



Utility Billing and Collecting Policy and Procedure Manual

1.0 FORWARD

This Administrative Policy and Procedures manual is intended for use as a guide to the Town of Robbins's Utility Billing and Collecting methods and practices. When used properly and with common sense, the policies and procedures established herein will enable the Town to bill and collect utility service provided by the Town of Robbins, fairly, efficiently and economically while providing great customer service.

While this manual may not answer all questions related to Billing and Collecting, it does provide the foundation for a sound Billing and Collecting process.

The purposes of the Town's billing and collecting policy are:

1. To professionally administer billing and collecting practices while complying with legal and ethical requirements.
2. To promote good and effective customer relations, cultivated by informed and fair practices and strict maintenance of ethical standards.
3. To establish and charge reasonable and economical Utility Rates and other charges which are sufficient for the Town to operate and maintain the Utility Fund as a financially self-sustaining Enterprise and to assure continued, uninterrupted utility service to all customers.

If the procedures and guidelines established in this manual are followed, the Utility Billing and Collections Department can efficiently bill and collect revenues, provide fair and effective customer service to all utility customers.

Should you have any questions about this manual or its' procedures, contact the Utility Billing & Collections Department/Finance Department.

2.0 DEFINITIONS, APPLICABILITY AND AMENDMENTS

2.1 DEFINITIONS

The following words, terms and phrases, when used in these Rules and Regulations, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Application for service shall mean the written application required by Article 3.1 of these rules and regulations.

Backflow shall mean the reverse flow of water or other liquid, gases or other substances into the distribution piping of the Town from any source or sources.

Availability Fee shall mean a monthly payment charged by the Town to each owner for making utility service available which shall be payable regardless of whether the owner takes any services from the utility system.

Commercial service shall mean utility service provided to a school, multi-family dwelling, business, industry.

Debt service shall mean the sum of money required to pay installments of principal and interest on bond or other obligations of the Town in a fiscal year.

Irrigation service shall mean service restricted only for the purpose of irrigation.

Leak adjustment policy shall mean the provisions for adjustment of utility bills on account of



Utility Billing and Collecting Policy and Procedure Manual

leaks set out in Section 6.5 hereof.

Meter testing charge shall mean the charge for which an owner is responsible for the testing of the meter measuring service to the owner.

Owner shall mean simple owner of real property who makes an application for service to the Town and connects to the utility system, whether or not the owner (or the owner's tenants, guests or licensees) takes service from the utility system.

Owner's service facilities shall mean the utility service facilities owned by an owner and commencing at the connection on the owner's side of the Town's meter and servicing the facilities of such owner, including pipe, private cutoff valves, backflow prevention device, pressure reducing valve and other components.

Rates and fee schedule shall mean the rates and fee schedule adopted by the Town.

Reconnection charge means a fee charged by the Town for reconnection of utility service after it has been terminated for non-payment of a utility bill.

Residential service shall mean service through a one-inch or smaller meter serving a single-family dwelling or church.

Security deposit shall mean amounts required to be deposited with the Town as security for payment of utility bills.

Sewer System shall mean a facility consisting of a system of sewers for carrying off liquid and solid waste.

Tap-on fee shall mean a separate charge compensating the Town for installation of the Town's service facilities required for service to an owner.

Town's service facilities shall mean those facilities of the utility system, which have been identified by the Town in its sole discretion as directly, or indirectly benefiting only the owner using them and generally include the meter, meter box, and cut-off valve related to providing utility service to an owner.

Utilities shall mean a business enterprise, as a public-service corporation, performing an essential public service and regulated by the federal, state, or local Government.

Water rate shall mean the water rates of the Town established pursuant to Article 5 of these rules and regulations.

Water system shall mean the water supply facilities owned by the Town at any time.

2.2. Amendments.

The Town may from time to time amend these Rules and Regulations. No agreement of the Town shall be binding unless in writing by Town Manager.

2.3. Applicability.

These Rules and Regulations, as amended, shall be binding on every owner.

3.0 UTILITY SERVICE

3.1. Application for service.

Any potential owner desiring utility service must make application for utility service to the Town



Utility Billing and Collecting Policy and Procedure Manual

upon forms to be supplied by the Town, setting forth in detail the type of service requested, the location of the property to be served, and such other information as the Town may require. Accounts must be set up by property owner. If the applicant or other members of the applicant's household had a previous account with the Town, that account must be paid in full prior to establishing new service.

