

BY-LAW NUMBER 52-2016

OF

THE CORPORATION OF THE CITY OF BRANTFORD

Being a By-law to repeal By-laws 110-2015 and 145-2015 and to establish a Water and Wastewater Billing and Collection Policy within the City of Brantford

WHEREAS Section 391 of the *Municipal Act, 2001*, as amended, authorizes a municipality to pass by-laws imposing fees or charges on persons for services or activities provided or done by or on behalf of it; and

WHEREAS the *Municipal Act, 2001*, as amended, authorizes a municipality to shut off the supply of a public utility if the fees or charges payable by the owners or occupants of the land for the supply of the public utility are overdue; and

WHEREAS City Council at its meeting held September 21, 2015 adopted By-law 110-2015, being a By-law to establish a Water and Wastewater Billing and Collection Policy within the City of Brantford with an effective date of January 1, 2016; and

WHEREAS City Council at its meeting held December 21, 2015 directed staff to delay implementation of By-law 110-2015 until April 1, 2016 pending further consultation with the public and stakeholders; and

WHEREAS further consultation with the public and stakeholders resulted in the need for amendments to the policy; and

WHEREAS City Council at its meeting held on March 29, 2016 approved changes to accommodate landlord concerns;

1. to streamline the application process;
2. to allow billing of tenants with individual meters at a shared service;
3. for residential tenant accounts, the unpaid fees and charges will be transferred to the property tax account if the owner does not provide to the City prompt access to the property for disconnection of services or at the discretion of the City Treasurer or designate

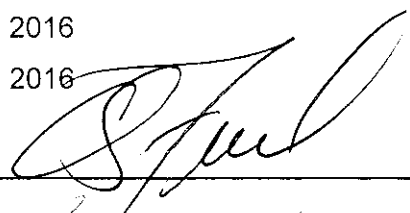
NOW THEREFORE the Council of the Corporation of the City of Brantford enacts as follows:

1. That an amended Water and Wastewater Billing and Collection Policy as attached hereto as Schedule "A" be adopted;
2. That By-laws 110-2015 and 145-2015 be repealed in their entirety; and
3. That this By-law shall come into force effective April 1, 2016.

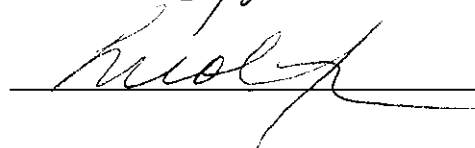
READ A FIRST TIME: MARCH 29, 2016

READ A SECOND TIME: MARCH 29, 2016

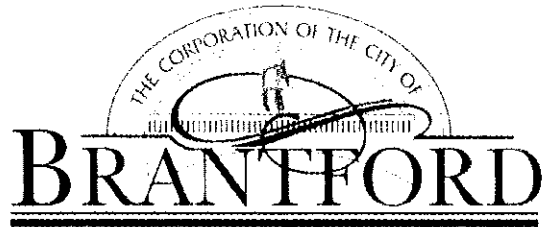
PASSED: MARCH 29, 2016



MAYOR



CLERK



POLICY NUMBER: Finance-008

SUBJECT: Water and Wastewater Billing and Collection Policy

POLICY STATEMENT:

The intent of this policy is to effectively and consistently manage the City of Brantford's Water and Wastewater receivables, reduce bad debts, and increase transparency and operational efficiencies in dealing with billing and collection matters.

RELATED POLICY PROCEDURES/GUIDELINES:

1. SCOPE

This policy applies to all customers who purchase or receive water, and wastewater services in the City of Brantford, and all property owners whose property is being supplied water, and wastewater services.

2. BILLING & RATES

Water and Wastewater fees will be billed bi-monthly (once every two months) at the rates adopted by Council. Commercial/Industrial accounts with higher water consumption (meter sizes greater than 1 inch) may be billed on a monthly basis.

3. READINGS

- a. All customers are required to grant authorized employees of the City of Brantford ("the City") access to the outside remote reader and water meter at the service address. Meters and remote readers must be accessible at all times.
- b. The City must be notified of a required final reading a minimum of five (5) business days prior to the date when a customer vacates or occupies the property, and also when a property changes ownership.
- c. The City must be notified of the correct forwarding mailing address for the final bill.

4. BILLING ERRORS

- a. Where an error results in an over-billing, the customer will be credited for the amount erroneously paid for a period not exceeding two (2) years.
- b. Where billing errors have resulted in an under-billing, the customer will be charged with the amount erroneously not billed for a period not exceeding (2) two years.

