those imposed by the State for tobacco related offenses. On a related note, staff recommends that any license fees authorized by a City Ordinance be adopted by Resolution.
8. **If adopted, should tobacco retail licensing code provisions be inserted within Title 5 (Business Licenses and Regulations), Title 8 (Health and Safety), or Title 9 (Public Peace, Morals and Welfare)?** Currently, the legislative version included within this packet assumes insertion within Title 5, Business Licenses and Regulations, but this could easily be modified per Council direction.
9. **If the Council chooses to move forward with a draft Ordinance, the City Attorney recommends several minor edits and other changes to the Lane County Code provisions, which improve their effectiveness.** See attached legislative version of the Lane Code provisions. These changes have already been shared with the County and may soon be incorporated into the County Code.

COUNCIL OPTIONS

Provide direction to staff on any or all of the above policy considerations.

ATTACHMENT

Attachment A. Compare Versions Retail Licensing

Attachment B. Compare Version Definitions

5.30.0209.752 Requirements and Prohibitions.

(1) A ~~Person~~ ~~person~~ commits a violation of these Tobacco Retail Licensing and Sale Regulations (~~LC 9.752 to 9.774~~) if the Person knowingly engages in the following conduct:

(a) Selling, offering for sale, or exchanging or offering to exchange for any form of consideration, Tobacco Products or Tobacco Paraphernalia ~~in Lane County~~ without first obtaining and maintaining a valid Tobacco Retailer's license under ~~this chapter LC 9.752 to 9.774~~ this chapter for each location at which that activity is to occur. Tobacco Retailing without a valid Tobacco Retailer's license is a nuisance as a matter of law.

(b) Violating any local, state, or federal law applicable to Tobacco Products, Tobacco Paraphernalia, or Tobacco Retailing in the course of Tobacco Retailing or in the operation of the business or maintenance of the location for which a license was issued.

(c) Failing to ensure that Employees know how to comply with tobacco control laws. Tobacco Retailers can be held responsible for violations committed by Employees.

(d) Failing to prominently display a Tobacco Retailer license in a publicly visible location at the licensed location.

(e) Failing to examine the identification and confirm that the holder is at least 18 years of age, before selling or transferring Tobacco Products or Tobacco Paraphernalia to a natural person who appears to be under 27 years of age.

(f) Selling, giving, or furnishing, or causing to be sold, given or furnished, a Tobacco Product or Tobacco Paraphernalia to a natural person who is younger than 18 years of age.

(g) Permitting a natural person who is younger than 18 years of age or younger than the minimum age established by state law for the purchase or possession of Tobacco Products to sell, offer for sale, or exchange or offer to exchange for any form of consideration, Tobacco Products or Tobacco Paraphernalia.

(h) Engaging in Tobacco Retailing by means of a Self-Service Display.

(i) Displaying Without a valid Tobacco Retailer license, including a license that has been suspended or revoked, failing to keep all Tobacco Products and Tobacco Paraphernalia ~~out~~ of public view without a valid Tobacco Retailer license. - The public display of Tobacco Products or Tobacco Paraphernalia in violation of this subsection constitutes Tobacco Retailing without a valid license under Section 5.30.130, LC 9.772.

(j) Displaying Without a valid Tobacco Retailer license, including a license that has been suspended or revoked, displaying any advertisement relating to Tobacco Products or Tobacco Paraphernalia that promotes the sale or distribution of such products from the Tobacco Retailer's location or that could lead a reasonable consumer to believe that such products can be obtained at that location without a valid Tobacco Retailer license.

(k) Engaging in the Nonsale Distribution of Tobacco Products or Tobacco Paraphernalia, ~~in Lane County.~~

(l) Failing to conspicuously post ~~an approved~~ a tobacco health warning ~~approved by the Department~~ in an area visible to all customers.

(m) Failing to conspicuously post signage provided by the ~~City~~ Department that discloses current referral information about the Oregon Tobacco Quitline 1-800-QUIT-NOW.

(n) Engaging in Tobacco Retailing within 1000 feet of any school, ~~except as permitted by Section 5.30.030 from other than a fixed retail location in violation of 9.754 below.~~

(2) Tobacco ~~Retailers~~Retailer's will be eligible for an incentive program reducing the annual license fee by \$75 if they: 1) have no tobacco retail violations in the previous year and 2) use a cash register that reads the magnetic strip on drivers' licenses to verify age. ~~(Revised by Ordinance No. 14-19, Effective 1/16/15)~~

5.30.0309.754 Limits on Eligibility for a Tobacco Retailer License.

(1) ~~WITHIN 1,000 FEET OF ESTABLISHMENTS SERVING CHILDREN.~~ No license will be issued to a Tobacco Retailer located within 1,000 feet of any school as follows:

(a) Except as provided in subsection (b) no Tobacco Retailer license will be issued to a Tobacco Retailer located within one thousand (1,000) feet of a school as measured by a straight line from the nearest point of the property line of the lot or parcel on which the school is located to the nearest point of the property line of the parcel on which the applicant's business is located. ~~For the purposes of this chapter, subsection, a~~ "school" means a public kindergarten, elementary, middle, junior high or high school.

(b) A Tobacco Retailer that has been in operation at a location governed by subsection (1) above consistently since ~~the effective date of this ordinance~~October 21, 2014, is exempt from the requirements of section (1) above. A Tobacco Retailer that has been in operation at a location governed by subsection (1) above consistently since ~~the effective date of this ordinance~~October 21, 2014, that would otherwise be ineligible to receive or renew a Tobacco Retailer license due to the creation or relocation of a school, is exempt from the requirements of subsection (1) above.

(2) ~~MOBILE VENDING. No license will be issued to a Tobacco Retailer not located~~Retailing is only permitted at a fixed location. ~~For example, Tobacco Retailing by~~ Persons~~natural persons~~ on foot or from vehicles or mobile units is prohibited.

5.30.040 Non-Retaliation.

Persons, Tobacco Retailers, and Employers are prohibited from intimidating, threatening any reprisal, or effecting any reprisal, for the purpose of retaliating against another Person that seeks to attain compliance with this chapter.

5.30.0509.756 Application Procedure.

Application for a Tobacco Retailer's license must be submitted in the name of each Proprietor proposing to conduct retail tobacco sales and will be signed by each Proprietor or an authorized agent thereof.

