

CITY OF SPOKANE ADMINISTRATIVE POLICY AND PROCEDURE	ADMIN 5200-24-06 LEGAL 2024-0034
TITLE: <b>UTILITIES BILLING AND COLLECTIONS POLICY</b> EFFECTIVE DATE: November 22, 2024 REVISION EFFECTIVE DATE: N/A	

1.0 GENERAL

The City of Spokane Utility Billing Department will establish and maintain uniform, fair, and consistent billing, payment and collection practices for water, sewer, stormwater and solid waste services in full compliance with all applicable RCW (Revised Code of Washington) and/or SMC (Spokane Municipal Code) Sections, as listed or as may be amended from time to time.

It is the policy of the City of Spokane to ensure all utility service fees are paid in a timely manner. The legal owner of a property will be listed as the primary Account Holder and is ultimately liable for all water, sewer, stormwater and solid waste service charges provided to the property.

The City of Spokane will follow standard criteria for determining whether water, sewer, stormwater, and solid waste customer accounts are delinquent. The City may act on accounts for nonpayment including without limitation charging interest, assessing applicable fees, terminating water services, the placement of a lien against the property, referral to a collection agency and any other remedies provided under the law. Customers and the City may agree to alternative payment schedules upon written agreement.

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2.0 DEPARTMENTS/DIVISIONS AFFECTED

This policy shall apply to the City of Spokane Public Works Division including the Utility Billing Office, Water Department, Solid Waste Disposal, Solid Waste Collections, Hydroelectric Services and Wastewater Management Department.

### 3.0 REFERENCES

RCW 35.21.140	Garbage – Notice of lien – Foreclosure
RCW 35.21.217	Utility services – Deposit – Tenant’s delinquencies – Notice – Lien
RCW 35.21.290	Utility services – Lien for
RCW 35.21.300	Utility services – Enforcement of lien – Limitations of termination of service for residential heating
RCW 35.67.200	Sewerage lien – Authority
RCW 35.67.210	Sewerage lien – Extent – Notice
RCW 19.16.500	Public bodies may retain collection agencies to collect public debts—Fees.
WAC 480-110-355	“Discontinuing of Service”
Chapter 60.80 RCW	Lien for unrecorded utility charges
Chapter 13.01 SMC	General Provisions
Chapter 13.02 SMC	Solid Waste
Chapter 13.03 SMC	Sewers
Chapter 13.04 SMC	Water
Chapter 04.02 SMC	Special Administrative Procedures

### 4.0 DEFINITIONS

4.1 **City** means the City of Spokane and is inclusive of every department within the City.

4.2 **Critical Care Customer or Medical Emergency**  
The medical need for water services to remain in use for a resident who requires home medical equipment, and who has provided appropriate documentation from a physician that water services are required (WAC 480-110-355).

4.3 **Account and Past Due Balance**  
The account shows the amount owing on an account and includes current charges and any past due amounts, fees, and penalties, charges for service location visits, abatements, special assessments, service termination and activation. The account balance is considered past due as of day twenty-one (21) from the original bill date.

Bills will be payable when rendered and will be considered past-due the day following the due date stated on the bill. (Bills may be mailed/emailed, as requested, to the address specified by the account holder, in addition to the service location). Duplicate bills will be subject to

a duplicate bill fee. Failure to receive a bill will not release the customer from obligation for payment. If payment is not received by 5:00pm on the twentieth (20) day from the date of the bill, a late fee will be assessed.

**4.4 Payment Plan**

If a tenant requests a payment plan, the City must have authorization from the property owner or property owner's agent. The payment plan is used to satisfy a current or outstanding balance which is not to exceed six (6) months without the approval of the director or his/her designee(s).

**4.5 Unauthorized Connection, Reconnection of Utility Services**

Unless authorized or permitted under these Policies or applicable City Code, any connection, reconnection, and/or use of utility services shall be deemed to be unauthorized and subject to recourse by the City. Such recourse may include, but is not limited to, immediate disconnection of service, recovery of all costs and damages incurred.

**4.6 Multi-Family Residence**

Classification of housing where multiple separate housing units for residential inhabitants are contained within one building or several buildings with one complex.

**4.7 Wastewater Hauler (Septic Haulers)**

Consistent with SMC 13.03.0223 is defined as a firm permitted to collect and transport materials removed from onsite grease control devices or septic tanks that may be discharged to a local Publicly Owned Treatment Works (POTW) or discharged to a rendering facility. The director may approve industrial waste on a case-by-case basis.

