

Exhibit D
ADMINISTRATIVE
GUIDELINES UTILITY
SERVICES

SUBJECT: Operation & Administration of Chapter 58 of the Surprise City Code

PURPOSE: The following guidelines have been established by the City to implement a consistent and efficient process by which Chapter 58 of the Surprise City Code will be administered.

POLICY & PROCEDURES:

I. Request for Service

A) A request for Utility Services (water, sanitation, or sewer service) with the City of Surprise must be made by calling the City's customer service division. A Utility Services account will be established upon providing to the City the necessary information to open the account.

All residential customers will be required to provide:

1. Name(s) of responsible individuals;
2. His or her date(s) of birth (DOB);
3. Driver's License or Government Issued ID number;
4. If the new customer is renting the property where service is being established, a signed copy of the lease may be required;
5. If the customer is the owner of the property where service is being established, information may be required to establish ownership;
6. Under certain conditions described in Section II below, a deposit paid in advance may be required;

Non-residential customers will be required to provide the following:

1. Name of the Entity or responsible individuals;
2. Type of business
3. Full Employer Identification Number (EIN)
4. If the customer is renting the property where services are to be established, a signed copy of the lease may be required
5. If the customer is the owner of the property where services are to be established, information may be required to establish ownership
6. A deposit paid in advance as described in Section II below

B) All start of service requests will be charged a service establishment fee as set by City Council resolution (see Appendix A). This fee will appear on the customer's first bill. If the City cannot provide same day water service during normal business hours, the customer may request the water service be turned on "after- hours"; otherwise water service will be turned on during the next

normal business day. An after-hours establishment fee, as set by City Council resolution (see Appendix A) will be charged to the customer's first bill.

II. Utility Services – Deposits

- A) Deposits on single-family residential accounts will be required at the start of service in the amount equal to the sum of three (3) times the base rate for each new water, sanitation, and wastewater service provided to each account if any of the following items below pertain to the customer:
1. Customers **not** in “good standing”- A customer is not in good standing if the customer has had a City utility account, within the last 12 months, with any of the following:
 - a. More than two late charges;
 - b. A final notice;
 - c. Returned check charges;
 - d. A stop payment on a check;
 - e. One credit or debit card chargeback, an involuntary termination of automatic payment (EFT) with no subsequent payment arrangements;
 - f. Any other failure to secure payment to the City for utility services;
 - g. Involuntary disconnect; or
 - h. Defaulting on a payment plan
 2. If the customer refuses to provide or does not have the following:
 - a. Full Employer Identification Number (EIN) Commercial-only accounts
- B) Deposits are required at the start of service on all multi-family and commercial accounts in the amount equal to the sum of three (3) times the base rate of each water and sanitation service provided. A wastewater deposit of a flat rate established by council resolution is required for these services provided on each applicable account.
- C) Hydrant/Construction Meter Accounts – A utility services deposit of a flat rate established by council resolution is required at the time of application for service.
- D) All utility services deposits will be non-interest bearing and will be applied to a customer's utility account balance at the time the account is closed and a final bill issued.
- E) Any deposit balance remaining after it is applied to the outstanding charges, will be returned to the customer within four (4) weeks following account closure or termination.

- F) Utility services deposits for owner-occupied, single-family residential accounts may be applied to the account balance, at the sole discretion of the City, after (12) consecutive months of timely payments and upon the submission of a written request by the home owner to the City.
- G) Deposits on commercial, hydrant/construction meter, multi-family, and non-owner-occupied accounts will only be applied upon the close of the account. Deposits will be applied to any outstanding balance on the account at the time the account is closed and a final bill is issued. Any remaining balance will be refunded at this time.

III. Utility Rates and Administrative Fees

Utility rates and administrative fees are established by City Council resolution. (See Appendix A)

IV. Collection and Delinquency

- A) Customer bills for service will be due and payable twenty (20) days from the date of the bill.
- B) If payment is not received by the due date, the account will be deemed delinquent.
- C) If payment is not received within seven calendar days of the due date, a late fee will be charged of 1.5% of the past due amount per month.
- D) All monthly bills issued by the City to customers will indicate the past due amount, if any, the amount due for the current service period, and the total amount due.
- E) Customers will remit payment to the City.