(1) It is the responsibility of each Proprietor to be informed regarding all laws applicable to Tobacco Retailing, including those laws affecting the issuance of a Tobacco Retailer's license. The Proprietor will also train all employees in the applicable laws, and is required to provide proof of training with annual recertification.

(2) No Proprietor may rely on the issuance of a license as a determination ~~by the County~~ that the Proprietor has complied with all laws applicable to Tobacco Retailing. A license issued contrary to 5.30.060~~LC 9-758~~, contrary to any other law, or on the basis of false or misleading information supplied by a Proprietor will be revoked pursuant to 5.30.120~~LC 9-770~~. Nothing in this chapter~~LC~~

~~9.758~~ will be construed to vest in any Person obtaining and maintaining a Tobacco Retailer's license any status or right to act as a Tobacco Retailer in contravention of any provision of law.

(3) All applications will be submitted on a form supplied by the ~~CityDepartment~~ and will contain the following information:

(a) The name, address, and telephone number of each Proprietor of the business seeking a license.

(b) The business name, address, and telephone number of the single fixed location for which a license is sought.

(c) A single name and mailing address authorized by each Proprietor to receive all communications and notices (the "Authorized Address") required by, authorized by, or convenient to the enforcement of ~~this chapter.LC 9.752 to 9.774~~. If an Authorized Address is not supplied, each Proprietor will be understood to consent to the provision of notice at the business address specified in ~~subsection (b) of this section.subparagraph (b) above~~.

(d) Whether or not any Proprietor or any agent of the Proprietor has admitted violating, or has been found to have violated, ~~this chapterLC 9.752 to 9.774~~ and, if so, the dates and locations of all such violations within the previous five years.

(4) Such other information as the ~~CityDepartment~~ deems necessary for the administration or enforcement of ~~this chapterLC 9.752 to 9.774~~ as specified on the application form required by this section.

(5) A licensed Tobacco Retailer must inform the ~~CityDepartment~~ in writing of any change in the information submitted on an application for a Tobacco Retailer's license within ten (10) business days of a change.

(6) All information specified in an application pursuant to this section is subject to disclosure under the Oregon Public Records Act or any other applicable law, subject to the laws' exemptions. *(Revised by Ordinance No. 14-19, Effective 1/16/15)*

5.30.060

9.758 Issuance of License.

Upon the receipt of a complete application for a Tobacco Retailer's license and the license fee required by ~~5.30.100LC 9.766~~, the ~~CityDepartment~~ will issue a license to the applicant ~~unless;that demonstrates by substantial evidence that one or more of the following bases for denial does not exist:~~

(1) The information presented in the application is inaccurate or false. Intentionally supplying inaccurate or false information will be a violation punishable under the provisions of this chapter.LC 9.774.

(2) The application seeks authorization for Tobacco Retailing at a location for which ~~5.30.030LC 9.754~~ prohibits issuance of Tobacco Retailer licenses.

(3) The application seeks authorization for Tobacco Retailing for a Proprietor to whom this chapterLC 9.752 to 9.772 prohibits a license to be issued.

(4) The application seeks authorization for Tobacco Retailing that is prohibited or unlawful pursuant to this Code or that is unlawful pursuant to any other law. *(Revised by Ordinance No. 14-19, Effective 1/16/15)*

5.30.0709.760 License Renewal and Expiration.

(1) ~~RENEWAL OF LICENSE~~. A Tobacco Retailer's license is invalid if the appropriate fee ishes not ~~been~~ timely paid in full or if the term of the license has expired. The term of a Tobacco

Retailer license is one year. Each Tobacco Retailer will apply for the renewal of ~~the his or her~~ Tobacco Retailer's license and submit the license fee no later than thirty days prior to expiration of the term.

(2) ~~EXPIRATION OF LICENSE.~~ A Tobacco Retailer's license that is not timely renewed expires at the end of its term. To renew a license not timely renewed pursuant to subparagraph (a), the Proprietor must:

- (a) Submit the license fee and application renewal form; and
- (b) Submit a signed affidavit affirming that the Proprietor:
 - (i) has not sold and will not sell or display any Tobacco Product or Tobacco Paraphernalia after the license expiration date and before the license is renewed; or
 - (ii) ~~H~~has waited the period of time required by ~~5.30.130LC 9.772~~ for Tobacco Retailing without a valid license before seeking renewal of the license. *(Revised by Ordinance No. 14-19, Effective 1/16/15)*

5.30.0809.762 Licenses Nontransferable.

(1) A Tobacco Retailer's license may not be transferred from one Person to another or from one location to another. A new Tobacco Retailer's license is required whenever a Tobacco Retailing location has a change in Proprietor(s).

(2) Notwithstanding any other provision of ~~this chapter LC 9.752 to 9.774~~, prior violations at a location will continue to be counted against a location and license ineligibility periods will continue to apply to a location unless:

- (a) The location has been transferred to new Proprietor(s) in an Arm's Length Transaction; and
- (b) The new Proprietor(s) provide the ~~City~~County with clear and convincing evidence that the new Proprietor(s) have acquired or are acquiring the location in an Arm's Length Transaction. *(Revised by Ordinance No. 14-19, Effective 1/16/15)*

5.30.0909.764 License Conveys a Limited, Conditional Privilege.

Nothing in ~~this chapter LC 9.752 to 9.774~~ grants any Person obtaining and maintaining a Tobacco Retailer's license any status or right other than the limited conditional privilege to act as a Tobacco Retailer at the location in the ~~City~~County identified on the face of the license. Nothing in ~~this chapter LC 9.752 to 9.774~~ renders inapplicable, supersedes, or applies in lieu of any other provision of applicable law, including but not limited to, any provision of this ~~9.766 Lane Code 9.770~~ Code, or any condition or limitation on smoking in an enclosed place of employment under ORS 433.847 and OAR 333-015-0068 or other federal or local ordinances. Obtaining a Tobacco Retailer's license does not make the Tobacco Retailer a certified smoke shop under ORS 433.847 and OAR 333-015-0068. *(Revised by Ordinance No. 1419, Effective 1/16/15)*

5.30.1009.766 Fee for License.

The fee to issue or to renew a Tobacco Retailer's license will be set ~~annually~~ by ~~resolution~~Order of the ~~City Council~~Board of Commissioners. The fee will be calculated so as to recover the cost of both the administration and enforcement of this Code, including the cost of issuing the license, administering the license program, Tobacco Retailer education, Tobacco Retailer inspection and compliance checks, documentation of violations, adjudications, convictions, and prosecution of violators. All fees are nonrefundable except as required by law and are permitted to be used

exclusively to fund the costs outlined in this chapter. ~~program.~~ Fees will not be prorated. ~~(Revised by Ordinance No. 14-19, Effective 1/16/15)~~

5.30.1109.768 Compliance Monitoring.

(1) The CityDepartment will monitor compliance with this chapter and LC 9.752 to 9.774 and may designate any number of additional Persons to assist monitoring compliance. In addition, any peace officer may enforce the penal provisions of this chapter LC 9.752 to 9.774.