**5.0 POLICY**

5.1 It is the policy of the City of Spokane to promptly identify and collect all monies due for utility services provided to the property.

5.2 Chapter 13.01 of the Spokane Municipal Code establishes administrative provisions for billing and collection of amounts owed for utility services.

5.3 The City of Spokane Utility Billing Office may terminate utility service in the following situations:

- an account is delinquent as defined by the municipal code; or
- the property owner needs to make service repairs or vacating property temporarily or permanently; or
- the property is vacant.

- 5.4 Utility service will not be terminated to affect an eviction. In any landlord/tenant dispute, the City will remain neutral.
- 5.5 Exceptions to this policy in special circumstances require prior approval by the Utility Billing department head and in certain circumstances, the Director of Public Works.
- 5.6 Medical Emergency / Critical Care Customers
  - 5.6.1 Customer must provide written verification from medical provider as defined in WAC 480-110-355 within 5 days to maintain water service.
  - 5.6.2 Customer must pay 25% and enter into a repayment plan and pay remaining balance within 90 days.
  - 5.6.3 All subsequent bills must be paid in full, and account kept current.
  - 5.6.4 Written verification form from medical personnel shall specify the following:
    1. Residence location;
    2. An explanation of how the physical health of the person will be endangered by disconnection of service;
    3. A statement of how long the condition is expected to last;
    4. The title, signature and contact information of the person certifying the condition.

## 6.0 PROCEDURE

### 6.1 Timelines and Actions.

#### 6.1.1 **Due Date**

Utility accounts are due no later than twenty (20) calendar days from the Billing Date. This date is listed on the payment stub of the monthly utility bill.

#### 6.1.2 **Late Charges**

At the time of the monthly bill calculation, any amount still owing and are past due by 21 days or more, shall be assessed a one percent (1%) late charge to be reflected on the following bill. The late fee will be assessed on the past due balance each month thereafter until paid to a current status.

**6.1.3 First Notification: Delinquent Bill**

If the account is not paid in full within thirty-one (31) calendar days from the date of the prior billing, the next bill issued will be marked as “Delinquent Bill”.

**6.1.4 Second Notification: Urgent Notice**

If the account is not paid in full within sixty-one (61) calendar days, an Urgent Notice will be issued requiring payment of the total past due balance owing no later than five (5) calendar days from the Urgent Notice date. The Urgent Notice provides 5 business days to pay the past due balance.

**6.1.5 Third Notification: YELLOW Door Tag**

If the past due balance is not paid before the expiration of the Urgent Notice, the City will place a YELLOW door tag at the service location, providing until 5:00 p.m. the following business day of the door tag date to prevent water shut off upon expiration of the Door Tag. The YELLOW door tag contains the following information:

1. The service address, account number and date.
2. The total past due amount to turn on water.
3. City of Spokane contact information for payment arrangements, how to make a payment or dispute an amount owing.
4. Extreme Heat Advisory information such as how to have water services turned on when the National Weather Service announces an extreme heat advisory for the service location area.

**6.1.6 Fourth Notification: RED Door Tag**

If the past due balance is not paid before the expiration of the YELLOW door tag, the City will terminate water services, and place a RED door tag at the service location. The RED door tag contains the following information:

1. The service address, account number and date.
2. The total past due amount to be paid in order to turn on water.
3. City of Spokane contact information for payment arrangements, how to make a payment or dispute an amount owing.
4. Extreme Heat Advisory information such as how to have water services turned on if the National Weather Service announces an extreme heat advisory for the service location area.

#### **6.1.7 Multi-Family Residential units**

Will be provided with an additional thirty (30) calendar days from the date of the notice, to pay current from the Urgent Notice. Each residential unit will be provided an individual notice, placed on each door on the same date of the notice. There will be a fee assessed to the utility account balance for each notification placed onsite. Any tenant will be provided the opportunity to pay current charges and / or make payments towards the past due amounts by contacting the City of Spokane Utility Billing office prior to the thirty (30) calendar days from notification left at the property.

#### **6.1.8 Termination of Services**

Once an account is more than sixty-five (65) calendar days past due, water services may be scheduled for water service termination. When the water is shut off, a Service Termination Notice (RED door tag) will be placed on the property door to advise the water service has been terminated and provide information for restoration of water service.

