

Cug  
BEE #14  
D  
CLERK'S OFFICE  
COMMISSION MIF  
MURDOCK ANNE  
S

RESOLUTION

NUMBER 2007-179

A RESOLUTION OF THE CHARLOTTE COUNTY BOARD OF COUNTY COMMISSIONERS ADOPTING A NEW CHARLOTTE COUNTY UTILITIES CREDIT AND COLLECTION POLICY.

RECITALS

WHEREAS, on October 21, 2003, the Charlotte County Board of County Commissioners ("Board") passed Resolution No. 2003-192 adopting a revised Charlotte County Utilities ("CCU") Credit and Collection Policy for customers of CCU; and

WHEREAS, the Board now desires to adopt a new Credit and Collection Policy for customers of CCU.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Charlotte County, Florida:

1. The Charlotte County Utilities Credit and Collection Policy, attached hereto as Exhibit "A" and incorporated herein by reference, is hereby adopted and shall be the official Credit and Collection Policy relied upon and adhered to by Charlotte County Utilities.
2. The Charlotte County Utilities Credit and Collection Policy adopted by the Board of County Commissioners Resolution No. 2003-192 is no longer effective.

PASSED AND DULY ADOPTED this 13 day of November, 2007.

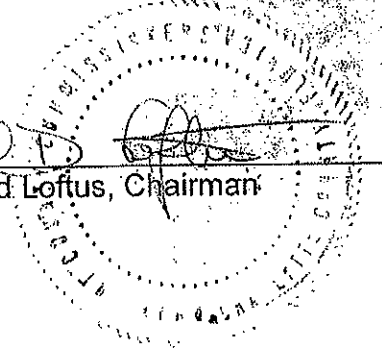
BARBARA T. SCOTT, CLERK, CHARLOTTE COUNTY  
OR BOOK 3233, PGS 171-183 13 pg(s)  
INSTR # 1718902  
Doc Type GOV, Recorded 11/16/2007 at 11:18 AM  
Rec. Fee: \$112.00  
Cashiered By: SUSANJ Doc. #:1

13  
MIF

BOARD OF COUNTY COMMISSIONERS  
OF CHARLOTTE COUNTY, FLORIDA

By:


  
Richard Loftus, Chairman



ATTEST:

Barbara T. Scott, Clerk of Circuit  
Court and Ex-Officio Clerk to the  
Board of County Commissioners

By:

  
Deputy Clerk

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:

  
Janette S. Knowlton, County Attorney

MB

Exhibit "A"

**CHARLOTTE COUNTY UTILITIES  
CHARLOTTE COUNTY, FLORIDA**

**CREDIT AND COLLECTION POLICY**

Revised: November, 2007

EFFECTIVE DATE:

