



VILLAGE OF KEY BISCAINE

Office of the Village Manager

MEMORANDUM

Village Council
Franklin H. Caplan, *Mayor*
Michael E. Kelly, *Vice Mayor*
Michael W. Davey
Enrique Garcia
Robert Gusman
Mayra P. Lindsay
James S. Taintor

Village Manager
Genaro "Chip" Iglesias

DATE: September 6th, 2011
TO: Honorable Mayor and Members of the Village Council
FROM: Genaro "Chip" Iglesias, Village Manager
RE: Stormwater Back Bills Payment Plan

A large, stylized handwritten signature in black ink, which appears to be "Genaro", is written over the "FROM" line of the memorandum.

RECOMMENDATION

It is recommended that Council approve the procedure outlined below for collection of unbilled/under billed stormwater fee accounts.

BACKGROUND

On July 5th, 2011 Village Council directed staff to collect stormwater fees that were not previously billed or under-billed. The statute of limitations for collection of past debt is four years. Property owners were notified at the end of July and early August of the Council's decision. In the notification, the owners were informed that fees were due in October of this year. Several properties have requested an extension to pay the stormwater fees as this was an unbudgeted expense. Staff has prepared the following recommendation for owners that request an extension to pay the stormwater fees.

Under Billed/Unbilled Accounts

As presented to Council on July 5th, 2011, staff review found that some properties were either under-billed or unbilled. Staff has provided and instructed MDWASD to begin billing an additional 842.65 ERU's (\$134,992.72 per year at the current rate). The statute of limitations to collect on past debt is 4 years. Council directed staff to commence collection of these accounts as per the statute of limitations. The Village would collect \$297,615.71 (at the previous rate of \$5 per ERU for multi-family and \$7.50 per ERU for single family).

Since the July 5th Council meeting and after consulting with the Village Attorney it has been determined that the four year limitation begins as of the date of notification. This results in approximately \$44,000 less in fees since the Village began billing these properties in April of 2011. Staff is preparing new notifications to the affected owners advising them of the new amount.

Delinquent Stormwater Utility Fee Account Procedure

Section 5 (c) of Ordinance 93-11 authorizes the Village Manager to establish procedures to notify owners or managers of Developed Property of delinquent Stormwater Utility Fee accounts. The following is the procedure the Village Manager shall establish to notify owners of delinquent Stormwater Utility Fee Accounts:

- 1.) Notify owner or manager of developed property of delinquent Stormwater Utility Fee in writing. Notification will specify payment should be paid in full within 60 days of notice. An owner or property manager may request a payment plan for delinquent fees.
- 2.) Any property owner or property manager that requests an extension/payment plan within the 60 day period may for good cause have the late fees/penalties waived by the Village Manager. These properties will have one year from the date of notification to pay in full the delinquent fee.
- 3.) In the event that the property owner or property manager fails to fully pay the delinquent amount within one year of notification, the Village shall impose late fees and penalties as stated in Section 5(a) of Ordinance 93-11.
- 4.) Any owners that do not request an extension/payment plan within the specified time period will be subject to Section 5 (a) in which a ten percent late charge will be incurred. Moreover, if not paid within sixty (60) days of the notification date, an additional interest charge of eight (8) percent per annum will begin to accrue on the unpaid balance. The Village may be required to seek collection of these fees in a court of competent jurisdiction and after the 60 day period the unpaid past due fees and charges, including interest, will result in a lien on the property. Interest will continue to accrue after the lien is filed until the account balance is paid in full.