



## Request for Council Action

**TO:** Mayor and City Council  
**THROUGH:** Tim Murray, City Administrator  
**FROM:** Jeanne Day, Finance Director  
**MEETING DATE:** May 25, 2021  
**SUBJECT:** Deny Faribault Transportation Appeal to Waive  
 Utility Billing Late Payment Fees

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### Background:

Faribault Transportation has submitted this written appeal to have the late payment fees on their two accounts be waived.

Good Afternoon Jeanne,

Thank you for your time discussing the different payment options for the water bill. As we discussed, we have been receiving the water bill only 3 weeks or so prior to the due date. Due to our procedural processing time, and slow mail time due to COVID, we recently realized our payments were arriving late. Based on our payment history, it is easy to see payments have always been made, however, just not within the tight time frame allowed due to the reasons above. After discussing the options with you and the utility billing staff, we have made the change to put the payment on a credit card with auto pay to make sure the payment is not late. Although this adds an extra layer of difficulty for our accounting staff, we were willing to make this work as a solution. Although I do not wish to make a large deal out of this situation, with the limited time available to make payments and our willingness to find a solution, we are requesting the late fees are waived from our two accounts as we know there will be no late payments in the future. Please see the accounts and amounts below:

Account # 009267-000  
 Late fees of \$153.40

Account # 009267-002  
 Late fees of \$14.91

Thank you for your consideration.  
 Garrett Regan  
 FARIBAULT TRANSPORTATION

They are requesting fees be waived from August 7, 2020 to April 6, 2021.

### Basis for Denial:

- All payment options were discussed. E-statements do not rely on US Postal Service for bill delivery, automatic payments, on-line payments, over the phone payments, as well as prepayment on the accounts.
- It was noted that the four months prior to August 7, 2020 payments were all made timely.

- The history on these accounts show that 1/3 of the payments have been made timely from 2015-2020, and prior to that over 50% were made timely from 2009-2013, and 100% were timely in 2008.
- Late payment fee date changed from the day following the 25<sup>th</sup> of the month to the day following the 5<sup>th</sup> of the following month on July 2018 to allow longer payment timeframe for all customers.
- The late fees requested to be waived for 2/9/2021 of \$22.55 & \$2.32 were because no payment was made on the December billing sent on 1/8/21 which was due 2/5/21 until 3/2/21 along with the January billing sent on 2/10/21 due on 3/5/21.

**Recommendation:**

Staff recommends denial of Faribault Transportation appeal to waive utility billing late payment fees from August 7, 2020 to April 6, 2021

**Attachments:**

(None)