

ORDINANCE 26-04

AN ORDINANCE AMENDING TITLE 8 OF THE MORGAN CITY CODE TO PROVIDE FOR THE COLLECTION OF DELINQUENT UTILITY CHARGES AND TO AUTHORIZE THE RECORDING OF POLITICAL SUBDIVISION LIENS FOR UNPAID UTILITY SERVICE FEES

WHEREAS, the City provides water, sewer, storm drain, electricity and related utility services to properties within the City; and

WHEREAS, the City currently provides for billing, delinquency, and disconnection of utility services under Title 8 of the Morgan City Code; and

WHEREAS, the City Council finds it necessary to strengthen collection mechanisms to ensure recovery of costs for services rendered; and

WHEREAS, Utah law, including Utah Code §§ 10-6-161 and 10-6-162 and Title 11, Chapter 60, authorizes municipalities to impose a political subdivision lien for unpaid utility service fees;

NOW, THEREFORE, be it ordained by the City Council of Morgan City, Utah:

Section 1. Amendment to Title 8. Utilities

Title 8, Chapter 17 of the Morgan City Code is hereby amended to add a new section:

8.17 LIEN FOR DELINQUENT UTILITY SERVICE CHARGES

A. Purpose and Authority

This section is adopted pursuant to Utah Code §§ 10-6-161 and 10-6-162 and the Political Subdivision Lien Authority Act. The purpose of this section is to provide for the collection of delinquent utility service charges through the imposition of a lien against the property receiving service.

B. Definitions

For purposes of this section:

1. **“Utility services”** means water, sewer, storm drain, electricity and other services provided by the City and billed through the utility system.
2. **“Customer”** means any person or entity receiving utility services.
3. **“Property”** means the real property served by the utility services.
4. **“Delinquent charges”** means unpaid utility service fees, together with any interest, penalties, and administrative costs.

C. Delinquency

1. Utility service charges shall be due and payable as established by City ordinance or resolution.
2. Any charge not paid within thirty (30) days after billing shall be deemed delinquent.
3. Delinquent charges shall constitute a debt owing to the City.

D. Notice of Delinquency

Prior to recording a lien, the City shall provide written notice of delinquency to:

1. The customer of record; and
2. The record owner of the property, if different from the customer.

The notice shall state:

- The amount due;
- The date the charges became delinquent; and
- That failure to pay may result in additional collection actions, including a lien.

E. Notice of Intent to Lien

If the delinquent charges remain unpaid, the City shall provide a second written notice stating:

1. The City's intent to record a political subdivision lien against the property;
2. The total amount due; and
3. The date by which payment must be made to avoid the recording of a lien.

F. Waiting Period

The City shall not record a lien until at least sixty (60) days have elapsed from the date of the initial notice of delinquency.

G. Recording of Lien

1. If the delinquent charges remain unpaid after the notice and waiting period, the City may record a **Notice of Lien** with the Morgan County Recorder.
2. The Notice of Lien shall include:
 - The legal description of the property;
 - The name of the record owner, if known;
 - The amount of delinquent charges; and
 - A statement that the lien is imposed pursuant to this section and applicable Utah law.
3. Upon recording, the lien shall attach to the property and shall constitute a political subdivision lien.

H. Amount of Lien

The lien shall include:

1. Unpaid utility service charges;
2. Interest;
3. Penalties;
4. Administrative costs; and
5. Costs of recording and collection.

I. Effect of Lien

1. The lien shall run with the land and bind subsequent purchasers or encumbrancers upon recording.
2. The lien shall remain in effect until paid in full or otherwise released.

J. Release of Lien

Upon payment in full of all amounts secured by the lien, the City shall record a release of lien with the Morgan County Recorder.

K. Additional Remedies

The remedies provided in this section are cumulative. The City may also:

1. Discontinue utility service in accordance with City policy;
2. Bring a civil action to recover delinquent charges; or
3. Pursue any other remedy authorized by law.

L. Responsibility for Charges

Unless otherwise provided by written agreement with the City, the owner of the property shall be responsible for all utility service charges incurred for the property.

Section 2. Severability

If any provision of this Ordinance is held invalid, such invalidity shall not affect the remaining provisions.

Section 3. Effective Date

This Ordinance shall take effect upon adoption and publication as required by law.