5. RESIDENTIAL & COMMERCIAL TENANTS

The *Municipal Act*, 2001, s.398 (2) makes the owner responsible for the water/wastewater charges to all properties. For residential tenant accounts, the unpaid fees and charges will be transferred to the property tax account if the owner does not provide to the City prompt access to the property for disconnection of services or at the discretion of the City Treasurer or designate. The owner may request that the occupant be billed directly. The City may bill the occupant directly as a convenience to the owner under the following conditions:

- a. An application form shall be completed and signed by the owner and returned to the City. The tenant completes an application form, pays a security deposit (if required) and any outstanding water/wastewater arrears from previous addresses and;
- b. Upon reasonable notice to the owner, the City may at any time and for any reason, discontinue billing the occupant.

6. WATER AND WASTEWATER COLLECTIONS

- a. Payments are due on the date indicated on the water and wastewater bill and will be due at least 16 calendar days following the billing date.
- b. Payments by mail will be processed as of the date the payment is received.
- c. A service charge shall be applied in accordance with the Fees and Charges By-law, if a payment is dishonored by the financial institution for any reason.
- d. All unpaid fees and charges will be charged interest at a rate of 1.5% per month and 19.56% effectively per annum as of the payment due date as specified in the Fees and Charges By-Law.
- e. All fees and charges relating to the supply of water and wastewater services, or for any other expenses, shall be paid by the owner or occupant of the property.
- f. If the fees and charges are not paid by the owner or occupant for any reason, the City may transfer the unpaid fees and charges to the property tax account in accordance with the provisions of the *Municipal Act*, 2001. For residential tenant accounts, the unpaid fees and charges will be transferred to the property tax account if the owner does not provide to the City prompt access to the property for disconnection of services or at the discretion of the City Treasurer or designate.
- g. Prior to disconnection of water services the City shall:
 1. Issue a Reminder Notice at least 7 days following the due date;
 2. Issue a Disconnection Notice at least 10 days from the issuance of the reminder notice.
 3. If the property is tenanted, a copy of the Disconnection Notice will also be sent to the owner.
 4. Attempt to leave a Disconnection Notice at the property providing notice of disconnection of at least 48 hours. A fee shall be charged for the Disconnection Notice as per the Fees and Charges by-law.
- h. The City reserves the right to shut off the supply of water to any premise that has unpaid fees and charges. The City shall restore the supply of water upon payment to the City of such overdue amounts plus any applicable service charges, penalties and interest and security deposit.

7. FEES

All relevant water and wastewater fees shall be included in the City's Fees & Charges By-law.

8. RETURNED PAYMENTS

- a. An administration fee set out in the City's Fees & Charges By-law will be charged for any payment returned by the customer's financial institution. A letter will be mailed to the customer advising of the returned payment, the amount of the returned payment, the Returned Payment Fee (Non-Sufficient Funds (NSF) Charge) and any late payment charges will be charged to the customer's account.
- b. When a payment has been returned for a past due account the City will continue to collect the amount past due as if the payment was never made.
- c. If payment has been returned for the same billing account two (2) times or more in a calendar year, the City reserves the right to cancel the customer's participation in the Pre-Authorized Payment Plan.
- d. The City may report returned payments to an accredited Collection Agency.
- e. When a payment has been returned a security deposit may be added to a customer's account or increased.
- f. The City may transfer an amount past due to the property tax roll if a payment is returned by the customer's financial institution.

9. SECURITY DEPOSITS

Residential/Small Commercial Tenant Accounts

Residential/Small Commercial Tenant accounts that are billed bi-monthly will be required to pay a security deposit equal to an average two-month billing at the address being serviced times the billing factor of 1.75. If billing history is unavailable the deposit will be based on an estimate of future usage as determined by the municipality.

If the customer is enrolled in the **Automatic Payment Plan**, the required deposit will be calculated using a billing factor of 1.0 times the average two month bill. **A security deposit will be waived subject to:**

- a. Satisfactory payment record at the City of Brantford
- b. Proof of satisfactory payment record with another Municipality, electrical, or gas distributor for 1 year will be accepted in lieu of a deposit. The time period of the payment history must be the most recent period of time and some of the time period must have occurred in the previous 24 months.