November 13, 2007

CHARLOTTE COUNTY UTILITIES  
CREDIT & COLLECTION POLICY

TABLE OF CONTENTS

I. CREDIT POLICY.....

II. MISCELLANEOUS SERVICE CHARGES.....

    A. INITIAL CONNECTION.....

    B. RECONNECT CHARGE.....

    C. VIOLATION RECONNECTION.....

    D. RETURNED ITEM CHARGE .....

    E. PREMISES VISIT CHARGE.....

    F. LATE PAYMENT CHARGE .....

    G. METER TAMPERING/UNAUTHORIZED CONNECTION .....

    H. UNAUTHORIZED USE CHARGE .....

III. GENERAL CREDIT AND COLLECTION PROCEDURES.....

    A. DEPOSITS.....

    B. CREDIT.....

    C. PAYMENT OPTIONS.....

IV. BILLING AND COLLECTION PROCEDURES .....

    A. GENERAL .....

    B. OTHER PROGRAMS .....

    C. FINALED ACCOUNTS .....

V. UNCOLLECTIBLE ACCOUNTS .....

    A. GENERAL .....

    B. PROCEDURE .....

VI. LIENS .....

    A. GENERAL .....

    B. PROCEDURE .....

VII. ABANDONMENT OF SERVICES .....

    A. GENERAL .....

    B. PROCEDURE .....

VIII. BILLING DISPUTE RESOLUTIONS .....

CHARLOTTE COUNTY UTILITIES  
CHARLOTTE COUNTY, FLORIDA

CREDIT AND COLLECTION POLICY

I. CREDIT POLICY

- A. Charlotte County Utilities ("CCU") is a County-owned, operated and regulated entity governed by its Uniform Water/Sewer Tariffs, as approved by the Charlotte County Board of County Commissioners and as amended from time to time.
- B. The function of CCU is to provide water, wastewater and reuse services to the customers of CCU including area(s) served by agreement and business services provided to other entities. CCU requires all of its customers to be connected to all available services provided by CCU. In some cases, services have been available and properties have not connected to central water and/or wastewater services of CCU. These properties are required by Charlotte County Ordinances 95-044 and 95-045, along with the appropriate County codes and as may be amended, to be connected to said services, and connection charges will be imposed and collected as required by said Ordinances.
- C. All residential accounts shall be established in the name of the owner of the property, with the owner of the property being responsible for all charges due.
- D. It is the intent of CCU to charge and collect monies for such services available to the property. It is also the intent of CCU to use all lawful means available to collect any and all monies that become due.
- E. CCU will process all statements and notices to its customers on a timely basis and anticipates prompt receipt of payments. In the event payment is not received within the specified time, CCU will implement the following collection procedures:
  1. Assess penalties on all charges past due.
  2. Issue a notice to the customer of imminent service disconnection.
  3. Disconnect utility services to a customer's property until the customer's debt has been satisfied.
  4. May require new or additional deposits from customers who have: (a) had more than one late payment in the previous 12 months; (b) payment is not honored by a financial institution; (c) used CCU services illegally; or (d) whose financial institution fails to honor payment because of insufficient funds.
  5. File documents to place liens on customer's property as necessary to guarantee payment of utility debt.
  6. If and when a utility account becomes past due and CCU has exhausted all internal collection procedures, the Director of CCU or his/her designee has the authority to classify an account as uncollectible and adjust the account as a bad debt while referring the account to an authorized collection agency. The Charlotte County Board of County Commissioners will annually ratify those accounts that are deemed by CCU to be uncollectible as determined by the CCU Finance Division.

## II. MISCELLANEOUS SERVICE CHARGES

CCU shall apply the following miscellaneous charges as set forth in the approved Rate Resolution. If both water and sewer services are provided, only a single charge is appropriate, unless circumstances beyond the control of the Utilities require that multiple actions be rendered.

- A. **INITIAL CONNECTION.** This charge is levied for service initiation at a location where service did not exist previously.
- B. **RECONNECT CHARGE.** This charge is levied for transfer of service to a new customer account at a previously served location, or reconnection of service subsequent to a customer-requested disconnection. Requests for reconnection of seasonal disconnections are exempt from this charge.
- C. **VIOLATION RECONNECTION.** This charge is levied prior to reconnection of an existing customer after disconnection of service for cause, including a delinquency in bill payment, any illegal/unauthorized use and/or connection or any other violation.
- D. **PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION).** This charge is levied when CCU's representative visits the premises for the purpose of discontinuing service for non-payment of a due and collectable bill and does not discontinue service because the customer pays CCU's representative or otherwise makes satisfactory arrangements to pay the bill.
- E. **RETURNED ITEM CHARGE.** This charge, pursuant to Florida Statute 125.0105 and 832.08, is levied when a customer's payment of the utility bill is not honored by a, or any, financial institution.
- F. **LATE PAYMENT CHARGE.** When a utility bill is delinquent, CCU shall impose a late charge as set forth in the current rate resolution for each CCU charge that is past due.
- G. **METER TAMPERING/UNAUTHORIZED CONNECTION CHARGE (PLUS DAMAGES TO CCU PROPERTY, AS MAY BE DETERMINED).** This charge is levied when any illegal usage and/or unauthorized connection/disconnection occurs.
- H. **UNAUTHORIZED USE CHARGE.** This charge is levied when the County's ordinances on watering conservation are violated.

