

AN ORDINANCE TO WAIVE DELINQUENT INTEREST ON SEWER BENEFIT ASSESSMENT INSTALLMENT PAYMENTS, TO BE CODIFIED IN CHAPTER 21, ARTICLE I, OF THE NORWICH CODE OF ORDINANCES AT SECTION 21-9

WHEREAS, the City of Norwich Sewer Authority (“Sewer Authority”) provides wastewater collection services to the City of Norwich’s (“City”) residents;

WHEREAS, the Sewer Authority is charged with, among other things, assessing and collecting sewer benefit assessments on the City’s property owners who either receive or have access to receive sewer services;

WHEREAS, as such, the Sewer Authority acts with the City’s tax collector and assessor for purposes of sewer benefit assessment payments;

WHEREAS, the Sewer Authority has allowed property owners to pay their sewer benefit assessments in installments pursuant to Connecticut General Statutes (“General Statutes” or “G.S.”) § 7-253;

WHEREAS, pursuant to General Statutes § 7-254, installment payments for sewer benefit assessments become delinquent and a lien on the subject property by operation of law when they are not paid within thirty (30) days of when they become due, and they also accrue interest in the same manner as delinquent property taxes;

WHEREAS, although property owners are required by law to pay sewer benefit assessment installment payments to the Sewer Authority when they become due by operation of law, the Sewer Authority also should have sent notice of the sewer delinquencies and/or kept record of the accrued delinquent interest for some of these property owners, which, upon information and belief, it did not do;

WHEREAS, because some of the property owners who have accumulated delinquent interest on their sewer benefit assessment installment payments owed to the Sewer Authority may not have received notice of the delinquent interest accrual and/or due dates, it appears that the delinquencies occurred through no fault of the property owners;

WHEREAS, these property owners (hereinafter referred to as the “Owners”) still owe the balance of the principal installment payments due to the Sewer Authority;

WHEREAS, in the interest of expediency and fairness in the collection process for delinquent sewer benefit assessment installment payments for the Owners, the Sewer Authority wishes to waive the delinquent interest that has accrued on the Owners’ sewer benefit assessment installment payments;

WHEREAS, because sewer benefit assessment installment payments are collectible in the same manner as property taxes, delinquent interest can be waived on these payments in the same or similar manner as can be done for delinquent property taxes, pursuant to General Statutes § 12-145;

WHEREAS, pursuant to General Statutes § 7-247 and other applicable laws, the Sewer Authority has the power to enter into agreements with property owners regarding, among other things, the payment of sewer benefit assessment liens and installments thereof;

WHEREAS, the waiver of delinquent interest that has accrued on the Owners' sewer benefit assessment installment payments will not affect the City's ability to pay any of its bonds or its ability to meet any of its financial obligations with respect to sewer benefit assessments;

WHEREAS, the waiver of delinquent interest that has accrued on the Owners' sewer benefit assessment installment payments will facilitate the Sewer Authority's ability to, among other things, enter into agreements with the Owners pursuant to General Statutes § 7-247 and other applicable laws in order to ensure that the Owners can make full payment of the balance of the principal installment payments due to the Sewer Authority;

WHEREAS, the waiver of delinquent interest that has accrued on the Owners' sewer benefit assessment installment payments will provide a public benefit insofar as it will not excessively penalize the Owners with being obligated to pay exorbitant delinquent interest amounts to the Sewer Authority where some or all of the accrual of same may have occurred through no fault of their own;

WHEREAS, nothing herein shall be construed as an admission or representation by the Sewer Authority that it made any mistakes in the collection of sewer benefit assessment payments;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH, that **Article I IN GENERAL** contained in Chapter 21 of the Norwich Code of Ordinances be amended by adding the following section 21-9 as set forth hereinafter.

[NEW] Sec. 21-9 Waiver of Delinquent Interest on Sewer Benefit Assessment Installment Payments.

- a. Pursuant to G.S. §§ 7-247, 7-254, and 12-145, the City of Norwich Sewer Authority ("Sewer Authority") is authorized to enter into agreements (the "Agreements") with various property owners who, as of the date of this Ordinance, have accrued the delinquencies on the payment of their sewer benefit assessment installment payments but who may have accrued such delinquencies through no fault of their own (hereinafter, the "Owners").
- b. Pursuant to the Agreements set forth in the previous subsection of this section, the Sewer Authority may waive the delinquent interest that has accrued on the Owners' sewer benefit installment payments that has become due and owing to the Sewer Authority per G.S. § 7-254 as of this date. Notwithstanding, pursuant to the Agreements, the Owners shall thereafter be obligated to pay the delinquent interest on these sewer benefit assessment installment payment liens in accordance with the Agreements, or as otherwise required by law.
- c. Pursuant to G.S. § 12-145, the City's Tax Collector and Assessor—for purposes of the City's sewer benefit assessment payments—have jointly determined that the delinquent interest that has and that will have accrued on these installment payments that the Owners owe to the Sewer Authority through the date on which the Agreements are executed occurred through no fault of the Owners, and because the collection of sewer benefit assessment installment payments for the Owners will be much swifter and more equitable, the delinquent accrued interest on these sewer benefit assessment installment payments shall be waived through the date on which the Agreements are executed with the Owners.

Mayor Peter Albert Nystrom
President Pro Tem Joseph A. DeLucia
Aldерwoman Stacy Gould