3.2 Collection and Use of Social Security Number

- (a) S. L. 2005-414 (S1048), section 4, prohibits government agencies from collecting a social security number (SSN) from an individual unless the collection of the social security number is authorized by law or otherwise imperative for the performance of the agency's duties and responsibilities as prescribed by law. It also provides that social security numbers shall not be collected until and unless the need for the social security number has been clearly documented.
- (b) The Town of Robbins collects social security numbers from utility customers for verification of identity as an aid in our identity theft prevention procedures and for collection of unpaid bills, including the North Carolina debt set-off program.
- (c) The disclosure of a social security numbers by potential customers is voluntary. The maximum-security deposit must be paid by all customers who choose not to disclose their social security number.

3.3 Property Owner or Landlord as Responsible Party

Utility accounts and deposits shall be in the name of the property owner. The property owner shall be responsible for payment of all bills incurred in connection with the service furnished, including the cost of any damage to town property as explained in section 4.3 hereforth. It is the responsibility of the property owner to notify the Town of change in billing address. Failure to receive bills or notices shall not prevent such bills from becoming delinquent or relieve the property owner/consumer from payment obligation. Ownership May be verified by the Moore County Tax Records.

3.5. Initial fees.

The application for utility service shall be accompanied by any applicable security deposit, tap-on fee, and other required fees and charges.

3.6. Rejection of application.

The Town may reject an application for utility service:

- (a) If the applicant seeks utility service not within the scope of services offered by the Town.
- (b) If the providing of utility service involves excessive costs or is otherwise not feasible.
- (c) If the provision of utility service may adversely affect the quality and quantity of utility service the Town is able to provide to existing customers.
- (d) If the applicant intends to resell the water.
- (e) If the applicant or other members of the applicant's household are delinquent in payment of bills incurred for service previously supplied at the location for which utility service is sought or incurred for service previously supplied at any other location.
- (f) If anyone on a deed owes outstanding balance on the previous service with the Town, no new account will be established until the balance is paid.

3.7. Irrigation service.

Water supplied for irrigation service may not be used by an owner for potable or domestic use. No pipes or other owner service facilities intended for potable water service shall be connected to any



Utility Billing and Collecting Policy and Procedure Manual

meter dedicated only for irrigation service. If water supplied through a meter dedicated solely for irrigation service is being used for potable or domestic water use, the owner shall be required to pay the applicable base fee and water rates for potable water for the 12-month period immediately preceding the date in which it is discovered or the period of actual service if the irrigation service meter has been installed for a shorter period.

The customer may make a written request to the Town to remove an irrigation meter if for some reason they wish to give up use of their system.

The customer may make a written request and pay a service fee for the reinstallation of an irrigation meter.

4.0 CONNECTIONS, METERS AND OTHER SERVICE FACILITIES

4.1. Water service metered.

Each owner shall be supplied through a separate meter or, if necessary and at the option of the Town, through a separate battery of meters. Where a battery of meters is installed, the registrations of such meters shall be combined for billing purposes and shall be subject to a minimum charge equal to the combined minimum charge for the meters comprising the battery setting. Where, however, an owner is supplied through more than one service, unless otherwise agreed to by the Town, the registration of the meter installed on each service shall be billed separately, subject to the minimum charge for each meter.

4.2 Metered Usage at Vacant Property

The property owner is responsible for all water that registers on the water meter reading, even if the property is listed as vacant.

4.3. Control and maintenance of Town equipment.

The Town service facilities and all supply lines, and other equipment of the Town shall be under its exclusive control, and no persons other than authorized employees, agents or contractors of the Town, shall repair, change, tamper or interfere with them in any way. It is unlawful for any person to tamper with or bypass a water meter. Tampering with a meter shall include, but not be limited to, the unauthorized entry into locked meter vaults by key or otherwise.

Meters and other Town service facilities will be maintained by the Town at its expense insofar as ordinary wear is concerned, but damage to any meter or other Town service facilities due to hot water, freezing, vehicular traffic, or other external causes arising out of or caused by the owner's service facilities, operations, negligence or carelessness shall be paid by the owner. The amount of such damage or the cost of repairs shall be added to the first water bill of the owner; rendered after the amount of the damage or the cost of the repairs are ascertained by the Town. Payment of such amount may be enforced in the same manner as payment of utility rates.

4.4 Tests.

The Town may at any time remove any meter for routine tests, repairs or replacement. The Town shall upon request of an owner, test the accuracy of the meter in use, provided the meter has not been tested by the Town within a period of three (3) months previous of such request, and that the owner will agree to abide by the results of such test in the adjustment of disputed charges. If the meter is shown to have an error as described in Section 4.5 hereof, the Town will replace or correct the meter at no charge to the owner. If the meter has no such error, the owner will pay a meter testing charge in accordance with the rates and fee schedule.

