

**CITY OF FREEPORT**

**STEPHENSON COUNTY, ILLINOIS**

**ORDINANCE NO. 2018-11**

**AN ORDINANCE AMENDING INDIVIDUAL PROVISIONS OF CHAPTERS  
1040, 1042, 1044, 1048, 1052, AND 1060 OF THE CODIFIED ORDINANCES  
OF THE CITY OF FREEPORT PERTAINING TO MUNICIPAL UTILITY  
SERVICES – BILLING AND COLLECTION PROCEDURES**

**SPECIFICALLY AFFECTING SECTIONS:**

1040.02, 1040.03, 1040.04, 1040.05, and 1040.06 (added)  
1042.07, 1042.08, 1042.09, and 1042.10 (deleted)  
1042.15, 1044.06, 1048.03, 1052.03, and 1060.18 (amended)

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**ADOPTED BY THE**

**CITY COUNCIL**

**OF THE**

**CITY OF FREEPORT, ILLINOIS**

**THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2018**

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**Published in pamphlet form by authority of the**

**City Council of the City of Freeport,**

**Stephenson County, Illinois, this**

**\_\_\_\_ day of \_\_\_\_\_, 2018.**

**AN ORDINANCE AMENDING INDIVIDUAL PROVISIONS OF CHAPTERS  
1040, 1042, 1044, 1048, 1052, AND 1060 OF THE CODIFIED ORDINANCES  
OF THE CITY OF FREEPORT PERTAINING TO MUNICIPAL UTILITY  
SERVICES – BILLING AND COLLECTION PROCEDURES**

**ORDINANCE NO. 2018-11**

**WHEREAS**, the City of Freeport, Illinois (“City”) has Codified Ordinances of the City (the “Code”); and

**WHEREAS**, the City of Freeport currently operates a combined water and sewer utility, in addition to providing solid waste removal services through third-party contractors; and

**WHEREAS**, the provisions for billing and collection for such services are in need of amendment for the sake of clarification of existing practices; and

**WHEREAS**, the City Council finds that such amendments are in the best interests of the public health, safety, morals and general welfare of the residents of the City of Freeport.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE  
CITY OF FREEPORT, ILLINOIS AS FOLLOWS:**

**Section 1.** The above-recitals are incorporated herein and made a part hereof.

**Section 2.** Chapter 1040 of the Codified Ordinances pertaining to Utilities Generally is hereby amended by adding the following Sections, in their entirety, in the form set forth below:

**1040.02 COMBINED BILLING PROCEDURES**

(a) All accrued rates and charges, including late fees or other associated charges, for services and infrastructure provided by the City and as established pursuant to Chapter 1044 (Water Rates and Revenues), Chapter 1048 (Sewer Rates and Revenues), Chapter 1052 (Water and Sewer Capital Improvement Fund), and Chapter 1060 (Garbage and Rubbish Collection and Removal) shall be billed in a combined statement, as part of a single bill, at least monthly. The bill submitted under this Section 1040.02(a) shall be referred to as the “aggregate bill”.

(b) Each aggregate bill shall state a date for payment thereof, which date shall be not less than fifteen (15) days from the date of mailing thereof. If payment in full is not made on or before 5:00pm CST/CDT on the date so specified, a late fee of ten percent (10.00%) of the aggregate bill, or any portion thereof remaining outstanding, shall be added to the amount owed. A payment shall be deemed made on the earlier of (1) actual receipt of payment by the City, or (2) the date payment is placed in the US Mail, first class, postage

prepaid, properly addressed, as determined exclusively by the postmark affixed by the US Post Office.

(c) If any amounts due pursuant to an aggregate bill, including any late charges due thereupon, remain unpaid for a period of ten (10) days after the due date set forth on the aggregate bill, the City shall mail to the customer, at the customer's billing address, a notice of delinquency specifying a date by which the delinquent aggregate bill shall be paid or on which services will be discontinued, which date shall be not less than fifteen (15) days after the date of mailing thereof. The City shall post, not less than five (5) days prior to the date for disconnection, a notice at the property specifying the date for disconnection, and advising the occupants thereof that all municipal utility services will be disconnected on the date specified unless payment in full is made of all past due amounts.

(d) If any aggregate bill is not paid in full, including any late fees, on or before the date specified for disconnection as set forth in a delinquency notice, the City may discontinue services to the property at any time after the date specified, without further notice. A service fee of fifty dollars (\$50.00) shall be charged for the disconnection.