V. Termination of Service (Final Bill)

- A) Voluntary Termination of Service
 1. Customers must notify the City no less than one business day prior to intended termination of service date in order to terminate service.
 2. Customers must provide a forwarding address.
 3. Until the customer provides notice to the City pursuant to this section, the account will be regarded as active and the customer utility liability will continue.
 4. Once closed, a final bill will be generated and mailed for all charges for services provided to the account up to the date of discontinued services.
 5. A customer can voluntarily discontinue sanitation services temporarily pursuant to Section VI, and the Surprise City Code.
 6. A customer can voluntarily discontinue sewer services only if the customer discontinues all utility services to the property.

7. Voluntary termination of City water services results in the termination of all utility services and the customer's account will be closed and a final bill will be issued.

B) Involuntary Termination of Water Services Due to Non-Payment

1. A delinquent account, as defined in Section IV (B), above, may have its water services disconnected pursuant to this subsection.
2. A Notice of Pending Termination of Service will be mailed to the mailing address of the customer by the City no less than 10 days prior to the disconnection of water service.
3. For customers whose water service is provided and billed by EPCOR water but whose sewer services are provided and billed by the City, the City will also place a written door hanger on the customers' service address no less than 10 days prior to the disconnection of water service by EPCOR employees.
4. If entire past due amount is not paid, or a payment plan is not entered into pursuant to Section IX, by the disconnection date indicated in the Notice of Pending Termination, water services may be disconnected without further notice.
5. If water services are disconnected for non-payment, the entire amount of the customer's City of Surprise utility bill must be paid before water service will be restored. Water disconnection and reconnection fees as established by City Council resolution (see Appendix A) may be assessed to the customer's account. Payment arrangements for accounts in which water services have been disconnected will be made on a case-by-case basis pursuant to Section IX.

C) Involuntary Termination of Sanitation Services due to Non-Payment

1. A delinquent account, as defined in Section IV (B), above, may have its sanitation (trash) services discontinued pursuant to this subsection.
2. A Notice of Pending Termination of Service will be mailed to the mailing address of the customer by the City no less than 7 days prior to the discontinuance of trash service.
3. If the entire past due amount is not paid, or a payment plan is not entered into pursuant to Section IX, by the discontinuance date indicated in the Notice of Pending Termination, sanitation services may be stopped without further notice.
4. If sanitation services are stopped for non-payment, the entire amount of the customer's City of Surprise utility bill must be paid before sanitation service will be restored.

VI. Suspension of Sanitation Service

- A) Residential sanitation customers can temporarily suspend their trash/recycling services for four months up to 12 months, pursuant to current Surprise City Code. City Code will supersede any conflicts regarding the suspension

provisions herein.

1. Customers must notify the City to request the suspension and provide the following:
 - a. Customer name
 - b. Address
 - c. Start date for service suspension
 - d. Resume date of service
2. Customers must then put their trash and recycling cans at the curb at the start date of the temporary trash suspension so the cans can be picked up. Failure to place the trash and recycling cans at the curb by the prescribed start date may result in an altered suspension period.
3. The City will bill the customer for the sanitation temporary suspension fee as established by City Council resolution (see Appendix A) on the customer's next billing following the established date of suspension.
4. Customer must contact the City if there are any changes to the resume date.
5. The City will return the cleaned cans by the resume date provided and will begin billing the customer for sanitation service from the customer provided resume date.

VII. Medical Emergency Certificate

- A) City water customers may request a Medical Emergency Certificate if a member of their household is seriously ill or is afflicted with a medical condition which will be aggravated by the termination of water service.
- B) The request must be filled out by the customer, signed by a medical doctor, and returned to the City.
- C) The account is placed on a 10-day hold when the customer initially requests the certificate; if the customer has not returned the certificate to the City in 10 days, the account will be taken off hold, and disconnection activities will be resumed if the account is delinquent.
- D) City water customers are allowed two certificates within a 12-month period, with each certificate being effective for 30 days and may be renewed for an additional 30 days upon review by the City.
- E) The certificate does not relieve the customer's obligation to pay for utility services or administrative fees.
- F) If the account has been disconnected prior to the City receiving the certificate, the account will be reconnected prior to the customer payment of the outstanding balance on the account.

