TO:        HONORABLE CITY COUNCIL

FROM:      CITY MANAGER

DEPARTMENT: UTILITIES

DATE:      SEPTEMBER 13, 2004

CMR:402:04

SUBJECT:   ADOPTION OF A RESOLUTION TO CHANGE UTILITY RATE
SCHEDULE C-1 “UTILITY SERVICE CALLS” EFFECTIVE SEPTEMBER 13, 2004

RECOMMENDATION
Staff recommends that Council adopt the attached resolution amending Utility Rate Schedule C-1, "Utility Service Calls" effective September 13, 2004.

BACKGROUND
The Municipal Fee Schedule adopted by the City Council on June 28, 2004, to be implemented July 1, 2004, changed the amount charged to customers for returned checks. Rate schedule C-1 includes a charge for returned checks for the Utilities Department. It is now necessary to change the returned check costs in the Rate Schedule to be consistent with the adopted Municipal Fee Schedule.

DISCUSSION
The Municipal Fee Schedule effective July 1, 2004 includes an increase to the returned check charge, as stated on page 14 of the Schedule. This increase was proposed as a result of a June 1, 2004 memorandum by the City Auditor, titled "Write-off Policy for Returned Checks Less than $25.” The recommendation made therein, and later adopted by the City Council, was to increase the returned check charge. Utilities staff was made aware of this change in early July, and realized that this was inconsistent with the current returned check fee of $10 as stated on the “Utility Service Calls” Rate Schedule C-1.

In order to prevent this situation from arising again, this proposed amendment would refer individuals and businesses to the returned check charge as adopted in the annually updated Municipal Fee Schedule.
POLICY IMPLICATIONS
The recommended action is consistent with City Council direction, and does not represent a change to existing policies.

ENVIRONMENTAL REVIEW
Adoption of the resolution to amend Utilities Rate Schedule C-1 does not constitute a project under the California Environmental Quality Act.

ATTACHMENTS
A: Resolution
B: Utility Rate Schedule C-1

PREPARED BY: Eric Keniston, Utilities Rate Analyst

REVIEWED BY: Lucie Hirmina, Manager, Utility Rates

DEPARTMENT HEAD APPROVAL: JOHN ULRICH
Director of Utilities

CITY MANAGER APPROVAL: EMILY HARRISON
Assistant City Manager