



# CITY OF SANTA BARBARA

## ORDINANCE COMMITTEE AGENDA REPORT

**AGENDA DATE:** March 1, 2016

**TO:** Ordinance Committee

**FROM:** Environmental Services Division, Finance Department

**SUBJECT:** Amendment To Section 7.16.320 Of The Santa Barbara Municipal Code To Allow The Combination Of Discrete Water, Sewer And Refuse Services Onto One Utility Bill

### RECOMMENDATION:

That the Ordinance Committee forward to Council for introduction, An Ordinance of the Council of the City of Santa Barbara Amending Section 7.16.320, Billing and Collection, of the Santa Barbara Municipal Code to Allow the City, At Its Own Discretion, to Join Discrete Water, Sewer and/or Refuse Accounts When the Discrete Accounts Contain Corresponding Customer Identification Information and Corresponding Service Locations.

### DISCUSSION:

The City directly bills ratepayers for water, sewer and refuse services. Section 7.16.320 of the Municipal Code authorizes the City to include charges for refuse service on the same bill for water and sewer service. Over the past decade or more, water service was often established by the City, and trash service was established separately by the City's waste hauler(s), leading to the creation of hundreds of duplicate accounts in the City's Utility Billing System for the same customer at the same service location.

The existence of these duplicate accounts is inefficient and problematic for several reasons. Duplicate accounts: 1) increase the risk of data errors associated with utility billings; 2) complicate reporting and data management when extracting data from the system and; 3) may lead to inconsistent treatment of delinquent utility bills. Whereas protocols for termination of service for delinquent water accounts are under the City's direct control, delinquent trash accounts are pursued by MarBorg, the City's franchised refuse hauler, and other third-party collection agents, whose practices may differ from those set forth in the Municipal Code.

The recommended amendment to Section 7.16.320 of the Municipal Code would allow the City to combine approximately 1,930 discrete water, sewer and refuse accounts into 966 accounts. This action would also improve the efficiency and accuracy of the City's Utility Billing database and would ensure consistent treatment of accounts.

**BUDGET/FINANCIAL INFORMATION:**

There are no budget or financial impacts associated with the Council action.

**ATTACHMENT:** Redline of Section 7.16.320 of the Santa Barbara Municipal Code

**PREPARED BY:** Matthew R. Fore, Environmental Services Manager

**SUBMITTED BY:** Robert Samario, Finance Director

**APPROVED BY:** City Administrator's Office

ORDINANCE NO.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING SECTION 7.16.320 BILLING AND COLLECTION OF THE SANTA BARBARA MUNICIPAL CODE TO ALLOW THE CITY, AT ITS OWN DISCRETION, TO JOIN DISCRETE WATER, SEWER AND/OR REFUSE ACCOUNTS WHEN THE DISCRETE ACCOUNTS CONTAIN CORRESPONDING CUSTOMER IDENTIFICATION INFORMATION AND CORRESPONDING SERVICE LOCATIONS

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

Section 1. Section 7.16.320 of Chapter 7.16 of Title 7 of the Santa Barbara Municipal Code is amended to read as follows:

**7.16.320 Billing and Collection.**

The City shall cause the refuse billing of all commercial and residential occupants or owners to be made on suitable forms. Refuse service charges on all accounts may be added to and collected with the charges for water and/or sewer service furnished by the City for said premises. In such cases, the charges shall be billed upon the same bill as submitted for the charges for water service and/or sewer service and shall be due and payable bi-monthly at the same time and in the same manner that such charges for water and/or sewer service are due and payable; providing, however, separate bills are not to be prepared for residential premises which are not provided water and/or sewer service by the City. In cases where the same City utility customer receives multiple utility services (refuse, water, or sewer service, or any combination thereof) at the same service location, the charges for all utility services provided to the customer by the City

at the particular service location shall be combined on the same bill. In the event of delinquency of twenty (20) days after presentation of billing for refuse service by the City to the service customer, the City may instruct the contractor to cease pickup of refuse, and may discontinue water service to the premises for which payment is delinquent. In such event, water and refuse services shall be resumed only upon payment of all arrearages for said services, plus a service resumption fee ~~of fifteen dollars (\$15.00) for water turn-on as provided in Chapter 14.16 of this Code (Ord. 3990, 1979; Ord. 3568 §3, 1972.)~~ as set by a resolution of the City Council.



FINANCE DEPARTMENT

# COMBINING REFUSE AND WATER BILLS

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Ordinance Committee March 1, 2016

# Background

- ◆ City provides and bills for three utility services:
  - Water
  - Wastewater
  - Refuse Collection
- ◆ Many times there is more than one billable customer for each service location
  - Landlord pays for water and wastewater service
  - Tenant pays for refuse service

# Duplicate Utility Accounts

However:

- ◆ There are approximately 1,900 discrete accounts \* for water and refuse service that correspond to:
  - The same billable customer and,
  - The same service location

\* *City bills approximately 30,000 accounts*

# Duplicate Utility Accounts (cont'd)

## How Were Separate Accounts Created?

- ◆ City established water/wastewater
- ◆ MarBorg/Allied Waste established refuse service
- ◆ Calls from separate employees to establish service at a single business



# Consequences of Duplicate Utility Accounts

- ◆ May degrade data quality of City's Utility Billing System
- ◆ Complicates reporting and data management when extracting information from the Utility Billing System

# Consequences of Duplicate Utility Accounts (cont'd)

- ◆ May lead to inconsistent treatment of delinquent utility bills:
  - Protocols for delinquent water bills established by Municipal Code
  - MarBorg often pursues delinquencies for refuse only accounts

# Staff Recommendation

## ***That the Ordinance Committee:***

Forward to Council for introduction, An Ordinance of the Council of the City of Santa Barbara Amending Chapter 7.16.320 Billing and Collection of the Santa Barbara Municipal Code to Allow the City, At Its Own Discretion, to Join Discrete Water, Sewer and/or Refuse Accounts When the Discrete Accounts Contain Corresponding Customer Identification Information and Corresponding Service Locations.