



PUBLIC WORKS DEPARTMENT

STANDARD OPERATING PROCEDURE

Date: December 2019
To: All Public Works Staff
From: Public Works Director
Re: SOP 100-19: Wastewater Delinquent Account Collections

Purpose

The purpose of this Standard Operating Procedure (SOP) is to provide a written billing and collection policy for accounts receivable transactions, incorporating good and acceptable business practices and efficiencies and, which is consistent and fair to its customers and to the Town. Prompt payment on accounts by all customers is instrumental in keeping sewer rates reasonable and contributes towards the overall financial health of the waste water enterprise fund.

Policy

Regular monthly assessments are due and payable on the last day of each month. The wastewater billing department will send out a bill to our customer database once a month. The billing statement is sent to the billing address or email on record with the Town; however, it is the owner/ occupant of record's responsibility to pay each assessment in full each month regardless of whether a statement is received. Customers who have signed up for Automatic Payments will have their bill deducted from their accounts on the 25th of the month.

1st Failed Collection Attempt / 5 days past due

Bills shall be paid by the 5th day or a late fee will be assessed to the account. 24 hours prior to late fee assessments, a phone call will be made to the customer reminding them of the due date, date late fees will be assessed and contact information for questions regarding their bill. If payment is received within 24 hours of this phone call then no late fee shall be assessed.

2nd Failed Collection Attempt / 5 days after second unpaid bill

Wastewater billing staff (staff) will have reviewed returned mail to determine if the original bill was received by the customer. If bill was returned, staff will call said customer to verify address information and inform them that their account is delinquent.

At this time a Notice of Delinquency (NoD) shall be sent to the customer. If the customer is a renter, a copy of the NoD shall also be sent to the owner of the property. The letter will advise the customer that they are 60 days past due on their account and shall outline the next steps in the debt collection process.

3rd Failed Collection Attempt / 5 days after third unpaid bill

At this time the customer shall receive a Notice of Termination of Wastewater Service (NoT) via process server. The NoT shall include the service address, the amount due, the billing period and the date service will be terminated (not less than 30 calendar days from date of the NoT) and an estimate of the costs the customer will incur with the disconnection and reconnection of service. The NoT must also include an opportunity to be heard. If the customer is a renter, a copy of the NoT shall be sent to the property owner.

Notice of Hearing

Prior to termination of services the customer shall have the right to present his/her arguments stating why wastewater services should not be terminated. Hearings shall be conducted by a hearing officer hired by the Town.



PUBLIC WORKS DEPARTMENT

STANDARD OPERATING PROCEDURE

A Notice of Hearing (NoH) shall be sent via process server at the same time as the NoT. The NoH will include the service address, amount due, the billing period(s) and the date and time of the hearing. The NoH will explain to the customer that at the hearing the Town will present evidence of violations of the Town Code's payment provisions. It will explain that the customer has the right to appear at the hearing and present evidence in defense of their alleged actions.

On the date of the hearing the hearing officer will listen to the case. If the customer does not show up or if the hearing officer decides in favor of the Town, a date of termination will be selected. A letter shall be sent to the customer with the findings of the hearing and the date of termination. If the customer is a renter, a copy of the letter shall be sent to the property owner.

Delinquent customers are eligible to schedule payment plans until 7 days prior to termination of service (i.e. the date the delinquent location is posted for termination of services as outlined below) for up to 24-months duration. If a payment plan is approved and the account falls into delinquency before the outstanding balance has been paid off, the customer shall receive a NoT via process server and NoH (see 3rd Failed Collection Attempt).

Termination of Service

Seven (7) calendar days prior to the date of termination, a notice (8 ½ x 11, orange paper) shall be affixed to the garage door (or other door/window clearly visible to the road) of the service address. Payment must be made **IN FULL** to the Town of Sahuarita Wastewater Utility (Town) prior to the termination date or service will be terminated.

On the date of termination the Town will terminate service via the sewer cleanout connected to the House Connection Sewer (HCS). On the date of termination of service the orange notice will be removed and replaced with a Disconnect Notice (8 ½ x 11, red paper) stating that the home has been disconnected from the sewer. Town staff will attempt to reach the customer in person. Once the Contractor is on-site to terminate service the customer can still prevent termination by paying their overdue balance **in full** plus the Contractor's mobilization fee as described below.

- If said property **does** have a sewer cleanout installed within the Town's right-of-way or within a sewer easement then the contractor's mobilization fee shall be \$75.00.
- If said property **does not** have a cleanout installed within the Town's right-of-way or within a sewer easement then the contractor's mobilization fee shall be \$725.

The Sahuarita Water Company, PDEQ and the Town Building Code Official shall receive a copy of the disconnect notice once service is terminated.

Reconnection

The account holder is responsible for paying all past due amounts plus any costs incurred by the Town in the disconnection and reconnection of the sewer service. Once this payment has been received the Town will reconnect the sewer service within 5 business days. (If paying by personal check, reconnection of sewer service will be made within 5 business days after the check clears).



PUBLIC WORKS DEPARTMENT

STANDARD OPERATING PROCEDURE

Disconnection and Reconnection Fee

Property with a sewer cleanout – \$250.00*

Fees for a property that requires the installation of a sewer cleanout:

New cleanout in dirt - \$2,555*

New cleanout in sidewalk - \$2,653*

New cleanout in concrete driveway - \$3,276*

New cleanout in asphalt - \$3,376*

*These fees above are subject to change based on existing conditions and material costs.

New Accounts to Delinquent Customers

In the event an account holder moves and requests an account at a new address this account should be initiated. At the time the account is initiated the customer should be informed of all past due amounts at their previous address. If the new account becomes delinquent and there is still an outstanding balance on the previous account the process for a 3rd failed collection attempt should be followed.