

1 **SECTION 2.** Section 15.36.050, of Article II, of Chapter 15.36, of Title 15 of the Chico
2 Municipal Code, regarding sewer billing and payment, is amended to read as follows:

3 15.36.050 Sewer service rates.

4 “The monthly sewer service fee assessed and levied upon the owner of premises as provided
5 by this article shall be established by resolution of the City Council.”

6 **SECTION 3.** Section 15.36.060, of Article II, of Chapter 15.36, of Title 15 of the Chico
7 Municipal Code, regarding sewer billing and payment, is amended to read as follows:

8 15.36.060 Determination of sewer service fees from sewer service rates.

9 The monthly sewer service fee assessed and levied upon the owner of premises served by the
10 sewer system from the sewer service rates as provided by this article shall be based on the following:

11 A. Residential premises - The number of separate dwelling units on the premises on the first
12 day of the month in which the sewer service fee is assessed and levied;

13 B. Nonresidential premises - The average monthly volume of wastewater discharged from
14 such premises as determined by the director in the following manner:

15 1. Where the director finds that the premises were connected to the sewer system prior to
16 the first day of the preceding month of December, finds that there has been no significant change in
17 the type or intensity of the use of the premises on or after the first day of the preceding month of
18 December, and finds that substantially all of the water used on the premises is supplied by a private
19 water company and separately metered, then the director shall determine the average monthly volume
20 of wastewater discharged to the sewer system from the premises on the basis of the average monthly
21 volume of water supplied to the premises during the preceding months of December, January,
22 February, March as shown on the bill presented to the owner of the premises by the private water
23 company supplying substantially all of the water used on the premises.

24 2. Where the director either finds that the premises were connected to the sewer system on
25 or after the first day of the preceding month of December, finds that there has been a significant
26 change in the type or intensity of the use of the premises on or after the first day of the preceding
27 month of December, or finds that substantially all of the water used on the premises is not supplied
28 by a private water company, or separately metered, or finds that a substantial amount of the water

1 supplied is not directed to the waste water stream but instead reused or consumed by an industrial or
2 similar process or is incorporated into commercial products, then the director shall determine the
3 monthly volume of wastewater discharged from the premises to the sewer system on the basis of all
4 relevant information available to the director, including but not limited to the quantity of wastewater
5 discharged to the sewer system from other premises within the city devoted to the same or a similar
6 use.

7 **SECTION 4.** Section 15.36.070, of Article II, of Chapter 15.36, of Title 15 of the Chico
8 Municipal Code, regarding sewer billing and payment, is amended to read as follows:

9 “15.36.070 Billing and payment.

10 The monthly sewer service fee assessed and levied upon the owner of premises served by this
11 sewer system, as hereinbefore provided by this article, shall be billed or caused to be billed by the
12 finance director on or after the first day of the month in which the service is rendered. The monthly
13 sewer service fee so billed shall be payable on the date the bill is mailed or personally delivered to
14 the owner of the premises and shall be delinquent fifteen days thereafter if not paid. Delinquent
15 sewer fees shall be subject to an administrative collection fee of ten percent (10%) per annum
16 calculated on the amount due on the delinquency date. The administrative collection fee shall be
17 calculated on a daily basis but shall not be compounded.”

18 **SECTION 5.** Section 15.36.072, of Article II, of Chapter 15.36, of Title 15 of the Chico
19 Municipal Code, regarding sewer fee collection procedures, is added to read as follows:

20 “15.36.072 Collection of delinquent sewer fees.

21 Delinquent sewer fees as defined in Section 15.36.070 may be collected by any of the following
22 methods.

23 A. Administrative Collection on County Tax Roll. The City Manager or his/her designee may
24 collect delinquent sewer fees by placing them on the Butte County Tax Roll in accordance with the
25 following provisions:

26 1. The City Manager/designee shall cause a written report to be prepared each year which
27 shall contain a description of each parcel of real property receiving such services and facilities and
28 the amount of the delinquent charges and administrative collection fees due for each parcel for the

1 year. The real property may be described by reference to maps prepared in accordance with Section
2 327 of the Revenue and Taxation Code, and on file in the office of the county assessor or by reference
3 to plats or maps on file in the office of the County Clerk.

4 2. The City Manager/designee shall cause written notice to be mailed to each person to
5 whom any parcel or parcels of real property described in said report is assessed in the last equalized
6 assessment roll available on the date said report is prepared, at the address shown on said assessment
7 roll or as otherwise known to the City. Such mailed notice may be sent as part of a regular sewer
8 utility bill if the addressee is the owner of the property.

9 3. The notice shall inform the owner of the property that if the delinquent fees are not
10 paid within 30 days of the notice date, the delinquent fees will be placed on the Butte County Tax
11 Roll to be collected in the same manner as property taxes. The notice shall also inform the owner
12 that they may within 21 days of the notice date submit written objections to the collection of the
13 delinquent sewer fees on the County Tax Roll stating specifically why the delinquent fees are not
14 properly due and/or why the delinquent sewer fees should not be placed on the County Tax Roll for
15 collection.

16 4. The City Manager/designee shall review all of the written objections timely received
17 and may delete from the report any properties which were erroneously or improperly included in the
18 report or that show just and reasonable cause why the property/owner should be deleted from the
19 report.

20 5. Not later than August 10 of each year, or such earlier date as the County Assessor may
21 request, the City Manager/designee shall file with the Butte County Assessor the report of properties
22 owing delinquent sewer fees to the City of Chico, and requesting the County Assessor to place those
23 properties on the County Tax Roll for collection of delinquent sewer fees.

