

CITY OF WANAMINGO

UTILITY BILLING POLICY

DATE COUNCIL ADOPTED: July 9, 2018

I. Definitions

For purposes of this policy, the following words and phrases shall have the meaning as defined by this section.

- a. Bill - means the statement of account for municipal utility services rendered by the City to a customer and due and payable to the City by the customer.
- b. City - means the municipal corporation known as the City of Wanamingo, Minnesota, and any designated agent authorized to act on behalf of the City.
- c. City Staff - means City Administrator, Deputy Clerk-Treasurer, or Maintenance Staff.
- d. Customer - means any person, firm, corporation or entity to which the municipal utility services are rendered.
- e. Delinquent customer - means any person, firm, corporation or entity who fails to pay any current charges or portion thereof for any municipal utility by the due date of the bill.
- f. Municipal utilities - means the water, sewer, storm sewer, along with contracted garbage/ recycling services, departments or systems of the City of Wanamingo, Minnesota, or any combination thereof.
- g. Past due amount - means any current charges or portion thereof for any municipal utility which remain unpaid past the due date of the bill on which such current charges first appear.
- h. Disconnect - means the water contracted garbage/recycling services shall not be made available to any person, firm, corporation or entity due to non-payment.
- i. Promissory agreement - means a contract between the customer and the City allowing the customer to make payments to the City to pay any current charges or portion thereof for any municipal utility by a determined date.

II. Utility Billing Policies and Procedures

The City of Wanamingo provides water, sewer, storm sewer, along with contracted garbage/recycling services to residents of the City; including private homes, apartments and commercial users. Wanamingo Code of Ordinances sections 50, 51, 52, and 53 sets forth formal 'code' for garbage and refuse, storm water management, along with water and sewers. The purpose of this policy is to set up additional policies and procedures not specifically written in the code. This policy will establish a process to dispute the accuracy of the water meter reading used to calculate the charges for such water and sewer services, of which services are hereafter referred to as "municipal utility services".

The following policies and procedures shall govern the provision of municipal utilities of the City of Wanamingo, Minnesota.

III. Utility Billing

There is hereby created a utility billing section within such department(s) as may be designated by the City Council. The billing section shall be responsible for the calculation and rendering of all municipal utility bills. The utility billing section shall maintain account records for each customer that includes the customer's name, billing address, service address, current charges and account history including past due charges, penalties and fees. These records shall be maintained a minimum of two years worth of account history.

The City shall bill the owners of the property served by utility services. In the case of residential rental property, the owner shall designate whether to be directly billed or the renter directly billed. The owner can request a copy of the bill at any time if the renter is billed directly. The owner is hereafter referred to as the "customer". Because of significant payment problems with tenants of residential rental property in the City, the City has determined that it must hold the owner of all residential rental properties within the City as the party responsible for payment of municipal utility services. Owners of multi-unit apartment complexes or trailer parks will ultimately be responsible for delinquent utility bills.

IV. Rate Ordinance

All municipal utility charges shall be calculated in accordance with the specific rate ordinance applicable to each municipal utility or service rendered to a customer. The City Council shall from time to time adopt a Fee Schedule through Ordinance.

V. Monthly Utility Bill

The utility billing section shall provide each municipal utility customer a combined monthly municipal utility bill which shall include the charges incurred by the customer for regular monthly water, sewer, storm sewer, along with contracted garbage/recycling services or any combination thereof, plus any fees, penalties or previous balances. Each municipal utility shall be designated as a separate entry on the billing statement. Bills for municipal utility services provided shall be rendered and paid monthly.

VI. Extra Service Bills

Billings for any extra services, installation charges or other special charges shall be rendered in accordance with the applicable utility or service rate Ordinance and may be included on the appropriate monthly billing statement or as a separate bill.