4.5. Error.

Whenever a test of a meter reveals it to have an average error of more than two percent (2%), the Town shall bill or refund to the owner, as the case may be, such percentage of the amount reflected on bills covering the consumption indicated by the meter for the previous three (3) months, as the meter was found to be in error at the time of test, unless it can be shown to the



Utility Billing and Collecting Policy and Procedure Manual

satisfaction of the Town that the error found had existed for a greater or lesser period, in which case the adjustment shall cover such actual period.

5.0 RATES, FEES AND CHARGES

5.1. Rates and fee schedule.

The rates and fee schedule are incorporated in and shall be a part of these rules and regulations.

5.2. Other fees and charges.

The Town may from time to time adopt and impose tap-on fees, and such other rates and charges as it deems appropriate, the amount of which shall be set forth in the rates and fee schedule. Tap-on fees and impact fees shall be paid at the time of application for service.

5.3. Security deposit.

Each owner shall make a security deposit at the time of application for service. The deposit will be the same for every customer.

When the service address is occupied jointly, both names must be listed on the application.

Security deposits shall be used upon termination of utility services to cover an owner's delinquent utility bill. If the Town in its sole discretion considers a potential owner to be a credit risk or if an owner's utility service has been terminated for failure to pay a utility bill when due, the Town may require the owner, as a condition of service or of reconnection, to pay double the security deposit required in the rates and fee schedule. Security deposits shall not draw interest and are refundable when service is terminated, any unused portions of the security deposit shall be refunded.

- (a) **Additional Deposits:** If the Town in its sole discretion considers a potential owner to be a credit risk or if an owner's utility service has been terminated for failure to pay a utility bill when due, the Town may require the owner, as a condition of service or of reconnection, to pay double the security deposit required in the rates and fee schedule at the time of connection or activation of new service.

An additional deposit will be required to continue service if the customer account is on the cut-off list two consecutive months or three non-consecutive times within one year.

Any customer choosing not to provide the Town with a valid social security number will be required to two-times the standard deposit amount for the category of service.

- (b) **Transfer of Deposit:** If an owner transfers service to a new location, the past due balance from customers previous service location with the Town will be transferred to the account at the new location. Service will be terminated if merged account balance is not paid in full within 30 days from the date of transfer.
- (c) **Return of Deposit:** Security deposits will be refundable to the owner of the property in a form of a check if a customer does not have a current balance or be applied to the account if there is an outstanding balance. Under no circumstances will a security deposit be refunded to a renter. Renters who choose to pay the security deposit for water service should confirm that their lease agreement will reimburse them, if appropriate.

At discontinuation of service the final bill will be paid by applying the deposit to the outstanding balance. A check will be processed for any remaining portion of the deposit and mailed to the account holder(s) at the address on file. It is important to provide our Utility Department with a forwarding address and phone number so the check will not be delayed or returned. The Town of Robbins remits unclaimed deposit funds to the State of North Carolina unclaimed Property Fund.

6.0 BILLING AND COLLECTION



Utility Billing and Collecting Policy and Procedure Manual

6.1. Bills.

Customers shall be billed for utility usage during a specified billing period, along with all other applicable fees and charges according to the established schedule of rates and fees.

Utility bills are mailed about the same time each month and a customer should notify our Utility Department if they do not receive a bill at the usual time.

All bills shall be sent to the billing address shown on the application for utility service unless an owner notifies the Town in writing of some other address to which bills are to be mailed. Failure to receive bills will not be considered justification for nonpayment of amounts due or permit an extension of the date when the account would be considered delinquent. The Town may at any time correct any bills for service, which may be in error or in accordance with the leak policy.

The due date is generally the twenty-fifth of each month by 5:00 P.M., unless the twenty-fifth falls on a weekend or holiday in which the Town Hall is closed. In such instances payment will be accepted without a late charge on the following business day that the Town Hall is open until 5:00 P.M. Otherwise, if payment is not received on the due date by 5:00 P.M., a late fee penalty is applied to the account.

If payment is not received by the 5:00 P.M. on the 8th of the following month, service is discontinued due to non-payment. If the 8th occurs on a weekend, or during a holiday where Town Hall is closed, the customer may avoid discontinuation of service by making their payment by 5:00 P.M. on the next business day. After 5:00 P.M. a reconnection fee will be applied and the account will be set for disconnection. Town personnel will place a notification tag at the customer's door when service has been involuntarily suspended for nonpayment. A reconnection fee is charged if the service is turned back on to recover administrative costs associated with discontinuing service.

