

Utilities Rules and Regulations

Ord. 1540 November 26, 2008

A. ESTABLISHING SERVICE

1. Persons requesting utility service must complete and sign a utility service contract with the City of Neodesha and provide the City with a current government issued photo I.D. The City's acceptance of the service contract constitutes a binding agreement between the City of Neodesha and the utility customer.
2. It shall be the policy of the City that any and all debts owed the City be paid before service will be established. In the event a utility customer becomes delinquent on utility service, or incurs a debt with the City for any other reason, utility service may be discontinued if said debt remains unpaid after notification of amount due.
3. Persons requesting utility service must provide either proof of ownership for the residence on which utility service is being requested, or a rental/lease agreement showing all tenants and co-tenants for the location. The landlord's name, address and phone number must be provided at the time utility service is requested.

B. SERVICE CONNECTION FEES

1. Service Connection Fees for Electricity, Gas and Water must be paid prior to service being established.
 - a. Electricity: \$50.00
 - b. Gas: \$50.00
 - c. Water: \$50.00

C. TRANSFER and TRANSFER FEE:

1. Should a customer move to another address in the City's service area, utilities may be established at the new address without additional Service Connection Fees providing the following criteria are met:
 - a. The account, or any previous account in the customer's name, cannot have been disconnected due to failure to pay during the past 60 consecutive months.
 - b. Customer must have a good payment record which is defined as no more than one late payment in a 24 month period of time, or for the duration of the account if it has been active less than 24 months.
2. If the above criteria has been met, a transfer fee of \$25.00 will be required to transfer the utilities. This fee is nonrefundable. If the above criteria cannot be met, then Service Connection Fees will be required.
3. Service Connection Fees cannot be transferred from one customer to another.
4. Service at the previous address must be closed out within 90 days. If prior service is still in effect after 90 days, Service Connection Fees will be assessed to the new address account.

D. BENEFIT USERS

1. Each person of legal age, 18 or older, residing at the premises shall be deemed to have received the benefit of utility service supplied by the City and shall be liable for payment whether or not the service is listed in that person's name. Therefore, any person requesting utility service must provide the names of any persons of legal age residing at the location.
 - a. The utility account will be subject to disconnection of services should any of the beneficiaries at said address owe unpaid utility debts to the City. Before utilities

can be re-established, all unpaid debts to the City of Neodesha shall be paid in full. Unpaid debts shall be defined as utilities for previous addresses; court fines; ambulance bills; or any other type of debt to the City of Neodesha.

- b. Should the City become aware that a beneficiary user at any address owes the City any back bills, the person listed on the contract will be sent a letter informing them that the account may be shut off unless the back bills are paid.

E. UTILITY BILLS

1. Each month the City will read the meters for each account and calculate the amount due and payable from each customer for utilities.
 - a. The City shall make an initial demand for payment through the mailing of a utility bill.
 - b. Payment of the account shall be due by 4:45 p.m. on the 15th of each month.
 - 1) Payments received after 4:45 p.m. will be considered delinquent and late charges will be assessed.
 - c. The City is not responsible for Utility Bills lost or not delivered by the Postal Service.
 - d. If the customer's meter is obstructed, a second attempt to read it will be made. If the meter is still obstructed a notice will be mailed to the customer requesting that access be arranged for the readers each month. No additional notice will be given. If the City is unable to access a customer's meter due to obstruction a second time, an Inaccessibility Fee of \$30.00 will be placed on the customer's utility billing the following month and each month thereafter that the meter is inaccessible.

F. DELINQUENT PAYMENTS

1. Delinquent notices shall be mailed to all customers who have not paid by the 15th of the month. If the entire bill (including penalties) is not paid in full within 10 days of the 15th, utility service shall be disconnected.
2. If the amount owed is still not paid after 15 days from the date on the final notice the account will then be turned over for collection to the Kansas Setoff Program which will deduct the delinquent amount from any eligible tax refunds or state payments the customer may be entitled to.
3. In the event the City of Neodesha is required to pursue collection of accounts that become delinquent through the State of Kansas Set-Off program or any other lawful collection process, the City shall be entitled to reimbursement of the costs of collection from the customer, including but not limited to, court costs, attorney's fees and collection agency fees.

