

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF SAN JOSE AMENDING CHAPTER **15.08** OF TITLE **15** OF THE SAN JOSE MUNICIPAL CODE TO ADD A NEW SECTION **15.08.330** TO REQUIRE TIMELY PAYMENT OF BILLS FOR MUNICIPAL WATER SERVICE; TO AUTHORIZE THE DIRECTOR OF FINANCE TO CANCEL LATE CHARGES ON DELINQUENT MUNICIPAL WATER BILLS, UP TO ANY AMOUNT, WHERE THE CUSTOMER CAN DEMONSTRATE THAT HE OR SHE DID NOT RECEIVE A BILL, OR THE BILL IS ERRONEOUS, PROVIDED THE CANCELLATION REQUEST IS MADE WITHIN NINETY **(90)** DAYS OF RECEIVING NOTICE OF THE LATE CHARGE; AND TO AUTHORIZE THE DIRECTOR OF FINANCE TO CANCEL LATE CHARGES IMPOSED ON MUNICIPAL WATER BILLS UNDER SPECIFIED CIRCUMSTANCES

WHEREAS, the City Council desires to establish a requirement for the timely payment of bills for municipal water service and for the assessment of late charges in the event of delinquency in payment; and

WHEREAS, the City Council desires to permit the Director of Finance to cancel or refund late charges under specified circumstances;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SAN JOSE:

SECTION 1. Chapter 15.08 of Title 15 of the San Jose Municipal Code is amended to add a new Section 15.108.330 to be entitled and to read as follows:

**15.08.330 Payment for Service**

- A. Any bill for municipal water service not paid by the due date specified in the bill shall be deemed delinquent.
  
- B. If any bill for municipal water service becomes delinquent, a late charge in an amount set forth in the Schedule of Fees established by resolution of the City Council shall be added to the bill. The late charge shall be in addition to any administrative charges imposed for reconnection of service in the event of service shut-off due to non-payment.
  
- C. Notwithstanding subsection B. above, the Director of Finance may cancel the late charge for municipal water service if:
  - 1. The person whose name appears on the bill can demonstrate that, prior to its due date, the bill was not received for the billing period for which the late charge is imposed; and
  - 2. The person whose name appears on the bill files a request for cancellation with the Director of Finance within ninety (90) days of receiving notice of the late charge.
  
- D. Notwithstanding subsection B. above, if the Director of Finance determines that a late charge was erroneously added to a bill for municipal water service, the Director may:
  - 1. Cancel the late charge in any case where the error is discovered prior to the payment of the late charge; or

2. Refund the late charge in any case where the error is discovered after the late charge has been paid.
- E. Notwithstanding subsection B above, the Director of Finance may cancel any late charge imposed on a bill for municipal water service, in an amount not to exceed Five Hundred Dollars (\$500) if:
1. The person whose name appears on the bill requests a cancellation within thirty (30) days of receiving notice of the late charge; and
  2. During the twenty-four-month (24) period immediately preceding the billing date on the bill on which the late charge first appears, the person whose name appears on the bill has not been granted any other cancellation of a late charge for municipal water service provided to the premises for which the bill was issued; and
  3. Prior to the cancellation of the late charge, the person whose name appears on the bill pays the delinquent bill for which the late charge was imposed.

**DRAFT**

PASSED FOR PUBLICATION of title this \_\_\_\_\_ day of \_\_\_\_\_, 2006. by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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RON GONZALES  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk