

**CITY OF BUCKEYE, ARIZONA
PUBLIC NOTICE**

**NOTICE OF INTENT
PURSUANT TO A.R.S. § 9-499.15**

Pursuant to A.R.S. § 9-499.15, the City of Buckeye, Arizona hereby gives notice that it may establish new fees related to the disconnection and reconnection of certain delinquent sewer accounts of City of Buckeye customers, and provides this written notice of the proposed new fees.

Pursuant to A.R.S. § 9-499.15, a report in support of the new fees and a proposed fee schedule is available on the City of Buckeye website.

The City of Buckeye Mayor and Council will consider approving these proposed new fees at its regular Council meeting on October 17, 2023, at 6:00 p.m. in the City Council Chambers, located at 530 East Monroe Avenue, Buckeye Arizona 85326.

IF APPROVED BY MAYOR AND COUNCIL, THE NEW FEES WILL BECOME EFFECTIVE NOVEMBER 17, 2023.

Dated this 18th day of August, 2023.

CITY OF BUCKEYE, ARIZONA

Lucinda J. Aja, City Clerk

Attachments: Report in support of new fees related to the disconnection and reconnection of delinquent sewer accounts of City of Buckeye customers that are water customers of EPCOR Water Arizona Inc., and proposed schedule of new fees.

Report and Schedule of New Water Resources Fees in
Connection with Shared Accounts with EPCOR Water Arizona Inc.

Pursuant to
A.R.S. 9-499.15

Staff recommends adoption of new cost recovery fees to become effective November 17, 2023.

History

On February 22, 2023, the City of Buckeye (the City) and the EPCOR Water Arizona Inc. (EPCOR) entered into an agreement for sharing of information regarding water consumption and water service disconnection (the "Agreement") and that allows EPCOR to disconnect water services for delinquent City sewer accounts in EPCOR service area for a cost. On July 14, 2023, the Arizona Corporation Commission (ACC) approved the Agreement. The ACC also approved, through its Decision No. 79028, the Water Service Termination Agreement Tariff with an effective date of September 1, 2023 (the "Tariff"). The approved Agreement allows EPCOR to disconnect water services for delinquent sewer accounts owed to the City and to re-establish delinquent accounts subject to customer payment of the delinquent amount and payment of fees pursuant to the Tariff. The City wishes to recover the fees in connection with disconnection and reconnection of the account by passing required fees directly to the customer.

Discussion

The City shares customers with EPCOR in the Canyon Views area where EPCOR provides water services to the customers and the City provides wastewater services to the same customers. As of August 10, 2023, there were 611 shared accounts.

Pursuant to the terms of the Agreement, EPCOR will disconnect water service to a customer who is liable to the City for overdue sewer service charges at the premises where the customer receives water service from EPCOR and sewer service from Buckeye. Prior to the City sending a disconnection request to EPCOR, the Agreement requires the following:

1. The shared customer must be delinquent on payment to the City for their wastewater services such that they would have been disconnected due to a delinquent water service account as if they were a City of Buckeye water service customer. Pursuant to City Code, Section 17-2-3, a water bill is due and payable on receipt and shall be deemed delinquent 21 days after the statement date. Buckeye currently issues disconnection notices for delinquent water customers that are over 60 days past due.
2. The City has notified the customer, in writing and by posting notice at the premises, that water service will be disconnected no less than 10 days after the date of the notice. The form of the notice to be used for this purpose is an exhibit to the approved Agreement.

As of August 10, 2023 there are 25 accounts that are delinquent.

Pursuant to the Agreement, upon the City's receipt of payment in full by a disconnected customer, or upon a disconnected customer's entry into a payment plan with the City, EPCOR will reconnect water service to the premises in accordance with EPCOR's normal procedures and timelines, including the Tariff.

The Agreement sets forth a mechanism through which EPCOR receives reimbursement of the following costs and lost revenue that it incurs when water service is terminated pursuant to the terms of the Agreement:

1. Reconnection of Service (Delinquent) of \$35;
2. After hours service charge if after 2:00 p.m. or the weekend of \$35,
3. A monthly lost revenue fee, as determined by EPCOR, equal to the average bill for the meter size and class of services as follows: 5/8-inch meter = \$70.75 3/4-inch meter = \$49.17 1-inch meter = \$87.62.
4. Disconnection Cancellation Fee of \$35

All fees and costs are subject to change from time to time as approved by the ACC.

Fiscal Impact

Shut-off of water services has proven to be a very effective way to recover unpaid balances. The amount of all outstanding wastewater balances meeting the defined criteria is \$6,877.68 as of August 10, 2023, of which the department anticipates collecting most of these revenues.

Recommendation

Staff recommends Council approve the new fees as set forth in this Report and attached schedule at the October 17, 2023 Regular Council Meeting.

PROPOSED EPCOR SHARED SERVICES FEES

Disconnection/Reconnection Fees*

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| Reconnection Fee | \$35 |
| Reconnection after hours service fee: after regular working hours, on Saturdays, Sundays, or holidays if at the customer's request or for the customer's convenience. | \$35 |
| Disconnection Cancellation Fee | \$35 |

Lost Revenue Fees*

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|-------------------|---------|
| Meter size – 5/8" | \$70.75 |
| Meter size – 3/4" | \$49.17 |
| Meter size – 1" | \$87.62 |

*All fees are exclusive of taxes and subject to change upon Arizona Corporation Commission approval.