(2) The CityDepartment will endeavor to inspect each licensed Tobacco Retailer at least one time per twelve month period. Nothing in this paragraph creates a right of action in any licensee or other Person against the CityCounty or its agents.

(3) The CityCounty will not enforce any law establishing a minimum age for Tobacco purchases or possession against a natural person serving as a Youth Decoy. A Youth Decoy is a natural person under the age of 18 who:

(a) Is participating in an inspection supervised by a peace officer, code enforcement official, or the Person designated by the CityCounty to monitor compliance with 5.30.020; LC 9.752;

(b) Is acting as an agent of a Person designated by the CityCounty to monitor compliance with 5.30.020 LC 9.752; or

(c) Is participating in an inspection funded in part, either directly or indirectly through subcontracting, by the CityDepartment or the Oregon Health Authority. ~~(Revised by Ordinance No. 14-19, Effective 1/16/15)~~

5.30.1209.770 Suspension or Revocation of License.

(1) ~~SUSPENSION OR REVOCATION OF LICENSE FOR VIOLATION.~~ In addition to any other penalty authorized by law, a Tobacco Retailer's license will be suspended or revoked if any court of competent jurisdiction determines, or the CityDepartment finds based on a preponderance of the evidence, after the licensee is afforded notice and an opportunity to be heard, that the licensee, or any of the licensee's agents or employees, has violated any of the requirements, conditions, or prohibitions of this chapter LC 9.752 to 9.774 or has pleaded guilty, "no contest" or its equivalent, or admitted to a violation of any law designated in this chapter LC 9.764 above.

(a) Upon a finding by the CityDepartment of a first violation of this chapter LC 9.752 to 9.772 at a location within any twenty-four month period, the license will be suspended for ten days or a \$1,650 fine imposed.

(b) Upon a finding by the CityDepartment of a second violation of this chapter LC 9.752 to 9.772 at a location within any twenty-four month period, the license will be suspended for thirty days or a \$4,950 fine imposed.

(c) Upon a finding by the CityDepartment of a third violation of this chapter LC 9.752 to 9.772 at a location within any twenty-four-month period, the license will be suspended for thirty days.

(d) Upon a finding by the CityDepartment of four or more violations of this chapter LC 9.752 to 9.772 at a location within any twenty-four month (24) period, the license will be revoked.

(2) ~~APPEAL OF SUSPENSION OR REVOCATION.~~ A decision of the CityDepartment to suspend or revoke a license is appealable to the City Manager ~~Director of the Department~~ and any appeal must be filed in writing with the City Manager ~~Director~~ within ten days of mailing of the City's Department's decision. If such an appeal is timely made, it will stay enforcement of the

appealed action. An appeal to the ~~City Manager~~Director is not available for a revocation made pursuant to subsection (3) below.

(3) ~~REVOCATION OF LICENSE WRONGLY ISSUED~~. A Tobacco Retailer's license will be revoked if the ~~City Department~~ finds, after the licensee is afforded notice and an opportunity to be heard, that one or more of the bases for denial of a license under ~~5.30.060~~Section 9.758 existed at the time application was made or at any time before the license issued. The decision by the ~~City Department~~ will be ~~the final decision of the County~~. Such a revocation will be without prejudice to the filing of a new license application.

5.30.130*(Revised by Ordinance No. 14-19, Effective 1/16/15)*

9.772 Tobacco Retailing Without a Valid License.

(1) In addition to any other penalty authorized by law, if a court of competent jurisdiction determines, or the ~~City Department~~ finds based on a preponderance of evidence, after notice and an opportunity to be heard, that any Person has engaged in Tobacco Retailing at a location without a valid Tobacco Retailer's license, either directly or through the Person's agents or employees, the Person will be ineligible to apply for, or to be issued, a Tobacco Retailer's license as follows:

(a) After a first violation of this section at a location within any twenty-four month period, no new license may issue for the Person or the location (unless ownership of the business at the location has been transferred in an Arm's Length Transaction), until thirty days have passed from the date of the violation.

(b) After a second violation of this section at a location within any twenty-four month period, no new license may issue for the Person or the location (unless ownership of the business at the location has been transferred in an Arm's Length Transaction), until ninety days have passed from the date of the violation.

(c) After of a third or subsequent violation of this section at a location within any twenty-four month period, no new license may issue for the Person or the location (unless ownership of the business at the location has been transferred in an Arm's Length Transaction), until two years have passed from the date of the violation.

(2) Tobacco Products and Tobacco Paraphernalia offered for sale or exchange in violation of this ~~chapter~~section are subject to seizure by the ~~City Department~~ or any peace officer and will be forfeited after the licensee and any other owner of the Tobacco Products and Tobacco Paraphernalia seized is given reasonable notice and an opportunity to demonstrate that the Tobacco Products and Tobacco Paraphernalia were not offered for sale or exchange in violation of ~~this chapter~~LC 9.752 to 9.772. The decision by the ~~City Department~~ may be appealed under ~~5.30.120~~LC 9.770. Forfeited Tobacco Products and Tobacco Paraphernalia will be destroyed after all internal appeals have been exhausted and the time in which to seek judicial review pursuant to Oregon law has expired without the filing of a lawsuit or, if such a suit is filed, after judgment in that suit becomes final.