(e) No service which has been disconnected shall be reconnected unless the balance outstanding has been paid in full. The City may enter into a payment arrangement for repayment of sums due in lieu of demanding immediate payment of all sums due, and the City Manager may adopt procedures and policies for implementation of any payment plans. Provided, that no provision hereof shall be interpreted as requiring the City to enter into payment arrangements with any person.

(f) The City may elect to send the delinquency notice required in subsection (c) hereof to those parties required to be notified pursuant to 65 ILCS 11-139-8, in the manner provided for therein, in order to secure a lien on the property for which service has been provided. At any time thereafter, the City may file a lien against the property for all past due payments without further notice to any party. The City may, in its sole discretion, elect to aggregate multiple delinquencies prior to filing such a lien.

(g) The City may take all steps permitted by State law to collect any amounts due for services represented on the aggregate bill, including, but not limited to, the use of private collection firms, recourse to State Income Tax refunds, and such other and further relief as may be available to the City.

### **1040.03 APPLICATION FOR COMBINED MUNICIPAL SERVICES.**

(a) All applications for combined municipal services shall be made on forms provided by City. Upon acceptance of any application by the City, such application shall constitute a contract between the applicant and the City obligating the applicant to pay for all combined municipal services.

(b) A new application shall be made, subject to approval by the City, upon any change in tenancy where the tenant has contracted for combined municipal services or upon any change in ownership when the owner has contracted for such services. Provided, no tenant shall be eligible for water service unless the application is also signed by the owner of the property for which service is to be provided and all past due sums for combined municipal services at the property address are paid in full. When any such change is made without giving the City notice, within forty-eight (48) hours after such change, the new tenant or owner shall be held responsible for payment for all water service from the most recent meter reading.

#### **1040.04 CONSUMER CASH DEPOSITS.**

(a) When application is made for a new consumer account, a deposit shall be required per a posted schedule, as approved by the Manager from time to time, to secure payment of the aggregate bill. The deposit may be retained by the City so long as the applicant receives municipal utility services, unless financial responsibility is established, which shall be defined as twelve (12) consecutive months of timely payments of the monthly water and sewer bill, in which case said deposit shall be returned.

(b) For existing accounts, interest shall stop accruing on the deposit as of the effective date of this ordinance.

(1) For existing deposits which meet the above definition of financial responsibility, the deposit and any previously accrued interest will be returned within twelve months of the date of this ordinance.

(2) For existing deposits which do not meet the above definition of financial responsibility, the deposit shall be held until financial responsibility is met, however, any previously accrued interest shall be returned within twelve months of the date of this ordinance.

#### **1040.05 CHANGES OF LOCATION; PAYMENT OF DELINQUENT BILLS.**

A customer who changes his or her residence or business from one location to another shall be given no further municipal utility services until all delinquent bills or charges due the City, for which he or she is in any way responsible, are paid in full. If such service has been started inadvertently, it may be turned off until settlement of such delinquent bills is made, and in that event a charge of fifty dollars (\$50.00) will be made for such disconnection.

#### 1040.06 VOLUNTARY DISCONTINUANCE OF SERVICE.

A customer desiring to discontinue municipal utility services shall give written notice to the City, specifying a future date on which the service is to be discontinued and billing is to cease. The City's Water and Sewer Department may then cause water to be turned off and may elect to remove the meter removed, at the City's sole discretion. The customer shall provide free access to the water meter for at least twenty-four hours after notice is given so that the meter may be removed.

**Section 3.** The indicated Sections of Chapter 1042 of the Codified Ordinances pertaining to Water Generally are hereby amended as follows (additions shown as underlines and deletions as strikethroughs):

#### ~~1042.07 APPLICATION FOR WATER SERVICE.~~[DELETED]

~~(a) All applications for water service shall be made on forms provided by the Water and Sewer Department, and, upon acceptance by the Department, such application shall constitute a contract between the applicant and the City obligating the applicant to pay for water service and to state truly and fully the use to which the water is to be put.~~

~~(b) A new application shall be made, subject to approval by the Department, upon any change in tenancy where the tenant has contracted for water service or upon any change in ownership when the owner has contracted for water service. When such change is made without giving the Department notice, within forty-eight hours after such change, the new tenant or owner may be held responsible for payment for all water service from the most recent meter reading.~~

#### ~~1042.08 CONSUMER CASH DEPOSITS.~~[DELETED]

~~(a) When application is made for a new account, a deposit shall be required per posted schedule, as approved by the Manager from time to time, to secure payment of the water bill. The deposit may be retained by the department so long as the applicant secures water service, unless financial responsibility is established, which is defined as twelve consecutive months of on-time payments of the monthly water and sewer bill, in which case said deposit shall be returned.~~

~~(b) For existing accounts, interest shall stop accruing on the deposit as of the effective date of this ordinance.~~

~~(1) For existing deposits which meet the above definition of financial responsibility, the deposit and any previously accrued interest will be returned within twelve months of the date of this ordinance.~~

~~(2) For existing deposits which do not meet the above definition of financial responsibility, the deposit shall be held until financial responsibility is met,~~

however, any previously accrued interest shall be returned within twelve months of the date of this ordinance.