24 B. Administrative Lien. The City Manager or his/her designee may collect delinquent sewer
25 fees by recording a lien against all real property in Butte County owned by the party owing delinquent
26 sewer fees to the City of Chico in accordance with the following procedures:

27 1. The City Manager/designee shall cause a written report to be prepared not more often
28 that every three months which shall contain a description of each parcel of real property receiving

1 such services and facilities and the amount of the delinquent charges and administrative collection
2 fees due for each parcel. The real property may be described by reference to maps prepared in
3 accordance with Section 327 of the Revenue and Taxation Code, and on file in the office of the county
4 assessor or by reference to plats or maps on file in the office of the County Clerk.

5 2. The City Manager/designee shall cause written notice to be mailed to each person to
6 whom any parcel or parcels of real property described in said report is assessed in the last equalized
7 assessment roll available on the date said report is prepared, at the address shown on said assessment
8 roll or as otherwise known to the City. Such mailed notice may be sent as part of a regular sewer
9 utility bill if the addressee is the owner of the property.

10 3. The notice shall inform the owner of the property that if the delinquent fees are not
11 paid within 30 days of the notice date, the delinquent fees will be recorded as a lien against all
12 property of the owner located in Butte County. The notice shall also inform the owner that they may
13 within 21 days of the notice date submit written objections to the recordation of the lien stating
14 specifically why the delinquent fees are not properly due and/or why the delinquent sewer fees should
15 not be recorded as a lien against the owner's property.

16 4. The City Manager/designee shall review all of the written objections timely received
17 and may delete from the report any properties which were erroneously or improperly included in the
18 report or that show just and reasonable cause why the property should be deleted from the report.

19 5. If the delinquent sewer fees are not paid within the time allowed, the City
20 Manager/designee shall cause the report, a list of delinquent properties, or individual properties (as
21 requested by the Butte County Recorder) to be recorded with the Butte County Recorder as a lien
22 against the identified delinquent properties.

23 C. Administrative Agreement. The City Manager or his/her designee may collect delinquent
24 sewer fees in accordance with the following procedures:

25 1. The City Manager or his/her designee may enter into written repayment agreements
26 for delinquent sewer service charges with utility customers. Upon entering into a repayment
27 agreement, the City Manager or his/her designee may waive any penalties, charges, and interest.
28 Agreements may not exceed 36 months. If at any time payments are not received on a monthly basis,

1 the agreement is void. In the event the utility customer does not meet the requirements of the
2 repayment agreement, a collections administrative fee will be added to the amount due and filed for
3 collections efforts.

4 2. In conjunction with a utility service repayment agreement entered into by and between
5 the utility customer and the city, the City Manager or his/her designee may also require a stipulated
6 utility service repayment lien and notice of intent for satisfaction of lien through proceeds of sale of
7 the property to be entered into by and between the utility customer and the city. The city shall file the
8 stipulated utility service repayment lien and notice of intent for satisfaction of lien through sale of
9 property directly with the Butte County recorder.

10 D. Collection Agency. The City Manager or his/her designee may collect delinquent sewer fees
11 through the hiring of a licensed, bonded and reputable collection agency.

12 E. Court Legal Action. As a separate, distinct and cumulative remedy established for the
13 collection of said charges and penalties thereon, an action may be brought in the name of the city of
14 Chico in any court in the county of Butte to enforce collection of the amount of delinquent sewer fees
15 and associated penalties or the municipal service lien for the charges and all penalties thereon. In
16 such action, reasonable attorney's fees shall be awarded to the city of Chico.

17 **SECTION 6.** Environmental Determination. The Council finds that the adoption and
18 implementation of this ordinance is exempt from the provisions of the California Environmental
19 Quality Act (CEQA) pursuant to CEQA Guidelines Section 15321 as an enforcement action.
20 Additionally pursuant to 14 California Code of Regulations, Sec. 15061(b)(3) the City Council finds
21 that it can be seen with certainty that there is no possibility that the activity in question may have a
22 significant effect on the environment, and therefore the activity is not subject to CEQA.

23 **SECTION 7.** Severability. If any section, subsection, sentence, clause, phrase or word of this
24 Ordinance is for any reason held to be invalid and/or unconstitutional by a court of competent
25 jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

26 **SECTION 8.** Effective Date. This Ordinance shall be effective thirty days following adoption.

27 **SECTION 9.** Certification. The City Clerk shall certify to the passage and adoption of this
28 Ordinance and shall cause the same to be published or posted in the manner required by law.

1 **THE FOREGOING ORDINANCE** was adopted at a meeting of the City Council of the
2 City of Chico on June 4, 2024, by the following vote:

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4 **AYES: Bennett, Morgan, van Overbeek, Winslow, Reynolds, Coolidge**

5 **NOES: None**

6 **ABSENT: Tandon**

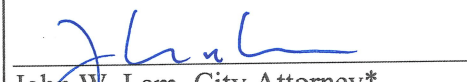
7 **ABSTAINED: None**

8 **DISQUALIFIED: None**

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10 **ATTEST:**

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12 _____
13 Deborah R. Presson, City Clerk

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15 **APPROVED AS TO FORM:**

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17 _____
18 John W. Lam, City Attorney*

19 *Approved pursuant to The Charter of the City
20 of Chico Section 906 (E).

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