(3) For the purposes of the civil remedies provided in ~~5.30.140~~LC 9.774 the following constitute separate violations:

(a) Each day on which a Tobacco Product or Tobacco Paraphernalia is offered for sale in violation of ~~this chapter~~LC 9.752 to 9.772; or

(b) Each instance in which an individual retail Tobacco Product or item of Tobacco Paraphernalia distributed, sold, or offered for sale in violation of ~~this chapter LC 9.752 to~~

~~5.30.1409.772. (Revised by Ordinance No. 14-19, Effective 1/16/15)~~

9.774 Penalties and Additional Remedies.

(1) The remedies provided by this section are cumulative and in addition to any other remedies available at law or in equity.

(2) Violations of ~~this chapter LC 9.752 to 9.772~~ are punishable by a fine per violation as follows:

a. ~~After~~ a first violation, a \$1,650 fine or suspension of license;

b. ~~After~~ a second violation, a \$4,950 fine or suspension of license; ~~and~~

c. ~~After~~ a third violation, a suspension of license as described in 5.30.120.

~~Persons found 9.770. Those~~ in violation of this chapter will be responsible for all costs associated with ~~the prosecution~~ ~~prosecutions~~ of ~~those~~ violations.

(3) ~~In addition to all applicable penalties under the Code, A~~any employee involved in tobacco product sales to anyone under 18 years of age is subject to civil action pursuant to ORS 163.575, endangering the welfare of a minor, punishable by a civil fine per violation of not less than \$100 nor exceeding \$500. ~~Causing, permitting, aiding, abetting, or concealing a violation of any provision of LC 9.752 to 9.772 is punishable according to 9.772 subsection (3) above.~~

~~(4) Causing, permitting, aiding, abetting, or concealing a violation of any provision of this chapter is punishable according to 5.30.130(3).~~

~~(4)~~ Violations of ~~this chapter LC 9.752 to 9.772~~ are hereby declared to be public nuisances.

~~(5)~~ In addition to other remedies provided by ~~this chapter LC 9.752 to 9.772~~ or by other law, any violation of ~~this chapter LC 9.752 to 9.772~~ may be remedied by a civil action including, for example, through administrative or judicial nuisance abatement proceedings, civil or criminal code enforcement proceedings, and suits for injunctive relief.

~~(Revised by Ordinance No. 14-19, Effective 1/16/15)~~

5.30.010 ~~9.700~~ Definitions. For the purposes of this chapter, the ~~As used in sections 9.700 through 9.774, the following words and phrases shall or terms~~ have the following meanings:

(1) “Arm’s Length Transaction” means a sale in good faith and for valuable consideration that reflects the fair market value in the open market between two informed and willing parties, neither of which is under any compulsion to participate in the transaction. A sale between relatives, related companies or partners, or a sale for which a significant purpose is avoiding the regulations of this chapter ~~these regulations’ sections 9.700 through 9.774~~ is not an Arm’s Length Transaction.

(2) “Business” means any sole proprietorship, partnership, joint venture, corporation, company, association, or other entity formed for purposes that include profit-making.

(3) “City” means “County” or “Lane County,” for the City purpose of Veneta or this ordinance, means unincorporated areas of Lane County.

~~(4) “Department” means the Lane County Health & Human Services Department, and any agency or Person designated Person by the Department to enforce or administer the provisions of sections 9.700 through 9.774.~~

~~(5)~~ “Electronic Smoking Device” ~~(ESD) means any electronic~~ means any electronic product that delivers nicotine or any other substances ~~substances~~ to the person inhaling from the device, including, but not limited to an electronic cigarette, e-cigar, e-pipe, vape pen or e-hookah. Electronic Smoking Device includes any component, part, or accessory of such a product, whether or not sold separately. Electronic Smoking Device does not include drugs, devices, or combination products approved for sale by the U.S. Food and Drug Administration, as those terms are defined in the Federal Food, Drug and Cosmetic Act.

~~(6)~~ “Employee” means any Person who is employed by any Employer in consideration for direct or indirect monetary wages or profit, or any Person who volunteers services for an Employer.

~~(7)~~ “Employer” means any Business or Nonprofit Entity that retains the service of one or more Employees.

~~(8)~~ “Independent Contractor” means any Person who is retained with a contract by any Employer in consideration for direct or indirect monetary wages or profit.

~~(9)~~ “Nominal Cost” means the cost of any item imposed for the transfer from one Person ~~person~~ to another for less than the total of: (1) twenty-five percent (25%) of the fair market value of the item exclusive of taxes and government fees; plus (2) all taxes and government fees previously paid and all taxes and government fees still due on the item at the time of transfer.

~~(10)~~ “Nonsale Distribution” means to give, furnish, or cause or allow to be given or furnished, wholly or for sampling, ~~within Lane County,~~ a Tobacco Product at no cost or at Nominal Cost to a Person who is not a Tobacco Retailer.

~~(11)~~ “Person” means any natural person, Business, employer, nonprofit entity, personal representative, receiver, trustee, assignee, or any other legal entity including a government agency.

~~(12)~~ “Proprietor” means a Person with an ownership or managerial interest in a business. An ownership interest is deemed to exist when a Person has a ten percent (10%) or greater interest in the stock, assets, or income of a business other than the sole interest of security for debt. A managerial interest is deemed to exist when a Person can or does have or share ultimate control over the day-to-day operations of a business.

~~(13)~~ “Self-Service Display” means the open display or storage of Tobacco Products or Tobacco Paraphernalia in a manner that is physically accessible in any way to the general public without

the assistance of the Tobacco Retailer or employee of the Tobacco Retailer and a direct person-to-person transfer between the purchaser and the Tobacco Retailer or employee of the Tobacco Retailer. A vending machine is a form of Self-Service Display.

~~(14)~~ (13) “Smoke” and “Smoking” ~~mean~~means inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, pipe, weed, plant, or other tobacco like product or substance in any manner or in any form. “Smoke” and “Smoking” also include~~includes~~ the use of an Electronic Smoking Device which creates an aerosol, in any manner or in any form. A lighted smoking instrument includes an activated or “switched on” Electronic Smoking Device.

~~(15)~~ (14) “Tobacco Paraphernalia” means cigarette papers or wrappers, pipes, cigarette rolling machines, Electronic Smoking Device and any other item specifically designed for the consumption or preparation of Tobacco Products.

(16) The term “Tobacco Paraphernalia” does not include such items sold at a State licensed medical or recreational marijuana facility.