G. RECONNECTION FEES

1. Once the utility account is placed on the City's Shut Off List, reconnection fees must be paid even if the utilities have not physically been disconnected.
2. Payment may only be made with cash, cashier's check or money order to have service reconnected. Checks will not be accepted to reconnect utilities.
3. Reconnection fees will adhere to the following tier schedule:
 - a. First Time Account is Shut Off: \$50.00
 - b. Second Time Account is Shut Off: \$75.00
 - c. Third and Subsequent Time Account is Shut Off: \$100.00

H. RETURNED CHECKS

1. First Returned Check: A notice will be sent giving the customer five (5) days to pay the NSF check and a \$30.00 NSF fee. Only cash, cashier's check or money order will be accepted.
2. Second Returned Check:
 - a. The Utility account will be subject to immediate disconnection without notice.
 - b. The Utility account will be placed on a "cash only" basis for 12 months.
 - 1) Any checks received during this time will be returned without being processed and the account will remain as unpaid until cash, cashier's check or money order is received. Utilities are subject to disconnection procedure if cash payment is not received before disconnection reports are issued.
3. Returned Checks on Service Connection Fees: Returned checks written for utility Service Connection Fees will cause immediate disconnection of services without notice. A reconnection fee must be paid in addition to all amounts owed prior to the account being turned back on.
4. The City reserves the right to contact the customer's financial institution to verify that funds are available before accepting any checks.

I. EXTENSIONS

1. Each Utility Account will be allowed two (2) extensions per calendar year. Extensions must be applied for between the 16th of the month and the 26th. Said extension will extend the due date seven (7) calendar days from the 26th of the month.
 - a. Only the person(s) listed on the Utility account may sign an extension. If said customer cannot come into the office, a form can be mailed or picked up by someone else, but the customer's signature must be notarized.
 - b. The customer will be required to pay 25% of the total bill prior to obtaining an extension.
 - c. If the remainder of the bill is not paid in full at the end of the extension period, utilities will be disconnected without further notice. A reconnection fee must be paid in addition to all amounts owed prior to the account being turned back on.
2. Medical Certificate Extensions
 - a. Any customer requesting an extension due to a medical condition must submit a letter signed by a licensed physician in the State of Kansas stating that the applicant has been prescribed the use of life preserving medical equipment and that the disruption of power will be life threatening. This letter must be dated within 10 days of the extension application, and is only good for one extension. The letter will not keep power on if the entire utility bill is not paid by the end of the extension.
 - b. 50% of the current bill must be paid before the extension will be granted.
 - c. Medical extensions will be from the 15th of the month in which the current billing was accrued to the 15th of the following month.
 - d. Only two extensions per year will be allowed and may not be used for consecutive months.
 - e. A new physician's letter must be obtained for each extension.

J. DISCONTINUANCE OF SERVICE

1. Discontinuance of service may occur for the following reasons:
 - a. Subterfuge, Tampering, Bypassing or Unauthorized Metering: It is unlawful for any person to "jumper" or by any means or device fully or partially circumvent a

municipal utility meter, or to knowingly use or consume unmetered utilities or use the services of any utility system, the use of which the proper billing authorities have no knowledge.

- b. Failure to pay utility bills when due.
- c. Violation of Ordinances, Resolutions or department rules and regulations.
- d. Unsafe conditions.
- e. Denying utility right of access to the premises.
- f. Any reasons as set forth in Sections A - I above.

K. HEARING

1. Upon request, a customer may schedule a hearing regarding utility bills with the City Administrator or his designee. Upon reviewing the information provided, the City Administrator or his designee shall make a determination as to the outcome of said delinquent account.

Section 2: The following Landlord Agreement is hereby adopted and may be entered into by qualifying Landlords and the Utility Billing Supervisor.

A. PURPOSE:

1. The purpose of this agreement is to provide a clear understanding of what will be required to maintain continuous service during periods of vacancy to Landlords' rentals through tenant arrivals and departures.

B. Limitations:

1. This agreement is meant to exist within the boundaries set by the City of Neodesha ordinances and billing practices. If there is any conflict, the ordinance and billing practices will supersede the agreement.

