



CITY OF ARCHDALE

CITY COUNCIL

MEETING DATE: July 28, 2020

SUBJECT: Utility Customer Service Policy amendment

RECOMMENDATIONS OR COMMENTS: In May 2020, Council amended Section 10-15 of the City of Archdale Code of Ordinances granting the City Manager authority to amend this fee schedule during times of public crisis, such as the COVID-19 pandemic. Governor Cooper's Executive Orders #124 and #142 also required water and sewer utility providers to offer repayment plans for customers that fall behind on payments during the current public health crisis.

Staff have created the attached update to the *Utility Customer Service Policy* to reflect these Executive Orders and establish a repayment plan for accounts that need it.

SUMMARY OF INFORMATION: Proposed UCSP amendment and proposed repayment plan.

ATTACHMENTS: YES NO

16-A) Payment Plans for EO 124 and EO 142 Delinquencies: Residential Accounts

On March 31, 2020, Governor Cooper issued Executive Order 124 (EO 124), which mandates utility providers to suspend applying late fees and suspend discontinuation of residential water and wastewater accounts for nonpayment for amounts that come due on or after March 31, 2020 through June 1, 2020. Executive Order 142 (EO 142), issued on May 30, 2020, extended to July 29, 2020 the provisions of EO 124 as they relate to late fees and utility service suspensions for nonpayment of accounts.

The City of Archdale will resume normal policies for nonpayment fees and discontinuation of services for nonpayment upon expiration of EO 142, which is currently set as July 29, 2020. A \$10 late fee will be applied to accounts if the current bill due on August 20 is not paid by the due date. Bills due on August 20th that remain unpaid by the 4th of the following month will incur a \$50 nonpayment fee and services will be disconnected. Once penalty fees have been applied to an account they cannot be waived.

Utility bills due on August 20, 2020 will need to be paid by September 4 to avoid discontinuation of services. A \$10 late fee will be added to accounts if a minimum payment equal to the current amount due is not paid by August 20th.

EO 124 requires payment plans of 6 months for **residential** customers to pay utility bills that became due during the period from March 31 to July 29. The City's uniform payment plan requires customers to pay 1/6 of the total delinquent balance each month in addition to paying the current bill. Customers do not need to contact the City to follow this plan. Customers may pay more than 1/6 of the delinquent balance prior to any due date in order to get back on track sooner. Outstanding balances due prior to March 31 (February 20 and March 20) must be paid, or included in an alternate payment plan, by August 12. Customers with unpaid balances incurred prior to March 31 will have services suspended on August 13, unless there is another payment arrangement approved in writing by the City.

The City's goal is to help customers regain current status on their utility bills. The City will share any information it receives about assistance programs. Residential customers may get approval for alternate payment plans that better fit individual circumstances for repaying delinquent bills. The customer will need to sign an agreement that indicates monthly installments to pay the delinquency in full before January 31, 2021.

Order of Payment:

1/6 of arrears

Penalty fees-current bill

Landfill and recycling-current bill

Stormwater-current bill

Sewer-current bill

Water-current bill

Arrears (Paying extra in any month will act as a safety net for future months and will not accelerate dates remaining balances are due under the plan)

Payment Required for Reconnection

Customers who do not make the required minimum payment will receive the \$50 nonpayment fee and will have services disconnected. In order to restore services after the first disconnection, the customer must pay penalty fees, current bill, and payment plan installment. This will void any payment plans. The customer must sign a new payment plan contract for any remaining delinquencies from the original payment plan. These balances must be paid in full or service will be disconnected on February 4, 2021. To restore services after a second disconnection, the customer must pay penalty fees, latest due bill, and entire delinquent balance.

16-B) Payment Plans Delinquencies: Commercial Accounts

Commercial customers with outstanding bills due prior to July 29 may sign an extension agreement for installments to pay the delinquency over 3 months while paying the current utility bill. Commercial customers will need to have a signed extension agreement in place before September 4 to avoid a disruption of service. Commercial customers are encouraged to contact the Customer Service Department at 336-434-7341 as soon as possible if they wish to make an extension agreement.

Appendix A – EO 142 Residential Payment Plan

Service Dates	Due Date	Required Minimum Payment	Late Fee if Minimum Payment Not Received by Due Date	Nonpayment Fee and Service Discontinuation Date	Nonpayment Fee
Jan 12 – Feb 11	March 20	Must be paid in full by Aug 12	0	August 13	0
Feb 12 – Mar 11	April 20	Payment Plan	0		0
Mar 12 – Apr 11	May 20	Payment Plan	0		0
Apr 12 – May 11	June 20	Payment Plan	0		0
May 12 – Jun 11	July 20	Payment Plan	0		0
Jun 12 – Jul 11	Aug 20	Pay current bill + 1/6 of past due balance	\$10	September 5	\$50
Jul 12 – Aug 11	Sept 20	Pay current bill + 1/6 of past due balance	\$10	October 5	\$50
Aug 12 – Sept 11	Oct 20	Pay current bill + 1/6 of past due balance	\$10	November 5	\$50
Sept 12 – Oct 11	Nov 20	Pay current bill + 1/6 of past due balance	\$10	December 5	\$50