

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: July 9, 2012							
	<table style="width: 100%; border: none;"> <tr> <td style="padding-right: 10px;">Agenda Item No.</td> <td>31</td> </tr> <tr> <td style="padding-right: 10px;">Roll Call No.</td> <td><u>12-1112</u></td> </tr> <tr> <td style="padding-right: 10px;">Communication No.</td> <td><u>12-368</u></td> </tr> <tr> <td style="padding-right: 10px;">Submitted by:</td> <td>William G. Stowe, Assistant City Manager – Public Works Director</td> </tr> </table>	Agenda Item No.	31	Roll Call No.	<u>12-1112</u>	Communication No.	<u>12-368</u>	Submitted by:
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Communication No.	<u>12-368</u>							
Submitted by:	William G. Stowe, Assistant City Manager – Public Works Director							

AGENDA HEADING:

An ordinance to amend the Municipal Code of the City of Des Moines, Iowa, 2000, adopted by Ordinance No. 13,827, passed June 5, 2000, as heretofore amended, by amending Section 118-159, relating to utility deposits.

SYNOPSIS:

Recommend Council approval of amendments to Section 118-159 of the Municipal Code regarding utility deposits. These amendments establish a utility deposit for sewer, solid waste collection, and stormwater management services for residential rental property, and include other revisions consistent with the recent Iowa legislative changes to Iowa Code Section 384.84(3-4).

FISCAL IMPACT:

Amount: Minimal impact in initial years, as the deposit requirement will only apply to new customer accounts. Over time, the deposit requirement could result in as much as \$80,000 less going to collections in an average year, a portion of which would never be collected and a 25% fee would be charged on any amount that is collected.

Funding Source: Storm Water Utility Fund, Sanitary Sewer Utility Fund, Solid Waste Utility Fund

ADDITIONAL INFORMATION:

The Board of Water Works Trustees of the City of Des Moines, Iowa, doing business as Des Moines Water Works, acts as the billing agent, by agreement, for the following City of Des Moines Enterprise Utilities: sanitary sewer, solid waste, and stormwater.

Under the recommended amendments to Municipal Code Section 118-159, should the owner or landlord of the property give written notice of tenant liability for a residential rental property or premise, such real property or premise shall thereafter be exempt from the imposition of a lien as provided in the ordinance and provided in the Iowa Code. As provided for in House File 2323, signed by the Governor on April 12, 2012, the owner, landlord or tenant of a residential rental property will now be required to place a deposit, in an amount determined by the Public Works Director, that does not exceed the usual cost of ninety (90) days of service for sewer, solid waste collection, and stormwater management, in addition to the deposit for water service which was previously authorized by the Iowa Code and has been routinely collected for tenant accounts. The deposit amount is

currently estimated by the Public Works Director to total \$175.00 for all four utilities, based on current solid waste monthly fees, water and sanitary sewer fees, based on Des Moines' average monthly water usage with stormwater charges based on 1/2 Equivalent Residential Unit (ERU). The new deposit will only apply to new residential rental accounts opened after the approval of the recommended Municipal Code amendments. A change in tenant shall require a new written notice of tenant liability and deposit to be provided to Water Works by the owner or landlord within 30 business days of the change in tenant. When the tenant moves from the rental property, the Water Works shall return the deposit if all applicable charges, service charges, and sales tax have been paid in full, and the lien exemption shall be lifted from the rental property. Current accounts in good standing will not be affected by the deposit requirements and are to be considered "grandfathered" by the City of Des Moines and Des Moines Water Works staff, until such time, as the current account has been closed and a new account established for the affected residential rental property or premise.

The proposed Municipal Code revisions also require Des Moines Water Works to send a copy of a request from a tenant for change of name for service under an account, to also be sent to the owner of landlord of a property, if such notice has been made by written request by the owner or landlord to Des Moines Water Works, as required by House File 2323. House File 2323, also increases the time for notice to Des Moines Water Works of change in ownership for residential rental properties from 10 to 30 days, and allows for liens to be placed against residential rental properties for charges for repairs related to service of sewer, stormwater, sewage treatment, and solid waste systems, and the proposed ordinance revises Section 118-159 accordingly to make the Municipal Code consistent with the newly-enacted changes to State law.

PREVIOUS COUNCIL ACTION(S):

Date: January 23, 2012

Roll Call Number: [12-0106](#)

Action: [Final](#) consideration of ordinance above (waiver requested by City Engineer), requires 6 votes. Moved by Hensley that the rule requiring that an ordinance must be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage and that the ordinance do now pass, [#15,074](#). Motion Carried 7-0.

Date: January 23, 2012

Roll Call Number: [12-0105](#)

Action: [Amending](#) Section 118-159 of the Municipal Code to remove specific reference to Polk County, and to provide for collection and placement of liens for sewer, solid waste and/or stormwater bills in both Polk and Warren Counties. ([Council Communication No. 12-032](#)). Moved by Hensley that this ordinance be considered and given first vote for passage. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.