#### **6.1.9 Restoration of Services**

To restore water services, 100% of the past due balance must be paid unless an installment repayment plan is agreed to by the City of Spokane Utility Billing Office. Installment repayment plans require a 25% good faith down payment if there has been no payment of at least the current charges in over sixty (60) days prior to the date of water service termination. It is also required to enter into an installment repayment plan for the remaining past due amount plus broken out into monthly installments to be paid, in addition to ongoing monthly current charges. The repayment plan must not exceed six (6) months from the approval date. Anything greater than six (6) months must be approved by the Director of Public Works or his/her designee(s).

#### **6.1.10 Installment Agreements**

For past due balances may be requested by contacting the City of Spokane, Utility Billing Office. The requestor may be:

- the property owner, or legal representative or agent of the property owner.
- a real estate closing agent guaranteeing payment; or
- a charitable organization or agency guaranteeing payment.
- the property owner is ultimately responsible for the utility bill balance. [The City will require written agreement or acknowledgement by the property owner, allowing their tenant to apply for an installment agreement].

#### 6.1.11 **Septic Haulers**

Are issued unsecured utility accounts with a deposit at the time of application. Accounts with unpaid charges will receive a First Notice of Delinquent Bill (Demand Letter). Failure to pay application, sewer, or other applicable charges may result in revocation of their Hauler Permit per SMC 13.03A.0312, and payment in full is required on all delinquent charges included on the monthly City Utility Bill. The hauler may request a Payment Plan or Installment Agreement by contacting the Utility Billing office for consideration.

#### 6.2 Allocation of Payments.

6.2.1 Pursuant to SMC 4.02.090, all utility bill payments received are allocated to charges in the following order of priority:

- a. labor and materials
- b. late fees and penalties
- c. other fees or charges
- d. additional refuse (solid waste)
- e. refuse (solid waste)
- f. additional sewer
- g. sewer
- h. water

6.2.2 Partial payments are applied first to the oldest charges and any accrued interest until the account is fully paid.

#### 6.3 Lien Enforcement.

6.3.1 Outstanding statutory utility lien against the service premises. The City of Spokane is authorized to enforce all Washington State utility lien laws, which are applicable to municipally owned utilities.

6.3.2 After sixty-five days (65) of delinquency of water services, the City shall enforce its lien rights by terminating water services as outlined herein.

6.3.3 State law requires a utility closing bill be done at the time of any sale, including properties involved in foreclosures and Sheriff's sales. Neither status affects the City's lien.

6.3.4 As authorized by RCW 35.21.140 and RCW 35.67.210, the City has the power to lien real property served by its utilities for delinquent utility charges. The City is not required to record a lien for delinquent sewer and storm water service charges for up to 6 months for sewer and up to 12 months for solid waste charges.

- a. The City utilities bill is billed to and assessed against the real property and the owners of the property are considered ultimately responsible for the bill.
- b. The owners may have a duplicate bill issued to a tenant or other agent to be the bill payer, but the property owner will continue to have full responsibility for the account balance remaining current. There will be a duplicate bill fee charged for every additional paper bill issued.
- c. If the residents of a property continue occupancy after service termination, service charges including but not limited to solid waste, wastewater and other monthly charges will continue. These charges add to the lien amount of the account.

7 RESPONSIBILITIES

The Utility Billing Office shall administer this policy and procedure.

8 APPENDICES

None.

APPROVED BY:

Michael J. Piccolo  
Michael J. Piccolo (Nov 21, 2024 14:16 PST)  
City Attorney

Nov 21, 2024  
Date

Marlene Feist  
Public Works Director

Nov 21, 2024  
Date

Alex Scott  
Alex Scott (Nov 22, 2024 11:03 PST)  
City Administrator

Nov 22, 2024  
Date













# ADMIN 5200-24-06 (Utilities Billing and Collections Policy)


Final Audit Report

2024-11-22


Created:	2024-11-21
By:	Daniel Rose (drose@spokanecity.org)
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-  Document created by Daniel Rose (drose@spokanecity.org)  
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-  Document emailed to mpiccolo@spokanecity.org for signature  
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-  Email viewed by mpiccolo@spokanecity.org  
2024-11-21 - 10:15:12 PM GMT
-  Signer mpiccolo@spokanecity.org entered name at signing as Michael J. Piccolo  
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-  Document e-signed by Michael J. Piccolo (mpiccolo@spokanecity.org)  
Signature Date: 2024-11-21 - 10:16:03 PM GMT - Time Source: server
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 Signer ascott@spokanecity.org entered name at signing as Alex Scott

2024-11-22 - 7:03:18 PM GMT

 Document e-signed by Alex Scott (ascott@spokanecity.org)

Signature Date: 2024-11-22 - 7:03:20 PM GMT - Time Source: server

 Agreement completed.

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