

RESOLUTION

Whereas, the City Council has the responsibility under the ordinances of the City of Chelsea and state and federal law, as applicable, to sufficiently provide for the costs of the operations, maintenance, and replacement obligations of the water, wastewater, and electric systems, as are necessary to preserve these systems in good repair and working order; and

Whereas, the City Council has the fiduciary responsibility to provide for the payment of the principal and interest on bonds for the utility systems as well as the maintenance of a reserve therefor; and

Whereas, on rare occasions, a utility customer may be overcharged or undercharged due to a meter error or billing error; and

Whereas, it is in the best interests of the City of Chelsea and its utility customers to establish a consistent policy for addressing these overcharge and undercharge billing situations.

Now, Therefore, Be It Resolved, that the City Council of the City of Chelsea, Washtenaw County, State of Michigan hereby adopts the following policy:

1. In the event that the City of Chelsea should overcharge a utility customer due to a billing error, the City shall refund or credit the entire amount of the overcharge. The City of Chelsea is not required to refund or credit overcharges for more than two (2) years immediately preceding the discovery of the error. Interest shall not be applied to the refund or credit.
2. In the event that the City of Chelsea undercharges a utility customer, the following shall apply:
 - a. In the case of meter tampering or fraud, the City may back bill the utility customer for the entire amount of undercharge. Interest may be charged on the repayment.

In cases that do not involve meter tampering or fraud the City may back bill the undercharges for 12 months immediately preceding the discovery of the error, and the City shall offer the utility customer a reasonable time to make repayment not to exceed 24 months. Interest shall not be applied to the repayment.

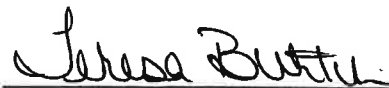
All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members Albertson, Feeney, Hammer, Merkel, Bollinger,

Martinez-Kratz, Lindauer

NAYS: _____

RESOLUTION DECLARED ADOPTED.



Teresa Burtch, City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Chelsea, County of Washtenaw, State of Michigan, at a regular meeting held on January 9, 2007, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



Teresa Burtch, City Clerk