

ORDINANCE NO. 339

AN ORDINANCE AUTHORIZING THE RECOVERY OF THE COSTS OF COLLECTING UTILITY BILLS THROUGH THE ASSESSMENT OF A COLLECTIONS FEE; AUTHORIZING THE USE OF ANY LAWFUL METHOD TO COLLECT UTILITY BILLS, INCLUDING THE USE OF ATTORNEYS OR COLLECTIONS AGENCIES; AND ESTABLISHING A MAXIMUM COLLECTION FEE FOR COLLECTIONS AGENCIES BASED ON A PERCENTAGE OF THE AMOUNT DUE TO THE MUNICIPAL UTILITY

WHEREAS, the Town of Springfield is authorized by Colorado law and Town Ordinances to charge for utility services;

WHEREAS, Utility bills that are not paid immediately may become delinquent, increasing the cost of collection to the Town;

WHEREAS, the Town may find that the use of a collection agency to recover late or delinquent utility bills may improve the efficiency and success rate for such collections; and

WHEREAS, the Town seeks to ensure that the costs of collection are recovered from the utility customers who are responsible for late or delinquent utility bills.

NOW THEREFORE, be it ordained by the Board of Trustees of the Town of Springfield, Colorado as follows:

Sec. 1. Purpose. The purpose of this ordinance is to authorize the use of any lawful means to collect payment for late or delinquent utility bills, to impose a fee upon the late or delinquent utility customer to cover the cost of collection, and to establish a maximum collection fee.

Sec. 2. Section 13-47(b), Springfield Municipal Code is amended as follows:

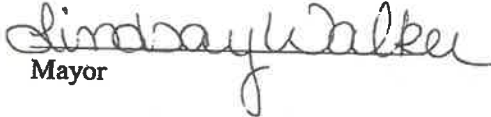
(b) in the event such bills are not paid in full within forty (40) days after the date when rendered, water and sewer service ~~shall~~ may be discontinued, or the Town may seek to collect the bills in any lawful manner, including the use of a private collections agency. In the event the Town attempts to collect the bill using legal process or a collections agency, the reasonable costs of collection, along with interest on the outstanding balance at the statutory rate for judgment liens, shall be payable by the customer. In the event the Town uses the services of a collections agency, the reasonable costs of collection shall be limited to 25 percent of the balance due (which may include interest).

Sec. 3. Section 13-93, Springfield Municipal Code is added as follows:

Sec. 13-93. Collection of Electric Utility Payments. The Town may seek to collect late and delinquent electric utility payments in any lawful manner, including the use of a private collections agency. In the event the Town attempts to collect payments using legal process or a collections agency, the reasonable costs of collection, along with interest on the outstanding balance at the statutory rate for judgment liens, shall be payable by the customer. In the event the Town uses the services of a collections agency, the reasonable costs of collection shall be limited to 25 percent of the balance due (which may include interest).

Sec. 4. Severability. If any part or parts of this ordinance are for any reason held to be invalid, such provision shall not affect the validity of the remaining portions of this ordinance. The Board of Trustees hereby declares that it would have passed this ordinance and each part or parts hereof, irrespective of the fact that any one part or parts be declared invalid.

Passed by the Board of Trustees and signed this 11 th day of January 2018.


Mayor



Town Clerk