**~~1042.09 CHANGES OF LOCATION; PAYMENT OF DELINQUENT BILLS. [DELETED]~~**

~~A customer who changes his or her residence or business from one location to another shall be given no further water service until all delinquent bills or charges due the Water and Sewer Department, for which he or she is in any way responsible, are paid in full. If such service has been started inadvertently, it may be turned off until settlement of such delinquent bills is made, and in that event a charge of fifty dollars (\$50.00) will be made for again turning on the water.~~

**~~1042.10 VOLUNTARY DISCONTINUANCE OF SERVICE. [DELETED]~~**

~~A customer desiring to discontinue water service shall give notice to the Water and Sewer Department office. The Department may then cause the water to be turned off and the meter removed. Water service charges will be made until such notice is given. The customer shall provide free access to the meter for at least twenty four hours after notice is given so that the meter may be removed. The customer shall be responsible for the meter and, if lost or stolen, shall pay the actual replacement cost.~~

**~~1042.15 BILLING AND COLLECTIONS; DELINQUENCIES; DISCONTINUANCE OF SERVICE.~~**

Billings and collection of charges established by this Chapter shall be billed in the manner provided for aggregate billing as set forth in Chapter 1040 (Utilities Generally) of these Codified Ordinances.

~~(a) All bills shall be paid at the Water and Sewer Department office or at the authorized collection agency. Bills and notices shall be mailed or delivered to the customer's last known address, as shown by the records of the Department. Failure to receive a bill shall not relieve the customer from obligation. No further notice will be provided until the following second billing cycle. Balances not paid during the first billing cycle will be included on the second billing cycle. If the balance is not paid within fourteen days, a late notice will be mailed to the address on record. Seven days after mailing the late notice, a turn-off notice will be mailed and the service can be discontinued after the expiration of the five day turn-off notice.~~

~~(b) If service is discontinued for nonpayment, it shall not be resumed until payment is made in full, plus fifty dollars (\$50.00) for turning on the water. If turn on is requested after office hours or on a Saturday, Sunday or holiday, the turn-on fee shall then be one hundred dollars (\$100.00).~~

~~(c) Should a customer fail to pay the net bill on or before the due date on the bill, the gross bill will be due and payable.~~

~~(d) The net amount will be accepted as full payment if received at the Department office or at the authorized collection agency, or if mailed, on or before the due date of the bill. The post-office date stamped by the sending office, but not the stamped date of a private postage meter, will determine the date of mailing.~~

~~(e) When the last day for payment of the net bill falls on a Saturday, Sunday or legal holiday, the time for payment of the net bill shall be automatically extended to include the next full business day.~~

~~(f) If a customer files a written objection to any bill prior to the due date, payment of the net bill within five days after the customer has been notified of the necessary investigation will be accepted as full payment.~~

~~(g) If, for any cause, a meter cannot be read for a period exceeding two months, the Department may turn off the water upon mailed notice of its intention to do so unless the customer provides access to the meter.~~

~~(h) The late notice to the customer for nonpayment of a bill shall be mailed to the customer fourteen days after the due date of the second billing cycle. If the bill is not paid within seven days after the mailing of the late notice, a third and final notice shall be mailed to the customer. If the bill is not paid within five days after mailing the third and final notice, water service will be discontinued and the bill will be deemed delinquent. Whenever charges for water service furnished by the City become delinquent, the City may exercise its option under 65 ILCS 5/11-139-8, as amended, to sue the customer to recover the money due for services rendered to that customer, plus reasonable attorneys' fees to be fixed by the court, and to prosecute such suit to final judgment, or to utilize other means of collection as appropriate.~~

**Section 4.** Section 1044.06 of Chapter 1044 of the Codified Ordinances pertaining to Water Rates and Revenues is hereby amended as follows (additions shown as underlines and deletions as strikethroughs):

#### **1044.06 COMPUTATION OF BILLS.**

The rate and charges for water service, as herein specified determined in accordance with the provisions of this Chapter, shall be used in computing the net bill amounts due for municipal water services. Billing and enforcement shall be in accordance with the provisions of Chapter 1040 regarding combined utility billing and collections. ~~The gross bill shall be an amount equal to the sum of the net bill plus ten percent of the net bill. The net bill shall be payable on or before the due date of the bill. In the event the customer fails to pay the net bill within the fourteen-day payment period, the gross bill will become due and payable.~~