VII. Billing Cycle

- a. Meter reading date - Meters shall be read between the 24th day of the month and 31st day of the month.
- b. Billing period - Monthly billings shall be rendered within one week following the period in which municipal utility service is provided. The total bill shall be due and payable by the end of the day on the 20th day of the following month after which services are billed for. If the due date falls on a holiday, Saturday or Sunday the due date shall be at 10:00am on the first business day following the holiday or weekend; payments can be deposited 24 hours a day in the payment slot at City Hall to ensure they meet the 10:00am deadline. Likewise, for purposes of computing late charges, payments will be considered received on time if payment is received at City Hall no later than 10:00am on the 21st day of the month should the 20th day of the month fall during the work week.
- c. Delinquent date - If a bill is not paid on or before the end of the day on the due date, a late charge equal to 10% of the current bill amount shall be added to the charges. The first (1st) business day following the due date shall be known as the delinquent date. If the delinquent date falls on a holiday, Saturday or Sunday the bill shall then become delinquent at 10:00 am on the first business day following the holiday or weekend. Likewise, payments will be considered received on time if payment is received at City Hall no later than 10:00am on the 21st day of the month should the 20th day of the month fall during the work week.
- d. Disconnect notification date - If a bill is past due in the third month as of the 21st of the month, the City Clerk and/or City Administrator will send a disconnection notice to the customer. The disconnection notice will state the past due amount on the customer's account plus applicable reconnection fees if not paid by the disconnect date.
- e. Disconnection date - If a bill that is all or partially not paid that is in the third month past due as of the 21st of the month, the City Clerk and/or City Administrator sent a disconnect notice, and at least ten business days have passed the maintenance staff shall disconnect the customer's municipal utility services.

VIII. Delinquent Customers

Any customer whose bill remains unpaid at the end of the day on the 21st day of the month following after which services are billed for shall be considered delinquent. Any customer who is delinquent on any one

municipal utility (water, sewer or refuse) or any combination thereof may be disconnected from the municipal utility system and once disconnected shall not be reconnected or reinstated until payment of all charges, fees and penalties necessary to bring the account to a current status. The disconnection process is generally put in place for customers that are three months past due on their utility bills. Prior to any discontinuance of service the customer shall receive a 5 business days notice and an opportunity for a hearing before the City Council as set forth in Wanamingo Code of Ordinances Section 53.03. The City may also refer delinquent customers to a collection agency or attorney for collection on a case-by-case basis. Delinquent utilities may also be certified to property taxes to be collected in the same manner as special assessments and other taxes.

IX. Municipal Utility Service Application

Any person, firm or corporation desiring to set up any municipal utility service or combination thereof shall make application for said service(s). The application shall be on such form(s) as may now or hereinafter be prescribed by the appropriate utility. The application may include the applicant's name, spouse name, service address, mailing address, landlord's name, telephone number and signature of the party responsible for payment. Persons applying on behalf of others or acting as an agent for others may provide the required information provided such agent agrees to assume responsibility for the person, firm or corporation upon whose behalf they are applying. Each service location shall be considered a separate account.

X. Disputed Utility Bills

A customer may dispute a utility bill but first with City staff. If the customer is not satisfied with City staff outcome of the complaint they may pursue the complaint with the City Council. The customer is responsible to go through the process of checking for leaks/excess usage before further pursuing the complaint to the City Council. A customer may request a hearing regarding any dispute over a proposed disconnection of service before the City Council to hear such matters. This conference must take place at the next scheduled City Council meeting after the disconnection notice has been served.

A customer who feels the total usage reflected on their account for municipal utilities is incorrect, may request to have City staff re-read the meter; a customer requesting to have their meter re-read must allow City staff access to the home at an agreed upon time during the course of Public Works Department normal business hours. The City staff check will ensure that the meter reading from the hand held device is running parallel to the meter reading on the physical dial on the meter. City staff may clean out the meters of any obstructions at the customer's request. However cleaning out of meters will in most cases ensure that the meter is working correctly and may capture a more accurate, higher reading. Council may request City staff to change out the customer's water meter however the customer utility account must be paid in full before this can take place. This payment in full of the utility bill is a trade for the cost of a new water meter and installation cost. The State of Minnesota has set forth requirements that public water sources account and bill for all water used. The City Council adheres measuring and billing customers for all water used to follow the State's practice. If the City staff finds that the water meter is in working order the customer is required to pay for the metered usage.

XI. Promissory Agreement

The City Administrator has authority to put together a reasonable payment plan with the customer. The City Administrator may enter into a written promissory agreement for a customer's municipal utility bill on a case-by-case basis. The City Administrator is responsible for documentation and enforcement of the agreement. Verbal agreements may be accepted but written agreements are preferred. If a customer fails to make good on any term and/or condition contained within the promissory agreement (oral or written), the customer's municipal utility services may be disconnected immediately.