## III. GENERAL CREDIT AND COLLECTION PROCEDURES

### A. DEPOSITS

1. CCU maintains all customer accounts for residential properties in the property owner's name. No security deposits are initially required from residential owner account holders except in cases where the mobile home, house or other structure is owned by someone other than the owner of the property and in cases where water and/or wastewater services are provided to residential owner properties that are in other county jurisdictions.

2. Deposits are required on commercial and hydrant meter accounts.
3. In accordance with CCU's Uniform Water & Sewer Tariff, as may be amended from time to time, CCU shall require a deposit or a guarantee satisfactory to CCU before rendering service, to secure the payment of bills for all non-residential customers and may require a security deposit on residential properties where required as satisfactory guarantee of payment. The amount of such deposit shall be calculated in accordance with CCU's current Rate Resolution(s).
4. Where, because of extenuating circumstances, CCU temporarily maintains a tenant as a customer of record, a deposit will be required as guarantee of payment under the following criteria:
  - a. After a residential customer has established a satisfactory payment record and has had continuous service for a period of 25 months, CCU will refund the customer's deposit, provided the customer has not in the preceding 12 months: (a) made more than one late payment of the bill (after the expiration of 20 days from the date of mailing or delivery by CCU); (b) paid with any payment refused by a bank; (c) been disconnected for nonpayment, or at any time; (d) tampered with the meter; or (e) used service in a fraudulent or unauthorized manner.
5. CCU shall pay interest on customer deposits held by CCU, yearly, as a credit against the customer's account. Interest shall be at a fixed rate based on an average of three local banks' savings rates to be reviewed and adjusted annually if necessary.
6. Delinquent customers' records will be reviewed periodically. Any time a customer has been refunded a customer deposit for good payment and that customer's pattern of payment shows a violation of the good payment or satisfactory guarantee criteria, a new or additional deposit may be required, in order to secure payment of current bills. In such case, CCU will provide adequate notice by separate mail, in accordance with its Uniform Water & Sewer Tariff.

## **B. CREDIT**

1. Once a customer's account has been activated, the customer has effectively been extended credit, by virtue of which, water, wastewater or reuse capacities are committed and services are advanced.
2. Bills are due when rendered, if not paid within 20 days become delinquent, and water and wastewater services may then, after five (5) days written notice, be discontinued. CCU's Uniform Water & Sewer Tariff states, in part, "...payment of any wastewater service bill rendered shall not be accepted by the District without the simultaneous or concurrent payment of any water service bill. If the charges for wastewater are not paid, the District may discontinue both wastewater service and water service to the customer's premises for non-payment of the wastewater service charges, or if the charges for water are not paid, the District may discontinue both water service and wastewater service to the customer's premises for non-payment of the water service charge. The District shall not re-establish or reconnect wastewater and water service or either of customer's services until such time as all wastewater and/or water service charges and all other expenses or charges established or provided for by these Rules and Regulations are paid."

## **C. PAYMENT OPTIONS**

In special cases, or under specific County or department programs, CCU may offer payment options for utility connection charges to those customers who are affected. It is the intent of CCU to collect all monies owed from each customer or property impacted in an equitable and lawful fashion. Payment options include:

1. Payment may be made for the entire amount due prior to final due date.
2. A monthly amortized payment plan (Installment Loan Agreement) including authorized financing charges, for a period not to exceed seven (7) years, or in accordance with a specific developer's agreement and are not assumable by any other party.
  - a. Once a payment plan or developer's agreement is executed, it shall be recorded by CCU in the Public Records of the Clerk of the Circuit Court of Charlotte County as a lien or a notice of an outstanding debt on the benefited property.
    - 1) Once a customer satisfies his or her debt to CCU, a document to release said lien shall be issued to the customer. It is the customer's responsibility to file his or her own release of lien in the Office of the Charlotte County Clerk of the Circuit Court and to pay for such recording fees.
    - 2) If lien is not satisfied when property is sold, the service will discontinue until lien is paid in full.