C. Eligibility:

1. Landlords must be in good payment standing with the City of Neodesha. This is defined as no late payments on any account in the Landlord's name during the past 24 consecutive months, no disconnections due to failure to pay within the past 60 consecutive months; and no outstanding debts of any kind or nature owed to the City.

D. Transfers and Transfer Fees:

1. The City of Neodesha, subject to the terms of this agreement and City ordinances, agrees to transfer service, without interruption, from the name of the tenant to the Landlord's name when the Landlord notifies the City that the tenant has moved and makes application to transfer service into the Landlord's name. The fee to transfer said utilities shall be \$15.00 per transfer. It shall not be the responsibility of the City to transfer said utilities without notification from the Landlord to do so.
2. All persons who are benefit users of City utilities as described in City ordinances on utilities, shall comply with the Rules and Regulations as set forth in said Ordinance, including the benefit user policy regardless of who pays the bill or whose name the utilities are in.
3. Landlord agrees to pay all City of Neodesha bills for all properties with utilities in his/her name on or before the due date. Failure of the Landlord to pay bills timely, or failure to comply with any part of this agreement voids this agreement. If this agreement is voided for any reason, the City of Neodesha cannot be held responsible for any damage or loss that may occur to the Landlord's property as a result of gas,

electric and/or water service having been discontinued. Either party may cancel this agreement by providing written notice to the other party.

4. The City of Neodesha reserves the right to discontinue or to refuse to commence service for any tenant who has an unpaid utility bill or other bad debt with the City of Neodesha. Even if the Landlord chooses to keep utilities in his/her name after the new tenant moves in, utility service may be refused or discontinued if the City determines that a benefit user residing in said rental property has unpaid debts with the City. Benefit users may not avoid payment of past services by having utilities put in the Landlord's name. The Landlord will not be held responsible for any of the tenant's previous unpaid utility bills or bad debts, but will be responsible for any debts occurring while the utilities are in his/her name.
5. Any dispute arising between the tenant and the Landlord concerning timing of transfer of service must be resolved between the tenant and the Landlord. The City of Neodesha urges Landlords to verify that their tenants have applied for utility service.

Section 3: The following Utility Level Pay Program shall be adopted:

- A. The City of Neodesha offers a Utility Level Pay Program for residential customers on the following terms and criteria:
 1. The customer whose name appears on the Utility Contract cannot have been shut off for non pay in the previous 12 months.
 2. Where more than one residence is metered by a master meter, this plan shall not apply. (i.e. – apartment buildings where all apartments share a single meter.)
 3. If granted, applications for the Level Pay Program received prior to the 10th of the month will take effect on the following month's bill. Approved applications received after the 10th of the month will take effect two months later.
 4. The Level Pay Program shall automatically renew each May for customers in the program until written notice is received cancelling the agreement. The level pay amount, however, will be recalculated each May.
 5. The level payment will be calculated by taking an average of the 12 previous months plus a factor determined by the Utility Billing Supervisor. If the customer has less than 12 months history, the Utility Billing Supervisor shall determine the level pay amount.
 6. If the monthly utility level payment is not made by the 15th of the month, penalties will be assessed and must be paid along with the past due billing.
 7. Adjustments to the level pay amount shall be made by the Utility Billing Supervisor if it is determined that the account is accruing either too large a deficit or too large a credit.
 8. If the account becomes delinquent and is turned off for non payment, the level pay agreement shall be terminated and the balance owed, including all applicable penalties, must be paid in full before utilities will be reinstated. The customer must wait for 12 months before reapplying for the Level Pay Program.
 9. If the customer writes a check to pay on an account, and that check is returned by the banking institution as a non clearing item, the Level Pay Program shall be terminated immediately. The customer must pay all amounts owing, along with applicable

- penalties, and must wait 12 months before reapplying to the program again. (See stipulations regarding the 12 month waiting period as outlined in item 5.)
10. A “true-up” shall be conducted on all accounts each June. The May billing must be brought back to a “zero” balance by the 15th of June. At the time of true up, if the customer’s balance is greater than the level pay amount, the customer’s payment must be made to bring the balance back to zero. Note: Payments greater than the amount due will also be accepted. If a credit is shown, the payment due shall be deducted from that credit. Customers must pay the difference if the credit is not enough to “zero” their account. Any credit balances remaining shall be carried forward.