

**POLICY: UTILITY BILLING FOR PROPERTIES RETURNED TO VACANT LAND POLICY**

ORIGINAL ADOPTION: 12/13/2022

REFERENCE NO. FIN-014

REVIEWED/UPDATED: TBD

PURPOSE

To prescribe the policies and procedures concerning municipal utility charges for properties which the structure(s) has/have been demolished and it has been returned to vacant land either for the purpose of future rebuilding or to remain vacant.

POLICY AND PROCEDURES**Mandatory Connection**

Chapter 74 Utilities – mandates that all properties be connected to the water and sewer system. In the case of new construction, trunk charges for water and sewer are paid for each new connection that provides funds “to establish, construct, repair, replace, maintain, enlarge, and improve said system”.

Current practice is to follow the Metropolitan Council Environmental Services (MCES) formula to apply credits for prior hook-ups to avoid additional trunk charges. City Water and Sewer Trunk charges in 2022 are \$4,000 per new home construction. Avoiding having to pay these fees represents significant value and having utilities accessible on site adds value to any property.

Status of Utility Charges for Properties Returned to Vacant Land

For properties where structures were demolished to provide for redevelopment, the base utility charges shall continue during the period of reconstruction as these properties benefit from the systems in place and should contribute to their repair, replacement, and maintenance as is the intent of the mandatory connection required in Chapter 74 of the Mound City Code.

If the property remains completely vacant for one year after the demolition and regrading activities were completed, and is not being actively marketed and there is no evidence of intent to build, utility billing will be suspended until a permit for a new water meter is pulled and the water meter is installed.