

# CITY OF LOWELL

## UTILITY BILLING POLICY



*Adopted March 13, 2017*

# City of Lowell Utility Billing Policy

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## TABLE OF CONTENTS

|   | Page(s)  |
|---|----------|
| <b>FORWARD .....</b>                    | <b>5</b> |
| <b>SECTION I</b>                        |          |
| <b>UTILITY SERVICE CONNECTION .....</b> | <b>6</b> |
| 1.1 Activation Fee .....                | 6        |
| 1.2 Deposits.....                       | 6        |
| 1.3 Floating Activation Fee.....        | 6        |
| 1.4 Application for Service .....       | 6        |
| 1.5 Transferring Service.....           | 6        |
| 1.6 Name on Account.....                | 6        |
| <b>SECTION II</b>                       |          |
| <b>BILLING AND COLLECTIONS .....</b>    | <b>7</b> |
| 2.1 Billing .....                       | 7        |
| 2.2 Customer Billing Information.....   | 7        |
| 2.3 Due Date.....                       | 7        |
| 2.4 Late Fees.....                      | 7        |
| 2.5 Payment Options.....                | 7        |
| 2.6 Payment Extensions .....            | 7        |
| 2.7 Liability .....                     | 7        |
| 2.8 Late Notification .....             | 7        |
| 2.9 Minimum Billing .....               | 7        |
| <b>SECTION III</b>                      |          |
| <b>SERVICE DISCONNECTION .....</b>      | <b>8</b> |
| 3.1 Avoiding Disconnection .....        | 8        |
| 3.2 Delinquent Service Charge .....     | 8        |

# City of Lowell Utility Billing Policy

---

## SECTION IV

|   |          |
|---|----------|
| <b>COLLECTION OF DELINQUENT ACCOUNTS.....</b> | <b>9</b> |
| 4.1 Collecting Delinquent Payments.....       | 9        |

## SECTION V

|  |           |
|--|-----------|
| <b>METER INFORMATION.....</b>                | <b>10</b> |
| 5.1 Requesting a Meter Test/Calibration..... | 10        |
| 5.2 Replaced Damaged Meter .....             | 10        |

## SECTION VI

|                                      |           |
|--------------------------------------|-----------|
| <b>METER TAMPERING.....</b>          | <b>11</b> |
| 6.1 Tampering and Consequences ..... | 11        |

## SECTION VII

|                                   |           |
|-----------------------------------|-----------|
| <b>RETURNED CHECK POLICY.....</b> | <b>12</b> |
| 7.1 Notification and Fee .....    | 12        |

## SECTION VIII

|                                       |           |
|---------------------------------------|-----------|
| <b>TERMINATION OF SERVICES.....</b>   | <b>13</b> |
| 8.1 Termination Form.....             | 13        |
| 8.2 Terminations by Phone .....       | 13        |
| 8.3 Account Validation Required ..... | 13        |
| 8.4 Deceased Account Holder .....     | 13        |

## SECTION IX

|                                |           |
|--------------------------------|-----------|
| <b>ADJUSTMENTS.....</b>        | <b>14</b> |
| 9.1 Adjustment Procedure ..... | 14        |
| 9.2 Exceptions .....           | 14        |
| 9.3 Pool Adjustments.....      | 14        |

## SECTION X

|   |           |
|---|-----------|
| <b>CITY'S RIGHT TO SUSPEND SERVICE.....</b> | <b>15</b> |
| 10.1 Possibilities for Disconnection.....   | 15        |

# City of Lowell Utility Billing Policy

---

## SECTION XI

|   |           |
|---|-----------|
| <b>PROFANE, INDECENT, AND THREATENING CALL.....</b> | <b>16</b> |
| 11.1 Notification of Indecency .....                | 16        |
| 11.2 Documentation of Incident .....                | 16        |
| 11.3 Abatement of Indecent Calls .....              | 16        |

## SECTION XII

|                                |           |
|--------------------------------|-----------|
| <b>EQUALIZED PAYMENTS.....</b> | <b>17</b> |
| 13.1 HEADING .....             | 17        |

# City of Lowell Utility Billing Policy

---

## Forward

The objective of the Lowell Utility Billing and Collections Procedure Policy is intended to provide a consistent process by which utilities are billed and revenues are collected. The following utility billing and collections procedure policy is a general policy to be enforced for the collection of payment for utility services provided by the City of Lowell. This policy is to become effective as of the 13th day of March, 2017. The following policy will be strictly enforced and will apply to any and all customers of utility services provided by the City of Lowell. Any question in regards to utility service, policy, or billing should be addressed to the City Clerk at City Hall at (704) 824-3518.

