

TO: Mayor and Council

FROM: Milton Dohoney Jr., City Administrator

CC: John Fournier, Deputy City Administrator

Marti Praschan, CFO

Michael Pettigrew, Treasurer Crystal Allen, Deputy Treasurer

SUBJECT: May 1, 2023 Council Agenda Response Memo

DATE: April 27, 2023

<u>CA-10</u> – Resolution to Assess Certain Delinquent Municipal Utility Charges as a Tax and Ordering Collection Thereof

<u>CA-11</u> - Resolution Levying Certain Delinquent Municipal Solid Waste, Board Up, Clean Up, Vacant Property Inspection Fees, Housing Inspection Fees, False Alarm Fees, and Fire Inspection Fees as Special Assessments and Ordering Collection Thereof

Question: Please further explain the rationale for/advantages of assessing certain unpaid utility fees as taxes. (Councilmember Disch)

Response: As ordered by the State of Michigan, Public Act 179 of the Public Acts of 1939, charges for water service and sewer service furnished to any premises is a lien thereon. Any such charge delinquent for six months or more is placed on the City's July or December tax roll pursuant to the City Ordinance Code Chapter 29, Section 2:72.

Assessing unpaid utility fees as taxes is our final effort of collecting fees that are at least six months past due. Our collections process includes sending the original bill and if it remains unpaid we will send up to two reminder letters. If it still remains unpaid, we enforce City Code in order to collect the unpaid fees.

Similarly, this process applies to CA-11 for collection of delinquent charges related to Solid Waste, Board Up, Clean Up, Vacant Property Inspection Fees, Housing Inspection Fees, False Alarm Fees, and Fire Inspection Fees.