~~(16)~~ (17) “Tobacco Product” means any product that is tobacco, made from tobacco or derived from tobacco, which ~~contains nicotine or a similar substance, and~~ is intended for human consumption or is likely to be consumed, whether smoked, heated, chewed, absorbed, dissolved, inhaled or ingested by any other means, including, but not limited to, a cigarette, a cigar, pipe tobacco, chewing tobacco, snuff, snus, or an Electronic Smoking Device. Tobacco product does not include drugs, devices, or combination products approved for sale by the U.S. Food and Drug Administration, as those terms are defined in the Federal Food, Drug and Cosmetic Act.

~~(17)~~ (18) “Tobacco Retailer” means any Person who sells, offers~~holds a license to sell, offer~~ for sale, or exchange or offers~~offer~~ to exchange for any form of consideration, Tobacco Products or Tobacco Paraphernalia. “Tobacco Retailing” means the doing of any of these things. This definition is without regard to the quantity of tobacco, Tobacco Products, or Tobacco Paraphernalia sold, offered for sale, exchanged, or offered for exchange. ~~(Revised by Ordinance No. 14-19, Effective 1/16/15)~~

VENETA CITY COUNCIL

WORK SESSION - AGENDA ITEM SUMMARY

Title/Topic: COMPREHENSIVE REVIEW OF POLICY OPTIONS FOR UTILITY BILLING CYCLE

Meeting Date: March 14, 2016
Department: Finance

Staff Contact: Shauna Hartz
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ISSUE STATEMENT

Many of the policies and practices governing the utility billing function are outdated and/or silent on issues that frequently arise. Staff has developed recommended changes and is seeking general council consensus on the changes prior to drafting the required code amendments and revising related resolutions.

BACKGROUND

In late 2014 we started a comprehensive review of the entire utility billing function step by step. The goal/objective of this review is to repeal all previous ordinances and resolutions and replace them with policies and practices that address the utility billing function in a more comprehensive and relevant manner. The expected outcomes of the changes include, but are not limited to:

- Clarifying level of governance for each step (Ordinance, Resolution or Administrative),
- Better defining steps and terms used,
- Improving efficiency and consistency,
- Decreasing contradictory language,
- Improving compliance with Oregon Revised Statutes especially related to identity theft protection, collections, and placing liens on property.

A chart of all the steps in the Utility Billing function/cycle was developed in December 2014. The chart was presented at a work session on January 12, 2015. The chart included information on the current policies and practices, the pros and cons, and some applicable comments. On February 23, 2015 the chart was presented for a second time. This version of the chart focused on policy options and staff's preferences for each of the step.

The purpose of this work session is to do a quick overview of some of the information previously presented, restate and discuss the policy and practice changes staff is recommending, and obtain consensus or direction for each change. In an effort to improve consistency a glossary (Attachment A) has been created. Attachment B is the chart presented at the February 23, 2015 work session. This chart is being included only to re-familiarize yourself with the billing steps and earlier discussions. The chart labeled Attachment C contains the current practices and the proposed changes for each step. The proposed changes, on Attachment C, will be the discussion focus at the upcoming meeting.

The next step in this process is drafting ordinances that amend the Veneta Municipal Code and amending the current resolutions setting the water, sewer and storm-water rates and fees. The ordinances and resolutions will be reviewed by the City's legal counsel prior to asking for Council action.

RELATED CITY POLICIES

VMC 3.20, 3.25, 13.05, 13.10; Resolutions No. 1124, 1178, 1185, 1186

COUNCIL OPTIONS

1. Agree with the changes presented.
2. Direct staff to develop a different solution.
3. Ask staff to hold another work session for more discussion on the steps, practices, options, etc.

CITY ADMINISTRATOR'S RECOMMENDATION

Read materials, ask questions, and provide direction on changes being recommended.

SUGGESTED MOTION

No motion required; staff is looking for consensus on each recommended change.

ATTACHMENTS

- A. Glossary
- B. Chart of Utility Billing Steps with Policy Options and the option staff would prefer.
- C. Chart of Utility Billing Steps with staff's recommendations.

City of Veneta
Glossary of Terms
For Use in Utility Related Policies, Processes and Procedures

ACTIVE: All Utility Accounts are considered Active unless the City has been notified in writing, on a form provided by the City, of the Responsible Party's intention to temporarily or permanently inactivate the Responsible Party's account and to stop receiving Utility Services or Other Services at a particular Billing Unit, Occupied Unit or Developed Property.

BILLING UNIT: Any structure or any portion of any structure intended for residential, commercial, industrial, or other uses. For example, in a multi-family residential development, each dwelling unit shall be considered a separate Billing Unit, and each retail outlet or non-residential operation in a shopping mall shall be considered a separate Billing Unit.

CITY: The City of Veneta, Oregon, including its duly authorized officials, agents, and employees.

CITY ADMINISTRATOR: The City's Administrator or the City Administrator's designee.

CITY SYSTEM: The City's property, infrastructure, service yard, and offices connected therewith, clerical or field, existing and necessary for the provision of water, sewage, transportation and storm-water services, individually or combined, within and without the limits of the City of Veneta, Oregon.

DEVELOPED PROPERTY: A parcel or legal portion of real property, on which improvements exist or are being constructed. The term "Improvement" includes, but is not limited to buildings, parking lots, landscaping and outside storage.

DWELLING UNIT: A single unit providing complete independent living facilities, designed for occupancy by one (1) family and including permanent provisions for living, sleeping, eating, cooking and sanitation.

FINANCE DIRECTOR: The City Finance Director or the Finance Director's designee.

NONRESIDENTIAL PROPERTY: Property that is not primarily used for personal domestic accommodation. Nonresidential Property includes industrial, commercial, institutional, hotels and motels, and other nonresidential uses. Also includes property with facilities for residential homes and or care as defined in the City's Land Development Ordinance.

OCCUPIED UNIT: Any structure or any portion of any structure occupied for residential, commercial, industrial, or other purposes. For example, in a multi-family residential development, each dwelling unit shall be considered a separate Occupied Unit when occupied, and each retail outlet in a shopping mall shall be considered a separate Occupied Unit. An Occupied Unit may include more than one structure if all structures are part of the same dwelling unit or commercial or industrial operation. For example, an industrial site with several structures that form an integrated manufacturing process operated by a single manufacturer constitutes one Occupied Unit. Property that is undeveloped or, if developed, is not in current use is not considered an Occupied Unit.