#### IV. BILLING AND COLLECTION PROCEDURES

##### A. GENERAL

1. Each customer's meter is typically read once a month by a CCU representative. Within approximately three (3) days from the reading date, the customer's bill is generated and mailed with a past-due date of 21 days from the billing date. All bills are due when rendered and within 20 days of issuance.
2. All amounts remaining unpaid after 20 days will be charged penalties of each of the past-due charges, as set forth in the current rate resolution, as may be amended from time to time, or in accordance with Florida Statutes.
3. A customer with a past-due balance of \$50 or more and for customers with past due charges of \$30 or more for two months will be notified by an Urgent Notice of imminent service disconnection for non-payment. The Urgent Notice will include a message, such as:

*When this notice was prepared we had not received your payment. If payment has been made, please contact CCU Customer Service. If you have not paid, you must pay within five (5) days of the Urgent Notice's date to avoid interruption of utility services. Once disconnected, in order to have services restored, the customer will have to pay the overdue charges plus a reconnection fee and any other applicable charges.*



4. No Urgent Notice of imminent service disconnection will be sent to a customer who has a one month overdue balance of less than \$50. The past-due balance and penalties will appear on the customer's next statement.
5. If a customer's account is not paid by the due date of the Urgent Notice, the property's utility service will be disconnected.
6. If a customer's payment that was used to have his or her services reconnected due to non-payment is returned dishonored to CCU by a financial institution, the customer's service(s) will be disconnected without further notice sent to the customer.
7. If a customer has Utility services disconnected for any reason and it is found that the customer is in violation using said services, that property's meter may be shut off/removed and/or wastewater services disconnected, upon authorization of the CCU Business Services Manager or his/her designee. The account balance, including charges and reconnection fees, must be paid in full before service is reestablished. Additional charges deemed necessary to remove and reinstall said water meter and/or disconnect and reconnect wastewater service shall accrue to that customer's account, as applicable.
8. Service reconnections are normally made during business hours, however, if payment is received after 3:30 p.m. on a business day, same day reconnection can not be guaranteed.

## B. OTHER PROGRAMS

### 1. Loans

- a. Once a property owner has received notice that water and/or wastewater is available in accordance with Ordinances 95-044 and/or 95-045, or the appropriate County Codes as may be amended, has executed an agreement for applicable connection fees and has been invoiced for applicable connection fees, the connection fee charges will be deemed to be a lien on the property. Said lien will be reduced as payment(s) is (are) made and until the amount due CCU is paid in full.
- b. A payment agreement for water and/or wastewater connection fees shall be considered a loan from CCU's current customers (or funds) to the applicant, which must be repaid in full and are not assumable by any other party.
- c. When a customer executes a loan, CCU will either render statements for the monthly payment amount(s), including principal, interest and other lawful charges, as agreed to under the terms and conditions of the agreement, or issue payment coupons to be remitted with the appropriate monthly payments due.
- d. A customer with a past due amount of \$50 or more will be sent an Urgent Notice of imminent action. The Urgent Notice will include a message, such as: When this notice was prepared we had not received your payment. If payment has been made, please contact CCU Customer Service. If you have not paid, you must pay within five days of the Urgent Notice's date to avoid interruption of utility services. Once disconnected, in order to have services restored, the customer will have to pay the overdue charges plus a reconnection fee and any other applicable

