

City of Oak Harbor
Department of Finance
Storm Drain Policy & Procedure

Introduction

Pursuant to Oak Harbor Municipal Code 12.40.030, the City of Oak Harbor will impose a drainage service charge on every parcel within the city and the owner(s) thereof, with limited exemptions. The drainage service charge established shall be based upon the contribution of increased surface and storm water runoff from a parcel to the system, and as a participatory share of the costs of storm drainage related infrastructure in those common areas within the City. Single-family residential parcels are grouped together in one rate category based on an estimated city-wide average contribution of surface and storm water runoff. The amount of contribution for other properties is measured by the estimated square footage of impervious surface area on the parcel and total area of the parcel.

For complete Drainage Utility Charges, definitions, exemptions and other provisions, please see OHMC Chapter 12.40.

Objective

The City of Oak Harbor's foremost objective is to provide excellent customer service. The primary purpose of Utility Billing is to bill for utility service accurately and promptly, and to take timely and reasonable actions to collect past due amounts. Both are to be accomplished in a fair and consistent manner that does not benefit one party over another.

Scope

The scope of this Storm Drain Policy and Procedure is to establish a uniform process for storm drain account set-up, billing, collection and refunds.

A. Account Set-Up

- 1. Initial Contact.** Upon receiving a request for a water permit, annexation or additional new construction, the Development Services department will be responsible for initiating and creating the customer file, by address.
 - i.** The employee appointed in charge of such file, will then forward any permits or annexation documentation to the Billing Clerk and/or Cashier in the Finance Department for review and record keeping.
 - ii.** The Development Services employee will then examine the City's files to see if a site plan is on file. If the City already has a site plan, the employee will copy the site plan to use for calculation and markup. He or she will also use AutoCAD template to scale impervious area from aerial photos with parcel map overlay.
 - iii.** If the City does not have a copy of the site plan, the Development Services employee will then delineate impervious surface and measure impervious surface in square feet or use the City Engineer's calculations.
 - iv.** If the site plan or aerial photos produce unreasonable square footage results, a site visit may be necessary to verify the impervious surface as well as provide actual pictures to add to the file.
 - v.** The Development Services employee will then fill out the impervious surface calculation record, initial, and provide the record to an Engineering staff member for verification of calculations, review and initial.
 - vi.** A copy of the impervious surface calculation record will be provided to the Billing Clerk for Finance records, the original will remain filed in the Engineering department.
- 2. Utility Billing Account Set-Up.** Upon receipt of the impervious surface calculation record from Engineering, the Billing Clerk will create a Finance "Pending Storm Drain Accounts" folder. The customer account will not be set-up in EDEN's until the Billing Clerk receives the meter installation paperwork from Public Works Water Division. At that point, the following will be accomplished:

- i. The Billing Clerk will create a new customer and account number in the UB module of EDEN. She/he will then create one Customer based on ownership status, regardless of how many units the commercial or multi-residential building may have.
- ii. The entire impervious surface measurement will then be entered as a total under that owner's account, whether it is an Association or an individual person or corporation. The owner's responsibility is to decide how he/she will divide and charge out the square footage to the tenants. It is not the City's responsibility to provide such calculations and send out any such invoices. The City will bill one and only one account for the entire impervious surface measurement amount. If the multi-residential complex consists of multiple condo owners, the City will bill the Home Owner's Association account for the entire storm drain amount. The Association will then be responsible for payment to the City and to ensure it receives reimbursement from the condo owners.
- iii. If a dumpster account already exists for a multi-residential or commercial account, the storm drain will be added to the dumpster account and be billed consecutively based on when the meter was installed.

B. Utility Billing of Storm Drain

The Billing Clerk will be responsible for accurately maintaining the Finance records relating to the installation of new water meters, meter change-outs, annexation documentation and any other records pertaining to impervious surface measurements received from Public Works, Water Division or Engineering, addressed to Finance and Utility Billing.

1. Water Meter Installed, Project Not Complete

- i. Immediately following the meter installation procedure in Utility Billing, the Billing Clerk shall bill 50% of the impervious surface measurement amount.
- ii. If it is discovered that a water meter was installed sometime in the past but storm drain was neglected to be charged, the Finance Director has the authority (pursuant to OHMC 3.95.160 & 12.40.040) to authorize supplemental billing not to exceed more than 2 years after the date of the under billing.
- iii. If the Billing Clerk receives notice of occupancy approval from Development Services but did not charge any storm drain, she/he will back-bill 50% of the storm drain charge from the date of meter installation up-to the date of the occupancy approval issuance.

2. Water Meter Installed, Project Complete, Occupancy Approved of Property Annexed

- i. It is the responsibility of the Development Services and Engineering departments to notify the Billing Clerk of when a project is complete, occupancy approval is filed or the date of property annexation into city limits.
- ii. It is the responsibility of the Finance department, specifically the Billing Clerk's, to adjust the storm drain utility billing fee in EDEN to reflect 100% of the impervious surface charge from the date of the occupancy approval, project completion or annexation into city limits.
- iii. It is also the responsibility of the Billing Clerk to consecutively add water, meter, sewer and any garbage fees to the 100% complete Utility Billing Accounts.

C. Collection of Past Due Storm Drain Charges

1. Accounts 45 Days Past Due

- i. According to OHMC Chapter 3.95.080 "Delinquency", if an account is not paid when due, a \$15.00 delinquency fee shall be assessed to the account. Per OHMC Chapter 12.40.100, according to RCW 35.67.200, the delinquent account will also bear interest at the rate of 8% per annum, or 0.67% per month charged on the past due storm drain amounts, excluding any other late fees and penalties already billed.
- ii. If a customer protests the storm drain billings and a workable solution is not attained by the billing staff, the Finance Director shall be contacted for appropriate procedures.

2. Accounts Over 90 Days Past Due

- i. If payment is not received within 90 days, the City may take one or more of the following actions, based upon the judgment of the Finance Director as to the most optimum method of securing payment:
 - a. The Billing Clerk may forward the name, address, and balance due to the City's attorney who will prepare a collection letter explaining the legal consequences of non-payment;
 - b. The terms of the nonpayment may be communicated to any or all of the nationally recognized credit reporting agencies;

- c. Customer may be denied access to any other Utility services;
 - d. The City may impose a lien for all delinquent and unpaid drainage service charges, including interest and delinquency penalties, against any parcel for which the drainage service charges are delinquent as provided by RCW 35.67.200.
 - e. The City shall follow RCW 35.67.200 through 35.67.290 relating to lien procedures and foreclosures.
- ii. In the case of foreclosure actions to collect delinquencies, the City shall seek also to collect reimbursement of reasonable costs of collection, including but not limited to attorney's fees, staff time, and filing fees. (OHMC 12.40.100(2)).

D. Consideration of Credits and Refunds

1. Over-Billing, Active Account

- i. Pursuant to OHMC Chapter 3.95.160(1), if the Finance Director, upon investigation or otherwise, finds that the storm drain fee charged by the City was based on erroneous impervious surface and was more than the amount required, he or she shall do one of the following (based on the customer's preference):
 - a. Return the amount overpaid by check upon the utility fund or funds receiving the over payment; or
 - b. Leave the credit on the customer's account to be used toward future storm drain billing charges.

2. Client Refund, Closed Account

- ii. Upon sale or transfer of a property to another customer, the utility account will be closed. If there are any on account amounts due back to the customer, the City shall reimburse the customer within 60 days of account close. Please see UB Refunds Procedure for details.
- iii. No refunds less than \$1.00 will be made on a customer's account.