OTHER SERVICES: The existence and availability for use of streets, pathways, bike lanes, storm-water infrastructure and drainage ways.

OWNER: The owner or owners of record title, or the purchaser or purchasers under a recorded land sales agreement, and other persons having an interest of record in the described real property.

PAST DUE NOTICE: The notice stating that a Utility Account is past due and delinquent and that failure to submit required payment will jeopardize the continuance of Utility or Other Services to the Billing Unit, Occupied Unit or Developed Property.

PERSON: Any individual, firm, co-partnership, association, corporation, or other organization, whether acting for itself or as the clerk, servant, employee, or agent of another; and the singular shall include the plural and the plural the singular.

PREMISES: A parcel of land within the Veneta City limits that receives services or has the potential to receive services from one or more of the City's Systems.

PUBLIC WORKS DIRECTOR: The City Public Works Director or the Public Works Director's designee.

RESIDENTIAL PROPERTY: Property that is used primarily for personal domestic accommodation, including single-family, multi-family residential property and home occupations, but not including hotels and motels or other uses listed in the definition of "Non Residential Property".

RESPONSIBLE PARTY: The person or persons who by being the owner(s) or occupant(s), have caused the use of services from one or more City Systems, or by contractual arrangement are responsible to pay for Utility and Other Services provided to a Billing Unit, Occupied Unit or Developed Property.

Unless another person(s) has agreed in writing to pay and a copy of the writing is filed with the City, the person(s) using the City's Utility or Other Services at a Billing Unit, Occupied Unit or Developed Property shall be deemed the Responsible Party as to that Unit or Property.

For any Occupied Unit not otherwise required to pay for Utility Services, "Responsible Party" shall mean the person or persons legally entitled to occupancy of the Occupied Unit, unless another Responsible Party has agreed in writing to pay and a copy of the writing is filed with the City. Any person who has agreed in writing to pay is considered the Responsible Party if a copy of the writing is filed with the City.

SERVICE MONTH: A thirty (30) day period that begins with the first (1st) day of each calendar month.

UTILITY ACCOUNT: The account set up for each Responsible Party to record billings, payments, adjustments, and other information pertaining to City's provision of Utility Services and/or Other Services.

UTILITY SERVICES: The City's provision of water to and sewage removal from a Billing Unit, Occupied Unit or Developed Property.

STEPS IN BILLING CYCLE **CURRENT PRACTICE** **OPTION A** **OPTION B** **STAFF PREFERENCE** **COMMENTS**

1	New Customer/Account Deposit	No money required up front; deposit added to first bill	Continue current practice	Require deposit prior to starting service	Continue current practice	With current system there is not a good way to record payment until new account is set-up in system and deposit is billed
2	Ultimate Responsibility	Non-property owners are allowed to set up accounts	Require that all accounts stay in property owners' or managers' name	Continue current practice	Require that all accounts stay in property owners' or managers' name	if current practice continues, create and implement agreement/acknowledgement for property owners with rental unit(s) to complete and sign if not received account to stay in owners name. Draft of agreement has been completed. This also gives us the authority we need to place a lien
3	Reading meters	Meters read on or around the 25th of the month	Continue current practice	Continue current practice	Continue current practice	
4	Billing	Bills are mailed on or about the 1st of each month; Bills are due the 10th of the month; Grace period typically 15 days after the 10th	Bills mailed on 1st; due on 10th; 5 day grace period	Bills mailed on 1st; due on 10th; 10 day grace period	Shorten grace period	Many other options
5	Bills Deemed Delinquent	Deemed delinquent on the 25th of the month	16th day of month	21st day of month	Deem delinquent day after end of grace period	Many other options
6	Late Notices	Late (delinquent) notice sent if no payment by the 10th of the second month. Typically about 45 days	Sent on 17th day; due within 7 days	Sent on 22nd day; due within 10 days	Send day deemed delinquent; shorter period in which to pay before turn off	Many other options
7	Door Hangers	Door hanger (24 hr. disconnect notice) delivered) if no payment 10 days after delinq notice mailed; \$15 fee added to bill	Add language to point out that this is a courtesy and payment is due regardless of whether they "received" the door hanger or not; maybe some language about where they are posted	Discontinue practice of placing door hangers	Tom - want to give people as much notice as possible however, they are labor intensive for office and field staff; if continued consider increasing fee	If door hangers are continued, staff will review administrative processes focusing on efficiency improvements. Could be that the hangers are replaced with phone calls or emails
8	Payment Extensions	Verbal "payment arrangements" are made with customers	Allow verbal extensions for no more than 5 days as long as promises are honored; longer than that need payment agreement.	Discontinue allowing verbal payment arrangements.	Allow verbal extensions for no more than 5 days as long as promises are honored; longer than that need payment agreement.	If verbal arrangements are allowed, they will be documented with in the UB system.
9	Involuntary Discontinuance of Service	24 hours after door hangers are placed we turn meter off and add disconnect fee	Continue current practice	Depends on choices for previous steps	Depends on choices for previous steps	

City of Veneta
Utility Billing Policies and Practices

STEPS IN BILLING CYCLE	CURRENT PRACTICE	OPTION A	OPTION B	STAFF PREFERENCE	COMMENTS
10 Reinstatement of services after off for non payment	Payment of 1/4 plus turn on fee and signed pay agreement	Pay balance in full and turn off/on fee.	Must pay all of delinquent amount plus turn off/on fee	Pay balance in full and turn off/on fee.	Forces customer to be caught up.
11 Use of pay agreements	In addition to offering pay agreements to customer's turned off for non-payment, we use pay agreements to assist customers struggling financially and/or customers that consistently call for extensions after receiving late notice and/or door hanger	Continue use of pay agreements under specified circumstances	Discontinue use of pay agreements	Torn - want to work with people struggling; however, they are labor intensive	We use a few different formats; however, they all state that failure to meet entire obligation will result in discontinuance of service without further notice. The pay agreements are intended to be valid until the customer becomes current on their account or they complete a new agreement based on a change in their financial situation.
12 Reinstatement of services after off for lack of pay agreement compliance (1st offense)	Decided on a case by case basis	No further extensions or pay agreements allowed (water stays off until account paid in full)	Pay 100% of delinquent amount plus turn off/on fee.	Pay balance in full and turn off/on fee.	Forces customer to be caught up; consistent with above
13 Authority to make Adjustments other than refunds and deposits	Adjustments not taken to council	Adjustments of \$2,500 or less to be made without motion by the council; however, management review would take place for adjustments between \$201 to \$2,500	Continue current practice	Continue current practice; however, add language about review and clarify that write offs will be handled separately	This is intended to be adhered to regardless of the reason for the adjustment.
14 Leak Adjustments	Whenever there is an extensive leak: adjust out any additional sewer charges based on use (commercial accts only); adjust out the amount billed under tier 2 and/or tier 3 (i.e. the charge should be the usage at the tier 1 rate at the time of leak). Allow customer to make payments (use a pay agreement form) when 90% of the leak amount has been paid per agreement adjust remaining 10% off of bill. After proof of repair is provided	No adjustments. Allow for pay agreement	Continue current practice or similar formula	Continue current practice. Add time frame same as #17	If adjustments allowed, customers would need to complete and submit the newly created "Request for Account Adjustment Form"
15 Use/Repositing of Deposits on Active Accounts	Deposits applied to accounts only upon termination of account or by written request.	Continue current practice	Do not allow deposit to be used on active accounts	Do not allow deposit to be used on active accounts	Seldom receive requests and creates extra work for staff