Involuntary discontinuation of service may result for the nonpayment of charges arising under the current service contract or any other contract for utility services. The past due balance from the customer's previous service location will be transferred to the account at the new location.

Reconnection will only be made between 7 A.M. and 3 P.M. on weekdays, excluding holidays, after the utility account is paid in full. If, in the sole discretion of the Town, a public service employee is available after 3:00 P.M. water may be reconnected for an additional \$10.00 fee. This fee is to cover overtime costs associated with turning on meters after public service working hours.

An account where a security deposit has been paid will be automatically finalized when a balance remains unpaid after involuntary disconnection of service. The deposit will be applied to the amount due and the owner will receive a refund for any remaining balance of the deposit. The owner will remain responsible for any balance still due after the deposit has been applied. The customer will then be required to apply for new service and pay a new security deposit according to Section 5.3 and the rate schedule.

If a renter moves from a location the utility service will continue until the owner requests, in writing, that they desire that service be discontinued. A renter wanting to pay the balance of the account for which they are responsible will need to notify the Town at least three days prior to moving out in order to allow the town time to collect meter readings and a manual calculation of the bill. If a meter needs to be read and three days are not given, a \$10.00 meter re-read charge is applied.

Delinquent accounts may be sent to a collection agency or to the Debt Set-Off Program, where amounts due to the Town may be deducted from the customer's state income tax refund or lottery proceeds. Information supplied on the customer application for service, including social security number, may be reported to the state or other collection agency for use in collection efforts.



Utility Billing and Collecting Policy and Procedure Manual

Each unit of a multi-family parcel and each mobile home in a mobile home park will be treated as a single-family unit and each unit will be responsible for all applicable Rates, Charges, Fees and penalties pursuant to these Rules and Regulations

6.2. Payment.

By applying for utility service, an owner agrees to pay the rates, fees and charges of the Town in accordance with these rules and regulations. Amendments to this policy can be made by the Board of Commissioners at any time. The policy will be posted online and available for inspection at Town Hall upon request.

All payments must be made thru the billing office or designated collection services and sites of the Town.

The Town charges a fee for each returned check in accordance with the established fee schedule. The payee has five business days from the date the returned check is received by the Town to pay by cash, cashier's check, or money order, the balance of the account, the returned check fee, deposit when applicable and any other required charges.

The Town may attempt to redeposit the check if the customer's bank advises sufficient funds are present. Should the check be successfully re-deposited, the returned check fee remains due.

Two returned checks within an eighteen (18) month period will required the account to be paid by cash, cashier's check, or money order for a period of twenty-four months.

6.3. Uncollectible Accounts Receivable.

Accounts delinquent more than 365 days/12 months of the due date shall be presented to Council in June of each year to be charged off. The town will use all remedies available for collection of the charged off accounts.

6.4. Broken seals, meter failures.

If a meter seal is removed other than by Town personnel, the customer will be subject to fees established in the Town of Robbins Fee Schedule. If a meter fails to register correctly or is stopped for any cause, the owner agrees to pay each billing period an estimated water rate based on the average water usage for the immediately preceding 12-month period, or such shorter period of actual use.

6.5. Adjustments for leaks.

Any owner desiring an adjustment for a leak shall fill out a leak request, notifying the Town of the existence of the leak and provide evidence of its repair.

Requests for an adjustment to a bill, due to a leak, must be made to the Town Hall in writing and within 60 days from the date the bill was mailed. The Town will grant no more than 2 leak adjustments per year. Requests for leak adjustments require proof that the leak has been repaired and verification that the proposed leak did not enter the Town's sanitary sewer system. Verification can be obtained by a licensed plumber (with copy of the repair bill), the Town Manager, or an employ of the Town's Public Services Director.

No adjustments will be made to the water portion of the bill. Water will be charged at the standard rate per 1,000 gallons based on the meter readings; sewer will be adjusted and charged based on an average for the past 11 months usage plus \$1.00 per 1,000 gallons over the average.

It is the responsibility of the Town manager, or his/her designee, to grant or deny requests for leak adjustments. When a request for an adjustment to a bill, due to a leak, is made, the Town Manager or his/her designee shall assess the situation and determine whether an adjustment to the bill is justified, based on the guidelines of this policy. The decision of the Town Manager, or his/her designee, shall be final.



Utility Billing and Collecting Policy and Procedure Manual

6.6. Pool Adjustments

For pool adjustments, there will be a minimum of 6000 gallons usage charged or if greater than minimum owner must provide proof of size of the pool and this shall be limited to one time per calendar year deducted from sewer only.

