



## **Procedures of Town of Blacksburg for the Termination of Water Service due to Nonpayment Policy**

### **Purpose**

As a condition of service, these Rules, and Regulations, or as the same may be revised or amended from time to time, is a part of all contracts for receiving water or sewer service from the Town of Blacksburg and apply to all customers receiving such service from the Town of Blacksburg whether the service is rendered within or outside of the Town of Blacksburg and whether the service is based upon contract, agreement, signed application or otherwise. These procedures are established to ensure the disconnection of water and sewer services by the Town of Blacksburg (“the Town”) for Nonpayment is fair concerning all utility customers and uniform among all customers.

### **Collection Cycle and Schedule for Disconnection of Service for Nonpayment**

The Town will observe the following collection cycle and scheduled for disconnection of service for Nonpayment:

- The collections cycle begins when the bill is printed and dated (Approximately the 26th of the month). This is day 0 in the cycle.
- On the 15th of the following month, the bill is past due. (Ex. Print Bill on January 26th and due on February 15th)
- On the 16th, the service is eligible for disconnection, and a late fee penalty (10% of the balance on file) is applied to the bill due to Nonpayment.

The disconnection date falls on the Fourth Tuesday of the Month, but if an official holiday of the Town occurs on that Tuesday, the disconnection occurs on the next business day.

### **Notification and Disconnection Procedures for Nonpayment**

The Town is committed to providing notice to all customers of a scheduled disconnection date for Nonpayment. The Town will provide adequate notice of the anticipated disconnection date on the monthly bill.

- The Town will generate a list each Fourth Tuesday of all customers eligible for disconnection on that day.
- Town staff members will review each account in the morning to see if the customer has made a payment to prevent the disconnection.
- Customers eligible for disconnection are added to the disconnection list.
- Service technicians will make disconnections. The Town ensures that all disconnections are completed by approximately 3:00 p.m. to enable the customer to pay before the end of the business day at 5:00 p.m.
- If the customer pays in full or arrangements are made to enter into a payment plan, the Town will use reasonable efforts to reconnect service as soon as possible, provided the customer pays a \$50 reconnection service charge. Service will not be restored until such time as the customer meets these financial obligations.
- A delinquent account that has had no activity or correspondence from the customer for thirty (30) days after being locked will be made a final account and processed for further collection action.

## **Payment Plans**

The Town recognizes that at times customers face extraordinary circumstances which lead to difficult financial situations. It is for these times that the Town has established a payment plan program to assist customers in satisfying their delinquent accounts. Payment plans for delinquent accounts will be managed as follows:

- Customers may receive a seven-day (7) extension on bills up to three (3) non-consecutive times in a twelvemonth (12) period. In addition:
  - A payment plan of up to three (3) months may be offered to customers experiencing extraordinary circumstances. An extraordinary circumstance is broadly defined as a significant event or events affecting a customer's life and ability to pay. The Town of Blacksburg customer service representatives will use their best judgment in applying the extraordinary circumstances determination and are expected to seek advice and confirmation from the Town Administration or Assistant Town Administrator as needed. The representative granting approval must enter appropriate account notes.
  - Extensions and payment plans may only be entered into prior to the disconnection of service.
  - The payment plan will require a minimum of fifty percent (50%) of the total delinquent amount to be paid at the time the payment plan is agreed upon, and the remaining delinquent amount paid in scheduled installments within a maximum period of three (3) months.
  - Payment plans may be entered into only one (1) time in a twelve-month (12) period. Otherwise, payment in full is required.
  - In the event any extension or payment plan term is not met on the scheduled date, or current bills incurred during the payment plan time period are not paid in full by the due date, service will be disconnected, and the total past due amount will be due prior to reconnection of service.
  - Extensions and payment plans may not be entered into to satisfy deposits for new accounts, reconnection fees, or administrative fees.

## **Delinquent Collection**

Pursuant to the South Carolina Setoff Debt Collection Act, the Town of Blacksburg has the right to collect any sum due and owed by the applicant through offset of the applicant's state income tax refund. If the Town of Blacksburg chooses to pursue debts owed by the applicant through the Setoff Debt Collection Act, the applicant will pay all fees and costs incurred through the setoff process, including fees charged by the Department of Revenue, the Municipal Association of South Carolina, and the Town of Blacksburg. If the Town of Blacksburg chooses to pursue debts in a manner other than setoff, the applicant will pay the costs and fees associated with the selected manner as well.

**REVISED JULY 1<sup>ST</sup>, 2021**

**APPROVED BY TOWN COUNCIL JULY 12<sup>TH</sup>, 2021**