City of Veneta
Utility Billing Policies and Practices

STEPS IN BILLING CYCLE	CURRENT PRACTICE	OPTION A	OPTION B	STAFF PREFERENCE	COMMENTS
16 Refunding Deposit/Credit on Closed Accounts	Deposits are credited back to w/s accounts when the account is being closed. Checks are written and sent for any credit balances remaining regardless of amount.	Continue current practice	Revise wording, in appropriate places, to set a \$5 limit (i.e. credits less than \$5 will be kept by City also need to incorporate sewer deposit	Revise wording, in appropriate places, to set a \$5 limit (i.e. credits less than \$5 will be kept by City also need to incorporate sewer deposit	
17 Incorrect Service Start/Stop Dates (beyond current period). These can reduce or increase the amount due.	Corrections are made on a case by case basis	Corrections to be made going back 3 - 6 billing periods (including current period)	Only correct current (most recent) billing period	Corrections to be made going back 3 billing periods (including current period)	Implementation of new forms will greatly reduce the need for these types of adjustments and requests will need to be in writing
18 Closed Accounts with Balances (threshold on amount)	Send bills regardless of amount due	Continue current practice	Send bills with amounts due of \$5 or more	Continue current practice	
19 New applicants with balance from another Veneta account	Allow new service to start. We encourage a pay agreement for old account and send bills to new address	Continue current practice	Refuse new service until old account is paid in full	Refuse new service until old account is paid in full	
20 Non-Financial changes to accounts	Done over the phone with no documentation	Continue current practice	Require all changes in writing	Continue current practice as long as IDTP procedures are followed	IDTP means Identity Theft Protection. Reso. #1142 requires caller to provide some type of verification
21 Discontinuing Service Requests: moving	Done over the phone with no documentation; Meters more often then not are left on	Adjust current practice to incorporate use of written form; meters to be turned off	Continue taking requests verbally; meters to be turned off	Meter to be turned off unless landlord has signed agreement; requests in writing	Draft of Discontinuance of Service form has been completed
22 Discontinuing Service Requests: repairs	Done over the phone with no documentation; \$40 turn off/on fees; no allowance on base charges given	Adjust current practice to incorporate use of written form	Continue taking requests verbally; charge turn off/on fee and/or grant credit on base charges	Change ord to say in writing (if emergency can be after the fact) continue no fee we want people to fix problems; no credits	Draft of Discontinuance of Service form has been completed
23 Discontinuing Service Requests: vacation	Done over the phone with no documentation; no turn off/on fees; nor base charges until service resumed	Adjust current practice to incorporate use of written form	Continue taking requests verbally; no base fees as long as water is off	Change practice to require written form; continue to charge \$40	Draft of Discontinuance of Service form has been completed
24 Turning Off Meters for non-payment	Meters turned off and locked	Continue current practice	Change practice to require meter to just be turned off or removed	Continue current practice	

City of Veneta
Utility Billing Policies and Practices

STEPS IN BILLING CYCLE	CURRENT PRACTICE	OPTION A	OPTION B	STAFF PREFERENCE	COMMENTS
25 Delinquent Fee	Currently not charged	Continue current practice	Develop process and start charging	Torn- might motivate people to make payments more timely; however, creates additional processing and creates another area for disputes and adjustments	We charge for door hangers and for turn off/ons
26 Balance on property from previous tenant (user)	Service is provided to new tenant/user; collection efforts are continued on old users	Continue current practice	Deny service until old accounts paid	Deny service until paid	Per ORS we can do this as long as we have done proper notification to owner or owner's agent
27 Collections	Closed accounts are sent to collections 90 days after the final bill has been sent	Continue current practice	Allow more or less time before sending; add another step to contact person(s) prior to sending	Nice way to keep effort underway; however, large fees are added to original amount	Once sent to collections, it is out of our control. In most cases, this will be a moot point if we keep accounts in owner's name.
28 Write-Off	Rarely done; however, formal policy needed	Allow with guidance on timing and amounts	Don't allow	Language that allows for write-off with appropriate approval when reasonable attempts have been made to collect debt	Should not be needed except in rare cases (i.e. foreclosed property is sometimes sold or otherwise changes hands without new owner knowing about past due account and/or lien

