

**SRC 40.001 – Title and Purpose.** This chapter shall be known and may be cited as the “Operations Fee Code of the City of Salem.” The purpose of this chapter is to establish a fee to offset the cost of providing City services, and for the administration of such a fee.

**SRC 40.005 – Definitions.** The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Improved Premises* a lot or parcel, or portion thereof, of land within the corporate limits of the city that receives a direct or indirect benefit from City services. It is presumed that an improved premises receives a direct or indirect benefit from City services if improvements exist on the premises or the premises is served by a City utility system.

**SRC 40.010 – Administration; rulemaking.** The Director shall administer and enforce the provisions of this chapter, have the authority to render written and oral interpretations, conduct audits, and to adopt administrative rules and procedures governing the administration, enforcement, and collection of the operations fee.

**SRC 40.015 – Fee Established.** An operations fee is hereby created and imposed on the owner, tenant, agent or other authorized representative responsible for occupancy of an improved premises, in amounts set forth in SRC 45.020. The operations fee is based on the direct and indirect use of or benefit from the provision and use of general City services and is not a property tax, and is not subject to the limitation of article XI, section 11 of the Oregon Constitution. The obligation to pay an operations fee arises when a person receives the direct or indirect benefit of City services. It is presumed that the benefit of City services is received whenever there is an improved premises.

**SRC 40.020 – Fee Amount; Annual Adjustments.**

(a) The rate for the operations fee shall be applied to utility customer account by classification as defined in administrative rule pursuant to SRC 70.205, and is initially set as follows;

(1) Residential: \$8.00 per account per month;

(2) Multifamily: \$6.40 per unit per month;

(3) Commercial, Industrial, Institutional, and Public: \$38.56 per account per month.

(b) The rate for the operations fee shall be adjusted annually for inflation as determined by City Council.

(c) The rate, other charges, and any adjustments to the operations fee shall be set annually by resolution of Council.

**SRC 40.025 – Billing; due date; delinquency.**

(a) An operations fee shall be billed to and collected from the owner, tenant, agent, or other authorized representative responsible for occupancy of an improved premises, as set forth in SRC 70.230.

(b) An operations fee shall be included and separately identified in a utility billing statement for an improved premises account, if one exists, and shall be due and payable on the same schedule as that set forth in the statement. Payments for an operations fee through the utility billing statement shall be applied in a priority consistent with SRC 70.245.

(c) Unless another person has agreed in writing to pay all or a portion of the operations fee, and a copy of that writing is filed with the City, the responsible party shall pay the operations fee and all other applicable charges, including any administrative fees.

(d) Delinquent accounts shall be subject to the provisions for delinquency set forth in SRC chapter 70.

**SRC 40.030 – Low income exemption.** Single family residential customers that have been approved through the City’s Utility Rate Relief Program shall be exempt from paying an operations fee.

**SRC 40.035 – Adjustments.** The Director may authorize the adjustment of a bill for an operations fee as provided in SRC 70.290.

**SRC 40.040 – Falsifying information.** No person shall knowingly make any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained pursuant to this chapter.

**SRC 40.045 – Appeals.** Any person adversely affected by any decision, action, determination, or order, made by the Director interpreting or implementing the provisions of this chapter may appeal to the Hearings Officer as set forth in SRC chapter 20J and SRC 70.330.

**SRC 40.050 – Civil Penalties.** Any person who is found to have violated an order of the Director, or who willfully or negligently failed to comply with any provision of this chapter, and the orders, rules, and regulations issued hereunder, shall forfeit and pay not more than \$1,000.00 for each offense as determined by the Hearings Officer. Each day on which a violation shall occur or continue shall be deemed a separate and distinct offense.

**SRC 40.055 – Violations.** Violation of any provision of this chapter, in addition to any civil penalty, shall be an infraction.

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**SRC 70.250. - Delinquent accounts.**

(a) When a person's account is delinquent, the person will be provided a notice of delinquency by electronic communications or first class mail and given no fewer than seven calendar days in which to make payment or request a hearing as provided in SRC 70.260. If payment is not received or a hearing requested by the due date shown in the notice of delinquency, the user will be provided a notice of discontinuation of services by electronic communication or first class mail, stating that service to the premises will be discontinued if payment is not received within five days from the date set forth in the notice of discontinuation of service.

- (b) Water service may be discontinued to users having delinquent wastewater, stormwater, streetlight, operations fee, or administrative service charges, when in the judgment of the Director such action is necessary to enforce collection of such delinquent amounts.
- (c) Unless other arrangements have been approved by the Director under subsection (d) of this section, service shall not be reinstated until the delinquent account, including all user fees and account fees, have been paid in full.
- (d) If the Director finds that the public's interest can be protected and, at the same time, an undue financial burden on the user can be reduced, the Director may accept a payment arrangement for delinquent user charges, and may adjust account fees as appropriate under the circumstances.