



TO: Elizabeth A. Pauli, City Manager
FROM: Michael P. Slevin III, P.E., Director, Environmental Services
Daniel C. Thompson, Ph.D., Division Manager, Business Operations
COPY: City Council and City Clerk
SUBJECT: Ordinance - Amend Tacoma Municipal Code Section 12.01.030 - September 14, 2021
DATE: August 17, 2021

GMS MPS

SUMMARY AND PURPOSE:

An ordinance amending section 12.01.030 of the Tacoma Municipal Code, relating to utility billing, to conform the code to current practices of providing refunds or credits for amounts paid by utility customers determined by the City to have been overbilled, and authorizing the Tacoma Public Utilities Director and Environmental Services Director to establish policies and procedures governing approval of such refunds and credits.

BACKGROUND:

This Department's recommendation is based on: Tacoma Municipal Code (TMC) sections 12.01.030 A-C establish the billing process for Tacoma's utility services. This process includes provisions in subsection C.3 for wavier or adjustment of utility service charges that are due and owing but were billed in error but does not include a provision allowing refund or credit for amounts paid by the utility customer when determined by the City to have been billed in error. The utilities have had policies and practices in place to provide refunds or credits to customers who were billed in error. The proposed ordinance would conform the TMC to current policies and practices by authorizing the Director of Tacoma Public Utilities and the Director of Environmental Services to provide refunds or credits to utility customers who are determined to have been billed in error, and to establish policies and procedures governing approval of such refunds and credits.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

All utility customers will benefit from the proposed amendment that will clarify the authority to provide a credit or refund for customers who have been overbilled through an error caused by the City.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

Providing clear authority to issue credits and refunds will benefit all ratepayers, but may be particularly important to low income ratepayers because utility bills consume a larger portion of the household budget.

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Economy/Workforce: *Equity Index Score:* Moderate Opportunity

Increase the percentage of people relocating to the city and affordability of housing compared to neighboring jurisdictions.

Livability: *Equity Index Score:* Moderate Opportunity

Decrease the percentage of individuals who are spending more than 45% of income on housing and transportation costs.

Explain how your legislation will affect the selected indicator(s).

This legislation will align the TMC with current policies that provide refunds to ratepayers to rectify billing errors and prevent any burden caused by those errors.

ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Do nothing	None	The TMC will not include clear authority to provide credits or refunds for amounts overbilled by the City and paid by utility customers

EVALUATION AND FOLLOW UP:

Staff will continue to issue refunds and credits as appropriate and monitor customer accounts to rectify any errors that may occur.

STAFF/SPONSOR RECOMMENDATION:

The Environmental Service Department recommends amend the TMC to provide clear authority for Tacoma Public Utilities and Tacoma Environmental Services to provide credits or refunds for amounts overbilled by the City and paid by utility customers.

FISCAL IMPACT:

None.

ATTACHMENTS:

None.