

City of Brownton Utility Policy

SECTION 1- RATES AND CHARGES

1.01 **Rates.** The rates to be charged for utilities and the various classifications of service for which rates are charged, are established by the City of Brownton. These rates are subject to change from time to time.

1.02 **Deposits.** A deposit will be required from any customer renting property when they are responsible for the utilities. The amount of this deposit is subject to change from time to time. Payment of the deposit is required before the utility account will be put in the name of the tenant. This deposit will be held for a minimum of twelve (12) months of consecutive and timely payments of the account. After which, the deposit shall be returned to the customer or at the time the account is closed with no remaining balance. Interest will be paid on this deposit.

1.03 **Other Charges.** Charges for material, equipment and labor that are furnished by the City of Brownton will be billed based on costs plus overhead incurred.

1.04 **Overtime Work.** All services requested by an owner or contractor outside of the City of Brownton normal business hours would be billed at the overtime rate.

SECTION 2- BILLING

2.01. Bills are rendered for all services (electric, water, sewer, garbage and natural gas) so that they reach the customer on or about the same business day of each month. All bills for services and utilities are payable by the 25th day of the following month, after which they are subject to a 10% penalty. Utility bills are considered delinquent on the 26th of the month and are subject to a notice of disconnection.

2.02. Electrical, Natural Gas, and water meters will be read on or about the 1st of each month (if the 1st falls on a weekend, meters to be read on the Friday before or the Monday following said weekend). The City reserves the right to estimate the meter readings when they deem necessary. If meters are not accessible to the meter reader (i.e. dogs, fences, locked gates, etc.) the consumption will be estimated and the customer will be asked to provide the accurate meter reading. Resulting over or under charges shall be accounted for in a subsequent month when the meter can be read.

2.03. The City of Brownton will bill each customer as promptly as possible following the reading of the meters. Each bill will show the present and preceding meter readings and dates of readings, consumption for each meter, the class of service, the amount charged for each meter, the date when the bill is past due, any previous balance, including late payment penalties assessed and the amount of sales tax. Bills for services based on meter readings or estimated usage are computed in accordance with applicable rate schedules. Customers whose final reading is after the regular reading date shall receive a separate billing for the final period regardless of the number of days. Monthly charges will not be prorated.

2.04. The City of Brownton will bill the owner of the premises unless the owner/landlord requests to transfer the bill to the occupant of the premises. The bill will not be transferred to the occupant of the premises until the occupant applies for utility service at Brownton City Clerk's Office, pays the required deposit for service and requests the meters to be read. If the occupant (the same individual or under the same household) maintains a previous unpaid balance with the City of Brownton, the unpaid balance will need to be paid first before the establishment of a new account.

2.05. The owner of the premises, the occupant of the premises and the user of the service shall be jointly liable to pay for the service to such premises; and the service is furnished to the premises by the City only upon the condition that the owner of the premises, occupant and user of the services are jointly liable therefore to the City.

SECTION 3- COLLECTIONS

3.01. Payment must be received in the City of Brownton office by the due date stated on the bill. Payment may be made by cash or check. Utility payment checks must be made payable to the City of Brownton. Second party checks and post-dated checks will not be accepted. Failure to receive a bill or past due notice shall not relieve the responsibility to pay.

SECTION 4- PAYMENT PLANS

In addition to the ordinary manner of making payments (first class mail, night depository or "in person") the City of Brownton also offers payment agreement plans to qualifying customers.

4.01. Payment Agreement

4.01.01. Upon request by the customer, the City Clerk will prepare a payment agreement following discussions with the customer. The payment agreement must be signed and returned to the City Clerk's Office.

4.01.02. Installment payments in the repayment agreement shall include the estimated current bill plus at least twenty-five percent (25%) of any overdue amount monthly. If the customer fails to pay an installment of the payment agreement a notice of disconnection will be printed and mailed to the customer. The customer is given an additional five (5) days before disconnection.

4.02. Budget Plan

4.02.01. A budget plan is available to any qualifying customer. Upon request by the customer, the City Clerk will compute the previous 12 months charges to set an amount for a budget payment plan. The budget payment account will be reviewed from time to time by the City Clerk and increased or decreased in accordance with current consumption patterns. A monthly billing showing the current month's consumption and cost will be prepared and sent to the customer.