**Section 5.** Section 1048.03 of Chapter 1048 of the Codified Ordinances pertaining to Sewer Rates and Revenues is hereby amended as follows (additions shown as underlines and deletions as strikethroughs):

**1048.03 COMPUTATION OF BILLS.**

The rates and charges for sewer services, as ~~herein specified~~ determined in accordance with the provisions of this Chapter, shall be used in computing the ~~net bill~~ amounts due for municipal sewer services. Billing and enforcement shall be in accordance with the provisions of Chapter 1040 regarding combined utility billing and collections. ~~The gross bill shall be an amount equal to the sum of the net bill plus ten percent of the net bill.—~~ The net bill, unless payable annually or semiannually, shall be payable on or before the due date of the bill. In the event the customer fails to pay the net bill within the fourteen-day payment period, the gross bill will become due and payable.— ~~The current bill for sewer services may be combined with the current bill for water services for the same premises. All provisions of this chapter with reference to the payment and collection of water bills shall be applicable to the portion of the combined bill attributed to sewer service.~~

**Section 5.** Section 1052.03 of Chapter 1052 of the Codified Ordinances pertaining to the Water and Sewer Capital Improvement Fund is hereby amended as follows (additions shown as underlines and deletions as strikethroughs):

**1052.03 RESPONSIBILITY FOR COLLECTION AND BILLING.**

Billing and collection of ~~such~~ charges due pursuant to this Chapter shall be ~~pursuant to procedures set out in Chapters 1044 and 1048 of these Codified Ordinances.—~~ in accordance with the provisions of Chapter 1040 regarding combined utility billing and collections. Provided, no amounts shall be collected in relation to any property which has not had active city water or sewer service for a period in excess of one (1) year. All charges shall cease accruing as to a property on the date one (1) year following the last date of water and/or sewer services, and shall not start accruing again until such time as the service is restored to billing status.

**Section 6.** Section 1060.18 of Chapter 1060 of the Codified Ordinances pertaining to Garbage and Rubbish Collection and Disposal is hereby amended as follows (additions shown as underlines and deletions as strikethroughs):



## **1060.18 BILLING AND COLLECTION.**

Contractors providing solid waste collection services for the City pursuant to a request for proposal shall bill the City for services rendered to residential dwelling units or occupants. The City shall collect a base rate fee, as defined in Section 1060.01, from all residential dwelling units and shall bill residential dwelling units through a separate charge on ~~water and sewer bills~~ the combined bill for municipal utility services as provided in Chapter 1040 of these Codified Ordinances at arrangements mutually agreeable to the City and the Water and Sewer Department. The City shall be responsible for the collection of all such revenue and the payment of residential collection and disposal services to the contractor upon certification of a corrected billing. Billings for collection of more than the first thirty-gallon bag of solid waste, collection of bulky household waste and collections from commercial and business establishments, shall not be the responsibility of the City.

The City shall have the right to assess whatever penalties and interest are due and owing on such solid waste collection services. ~~The City may take all steps permitted by State law to collect such bills, including the use of private collection firms.~~ The City may also assess a lien on the property of residential dwelling unit owners after filing a notice of lien as provided in Section 1060.13.

**Section 7.** In all other respects, and except as expressly indicated above, the remaining text of Chapters 1040, 1042, 1044, 1048, 1052, and 1060 shall remain unchanged.

**Section 8.** This Ordinance shall be effective upon its passage by the City Council, its approval by the Mayor, and its publication as provided by law.

**Section 9.** This ordinance is expressly adopted pursuant to the Home Rule Powers of the City of Freeport under Section 6 of Article VII of the Illinois Constitution of 1970.

**Section 10.** All ordinances or parts of ordinances in conflict with this Ordinance are repealed insofar as they conflict.

**Section 11.** If any section, clause or provision of this Ordinance be declared by a Court of competent jurisdiction to be invalid, such decision shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid, and this City Council hereby expressly declares that it would have enacted this Ordinance even with the invalid portion deleted.

**PASSED BY A ROLL CALL VOTE OF THE CITY COUNCIL OF THE CITY OF FREEPORT, ILLINOIS** this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Dovie L. Anderson, City Clerk

YEAS: \_\_\_\_\_  
NAYS: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_  
PRESENT: \_\_\_\_\_

APPROVED by the Mayor of the City of Freeport this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Jodi Miller, Mayor

Date Published:  
Date Effective:

Approved as to form:

\_\_\_\_\_  
City Legal Counsel