A Residential / Small Commercial Tenant customer has a satisfactory payment record when:

- a. No more than one (1) NSF cheque has been received from the customer, or;
- b. No more than one (1) pre-authorized payment has been returned as NSF, or;
- c. No more than one (1) disconnect/collect trip has occurred, or;
- d. No more than one (1) disconnection for non-payment has occurred.

Unsatisfactory payment record:

If a satisfactory payment record *cannot* be maintained, a cash deposit will be required. Cash deposits will be returned by being applied as a credit to the customer's utility account at such time as when either of the following occur:

- a. The establishment of a one-year satisfactory payment record.
- b. Termination of service.

Interest on cash deposits will accrue monthly. The interest paid will be the Prime Business Rate as published by the Bank of Canada less 2 percent updated quarterly. Interest on cash deposits will be applied once annually and on termination of the account.

Commercial/Industrial Tenant Accounts

All new Tenant accounts will be **required** to pay a security deposit.

Commercial/Industrial accounts billed monthly will be required to pay a security deposit equal to an average monthly bill at the address being serviced times the billing factor of 2.00. If no billing history is available the deposit will be based on an estimate of future usage as determined by the municipality.

If the customer is enrolled in the *Automatic Payment Plan*, the required deposit will be calculated using a billing cycle factor of 1.0.

A security deposit will be waived subject to:

- a. Satisfactory payment record at the City of Brantford
- b. Proof of satisfactory payment record with another Municipality, electrical, or gas distributor for 5 years will be accepted in lieu of a deposit. The time period of the payment history must be the most recent period of time and some of the time period must have occurred in the previous 24 months.

A Commercial/Industrial Tenant Account customer has a satisfactory payment record when:

- a. No more than one (1) NSF cheque has been received from the customer, or;
- b. No more than one (1) pre-authorized payment has been returned as NSF, or;
- c. No more than one (1) disconnect/collect trip has occurred, or
- d. No more than one (1) disconnection for non-payment has occurred

Unsatisfactory payment record:

If a satisfactory payment record *cannot* be maintained, a cash deposit will be required.

Cash deposits will be returned by being applied as a credit to the customer's utility account at such time as when either of the following occur:

- a. The establishment of a 5 year satisfactory payment record.
- b. Termination of service.

Interest on cash deposits will accrue monthly. The interest paid will be the Prime Business Rate as published by the Bank of Canada less 2 percent updated quarterly. Interest on cash deposits will be applied once annually and on termination of the account.

The form of payment of a security deposit for non-residential customers shall be cash, cheque or an automatically renewing, irrevocable letter of credit from a bank as defined in the *Bank Act, 1991, c.46*.

Federal/Provincial/Municipal Government Accounts:

Federal, Provincial or Municipal Governments and other public sector operations will be exempt from deposit requirements.

10. FINAL BILLED ACCOUNTS:

1. Final Billed Tenants:

- a. A collection letter will be sent to all tenant accounts with a Final Billed arrears balance after the due date of the final bill. All reasonable attempts to collect the arrears will be made, including additional collection letters requesting payment.
- b. The City reserves the right to refuse to set up a new tenant account for tenant(s) who have left arrears at a previous service address until the arrears at the previous service address have been paid in full.
- c. The City may add the arrears to the property tax roll after reasonable notice has been given to the owner. For residential tenant accounts, the unpaid fees and charges will be transferred to the property tax account if the owner does not provide to the City prompt access to the property for disconnection of services or at the discretion of the City Treasurer or designate.
- d. A final billed tenant who has arrears may be reported to an accredited Collection Agency.
- e. A final billed tenant who has a credit will be refunded. Any unclaimed credit will be held by the City for two (2) years and then claimed as revenue. A written request may be required before the City will issue a replacement cheque.
- f. Credits or debits of \$5.00 or less for inactive accounts may be written off.

2. Final Billed Owners:

- a. A collection letter will be sent to the previous account holder after the due date on the final bill.
- b. All reasonable attempts to collect the arrears will be made from the previous owner, including additional collection letters requesting payment.
- c. Unpaid arrears may be transferred to property taxes with reasonable notice to the current property owner.
- d. Credits or debits of \$5.00 or less for inactive accounts may be written off.

Date of Enactment: March 29, 2016	Related By-law Number/Staff Report Number: CS2016-021
Review and Amendment Dates:	Department Responsible for Review: Finance
Date of Next Review:	Applicable Legislation/Legislative Authority: <i>Municipal Act, 2001, as amended</i>