

**RICHMOND  
WATER & SEWER  
DELINQUENT ACCOUNT POLICY**

Per Vermont State Statute Title 24, Chapter 129 "business days" are defined as Monday through Thursday, excluding holidays.

Invoices are produced at the end of the quarter and mailed by the 10<sup>th</sup> of the month following the end of the quarter being billed for. Payments are due on the last day of the quarter following the quarter that was billed for. Accounts that have not been paid by the due date will be considered delinquent the day after the due date and will be charged 1% interest monthly. Accounts that have not been paid in full and do not have a payment agreement in place will be charged an additional 8% on July 1<sup>st</sup> of each year. All payments are considered timely if they are received or postmarked on or before the due date.

Accounts that have not been paid by the 15<sup>th</sup> calendar day following the due date will be sent a disconnection notice. Per state statute the color of the disconnection notice will be pink, and it will be sent via certified mail. Per the disconnection notice instructions, the account owner will contact the Richmond Finance Department to either make payment in full or sign an agreement and pay the first installment. The agreement will specify the delinquent amount, the amount to be paid monthly until the balance is paid and shall be signed by the account owner. The signed agreement and the first installment must be received by the Finance Department within ten business days of the postmark on the mailed disconnection notice. The installment amount for accounts with past due balances of \$3,000 or less will be calculated to be paid within six months. The installment amount for accounts with past due balances of more than \$3000 will be calculated to be paid within 12 months. Account owners are required to pay their current charges in addition to the agreement for delinquent balances.

If a signed payment agreement and first installment has not been received within ten business days of the disconnection notice postmark, a pink disconnection notice will be posted on the door of the residence. In the event of multiple dwelling units, each exterior entrance visible from the public right of way will be posted, and the disconnection date will be painted at curb side. An employee of the Water Resources department will disconnect the water service on the date specified as the disconnection date. Per Vermont State Statute, Title 24, Chapter 129, the disconnection must occur within four business days of the posted notice, between Monday and Thursday, and between the hours of 8 a.m. and 2 p.m.

If we receive the signed agreement and the first monthly payment is made, or if payment is made in full, the disconnection process is stopped. The agreement remains in effect if all monthly payments are made within the month that they are due. If an agreement is in good standing the 8% penalty will not be incurred at the end of the fiscal year.

If we do not receive an agreement AND at minimum the first installment OR full payment, we shall proceed with the disconnection process.

Restoration of water service will be made within 24 hours if the account owner pays the appropriate fees and payment in full, or if the account owner pays the appropriate fees and signs an agreement and pays at least the first installment. An agreement may not be executed for account owners who have already defaulted on a previous agreement for the same charges. In addition, per State Statute 24, Chapter 129, section 5143 a tenant of a rental dwelling noticed for disconnection due to the delinquency of the account owner shall have

the right to request and pay for continued service from the utility or reconnection of water and sewer service for the rental dwelling, which the utility shall provide.

The account owner will be charged an additional reconnection fee of:

\$25.00 during Water Resources Department hours

\$37.50 outside Water Resources Department hours

Water Resources Department Hours: Monday through Friday, 7 a.m. through 2 p.m., excluding holidays)

If an agreement is defaulted on the door is posted for shut off. Once the door is posted for shut off due to the customer defaulting on an agreement, the customer has 24 hours in which to request a 14 calendar day extension for payment. This request must be accepted by the Water and Sewer Superintendent, the Finance Director and the Town Manager. If accepted and payment is not made within 14 calendar days the door will be posted for shut off with no chance for another extension.

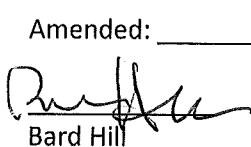
Once the account goes to full disconnection, and service is turned off. The Town will then record a lien against the property for any delinquent charges and fees related to such. The service will not be restored, and the lien will not be removed against the property until full payment of the delinquent amount due, including interest, and the reconnection fee is received. This is the only condition that will allow service restoration and lien removal after disconnection in cases where properties have been sold or transferred.

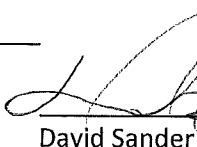
If the account owner believes the bill is incorrect or the disconnection notice was done incorrectly, the account owner still needs to sign an agreement and make the first installment in order to stop the disconnection until they can make an appeal to the Water and Sewer Commission at the next scheduled meeting. Once the appeal is heard by the Water and Sewer Commission, at a duly warned public meeting, the Water and Sewer Commission may request additional information from staff to assist them in an appeal decision. The account owner shall be made aware that if it is determined that the billing and disconnection notice are correct, any expenses incurred during the appeal process are the responsibility of the account owner, including the cost of meter testing. Upon the Water and Sewer Commission's review of the appeal, the Water and Sewer Commission may uphold or deny the appeal. If the account owner is dissatisfied with the appeal decision, the Water and Sewer Commission will notify the account owner that they have the right to go to the Board of Civil Authority to ask for an abatement of the charges in question. If the Water and Sewer Commission decides to deny the appeal the agreement in place continues. If there is no agreement, or no agreement is made, disconnection occurs within three business days.

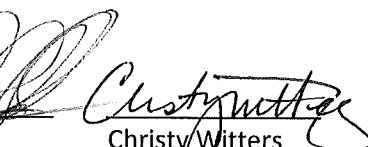
Vermont State Statute dictates that the disconnection must occur within 40 days of delinquency. If proper notice and disconnection does not occur within 40 days, the Town's only other recourse is to record a lien against the property for the amount due plus interest.

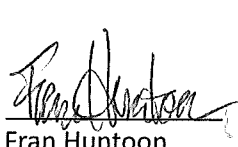
The Delinquent Tax Collector will schedule a tax sale for the lien against the account for the total amount due, including interest and penalty. In addition, the Delinquent Tax Collector will impose interest at 1% monthly, and an 8% penalty annually. The 8% annual penalty will not be assessed on agreements in good standing. At this point, the process follows the same guidelines as the Town's Policy on Late and Delinquent Taxes.

Amended: \_\_\_\_\_

  
Bard Hill

  
David Sander

  
Christy Witters

  
Fran Huntoon

  
Don Morin