

# Utility Policy

Ordinance 255

## **EQUAL TREATMENT.**

- (1) The City is committed to the principle of equal treatment of all utility customers. In furtherance of that commitment, this Ordinance shall apply equally to all persons, firms, corporations or legal entities receiving utility services supplied by the City and shall uniformly govern all billing, collection and payment of utility charges. It shall be the policy of the City that the utility needs of all customers shall be equally met without discrimination, with sound business principles, and that utility rates and the processes established by this Ordinance shall be uniformly applied to all customers that are similarly situated.
- (2) The City does not discriminate against individuals on the basis of race, color, sex, sexual orientation, religion, disability, age, veteran status, ancestry, or national or ethnic origin in the administration of its ordinances, utility service or billing practices.

## **UTILITY CHARGES.**

- (1) The City shall charge all customers to whom the City is furnishing water a monthly water service charge based on the rate set by Resolution of the City Council.
- (2) The City shall assess a monthly sewer service charge to all premises connected to the City's public sanitary sewer facility. The monthly charge shall be set by Resolution of the City Council.

## **APPLICATION FOR WATER SERVICE.**

- (1) An application for water service must be submitted when:
  - (a) Service is requested for premises not previously served by the City water system;
  - or,
  - (b) Service is requested by an applicant to turn water on at a premises already served by the City water system.
- (2) An applicant shall sign and submit a water service application form provided by the City. By signing the application form, the applicant(s) agrees upon receiving water service to abide by all City ordinances and resolutions concerning water service. The application is merely a request for service and does not bind the City to provide service.
- (3) All applications for water service must include the following information, and any other such information as the City Administrator may reasonably request:
  - (a) Date of application.
  - (b) Location of premises to be served.
  - (c) Date that applicant will be ready for service.
  - (d) Whether the premises has ever been supplied by City water services.

- (e) The purposes for which the service is to be used.
  - (f) The address to which bills are to be mailed or delivered.
  - (g) Whether the applicant is an owner or tenant of the premises to be served.
  - (h) The applicant's social security number.
- (4) All applications must be signed by the owner of the property served or to be served, or the property owner's designated agent.
  - (5) A property owner that requests the City to temporarily discontinue water service during a temporary vacancy of the premises (as provided by Section 13 of this Ordinance) is not required to submit an application when he/she requests that the City restore water service to the premises.

**DEPOSITS.**

- (1) At the time application for water service is made, the applicant shall pay a deposit in an amount set by Resolution of the City Council. At the time that the deposit is given to the City, the applicant shall be given a receipt for the deposit. Interest shall not be paid on deposits.
- (2) Payment of a deposit will not prevent an account from becoming delinquent or prevent water service from being discontinued for non-payment of utility charges.
- (3) A customer's deposit shall be returned when:
  - (a) The customer has kept account payments current for a period of three (3) years and is not currently delinquent in payments; or,
  - (b) Water service is discontinued, further water service will not be provided to the customer and all utility charges and fees have been paid in full. If a customer has unpaid utility charges or fees, the amount owed will be deducted from the deposit and the surplus, if any remains, will be returned to the customer. A deposit will not be returned if, after one (1) year following the discontinuation of water service, the customer has not provided the City with an address to mail the deposit.
- (4) If an account becomes delinquent and it is necessary for the City to disconnect the service, water service shall not be restored to that location until the outstanding bill to the City has been paid and the deposit replaced. If the customer had a deposit returned to them at an earlier date, they will be required to supply a new deposit in accordance with this section.

**UTILITY BILLS.**

- (1) Utility bills shall be issued by the City by the fifth (5<sup>th</sup>) business day of the month. Utility bills shall contain the final date on which payment is due and payable. The due date shall be the twentieth (20<sup>th</sup>) day of the month.
- (2) The City Administrator has the authority to allow a customer who is unable to pay the full amount of the bill to enter into a payment schedule.