6.7. Other Adjustments

Late Fee adjustments may be removed once in a three year time frame, and only on the condition that payment has never before been late in that time frame. The property owner or renter must request in writing why they think their penalty should be removed.

6.8. Payment Plans

Payment plans are available for a water bill, due to a leak, more than \$300.00. The payment schedule will be determined by the Town Manager, or his/her designee. In no case shall the payment schedule exceed five (5) months. A service charge of 5% of the total bill will be applied to all payment plans. The total service charge will be divided by the total number of payments and applied to all payments equitably. No penalty will be accessed if the total bill is paid off early. If the bill is paid off early, all service charges that have already been paid will not be refunded. If, at any time, during the payment schedule, a payment is not received by the due date, the account will become a delinquent and the service will be discontinued. A payment plan will not be offered more than once in a 24-month period.

7.0. REDUCTIONS, INTERRUPTIONS AND DISCONTINUANCES

7.1. Shut off for default.

The property owner shall be ultimately responsible for all water consumed up to and include in the water disconnection date, or the date that proper notification has been given that a new owner requests service in their name. If payment is not received by 5:00 P.M. on the day of cut offs, as explained in section 6.1, water service will be discontinued. If payment is not made within 3 days of disconnection the town's meter will be sealed or removed from the property. The meter will not be reinstalled until the balance is due according to Section 7.2

The Town may also discontinue service after 30 days' notice when an owner violates any of these rules and regulations and fails to remedy or cure such violation within the 30-day notice period.

7.2. Restoration of service.

When utility service has been suspended for nonpayment of bills, utility service will be restored upon payment in full of all delinquent bills, any current bill that is due and the payment of a reconnection charge in accordance with the Town's rates and fee schedule.

Service will not be reconnected unless there is someone in the home at the time of reconnection. The Town shall not be responsible for any damages that may result from reconnection in the absence of the customer.

When utility service has been terminated for failure to pay a utility bill, in addition to the requirements of paragraph above, the owner shall execute a new application for service and pay a new security deposit, which the Town may elect to double pursuant to the provisions of Article 5.3 hereof.

As a curtesy, property owners may be notified if water service is discontinued for non-payment. However, failure to notify property owners of a delinquent account will not affect the responsibilities of the owner explained throughout this policy, particularly Section 3.3.



Utility Billing and Collecting Policy and Procedure Manual

7.3. Termination of service by owner.

The Town will terminate service as soon as possible after receiving a written request signed by the owner. The account balance should be paid in full before discontinuing the service. The account holder must provide a forwarding address for proper settlement of the account. The owner is responsible for all metered usage up to the date the Town disconnects and takes the final meter reading. Water/Sewer bill charges are billed in arrears; therefore, the final bill may not be sent for up to a month after the final reading is taken. If the customer has a deposit, the Town will apply the deposit to the final bill and remainder of the deposit will be returned to the customer, providing the deposit balance exceeds \$3.00.

Customers who do not provide the Town with a notice of intent to discontinue service remain responsible for utility charges until the Town finalizes the account, even if no usage is registered on the meter. The Town will finalize the account when service has been suspended due to nonpayment of previous bills.

7.4. No liability.

The Town shall not be liable for damage of any kind resulting from water and wastewater or the use of water on the Customer's property. The Town shall not be responsible for damages done by or resulting from any defect in the piping, fixtures, and/or appliances on the Customer's property. The Town shall have no liability on account of interruptions of service, erroneous shut-offs, failure to deliver water or failure to deliver water at any particular (high or low) pressure. The Town shall not be responsible for negligence of third parties or forces beyond the Town's control resulting in any interruption of service. Otherwise, under normal conditions, all potentially affected customers shall be notified in advance of any interruption of service.

8.0. Errors in Bill.

8.1. Customer Requests.

A Customer considering his water bill in error shall, before the bill becomes delinquent, provide the Town of Robbins' billing department a written statement of the reasons he considers the bill to be in error. Upon receiving such notice, Town of Robbins will hold the disputed bill in abeyance and present the matter for consideration to the Town Manager. The Customer shall pay the bill in full within 10 days after the final decision concerning the matter has been made.

If a Customer presents to Town of Robbins written notice required by Section 8.1 after the bill has become delinquent but before service is discontinued for nonpayment of the bill, the matter may be considered provided the bill is paid in full at the time of written notice. If an adjustment is required a credit will be applied to the account within 10 days after the final decision.