XII. Service Charges

The following additional fees shall be charged for services provided by the municipal utility:

- a. Disconnect/Reconnection of service due to nonpayment of bill :
 - \$65.00 (\$50 for Maintenance Staff time along with a \$15 Administrative fee)
8:00 am to 3:00 pm – Monday to Thursday (excluding holidays)
- b. Returned check fees:
 - \$34.00 (\$30 fee along with a \$4 bank fee charge) for all checks or direct deposits
 - Returned checks, the customer shall pay, by cash or money order, the amount of the returned check(s) plus the returned check fee
 - After a returned check, the customer may be required to pay all current and future payments by cash or money order until notified otherwise

XIII. Obstructions

It shall be prohibited for any person to obstruct access to a municipal utility water meter, meter reader or curb stop whether in a public right-of-way or on private property. Should any person, in violation of Wanamingo Code of Ordinances 53.21 a citation may be issued for a misdemeanor.

XIV. Responsibility of Customers

Customers own their own meters and were directly purchased when originally installed. As the mercury batteries fail in the meters the City will replace the meter at no direct cost to residents (cost built into water utility rates). Customers are responsible to check their water piping system/end appliances. City staff are not responsible to check for elevated usage after the customer's meter. The City staff check will ensure that the meter reading from the hand held device is running parallel to the meter reading on the physical dial on the meter. Customers can also verify that these numbers are running parallel. If the numbers are running in parallel there is a likelihood of a leak/excess usage. City staff may clean out the meters of any obstructions at the customer's request. However cleaning out of meters will in most cases ensure that the meter is working correctly and may capture a more accurate, higher reading. Council or City Administrator may request City staff to change out the customer's water meter however the customer utility account must be paid in full before this can take place.

The customer can check for the potential causes of a leak/excess by looking at the following sources:

- A leaking toilet, or a toilet that continues to run after being flushed
- Water softener problems - cycles continuously or longer than needed
- A dripping faucet; a faucet drip can waste 20 gallons of water or more each day
- Watering the lawn, new grass, or trees can add to the regular usage
- Check for open hoses/faucets on the exterior of homes/buildings
- Houseguests add to regular usage
- A broken water pipe or previous leak; check pipes in basement or crawlspaces
- Check water heaters for leaks

XV. Facts about Water Meters

How Water Meters Work - Water flows through the meter's strainer and into the measuring chamber where it drives the piston. The hydro-dynamically balanced piston oscillates around the center hub, guided by the division plate. A drive magnet transmits the motion of the piston to a driven magnet located within the hermetically sealed register. The driven magnet is connected to the register gear train. It reduces the piston oscillations into volume totalization units displayed on the register dial face.

Meter Accuracy - The mechanical design of water meters do not allow for adjustments of the dials or accuracy calibration of the meter. Similar to automobiles, odometers, or other mechanical devices, the meter slows down with age and eventually stops registering completely. The meter will not arbitrarily run faster than it was designed to run or run backwards. The mechanical parts are not capable of "speeding up" or registering a significantly higher reading than actual use. Having a meter register 20,000 gallons of consumption when usage was actually 4,000 gallons would be like a vehicle with a maximum speed of 100mph suddenly being able to intermittently run at speeds of 500mph, it isn't mechanically possible.

Although it is very uncommon, the meter reader can incorrectly read the meter or incorrectly enter the reading in the handheld device. The deputy clerk generates a monthly report that includes any suspected high or low consumption numbers. The report is reviewed and the suspected misreads are contacted with a phone call or a note with the monthly utility bill. The homeowner is asked to verify if the dial on the meter has a close approximation to the reading on the monthly bill. The radio transmitter records each gallon of usage based on an electrical impulse from the meter, but if the electrical device malfunctions, usually due to wire being broken or the battery running out, a manual read can be taken from the dials. If there is a discrepancy in the two numbers the City Maintenance staff will utilize the dial reading and the deputy clerk will adjust the billing.

XVI. Sulfur Smells Associated with Water

The most common cause of smelly water is anaerobic bacteria that exist in some water and react with sulfur and the magnesium and aluminum sacrificial anodes that come with most water heaters to produce hydrogen sulfide gas, making the classic rotten egg odor. Run cold water and see if there is a smell from the cold water and then have them repeat the process for warm/hot water. Residents may need to remove anode rod that causes the corrosion internally and makes the water smell like sulfur and if it sits in there long enough (i.e. months without use). It could take emptying the entire water heater tank to get rid of it. If water use is low, the smell may persist.

XVII. Approval of Policy

This policy was formally approved and adopted by the Wanamingo City Council on July 9, 2018.