### **It is recommended that the following steps be taken:**

- A. All City Officials should read and understand this policy
- B. All employees entrusted with Utility Billing and Collections should become thoroughly familiar with the procedures outlined in this policy
- C. This policy should be kept where it is easily accessible for reference
- D. Comments concerning this policy or clarification of its contents should be directed to the City Manager, City Clerk, or the Finance Officer

**This policy will be reviewed periodically and updated as needed.**

# City of Lowell Utility Billing Policy

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## Section I

### UTILITY SERVICE CONNECTION

- 1.1 Activation Fee** – An activation fee of \$50 must be paid in order to have utility services connected at any property. This applies to all property owners, residents, renters, and businesses. Any balance owed by the applicant on a previous account for utility services, must be paid in order for a new account to be activated.
- 1.2 Deposits** – All renters (includes businesses renting a space) are required to pay a \$150 deposit in addition to the activation fee in order to have utility services connected. Homeowners will be required to show proof of ownership in order to have the deposit waived. Deposits remain on the account until the account is closed. Once the account is closed, a final bill will be generated and the deposit will be applied to the final bill. Any balance after the final bill has been paid, will be refunded by mail to the customer.
- 1.3 Floating Activation Fees** – Landlords have the option of keeping a \$50.00 floating activation fee on the account in order to avoid paying the activation fee each time a renter moves out and the landlord needs to restore the service. If the landlord chooses to not float their activation fee, one will be required each time they need to restore service in their name at the service address.
- 1.4 Application for Service** - Prior to utility services being connected, an application must be completed at City Hall and the applicant must provide a valid driver’s license and social security number. Applicants must be at least 18 years of age to open a water account. If the applicant has purchased a residence or business, they must also provide proof of ownership in order for the deposit to be waived. Only the person whose name is on the proof of ownership can have utility services connected in their name. The person occupying the residence must have the account in their name.
- 1.5 Transferring Service** - If a customer is transferring continuous utility service from one street address to another, an additional activation fee will be required. All balances on the previous service address must be paid before utility service will be connected at the new service address. If the final bill for the old service address is not paid when due, utility services will be disconnected at the new residence until the City receives payment for that bill. The deposit from the previous account is transferrable to the new service address.
- 1.6 Name on Account** – The occupant of a service address must have the account in their name, excluding businesses. If it is determined by the City this is not the case, the City will notify the customer by written notification. The current resident will have 30 days to place the account in their name with a new application and pay a \$150 deposit in order to avoid disconnection of services.

# City of Lowell Utility Billing Policy

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## Section II

### BILLING AND COLLECTIONS

- 2.1 Billing** – Bills shall be prepared monthly for each billing cycle. Consumption on your bill is calculated from the consumption cycle of the 16<sup>th</sup> day of the previous month to the 16<sup>th</sup> day of the current month. Utility bills for the current billing cycle will be mailed to customers on the last day of the month. In the instance the last day of the month falls on a weekend day or holiday, utility bills will be mailed out on the previous workday.
- 2.2 Customer Billing Information** - Due to NC Privacy Act laws and Council adoption, the City of Lowell is only allowed to discuss account information with the person’s name on the account unless the account owner has given us permission to discuss with someone else.
- 2.3 Due Date** – Bills are due by 5:00 pm on the 15<sup>th</sup> of each month. If the 15<sup>th</sup> day falls on a holiday or non-business day, payment is due by 5:00 pm the following business day.
- 2.4 Late Fees** - A late fee of \$5.00 will be applied to any unpaid utility account **after 5:00 pm on the 15<sup>th</sup> day of the month.**
- 2.5 Payment Options** – Utility payments may be paid by check, money order, cash, or by debit/credit cards. The City of Lowell does not honor post marked mail or checks for utility payments.
- 2.6 Payment Extensions** – The City of Lowell does **not** offer payment extensions for past due balances.
- 2.7 Liability** - Once a utility bill has been placed in the mail or dropped off at the Post Office, the City is no longer responsible for that utility bill. Payment for that utility bill is due to the City even if the customer does not receive it in the mail.
- 2.8 Late Notification** – Late notifications will not be mailed to customers. Customers will be responsible for payment in full on their account by 8:00 am on the 25<sup>th</sup> of the month in order to avoid interruption of service.
- 2.9 Minimum Billing** – If an account is considered “Active” it will be billed monthly even if the customer shows no water consumption. The minimum billing rate is charged for “0” to “1500” gallons.