**DELINQUENT ACCOUNTS.**

- (1) An account for utility charges is delinquent if it is not paid by the due date designated on the bill.
- (2) Late penalties.
  - (a) Delinquent accounts shall be assessed a late penalty of five dollars (\$5.00) or one and one-half percent (1.5 %) of the total amount owed, whichever is greater.
  - (b) A late penalty will be added to the customer's account every month the account is delinquent.

- (c) The City Administrator shall report to the City Council annually regarding the cost to the City to collect delinquent accounts. Based on that report, the assessed late penalty may be amended to better recover the City's cost to collect delinquent accounts.
- (3) Notices of delinquency.
- (a) The City shall send a Notice of Delinquency by first class mail to any utility customer with a delinquent account within five (5) business days after the account becomes delinquent.
  - (b) The Notice of Delinquency shall state the amount of the overdue utility charges, the amount of assessed delinquent fees, the total amount owed, and that water service may be discontinued if the total amount owed is not paid.
  - (c) The Notice of Delinquency shall provide a deadline for payment. The deadline for payment shall be ten (10) days from the date of the Notice of Delinquency.

**DISCONTINUANCE OF WATER SERVICE FOR NON-PAYMENT.**

- (1) If the customer does not pay the total amount owed by the date specified in the Notice of Delinquency, within five (5) business days the City shall provide Water Service Termination Notice to the customer by affixing such notice to the entrance with the closest proximity to the street of the dwelling or place of business receiving service. The Water Service Termination Notice shall:
  - (a) State that water service will be discontinued for non-payment of utility charges unless full payment, including delinquent fees, is made by the date specified in the Water Service Termination Notice.
  - (b) Set forth the total amount due.
  - (c) Set forth the date that payment must be made for the customer to avoid discontinuance of water service. The due date for payment shall be five (5) days from the date that the Water Service Termination Notice is affixed to the premises.
  - (d) Inform the customer of his/her right to appeal the validity of the termination and the procedure for appealing the discontinuation of water service as established by Section 8 of this Ordinance.
- (2) Water service shall be discontinued if a delinquent account has not been paid in full by the date specified in the Water Service Termination Notice. The City Administrator, in the case of extreme hardship or by prior arrangement with the customer, has the discretion not to discontinue service to a delinquent account upon acceptance of a valid plan for the payment of all delinquent charges.
- (3) Residential water service shall not be discontinued for non-payment in the post-noon period of any Friday or any regular business day proceeding a City-observed holiday.
- (4) After water service has been discontinued, water shall not again be furnished until all outstanding charges have been paid in full.
- (5) When water service is discontinued for non-payment of utility charges, a re-connection fee must be paid before water service is restored. The re-connection fee shall be set by Resolution of the City Council.
- (6) If the City has shut off water service to a premises and someone other than an employee or agent of the City turns on the water, the water may be again shut off and sealed by the City. A second re-connection fee must be paid prior to removal of the seal and resumption of water service. For every incident in which a City seal is broken or removed by any person other than an employee or agent of the City, a penalty of two hundred-fifty dollars (\$250.00) will be assessed against the person responsible for water service charges. In addition, the person responsible for water service charges will be assessed the costs of repair to the City system resulting from the unauthorized resumption of water service.

- (7) The City or any of its officers or employees shall not be liable for any damages that occur because water service is terminated pursuant to this section.

#### **APPEALS.**

- (1) A customer has the right to appeal a Water Service Termination Notice prior to water services being discontinued. A customer shall have five (5) business days from the date of the Water Service Termination Notice to file a request for review with the City Administrator at the City of Lowell, 107 East Third, Lowell, OR 97452. The request must be made in writing by noon on the fifth business day and must include:
  - (a) The name and address of the customer.
  - (b) The address of the affected premises, if different from the address of the customer.
  - (c) A statement of the reasons why the customer believes the Water Service Termination Notice was issued in error.
- (2) The City Administrator shall hold a hearing and determine the appeal on the basis of the written statement and any additional evidence, as the City Administrator deems appropriate. The customer shall be allowed at least ten (10) days written notice of the hearing on appeal. The City Administrator shall issue a written decision within ten (10) days of the completion of the appeal hearing and the decision shall contain findings of fact that substantiate his/her decision.
- (3) The City Administrator's decision can be appealed to the City Council by mailing or delivering a written appeal to the City of Lowell, 107 East Third, Lowell, OR 97452. If a written appeal of the City Administrator's decision is not received by the City Council within five (5) business days of the date of the City Administrator's decision, the City Administrator's decision becomes final. If a customer timely appeals the City Administrator's decision to the City Council, the City Council shall review the decision for abuse of discretion and render a written decision within twenty-one (21) days of receiving the appeal. The decision of the City Council shall be final.
- (4) The water service termination process will be suspended during the appeal process.

