

**TOWN OF PRESCOTT VALLEY  
REQUEST FOR COUNCIL ACTION  
Date: April 12, 2012**

**SUBJECT:** Resolution amending regulations entitled “Customer Accounts and Regulations” to provide for refunds of utility rates, fees and charges, including system connection charges, to customers under limited circumstances.

**SUBMITTING DEPARTMENT:** Management

**PREPARED BY:** Larry Tarkowski, Town Manager

**AGENDA LOCATION:** Comments/Communications , Consent , Work/Study ,  
New Business , Public Hearing , Second Reading

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**ATTACHMENTS:** 1) Resolution No. 1787

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**HISTORY:** On November 4, 2010, the Council enacted new “Customer Accounts Regulations” to (i) shorten collection timeframes, (ii) address delinquencies resulting from bankruptcy and foreclosure, (iii) clarify rates, fees and charges based on type of utility account, (iv) clarify parties responsible for rates, fees, charges and penalties incurred on a utility account, and (v) recognize technological improvements that allow for electronic transfer of utility account information.

The new Customer Accounts Regulations carried forward the prohibition of “early payments” for utility rates, fees and charges made by customers for the purpose of avoiding anticipated increases in same. However, on September 21, 2006, being unaware of the restriction in the Customer Accounts Regulations regarding “early payments,” staff inadvertently accepted an “early payment” of System Connection Charges made by a customer who proposed to develop commercial property in the Town of Prescott Valley. The commercial project for which the “early payment” was made was subsequently abandoned prior to the development of same and prior to connection to the system.

Neither the Prescott Valley Utility Regulations, as amended, nor the Customer Accounts Regulations provide a mechanism for refunding “early payments” that were made in violation of said regulations. The Town of Prescott Valley desires to amend the Customer Accounts Regulations to provide for a refund in the strictly limited event it is discovered that customers were inadvertently allowed to prepay System Connection Charges for commercial development that was abandoned prior to development and prior to connection to the System.

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**ACTION OPTION:** Motion to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1787, **OR** Motion not to approve Resolution No. 1787. **VOTE.**

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**RECOMMENDATION:** Staff recommends authorizing signature of Resolution No. 1787 and amending the regulations to provide a refund provision.

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**FISCAL ANALYSIS:** There is a zero net fiscal impact to the Town since the Town will only have the authority to refund money it has previously collected PRIOR to connection to the System.

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**REVIEWED BY:**

Management Services Director \_\_\_\_\_

Town Clerk \_\_\_\_\_

Town Attorney \_\_\_\_\_

Town Manager \_\_\_\_\_

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**COUNCIL ACTION:**

Approved    Denied    Tabled/Deferred    Assigned to \_\_\_\_\_