STEPS IN BILLING CYCLE	CURRENT PRACTICE	PROPOSED	COMMENTS
1 New Customer/Account Deposit	No money required up front; deposit added to first bill	Continue current practice	With current system there is not a good way to record payment until new account is set-up in system and deposit
2 Ultimate Responsibility	Non-property owners are allowed to set up accounts	Continue current practice and implement agreement/acknowledgment for property owners with rental unit(s) to complete and sign. If not received account to stay in owners name. Draft of agreement has been completed. This also gives us the authority we need to place a lien	Draft of agreement has been completed. This also gives us the authority we need to place a lien
3 Reading meters	Meters read on or around the 25th of the month	Continue current practice	
4 Billing	Bills are mailed on or about the 1st of each month; Bills are due the 10th of the month; Grace period typically 15 days after the 10th	Mail bills on or about the 1st of each month; bills due on the 15th	
5 Bills Deemed Delinquent	Deemed delinquent on the 25th of the month	Deemed delinquent on the 16th of each month	
6 Late Notices	Late (delinquent) notice sent if no payment by the 10th of the second month. Typically about 45 days	Send to all accounts with an unpaid balance; allow a "grace" period of 10 days (due on the 27th)	
7 Door Hangers	Door hanger (24 hr. disconnect notice) delivered) if no payment 10 days after delinquent notice mailed; \$15 fee added to bill	Discontinue practice of placing door hangers	Initially we could make reminder phone calls on the 25th or 26th; in future could consider setting up automatic reminder calls (similar to other utilities)
8 Payment Extensions	Verbal "payment arrangements" are made with customers	Allow verbal extensions for no more than 5 days as long as previous three bills have been paid timely and previous extensions have been honored	Verbal arrangements will be documented with in the UB system.
9 Involuntary Discontinuance of Service	24 hours after door hangers are placed we turn meter off and add disconnect fee	Service discontinued on 28th of month for all accounts with unpaid balance unless extension allowed	
10 Reinstatement of services after off for non payment	Payment of 1/4 plus turn on fee and signed pay agreement	Pay balance in full and turn off/on fee.	Forces customer to be caught up.
11 Use of pay agreements	In addition to offering pay agreements to customer's turned off for non-payment, we use pay agreements to assist customers struggling financially and/or customers that consistently call for extensions after receiving late notice and/or door hanger	Allow payment agreements if no longer in Veneta; however, violation of agreement or lack of payment within 30 days of final bill will trigger sending account to collections or placing a lien	

City of Veneta
Utility Billing Policies and Practices

STEPS IN BILLING CYCLE	CURRENT PRACTICE	PROPOSED	COMMENTS
12 Reinstatement of services after off for lack of pay agreement compliance (1st offense)	Decided on a case by case basis	Discontinue practice of allowing pay agreements	Labor intensive and ineffective
13 Authority to make Adjustments other than refunds and deposits	Adjustments not taken to council	Adjustments of \$2,500 or less to be made without motion by the council; however, management review would take place for adjustments between \$200 to \$2,500	Adjustments will only be made going back three months; amounts less than \$5.00 will be written off.
14 Leak Adjustments	Whenever there is an extensive leak: adjust out any additional sewer charges based on use (commercial accts only); adjust out the amount billed under tier 2 and/or tier 3 (i.e. the charge should be the usage at the tier 1 rate at the time of leak).Allow customer to make payments (use a pay agreement form) when 90% of the leak amount has been paid per agreement adjust remaining 10% off of bill. After proof of repair is provided	If City receives a written adjustment request, continue current practice	Draft "Request for Account Adjustment Form" has been completed
15 Use/Posting of Deposits on Active Accounts	Deposits applied to accounts only upon termination of account or by written request.	Continue current practice	
16 Refunding Deposit/Credit on Closed Accounts	Deposits are credited back to w/s accounts when the account is being closed . Checks are written and sent for any credit balances remaining regardless of amount	Revise wording, in appropriate places, to set a \$5 limit (i.e. credits less than \$5 will be kept by City also need to incorporate sewer deposit	
17 Incorrect Service Start/Stop Dates (beyond current period). These can reduce or increase the amount due.	Corrections are made on a case by case basis	Corrections to be made going back 3 billing periods	Implementation of new forms will greatly reduce the need for these types of adjustments and requests will need to be in writing
18 Closed Accounts with Balances (threshold on amount)	Send bills regardless of amount due	Send bills with amounts due of \$5 or more	Bills in amounts less than \$5 will be written off
19 New applicants with balance from another Veneta account	Allow new service to start. We encourage a pay agreement for old account and send bills to new address	Refuse new service until old account is paid in full	Could allow pay agreement; however, consequence of not honoring would be discontinuance of service or lien if they are the owner too.
20 Non-Financial changes to accounts	Done over the phone with no documentation	Continue current practice as long as IDTP procedures are followed	IDTP means Identity Theft Protection. Reso. #1142 requires caller to provide some type of verification

City of Veneta
 Utility Billing Policies and Practices

STEPS IN BILLING CYCLE	CURRENT PRACTICE	PROPOSED	COMMENTS
21 Discontinuing Service Requests: moving	Done over the phone with no documentation; Meters more often than not are left on	Incorporate use of written form; Meter to be turned off unless landlord has signed agreement	Draft of Discontinuance of Service form has been completed
22 Discontinuing Service Requests: repairs	Done over the phone with no documentation; \$40 turn off/on fees; no allowance on base charges given	Requests need to be in writing (if emergency can be after the fact) continue no fee we want people to fix problems; no credits	Draft of Discontinuance of Service form has been completed
23 Discontinuing Service Requests: vacation	Done over the phone with no documentation; no turn off/on fees; nor base charges until service resumed	Require written form; continue to charge \$40	Draft of Discontinuance of Service form has been completed
24 Turning Off Meters for non-payment	Meters turned off and locked	Continue current practice	
25 Delinquent Fee	Currently not charged	Continue current practice	We would charge for turn off/ons
26 Balance on property from previous party	Service is provided to new tenant/user; collection efforts are continued on old users	Contact owner or owner's agent immediately to work out payment; deny service if there are two or more unpaid accounts	Per ORS we can deny service as long as we have done proper notification to owner or owner's agent; however, it "punishes" an innocent party
27 Liens	Inconsistent due to unclear language and past practice	Place liens on closed accounts 30 days after date of final billing as long as we have the authority to do so	Will incorporate a step to call and/or send letter around the 15th day as a friendly reminder
28 Collections	Closed accounts are sent to collections 90 days after the final bill has been sent	On accounts for which we cannot place a lien, send to collections 30 days after date of final billing	Once sent to collections, it is out of our control. In most cases. Only applies to non-owner users. Will incorporate a step to call and/or send letter around the 15th day as a friendly reminder
29 Write-Off	Rarely done; however, formal policy needed	Follow same guidelines as adjustments	Should not be needed except in cases of death or bankruptcy or collection
30 Payments returned for non-sufficient funds (NSF)	Amount of payment added back to utility account; \$25 fee also charged; after two in six months only cash, money orders, credit card accepted for one year	Same as practice and add language stating that NSF will be considered as if no payment made.	New language could put account back into delinquent status and subject to discontinuance of service if not remedied in the time given