- charges.
- e. If loan payment is not made by the due date of the above Urgent Notice, the property's service(s) will be disconnected. In accordance with CCU Tariffs, non-payment of one portion of the utility bill may be deemed sufficient to terminate another service; i.e., failure to pay for wastewater charges will be sufficient to cause the termination of water service or vice versa.
  - f. At the County's discretion, rather than terminate services for failure to pay, the County can consider the loan in default. The loan will then become void.
    - 1) The County will place any paid amounts in escrow to be credited to the account when connection fees are made.
    - 2) When connection is made, or when lien is satisfied, the fees due at that time will be calculated on the applicable connection fees per the then-current Charlotte County Rate Resolution.
  - g. Other billing and collection procedures as described in this policy will apply, including late payment penalty charges of each of the past-due amounts, as set forth in the current Rate Resolution, as may be amended or superseded from time to time, or in accordance with Florida Statutes.

## **2. Transported Waste Receiving Program**

- a. Payment agreement is signed by the business.
- b. A permit fee is paid annually for the service.
- c. Fees are charged monthly for disposal from in-County and out-of-County businesses.
- d. Customer must pay all applicable fees or cost for the service within 21 days of the billing date.
- e. A written notice is sent to the Customer and if payment is not received within five days, the Utility has the right to discontinue service until all applicable fees and charges are paid.
- f. If payment is not received on the 21st day, a penalty charge, as per the current Rate Resolution, will be charged against the unpaid balance.
- g. The rules for "Returned Item Charge," previously discussed under the heading, "Miscellaneous Service Charges" (Section II C), will apply to Transported Waste fees and charges.

## **C. FINALED ACCOUNTS**

1. An account becomes finaled when a change of occupancy takes place and in accordance with dates of property closing or other proof acceptable to CCU. A customer's deposit, if applicable, may be transferred from one service location to another if both locations are supplied by CCU and the customer has established a satisfactory credit record. A customer's deposit is not transferable from one customer to another.
2. A bill will be generated to the customer on the effective date the account is finale. The customer will then have 20 days to pay the final customer bill.
3. If the final bill remains unpaid, or if there are any outstanding utility charges or credits after the final bill was rendered, a second final bill will be issued. Failure to pay the second final bill, as applicable, will result in a collection letter from CCU to the customer. The letter will notify the customer that if payment or payment arrangements are not made within a specified time, the account will be deemed uncollectible and referred to an authorized collection agency for further collection efforts and/or a lien

filed when applicable in the public records of the Clerk of the Circuit Court of Charlotte County.

## **V. UNCOLLECTIBLE ACCOUNTS**

### **A. GENERAL**

1. An account will be deemed uncollectible when internal collection efforts have been exhausted while following procedures set forth by CCU. Once an account has been classified as uncollectible, CCU may send said accounts to an authorized collection agency which will pursue additional lawful avenues to recover monies owed to CCU. Collection efforts will be pursued to the extent allowable by law, including but not limited to court action.
2. Where the "customer" owes CCU monies due to a miscellaneous occurrence, such as work or services contracted from CCU, damage by "customer" to CCU property, etc., collection efforts will be pursued to the extent allowable by law, including, but not limited to, court action.

### **B. PROCEDURE**

1. An aged accounts receivable report will be generated listing the account name, the source of receivable, and the amount(s) due to CCU. The amount(s) due shall be classified (aged) by 30-day increments up to and including 90 days and over (i.e., Current, or 0-30; 31-60; 61-90; 91+).
2. CCU Business Services Manager or his/her designee will review the delinquent accounts after they have been researched to determine the course of action being taken and what additional steps, if any, are to be initiated. Possible courses of action may be, but are not limited to:
  - a. The customer's deposit, if on file, will be applied first to the balance due on the terminating account and a final bill (first final notice) will be generated.
  - b. A second final notice of charges due will be issued to the customer within 30 days after the final bill is rendered.
  - c. A collection letter will be mailed to the debtor requesting payment if there is no response to second final billing.
  - d. If an account has been issued both final notices and the collection letter and all other internal collection efforts fail to produce desired results, the account may be referred to a collection agency and/or a claim filed through court action.
  - e. When any one of the final bill, second final notice or collection letters has been returned to CCU from the postal service as undeliverable, the account will be classified as uncollectible at the time of the returned mail. The account will then be referred to an authorized collection agency for continued collection efforts.
  - f. Where applicable, a lien will be placed on the property for all charges accrued and accruing on said property.

