

ORDINANCE NO. O2019-017

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA,
ARIZONA, AMENDING TITLE 19, CHAPTER 193, SECTION 71 OF THE
CITY CODE BY CHANGING THE COLLECTION FEE FOR
DELINQUENT PAYMENTS**

WHEREAS, Article XIV, Section 2(a) of the Yuma City Charter provides that the City Council has the power to own and operate any utility and, by ordinance, has the power to provide for its regulation and the fixing of rates to be charged; and,

WHEREAS, the City has encountered a high number of defaulted utility bill accounts that have been referred to a collection agency; and,

WHEREAS, the cost of the collections on the bad debt should be covered by the delinquent account holders; and,

WHEREAS, by authority of Ordinance No. 2037 dated September 2, 1981, a collection fee of 15 percent was adopted and applied to the customers outstanding balance and added to any delinquent bill referred for collection.

WHEREAS, without an increase to the current percentage, the additional costs of the delinquency is shifted to rate-paying citizens and results in a subsidy to the delinquent account holder and absolves the delinquent account holder from responsibility and costs; and,

WHEREAS, on December 3, 2018, an agreement was executed with the OnLine Utility Exchange to serve as the City collection agent, to better meet the needs of the citizens of the community and to more effectively and efficiently seek to accomplish the goals and objectives that have been established by the City Council; and,

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Yuma that Section 193-71(C) of the Yuma City Code be amended to increase the collection fee of 15% to 20%.

Adopted this _____ day of _____, 2019.

APPROVED:

Douglas J. Nicholls
Mayor

ATTESTED:

Lynda L. Bushong
City Clerk

APPROVED AS TO FORM:

Richard W. Files
City Attorney