# City of Lowell Utility Billing Policy

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## Section III

### SERVICE DISCONNECTION

- 3.1 Avoiding Disconnection** – The full balance of your utility bill plus any additional fees incurred are due by 5:00 pm the 15<sup>th</sup> of each month. Services will be discontinued at 8:00 am on the 25<sup>th</sup> of the month for non-payment. If the 25<sup>th</sup> of the month falls on a weekend or holiday, disconnection will occur on the first available business day at 8:00 am. This applies to all utility customers regardless of their account history or status as a business, residential or industrial user with the City.
- 3.2 Delinquent Service Charge** - A delinquent service charge of \$50.00 will be charged to each unpaid or delinquent account at 8:00 am on the 25<sup>th</sup> of the month. In addition to the charge, the utility services will be disconnected. In order to restore service, the customer must pay their past due utility bill in full which includes any late fees, delinquent service charge, and tampering fee, if applicable, in order for the utility services to be restored. Disconnected utility services will be restored by 5:00 pm on the same day payment was received. Services will not be restored after-hours.



# City of Lowell Utility Billing Policy

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## Section IV

### COLLECTION OF DELINQUENT ACCOUNTS

**4.1 Collecting Delinquent Payments** - The City of Lowell will collect delinquent water and sewer debts through the following:

- NC Local Government Debt Setoff Clearinghouse — this program allows municipalities the ability to attach to debtors NC refund check for any feasible fine or charge issued by the municipality.

# City of Lowell Utility Billing Policy

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## Section V

### METER INFORMATION

- 5.1 Requesting a Meter Test/Calibration** - A Customer may request the city to test/calibrate the Customer's water meter. If the Customer's meter tests within the allowable limits as defined by the manufacturer's specification, a \$10 charge shall be placed on the Customer's account for the meter test.

If the Customer's meter test shows a problem with the meter, there shall be no charge for the test. The Customer's account shall then be credited based on the inaccuracy of the tested meter for the current billing period, if applicable. If a meter is determined to be out of calibration, it shall either be calibrated or replaced with a calibrated/new meter at the discretion of the Public Works Director.

- 5.2 Replaced Damaged Meters** – If the City of Lowell determines a water meter was damaged by the Customer, a \$40 replacement charge will be added to the customer's account. The replacement charge must be included in the payment due on the current bill.

# City of Lowell Utility Billing Policy

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## Section VI

### METER TAMPERING

- 6.1 Tampering and Consequences** - If the Water Department Personnel determines that a meter has been tampered with, a \$250.00 tampering fee will be imposed on the account of the owner or resident of that property. This tampering fee must be paid prior to utility services being reconnected. Meter tampering includes the connecting and disconnecting of utility services at the City's meter by the owner or resident of the property and also breakage of the cut off that is on the meter. **Meter tampering by law is a Class I Misdemeanor offense.**

# City of Lowell Utility Billing Policy

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## Section VII

### RETURNED CHECK POLICY

- 7.1 Notification and Fee** - If the City receives a returned check for utility services the customer will be notified by letter we have received a returned check and the customer has 10 days to pay the City of Lowell the face amount of the check in addition to a \$30 returned check fee to avoid disconnection. The letter will also inform the customer they will be placed on a cash only basis for one year.

After one year, the customer will be removed from cash only, if a second returned check is received on the account, the same 10-day payment schedule will be required and the customer will be notified they will be placed on a cash only basis until the account is closed. No checks will be accepted as payment on this account.