4.02.02. A late payment charge of ten percent (10%) of the outstanding balance will be added if not paid by the due date. If two payments are late within a twelve-

month period the account may revert to normal bill procedure and any amount in the "arrear" column shall be subject to regular collection procedures.

SECTION 5- RETURNED CHECKS

5.01. For accounts on which a NSF check is received, the City of Brownton shall notify the customer immediately by mail that the bank upon which it was drawn has dishonored a check. Payment by cash, certified check or money order shall be required within five (5) days of the notice and demand for payment of a dishonored check. The City of Brownton will not accept two-party or payroll checks. The City of Brownton may add a \$20.00 service charge for each NSF check returned to the City of Brownton, also the bank may charge a \$4.00 fee as well.

5.02. If three (3) or more returned checks (NSF) are from the same customer within a twelve-month period, that customer shall be required to make all future payments in "cash or cashier's check only" until such customer has made twelve (12) consecutive "on time" payments.

5.03. If a NSF check is received as payment from a customer who received a delinquent or disconnect notice, utility service will be disconnected immediately without notice. Payment by cash, certified check, or money order shall be required to restore service.

SECTION 6- DELINQUENT ACCOUNTS

6.01 The City Clerk shall certify delinquent utility accounts, as of October 31 of each year. The list of delinquent accounts shall be presented to the City Council for adoption. All persons who have delinquent charges included in the list shall be notified and given a chance to appear before the Council before the list is adopted. In the event the delinquency involves rental property, notice shall be given to the record owner of the property in addition to the tenant or other parties in possession and he or she is given a chance to appear before the Council. Upon adoption, the Clerk shall certify the unpaid charges to the County Auditor before November 29 of each year for collection as other taxes are collected. This action may be optional or subsequent to taking other legal action to collect delinquent charges, and shall not preclude the City or its agents from recovery of the delinquent charges and interest under any other available remedy, and shall not preclude the disconnection for late payment provided for in this policy.

SECTION 7- BILLING ERRORS

7.01. When a customer has been overcharged as a result of incorrect meter readings, incorrect application of the rate schedule, incorrect connection of the meter, faulty meter or other similar reasons, the amount of the overcharge shall be credited to the customer or refunded to "final" accounts. Billing adjustments shall be limited to a maximum three-year period from the time of discovery except for cases involving the misapplication of a rate schedule, which shall be limited to a maximum one-year period. Billing adjustments resulting in a credit balance that is greater than three (3) months' average billing will be refunded by check. Other billing adjustments will remain as a credit balance on the account.

7.02. When a customer has been undercharged as a result of the same reasons as in Section 7.01, the amount of undercharge shall be billed to the customer. The revised billing shall be incorporated with the regular bills and the charges explained in detail.

These shall be for a maximum two-year period from the time of discovery allowed for recalculating undercharges except for cases involving fraud or misrepresentation. There shall be a one-year back-billing period for undercharges as the result of the misapplication of a rate schedule.

SECTION 8 - CUSTOMER SERVICE

8.01. Customer complaints shall first be directed to the City Clerk. Any and all complaints shall be discussed politely and without abuse. Upon receiving a complaint, all pertinent information shall be obtained, such as the name and address of the complainant, the date and nature of the complaint. The City Clerk will initiate the necessary action to dispose of the complaint.

8.02. If personnel receiving the complaint cannot effectively handle the problem; the complaint shall then be referred to the proper department or other City of Brownton personnel.

8.03. If a complaint is not resolved to the customer's satisfaction, the customer may request to be put on the agenda at the city council meeting.

SECTION 9- LATE CHARGES

9.01. A late payment charge of ten percent (10%) of outstanding charges will be added to all bills where full payment is not received by the 25th of the month as stated on the bill.

9.02. Failure to receive a bill shall not necessarily entitle the customer to remission of any late payment charge.

9.03. The Penalty may be waived upon order of the City of Brownton or by city personnel only when extenuating circumstances are considered. A customer should have a payment habit of "on-time" payments for the past year before consideration is given.

SECTION 10- DELINQUENT ACCOUNTS AND DISCONNECTION PROCEDURE

10.01. Utility bills are due in full by the 25th of the month, after which they will be considered delinquent, and a notice of disconnection shall be served or mailed. Notice of disconnection shall be subject to an administrative fee of \$25.00. Said fee to be added to the utility account.