VIII. Customer Disputes of Charges/Request for Adjustments

- A) Disputes of charges or requests for adjustment to an account must be made to the City by the customer. A request for adjustment will not extend any deadlines for payment set forth in this Guideline.

- B) Adjustments by City
 - 1. Resolution of disputed charges or adjustments to an account balance will be made on a case-by-case basis, consistent with the Surprise City Code and the Administrative Guidelines for Utility Services.
 - 2. There will be no water consumption adjustments for leaks which occur on the customer's side of the water delivery system.
 - 3. Under no circumstances will the City make an adjustment under this subsection more than one time per rolling 12 month period.

- C) All decisions of the City, as applicable, are final.

- D) City of Surprise utility service customers will not be billed for services received greater than 120 days from the date of discovery of the billing error.

- E) City of Surprise utility service customers who have been erroneously charged for services, or who are otherwise due a credit, will receive an account adjustment to correct any such error as long as the data needed to calculate such errors is available. The credit cannot exceed the actual charges or transfers posted to the account.

IX. Payment Arrangements

- A) Payment arrangements may include payment extensions which are the extension of the customer's due date and payment plans which typically involve multiple payments over an extended period.

- B) All requests for a payment arrangement for past due balances must be made to the City.

- C) Payment arrangements will not be permitted for required deposits or pre-paid utility charges.

- D) The period for a payment plan should not exceed the length of time that it took to incur the debt.

- E) Any payment plan will require the full payment of ongoing charges.

- F) For multiple period payment plans, the customer will be issued a letter outlining the payment plan arrangements.

- G) Default on a payment arrangement may result in termination of services consistent with section V.
- H) For purposes of determining a reasonable payment plan schedule, the following conditions will be considered:
 1. Balance of delinquent account
 2. Customer's ability to pay
 3. Customer's payment history
 4. Length of time debt has been outstanding
 5. Any other relevant factors related to the circumstances of the Customer
- I) Customers who request a payment arrangement before the account becomes delinquent will not incur a late fee.
- J) Customers who request a payment arrangement after the account becomes delinquent, but before termination of services may incur late fees and penalties. Once a payment arrangement has been approved and is being followed, no additional late fees will apply for balances covered by the pay arrangement.
- K) All other payment plan requests will be decided on a case by case basis and approved by the City.

X. Annual Prepayment of Residential Sanitation and Sewer Services

- A) Election – Customers may elect to sign-up to prepay annual sanitation and/or sewer service charges at any time for the annual program which bills each January. This election must be made prior to December 31st to be eligible for upcoming annual bill.. Once the prepay election is made, it applies for the full calendar year unless the account is closed.
- B) Annual Payment - . Once a customer elects the prepay option, the customer will automatically be enrolled for each subsequent calendar year and will be billed in the first billing cycle after January 1 of each calendar year.
- C) Customers who do not pay the full amount of the annual prepay charge when due will automatically be converted to a month-to-month service charge and will be ineligible for the prepay option for the remainder of that calendar year.
- D) Customers who elect to prepay annual sanitation and/or sewer service charges will receive a discount of 5%.

XI. Meters

- A) Each “City of Surprise” water service area water meter will be read monthly.
- B) If a meter cannot be read for three (3) consecutive months due to blocked, covered or obstructed meter access; repeated or continuing circumstances

including locked gate(s), property maintenance conditions, or vicious animals; or any other condition or circumstance not caused by the City, water service to the property may be disconnected.

- C) Only a City authorized agent or employee may turn on/off or make a connection/disconnection to the City water supply.
- D) At the customer's request, the City will re-read the customer's meter. If the re-read identifies an error with the original read performed by the City, the customer's bill will be adjusted appropriately and the customer will not be charged for the re-read. In all other cases, the customer will pay the fee as established by City Council resolution (see Appendix A).
- E) In the event of high water usage and at the customer's request, the City may test the meter for accuracy. If the test determines the meter to be reading in error by more than 2% the customer's bill will be adjusted appropriately and the customer will not be charged for the meter test. In all other cases, the customer will pay the fee as established by City Council resolution (see Appendix A).

XII. Miscellaneous

- A) The City will immediately terminate services and may pursue any and all legal action against any person who negligently or willfully breaks, damages, destroys, defaces, or tampers with any part of the water delivery system or wastewater collection systems.