# City of Lowell Utility Billing Policy

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## Section VIII

### TERMINATION OF SERVICES

- 8.1 Termination Form** - Completion of a termination of service form is required in order to stop services at any service address.
- 8.2 Termination by Phone** - Terminations of service are not accepted over the phone in order to validate and protect our customers. If you have moved out of state, please give the Billing department a call at 704-824-3518 to discuss your options.
- 8.3 Account Validation Required** - Terminations of services are only accepted from the account holder and a proof of ID must be presented at time of the request.
- 8.4 Deceased Account Holder** - If the account holder is deceased, a death certificate and/or Power of Attorney document will be required prior to terminating services.

An account can be transferred into the remaining spouse's name, however, their name plus the original account owner's name must be on the death certificate to avoid opening a new account.

# City of Lowell Utility Billing Policy

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## Section IX

### ADJUSTMENTS & ERRORS

- 9.1 Adjustment Procedure** – Adjustments must be requested within 60 days of the date of the protested bill.

If, pursuant to a request for adjustment as filed above, it is determined that the bill was in error or that an adjustment should rightfully be made, a corrected bill will be prepared and the customer's account adjusted accordingly. A credit will be applied to the customer's account; there will be no cash refunds.

Adjustments for high bills will only occur under the determination of a leak by the City of Lowell service employees or a private plumbing company. No adjustment will be given until leaks are repaired and proof of repair is determined. **Documented proof must be submitted in order to qualify for an adjustment. Valid documentation consists of a plumber's bill or recent receipts for plumbing repair parts.** To qualify for an adjustment, usage will have to more than double. Customers shall be responsible for charges above the customer's average monthly consumption. Such average shall be determined by averaging the customers' monthly metered consumption for the twelve consecutive prior months. Only one adjustment is allowed per year (12 months).

- 9.2 Exceptions** - No adjustments will be given for water only customers, irrigation, watering yards, washing cars, gardening, leaky faucets, hoses left on by accident, etc...
- 9.4 Pool Adjustments** – In order to qualify for a pool adjustment, the customer must complete a pool adjustment form to include the following items: readings at the beginning and end of the pool fill, date filled, and size of pool. Once your pool adjustment is reviewed, if it is determined your higher consumption for one month coincides with the date and timeline on your pool adjustment form, you will receive the adjustment on the sewer portion of your water bill. Pool adjustments are only given to water/sewer combination customers. Pools filled by irrigation are not eligible for an adjustment. One pool adjustment per year, per customer, will be honored.

# City of Lowell Utility Billing Policy

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## Section X

### CITY'S RIGHT TO SUSPEND SERVICE

**10.1 Possibilities for Disconnection** - The City reserves the right to suspend service, without notice, for the following:

- a. Prevention of fraud and abuse, i.e. meter tampering;
- b. Customer's willful disregard of the City's rules and regulations;
- c. Emergency repairs;
- d. Insufficiency of supply due to circumstances beyond the City's control;
- e. Legal procedures;
- f. Direction of authorized public authorities;
- g. Failure of the customer to permit city employees access to their water meter at all reasonable hours;
- h. Any unavoidable cause(s).

# City of Lowell Utility Billing Policy

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## Section XI

### PROFANE, INDECENT, AND THREATENING CALL

It is against North Carolina General Statute 14-196 to use "profane, indecent or threatening language to any persons over the telephone; annoying or harassing by repeated telephoning or making false statement(s) over the telephone."

If a call of this nature is received the following will occur:

- 11.1 Notification of Indecency** - At the first profane or indecent utterance, the caller will be asked to please refrain from that type of language. If the profane or indecent language continues, the caller will be politely informed that if that type of language does not cease then the call will be terminated.
- 11.2 Documentation of Incident** - City personnel will document the occurrence including the caller's name, address and telephone number, if known. The incident will be reported to the supervisor. All incident-related documentation of calls of profane, indecent and threatening nature shall be noted on the Customer's account.
- 11.3 Abatement of Indecent Calls** - If the calls continue, City personnel receiving these calls will contact the Lowell Police Department and or Annoyance Call Center and/or the Gaston County Sheriff Department, if either is deemed necessary.



# City of Lowell Utility Billing Policy

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## Section XII

### **EQUALIZED PAYMENTS**

The City of Lowell does not currently offer an equalized payment program.