Customers not responding to the notice of disconnection by the date and time stated will have their electrical service disconnected.

If electricity is disconnected, there will be a \$250.00 reconnection charge due before service is restored.

If a delinquent customer contacts the City Clerk's office prior to the disconnect date, for an extension of time, consideration may be given. Extensions may be granted for a period of not more than seven (7) days if the customer makes arrangements with the City of Brownton to pay the total amount due at that time. At no time is an open-ended extension granted with no deadline given.

The delinquent customer may also enter into a payment plan where installment payments shall include the estimated current bill plus at least twenty-five percent (25%) of any overdue amount monthly. If the customer fails to pay an installment of the payment agreement a notice of payment violation will be printed and mailed to the customer. The customer is given an additional five (5) days before disconnection.

If a collection is not made, a City utility employee or contractor hired by the city will terminate the service. The City of Brownton will not reconnect the service, until arrangements for reconnection are made and the utility bill is paid including all reconnection charges.

10.02. Special circumstances and conditions affecting disconnections.

10.02.01. Warm weather months pertain to residential accounts only, when the temperature exceeds 85 degrees. (April 16 through October 14). The City of Brownton will not disconnect the utility service of residential accounts when an excessive heat watch, heat advisory, or excessive heat warning issued by the National Weather Service is in effect.

10.02.02. Cold weather months (October 15 through April 15) pertain to residential accounts only. The City of Brownton will not disconnect the utility service of a residential customer if the disconnection affects the primary heat source for the residential unit when the following conditions are met:

The disconnection would occur during the period between October 15 and April 15.

The customer has declared inability to pay on forms provided by the Public Utilities Commission.

Before disconnecting service to a residential customer during the period between October 15 and April 15, the City of Brownton will provide the following information to a customer: a notice of proposed disconnection will be mailed or personally served; a statement explaining the customer's rights and responsibilities; a statement explaining available time payment plans and other opportunities to secure continued utility service.

If a collection is not made by April 20, service will be terminated. The City of Brownton will not reconnect the service, until arrangements for reconnection are made and the utility bill is paid including all reconnection charges.

If a residential customer must be involuntarily disconnected between October 15 and April 15 for failure to comply with the provisions of the section above, the disconnection must not occur on a Friday or on the day before a holiday.

If, prior to disconnection, a customer appeals a notice of involuntary disconnection, as provided by the City of Brownton's established appeal procedure, the City of Brownton will not disconnect until the appeal is resolved.

10.02.03. If a welfare agency states that they will be paying the account and how much they will be paying, the disconnection will not be made or reconnection will be made during business hours.

10.02.04. In special situations such as bank foreclosures, estate settlements, etc.; extensions may be given based on the bankers' or attorneys' guarantee of payment.

10.02.05. If the City of Brownnton, following a special hearing, allows extended terms, the normal disconnect policy will not apply.

10.02.06. If, following disconnection, the residential unit is found to be occupied, the utility must reconnect service if the residential customer agrees to pay the outstanding balance owed the utilities plus a reconnection charge or, in cold weather months, agrees to enter into a mutually agreed payment schedule.

10.02.07. A \$250.00 reconnection charge is required to be paid in order to restore utility service.

10.02.08. The City Clerk may grant fixed time extensions to disconnection dates under extenuating circumstances, provided arrangement is made with the customer for payment of the arrears and penalty due prior to the date of disconnection. Refer to language in Section 12.01.

SECTION 11- FREE UTILITY SERVICE

11.01. It shall be the policy of the City of Brownnton to not provide free utility service to customers. Any exceptions to this policy must be approved by the City of Brownnton in advance at a regular city council meeting.

SECTION 12 – METER CHANGES

12-01. The City of Brownnton retains ownership of all electric and water meters. However the property owner will be held liable for the repair of meters that are carelessly or intentionally damaged. If a resident believes there is a problem with their meter and, after routine inspection, requests further testing and verification, the following applies:

The homeowner will be responsible for a \$100.00 deposit for testing service. If testing reveals a problem with the said meter, the City will pay for the associated costs of testing and subsequent repair, and the deposit shall be returned, however; if testing reveals a correctly functioning meter per official standards, the city will retain the \$100.00 deposit to cover the associated costs of testing and meter change out.