## **VI. LIENS**

### **A. GENERAL**

1. CCU will file documents to place liens on properties for reasons that would cause CCU to suffer potential losses of revenue from the lawful debt(s) of customers of CCU. Liens will remain on said property until the property's debt has been satisfied.
2. In accordance with Florida Statutes 153.67, in the event that the fees, rates or charges for the services and facilities of any water or wastewater system shall not be paid as and when due, any unpaid balance thereof and all interest accruing thereon shall be a lien on any parcel or property affected thereby.
3. All liens must be satisfied before service is restored to the same customer (owner) or any new customer (owner) of the property.
4. CCU does not accept requests to subordinate the lien.

## **B. PROCEDURE**

When a CCU customer has failed to adhere to CCU's collection program and CCU places a lien on the property, the following procedure will be followed:

1. Research. Each account will be researched in the records of either or both the Property Appraiser and the Clerk of the Circuit Court to insure accuracy of property and owner information.
2. Lien Notification. A letter will be mailed, both certified and by regular mail, to the customer to be affected by a lien filing. Notice will be sent by registered mail to customers whose billing address is in a foreign country. The letter will state the following: (a) there is an outstanding balance due CCU; (b) if payment or payment arrangements are not made within 10 days of receipt of the letter, CCU will file documents to place a lien on the affected property; and (c) all costs associated with these collection efforts will be added to the outstanding debt.
3. Lien Filing. All liens are filed and recorded with the Office of the Charlotte County Clerk of the Circuit Court. All recording fees and postage charges incurred shall accrue to the customer's account.
4. Release of Lien. Once a customer satisfies his/her debt to CCU, a document to release said lien will be issued to the customer. It is the customer's responsibility to file his/her own release of lien in the Office of the Charlotte County Clerk of the Circuit Court and to pay for such recording fees.

## **VII. ABANDONMENT OF SERVICES**

### **A. GENERAL**

1. An account will be deemed eligible for abandonment of services when the structure on the property, identified as the premise in CCU's billing system, has been demolished as the result of a catastrophe and a vacant lot exists.

### **B. PROCEDURE**

1. Once a customer requests their services be discontinued due to a disaster in which the structure has been demolished and a vacant lot remains, the customer is to complete an Abandonment of Services form, acknowledging and agreeing to the terms of the conditions for abandoning services.
2. After receiving a completed Abandonment of Services form, CCU Meter Services is to verify the premise

is a vacant lot and remove the meter.

3. Base Facility Charges are to cease, effective the date of the meter removal.
4. Abandonment forms are to be filed with the Office of the Clerk of the Charlotte County Clerk of the Circuit Court. All recording fees and postage charges are to be incurred by the owner of the property.
5. If utility service is requested for this property in the future, the property owner will be responsible for all water and/or wastewater Base Facility Charges from the date of abandonment to date of installation of new service; and/or any other relevant charges approved by the Charlotte County Board of County Commissioners.

## **VII. BILLING DISPUTE RESOLUTIONS**

- A. All account disputes shall be researched, corrected and remedied in a prompt manner to the extent allowable by CCU rules, regulations and bond requirements.
- B. When an account is in dispute, the customer letter (or dispute form) is to be reviewed by a Customer Accounts Specialist for resolution. The Customer Account Specialist is to note the file of the dispute and any action taken to resolve the issue. All facts of the dispute are to be researched, documented and attached to the customer letter or dispute form. In the event the dispute cannot be resolved at the Customer Account Specialist level, the dispute is first to be referred to the Business Services Supervisor, second to the Business Services Manager and finally to the Utilities Service Committee.
- C. When an account is in dispute, the customer is required to pay the undisputed portion of the bill.