



Agenda Item Summary

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Submitted By

Steve Drazner, CFO

Reviewed By

CLP

Agenda Item Title

An Ordinance Temporarily Waiving and Suspending the Late Payment Penalty for Delinquent Water Charges to Provide Emergency Assistance Due to the Outbreak of COVID-19 Disease

Overview

Due to the COVID-19 disease outbreak, staff is recommending that the Village extend the existing waiver and suspension the 10% late payment penalty on water charges set forth in Village Code Section 26-2-3 for water/sewer bills due through February 16, 2021 .

Recommendation

Adopt the Ordinance.

Fiscal Impact

The waiver and suspension of the late payment penalty for past due water balances for water/sewer bills due on or before December 31, 2020 is estimated to reduce this revenue source by \$50,000-\$75,000 for current fiscal year 2020 and \$10,000 for next year.

Background

On April 6, 2020, the Village Board approved an Ordinance temporarily waiving and suspending the Late Payment Penalty for delinquent water charges for bills due through December 31, 2020. This was to provide emergency assistance due to the COVID-19 pandemic.

As a result of the continued pandemic and related economic crisis, staff is seeking an extension of the waiver until February 16, 2021.

Please be aware that pursuant to Code Section 26-2-3, the late payment penalty is only applied on the portion of the water/sewer bill that pertains to water supplied (usage) charges. The sewer and refuse fee portion of the bill has always been excluded from the late payment penalty.

On March 13, 2020, the Village Board adopted Resolution 20-120 declaring an emergency effecting the public health due to the outbreak of the COVID-19 disease in the State of Illinois and subsequently extended the declaration on multiple occasions.

Many Oak Park residents and businesses are struggling financially during the COVID-19 disease outbreak and have experienced reduced or lost employment. Staff feels that it is appropriate and reasonable that the Village extend the temporarily lifting of the penalty for past due water charges for those unable to pay their water/sewer bills on a timely basis.

Alternatives

The Board could elect to defer consideration to seek additional information.

Previous Board Action

On April 20, 2020, the Village Board adopted Ordinance 20-033 temporarily waiving and suspending the Late Payment Penalty for delinquent water charges for bills due through December 31, 2020.

Citizen Advisory Commission Action

N/A

Anticipated Future Actions/Commitments

N/A

Intergovernmental Cooperation Opportunities

N/A