

dangerous building, and other fees and charges provided for by ordinance; except as otherwise provided by state law, when recorded, a municipal lien under this paragraph has priority over all other liens except:

1. Liens for property taxes, special assessments, and sales and use taxes;
  2. Liens that were perfected before the recording of the lien under this paragraph;
  3. Liens that, under state law, are prior, paramount, and superior to all other liens; and
  4. mechanics' and materialmen's liens for which claims of lien under AS 34.35.070 or notices of right to lien under AS 34.35.064 have been recorded before the recording of the lien under this paragraph.
- B. The Billing Clerk shall maintain a list of all customers whose utility accounts with the City are seriously delinquent as defined in section 7.04.390, and are not paid in full as described in Coffman Cove City Code Section 7.04.180. The list shall include the individual whose name is stated on the account with the City, the legal description of the property serviced by the City and the amount delinquent. The Billing Clerk shall cause a lien in favor of the City to be recorded in the Recording District in which the property is located for the amounts owed, including fees, costs and attorney fees, ninety (90) days from the date of delinquency.
- C. The customer of the City utility shall be responsible for all administrative fees, costs and attorney fees incurred by the City in the collection of the delinquent utility bills and said amount shall be included in the lien in favor of the City.
- D. Fees for the administrative costs of filing on notices of liens and releasing of liens shall be:
- a. Filing of notices of liens: twenty-five dollars (\$25), plus recorder's office filing fee.
  - b. Release of liens: twenty-five dollars (\$25), plus recorder's office filing fee.

Section 7.04.390 Delinquent Utility Account Resolution Process:

- A. Past Due Accounts: When a utility account is not paid in full by the due date listed on the utility bill, the account becomes past due. Section 7.04.010 defines "delinquent" as all "past due" amounts and associated finance or late charges, for billing purposes, from one billing cycle which are received by the utility department as of the close of the subsequent billing cycle. When the account becomes delinquent, a finance charge of \$10 per month is assessed on the past due account balance, including each successive bill that the account is past due. Failure to receive mail will not be recognized as a valid excuse for late payments. The customer whose account is past due shall receive their next regular utility bill stating the account balance.
- B. When an account is determined to be delinquent, the City will send the account holder a notice by certified mail or other mail delivery service that provides acknowledgment of delivery. The notice will provide a copy of the most recent utility bill stating delinquent account balance, including all additional charges, and notification that the utility customer has fifteen (15) business days from the date of notice mailed to pay in full the



**CITY OF COFFMAN COVE, ALASKA  
ORDINANCE 22 01**

**AN ORDINANCE OF THE CITY OF COFFMAN COVE IMPLEMENTING ACCOUNT  
RESOLUTIONS AND PROCEDURES WITH THE ISSUANCE OF PROPERTY LIENS ON  
DELINQUENT CITY UTILITIES**

BE IT ENACTED BY THE COFFMAN COVE CITY COUNCIL AS FOLLOWS:

**Section 1. Purpose.**

To add, delete and amend the language of Title VII UTILITIES.

**Section 2. Classification.**

This Ordinance is of general and permanent nature and shall become part of the Municipal Code.

**Section 3. Prior Ordinance superseded.**

This Code supersedes any and all Ordinances adopted prior to this code and not included within this Code at the time of this Code's adoption.

**Section 4. Severability.**

If in any provision of this Ordinance or application thereof to any person or circumstance is held invalid, the remainder of this Ordinance shall not be affected thereby.

**Section 5. Titles and Chapters amended:**

**Chapter 7.04  
Rules and Regulations for Water & Sewer**

**Sections:**

**7.04.380 Property Liens**

**7.04.390 Delinquent Utility Account Resolution Process**

**Section 7.04.380 Property Liens:**

- A. The City of Coffman Cove shall have a property lien upon any and all property that has been serviced by any and all of the utilities referenced in this Title for the payment of all charges incurred by the utility customer with the City. This lien shall be superior to any and all other liens to the maximum extent allowed under State Law. As outlined in AS 29.35.010 (17), the City has legal authority to provide by ordinance for the creation, recording, and notice of a lien on real or personal property to secure payment of past due utility fees, costs incurred by the municipality in the abatement of an unsafe or



dangerous building, and other fees and charges provided for by ordinance; except as otherwise provided by state law, when recorded, a municipal lien under this paragraph has priority over all other liens except:

1. Liens for property taxes, special assessments, and sales and use taxes;
  2. Liens that were perfected before the recording of the lien under this paragraph;
  3. Liens that, under state law, are prior, paramount, and superior to all other liens; and
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- C. The customer of the City utility shall be responsible for all administrative fees, costs and attorney fees incurred by the City in the collection of the delinquent utility bills and said amount shall be included in the lien in favor of the City.
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delinquent account balance. As outlined in Section 7.04.065, when deemed in the best interests of the City to do so, the City Council may establish utility service payment arrangements with individual utility customers by Resolution.

C. Seriously Delinquent Account. If a utility account is not paid in full by the due date of the second utility bill after the account became past due, the account shall be declared seriously delinquent, and the City shall do the following:

1. The Billing Clerk will send the utility customer a notice by certified mail or other mail delivery service that provides acknowledgment of delivery. The notice will include a copy of the most recent utility bill balance and all additional charges and notification that the account has been declared seriously delinquent and that legal action will be initiated if the account is not paid in full prior thereto.
2. If the customer has neither paid the delinquent utility account balance in full by the deadline stated in the notification of serious delinquency nor entered into a service payment arrangement, the City may pursue one or more of the following remedies which are non-exclusive: a) enter into a payment arrangement; b) record a lien for the delinquent amounts. c) bring suit to collect amounts due; d) bring a suit to foreclose on the lien for the amounts due; and d) initiate action to disconnect water service to the delinquent property service address.
3. All legal fees and costs associated with resolving a delinquent utility account shall be the responsibility of the property owner, including any associated charges, costs and/or attorney fees.

New language: italics and underlined; Deleted language: ~~[in bold brackets and stricken.]~~

1<sup>st</sup> Reading: September 16<sup>th</sup>, 2021

2<sup>nd</sup> Reading: September 16<sup>th</sup>, 2021

Public Hearing: October 21<sup>st</sup>, 2021

PASSED AND APPROVED by the COFFMAN COVE CITY COUNCIL THIS 21<sup>st</sup> DAY OF OCTOBER, 2021.

VICE MAYOR: \_\_\_\_\_

ATTEST: \_\_\_\_\_

City Clerk