#### **PROPERTY OWNER RESPONSIBILITY.**

- (1) The property owner of record is ultimately responsible for payment of all utility charges and delinquent fees. If the property is rented and the tenant fails to pay the utility charges, the City will transfer the delinquent utility charges of the tenant to the property owner.
- (2) On the same day that the City sends a Notice of Delinquency to a tenant (in accordance with Section 8 of this Ordinance), the City shall mail of copy of the Notice of Delinquency by first class mail to the last address of the owner or the owner's agent that is on file with the City. On the same day that the City affixes a Termination of Water Service Notice to a tenant's premises (in accordance with Section 9 of this Ordinance), the City shall mail a copy of the Water Service Termination Notice by first class mail to the last address of the owner or the owner's agent that is on file with the City.
- (3) If the City mails to the property owner or the owner's agent the notice(s) required by subsection 2 of this Section, water service shall not again be furnished to the premises until all outstanding obligations for water supplied to the premises have been paid in full.

#### **DELINQUENT ACCOUNT COLLECTION PROCEDURES.**

Delinquent utility charges may be collected through the use of a collection agent. The City Administrator or designee shall have the authority to select a collection agent and sign necessary documents. Fees charged by the collection agent to collect a delinquent account shall be added to the total amount owed on the delinquent account.

#### **RETURNED CHECKS.**

A charge will be added to accounts for any checks returned from the bank unpaid for any reason. The charge shall be set by Resolution of the City Council.

**WATER LEAKS.**

- (1) Where water is leaking on premises receiving City water service and the leak is affecting the City's water supply in a manner that will likely result in inadequate water service to others, an emergency exists and the City may immediately discontinue service to the premises until the leak is repaired.
- (2) Where water is leaking on premises receiving City water service but an emergency does not exist, the City may discontinue service to the premises if such conditions are not corrected within five (5) days after the customer receives written notice of the leak. Prior to discontinuing water service, the City shall provide the customer with a Water Service Termination Notice in the manner described in Section 9 of this Ordinance.

**OWNER-REQUESTED TEMPORARY DISCONTINUANCE OF WATER SERVICE.**

A property owner may request that the City discontinue water service to his or her property during a period of temporary vacancy. Such a request shall:

- (a) Be submitted to the City in writing at least ten (10) business days prior to the requested shut-off.
- (b) Include the date of requested shut-off and the date of requested resumption.
- (c) Include the name and address of the customer.
- (d) Include the address of the affected premises, if different from the address of the customer.

The property owner will be charged a fee established by Resolution for the temporary discontinuance and resumption of water service. If a request to temporarily discontinue water service is not made according to this section, billing will continue at the normal monthly rate during a period of vacancy.

**CUSTOMER-REQUESTED DISCONTINUANCE OF WATER SERVICE.**

Every customer about to vacate any premises receiving water service shall request discontinuance of water service prior to the date service is to be discontinued on a form provided by the City. The customer is responsible for all water supplied to the premises until service is actually discontinued by the City or two (2) days after the City receives notice, whichever occurs first.

**QUARTERLY STATUS REPORT.**

The City Administrator shall report to the City Council quarterly the status of the City's utility accounts. The report should include information regarding actions being taken to collect delinquent accounts, payment schedules established for customers, and any event or circumstance related to the City's utility accounts that the City Administrator deems significant.