

TTDWID RESOLUTION NO. 2022-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRUJILLO TRAIL DOMESTIC WATER IMPROVEMENT DISTRICT OF SANTA CRUZ COUNTY, ARIZONA, MODIFYING THE FEE FOR PAST DUE ACCOUNTS, ESTABLISHING PROCEDURES FOR COLLECTION OF PAST DUE ACCOUNTS AND SUSPENSION OF SERVICE, AND REQUIRING THE CUSTOMER IN ARREARS TO PAY ALL COSTS OF COLLECTION

WHEREAS the Board of Directors (the "Board") of the Trujillo Trail Domestic Water Improvement District of Santa Cruz County, Arizona (the "TTDWID") adopted late fees of 10% on the unpaid balance at its duly noticed meeting held on August 28, 2021, and

WHEREAS the TTDWID Board finds that a flat late fee of \$15 per month for late accounts is more reasonable and more easily administered and is in the best interests of the TTDWID and its customers; and

WHEREAS the TTDWID Board finds that having established procedures in place for collection of past due accounts and suspension of water service is in the best interests of the TTDWID and its customers; and

WHEREAS the TTDWID Board finds that requiring the customer in arrears to pay all costs of collection is consistent with the practice of the prior owner of the water system and is in the best interests of the TTDWID and its customers.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Trujillo Trail Domestic Water Improvement District of Santa Cruz County, Arizona, as follows:

SECTION 1. The late fee of 10% on the unpaid balance found in the TTDWID's schedule of fees and rates adopted on August 28, 2021, is hereby replaced with a flat fee of \$15 per month for each late account. This revision is effective immediately for accounts where this revision reduces the amount of the fee. For accounts where this revision would result in a higher fee, a late fee of 10% on the unpaid balance shall be applied until the TTDWID's schedule of fees and rates is readopted upon the notice and hearing provided for in A.R.S. § 48-910.

SECTION 2. The TTDWID's schedule of fees and rates adopted on August 28, 2021, is hereby amended to add a provision requiring the customer in arrears

to pay all actual costs of collection of its past due balances, including without limitation all accrued late fees, interest, and collection agency or attorneys' fees.

SECTION 3. The following procedures are hereby adopted:

- a) Payment of bills. Water rates, charges, and fees are due and payable to the TTDWID upon billing. Any rates, charges, or fees not paid in full by the next billing date are subject to a late charge of \$15, in addition to the balance due.
- b) Grounds for termination of service. Water service to a customer may be terminated by the TTDWID upon ten days advance written notice to the customer for any of the following reasons:
 - i) Customer violation of any of the TTDWID's adopted rules for provision of water service.
 - ii) Failure of the customer to provide the TTDWID reasonable access to its water equipment and property.
 - iii) Failure of a customer to pay a delinquent water bill.
- c) Nonpayment of delinquent bill; filing of lien; interest.
 - i) If any bill for a water rate, charge, or fee made to the customer is not paid by the next billing date, the customer shall be given written notice specifying that the bill is delinquent and outlining the procedure by which the customer may challenge the accuracy of the bill. If a delinquent bill is not paid and no challenge has been made to the accuracy of the bill after the notice of delinquency, the water supply will, without further notice, be turned off, and not turned on until all sums due are paid in full, together with a charge for reconnection after delinquency.
 - ii) Pursuant to A.R.S. § 48-910 (E), the TTDWID may file a lien on the property for unpaid fees that are at least 90 days delinquent. The TTDWID may enforce the lien by any method permitted by law. Unpaid fees shall accrue interest at the rate provided by A.R.S. § 44-1201. The TTDWID shall not file a lien for unpaid fees against a residential property that is occupied by a lessee who is responsible for payment of the fees. Before filing a lien against a property, the TTDWID shall determine whether the property is leased.
- d) Reconnection of service. In no case shall any individual or plumber turn on the water supply to any building or any supply pipe where the supply has been turned off for the nonpayment of the monthly water bill or for the violation of any duly adopted TTDWID provision of water service. All water

that has been turned off by the TTDWID shall only be turned on again by the employees or agents of the TTDWID.

- e) Challenge of accuracy of water bill. The procedure by which a customer may challenge the accuracy of a water bill and the determination of the validity of the challenge shall be as follows:
 - i) The customer shall notify the TTDWID, in writing, of the challenge of the accuracy of the bill and the reasons for it. If the customer has received a notice of delinquency, the challenge shall be filed within ten days of the date of the notice of delinquency.
 - ii) The customer may request that the water meter be re-read or tested, provided the customer pays the meter re-read charge or the actual cost of any meter test in advance. A request for meter re-read or meter test, paid for by the customer, shall constitute a challenge to the accuracy of the bill.
 - iii) The TTDWID shall send the customer a corrected bill and refund the cost of the meter re-read or meter test if the bill is found to be in error either because the meter was misread or because a meter test shows that the meter over-calculated the volume by more than 3%. The customer shall have 20 days to pay the corrected bill.
 - iv) If the customer requests that the water meter be re-read or tested, the customer's utility service shall not be terminated until at least ten days after the water meter re-read or test.
- f) Collection. The TTDWID is authorized to turn over any delinquency to a collection agency or attorney. The customer in arrears shall pay all actual costs of collection of its past due balances, including without limitation all accrued late fees, interest, and collection agency or attorneys' fees.
- g) Courtesy adjustments. A courtesy adjustment of the water usage portion of a customer's monthly water bill may be sought and made as provided in this section.
 - i) A courtesy adjustment is available when all the following conditions are met:
 - (1) The account's water use has returned to normal levels.
 - (2) The water use in question was more than 15,000 gallons for a given 30-day period.
 - (3) The account for which a courtesy adjustment is sought has not received a courtesy adjustment within the prior 36-month period.

- (4) The application for courtesy adjustment is submitted within 30 days after issuance of the water bill sought to be adjusted.
- (5) Undeveloped properties and properties under construction are not eligible for a courtesy adjustment.
- (6) Each courtesy adjustment must be approved by the TTDWID Board of Directors.

ii) Calculation of courtesy adjustment:

- (1) A courtesy adjustment is calculated by taking the difference of water consumption between the high water use month and the same month of the previous year, allowing one-half of that amount to be reduced from the monthly charges currently due.

(2) By way of example:

- (a) Customer's water charges for April are \$150.
- (b) The water charges for April last year were \$50.
- (c) The courtesy adjustment would result in water charges of \$100 (\$100 of excess water usage [$\$150 - \50] divided by two results in a \$50 courtesy adjustment [water charges of \$150 in original bill minus \$50 courtesy adjustment equals water charges of \$100]).

SECTION 4. The Chairperson of the TTDWID Board and the TTDWID's Treasurer and Clerk are authorized to carry out the terms of this resolution and the procedures adopted by it.

PASSED AND ADOPTED by the Board of Directors of the Trujillo Trail Domestic Water Improvement District of Santa Cruz County, Arizona, this _____ day of December, 2021.

John Combo, Chairperson

ATTEST:

Meg Flanders, Clerk