

Frequently Asked Questions: Changes to Utility Bill Collection Process

How has the City handled unpaid utility bills in the past?

Before the COVID-19 pandemic, we would shut off the water at residences where the utility bills were more than 90 days past due if no payment arrangements were made with our Utility Billing Office. We suspended this practice during the pandemic so that Missoula Water customers would have the water they needed for themselves and their families during this health crisis.

Tax liens were historically used to enforce collections of past due wastewater and stormwater accounts. Tax liens were filed using the procedures established in MCA 7-13-4309 for past due amounts exceeding \$30 on combined wastewater and stormwater accounts. Until 2021, no wastewater accounts were allowed to be in a tenant's name.

What is changing?

We wish to continue to keep water service available to our customers, but we've experienced an increase in the number of utility bills that have gone unpaid for more than 90 days. So, we decided to implement the same collection method we were using to collect non-payment on wastewater and stormwater accounts, which is to make the property owner ultimately responsible for the utility payment by the means of a tax levy

Montana law (MCA 7-13-4309) allows for delinquent payments for utility services to be collected as a tax levy against the owner of the property to which the service was provided. Utility service may be set up in the property owners name, or in the name of a tenant, family member, or other authorized agent of the owner. However, regardless of the name of the account holder, an update to Missoula Municipal Code Chapter 13.02 now clarifies that property owners become responsible for payment of all water, wastewater, and stormwater charges for service provided to their property if there is an outstanding balance of \$200 or more for 90 days.

Who is affected?

Individual property owners whose property received water, sewer, or stormwater utility service but an outstanding utility bill balance of \$200 or more for 90 days remains for that property.

****Properties whose utility customers are current on their utility bills will not be affected.****

When does this change begin?

The ordinance change was approved by Missoula City Council on June 13, 2022, and it goes into effect on July 13, 2022. Property owners who will be affected in 2022 will be notified by mail

before July 7, 2022. They will have 30 days to pay the past-due charges before the charges become a lien against the property and appear on their next tax bill.

Why is the City doing this?

- We want residents to have access to clean drinking water, so we don't want to shut off anyone's water for non-payment.
- It's costly to have Missoula Water employees constantly driving around turning people's water off and on.
- Operating the customer's curb valve can create a significant liability for the City because the valve may start to leak once its operated
- Not all properties have an operable or accessible valve to turn off in case of non-payment.
- We want consistency in our utility collections process now that all three utilities are combined on one single bill.
- If we aren't able to recover these costs, all utility customers will have to absorb the costs of these unpaid bills through rate increases.

What options do owners or account holders have who can't pay or are late paying their utility bills?

The City of Missoula Utility Billing offers flexible payment arrangements for utility account holders who contacts our office at 406-552-6700.

Utility account holders who qualify for the Low-Income Home Energy Assistance Program (LIEAP), administered through the Human Resource Council (HRC), may also be eligible for the federally-funded Low Income Home Water/Wastewater Assistance Program (LIHWAP). This program can help with delinquent utility payments for any qualified account holder living on a property. Contact the HRC directly at 406-728-3710 to determine eligibility.