

**Introduction**

The policies and procedures contained in this document are intended to define the relationship between the customer of utility services and the Town of Black Mountain. These policies are, by notification of and available to all customers, made part of the contract for service entered into by the customer. By contracting for service, the customer acknowledges the applicability of these policies and procedures and agrees to abide by them.

**Authority**

The enactment of standard utility policies requires the approval of the Town Council. As fee schedules, rates and other specific policies are updated, it will be the responsibility of the Utility Customer Service Department to ensure this policy manual is revised in accordance with Town Council action.

**Office and Service Hours**

The Town Utility Customer Service Department is located at 160 Midland Avenue and is open from 9 a.m. to 5 p.m. Monday through Friday. Routine and regular service work will be performed from 8 a.m. to 5 p.m. Monday through Friday except for Town holidays. Service work for unusual conditions may be arranged at other times upon customer request and may require an additional fee.

A 24-hour drop box is available for customer payments at the Town Hall. Payments made after 8:00 am at the drop box are posted the next business day.

**Privacy**

Our application/agreement requests that the potential customer provide their social security number in accordance with NCGS § 132-1.10. We request this number to verify identity, check credit worthiness, protect sensitive account information, and collect delinquent balances. There is no statutory or other authority requiring any customer to provide a social security number. However, when customer billing data is requested, the social security number or Tax ID Number will be used to verify identity prior to any information being given out by staff. Staff members have the authority to request other verifying information to protect the Town as well as Town customers against fraud. Customer billing data is not considered public information. The Town will ensure that customer information, including billing data, is safeguarded against unauthorized use.

A. **Establishing Service.**

All connections to the Town of Black Mountain water system are required to have an active account. New service accounts are required to submit an application along with proper documentation for approval to the Town of Black Mountain Utility Customer Service Department to set up a customer account. Any connection that does not setup an account within a timely manner may be required to pay for all charges from time of

connection to the most recent billing period prior to opening an account.

1. **Application.** A completed application for service must be received and reviewed for completeness by the Utility Customer Service Department prior to installation of new service or releasing responsibility of prior customer if residence is sold, transferred, or leased to a new tenant. Service is conditioned on satisfaction of all previously owned (and still legally collectible) utility debts to the Town.
  - As part of the application process, the Town requires that the applicant provide a valid government issued photo identification document (driver's license, passport, state identification card, military identification card, etc.) and requests a social security number. A new application must be submitted for every connection, regardless of prior connections to an existing address or customer history.
  - Property Owners shall provide a closing statement or deed to verify ownership. Property owners may have utilities connected at more than one location if all accounts remain in good standing with the Town. Any delinquency for utility services at any location may prevent a property owner from establishing new service. Property owners with rental property may have service automatically revert to them when a tenant requests services to be discontinued in their name. This may prevent the owner from having to apply for service with each occurrence. A separate landlord agreement must be completed before tenants may start service in their name.
  - Non-Property Owners shall provide the Town with a copy of a lease/rental/occupancy agreement and may be limited to one service location at any given time. The non-property owner's utility account may be set up in the name or names specified in the lease/rental/occupancy agreement. In the event any person named in the lease has any outstanding utility debt with the Town, that debt shall be paid in full prior to service connection. Per NC Session Law 2009-302 House Bill 1330, A county or municipality may suspend or disconnect public enterprise services to a customer because of a past-due and unpaid balance incurred by another person who resides with the customer after services have been provided to the customer's household. If a lease/rental/occupancy agreement cannot be provided, the application for utility services may be denied.
  - Multi-Unit Residencies shall provide the Town with verification of ownership listing all units by street address and unit number, if applicable. Owners of the property shall provide the Town with a list of authorized agents who act upon their behalf (e.g. site managers, real estate agents). A federal identification number or social security number may be requested for access to account information and use in the collection of any delinquencies owed to

the Town. Multi-unit establishments may have account responsibility automatically revert to owner establishment when a tenant requests for services to be discontinued in their name. Multi-unit residency owners or agents may have utilities connected at more than one location if all accounts remain in good standing with the Town. Any prior delinquency for utility services at any location may prevent an owner from establishing new service.

- Revert-To-Owner Contract for Continuous Utility Service shall provide property owners and managers the ability to maintain continuous utility service while a rental unit is vacant.
  - A contract must be completed and a listing of all premises (service addresses) must be completed and submitted by the Owner(s)/PropertyManager(s).
  - By signing the contract, the owner(s) or manager(s) are agreeing to be responsible for utility services and related costs between the time service to outgoing tenants is terminated and service to incoming tenants is initiated, including base charges.
  - Service may revert to the owner upon notification by a tenant to discontinue service in their name. As stated in the contract, no notification may be given to the owner/manager in such situation.
  - If service is discontinued by the Town due to non-payment or interference with normal service (i.e. meter tampering), service shall not automatically revert to the owner.
- Once service has been terminated for non-payment or interference with normal service has occurred, service at the premises may be reinstated only if (1) payment in full is received; or (2) proof is provided to the Town of Black Mountain that the non-paying tenant no longer occupies the premises.
- Owner(s)/Property Manager(s)/ Tenants may be denied service in the instance the Owner(s)/ Property Manager(s) are delinquent at any utility service location.
- Town staff must be notified and directed to activate meters at property that is not in use.
- The premise visit charge may be charged to an account if utility service has not been previously established at a premises/service address in the name of the applicant.
- An authorization form to release utility billing information may be completed in order to give additional persons access to account information for the purpose of payment and balance requests.

2. **Reasons for Denial of Service.** Applications for utility service may be denied for any one of the following reasons:

- a. A lease/rental/occupant agreement cannot be provided
- b. Validity of lease/rental/occupant agreement is in question and the

property owner cannot be reached

- c. Questionable Identification – inability to provide verifiable or valid identification.

3. **Customer Deposit.** The purpose of a customer deposit is to try to ensure that all utility charges are collected. All new customer accounts are required to pay a deposit. Upon termination of an account, the deposit will be applied to any outstanding balance. Any remaining deposit greater than \$5.00, after applying to the outstanding balance, may be refunded. The amount of the deposit shall be set by Town Council (Rate & Fee Schedule).

- Any current customer that does not have a deposit on the account with the Town of Black Mountain whose service is involuntarily terminated for nonpayment, tampering, or other reasons more than twice in any 12- month period, may be required to pay a deposit in the amount described above.
- Any person requesting utility service who has previously had an unpaid balance to the Town may be required to repay this amount, plus pay a deposit.
- The Town has the right to apply the customer deposit to any unpaid utility charges after an account is more than 60 days past due. If all or any portion of a customer deposit is applied to past due charges, and the customer continues to receive utility services, the Town may require the customer to replenish deposit amount that may added to bill upon approval and subject to disconnection for nonpayment.
- Any customer that elects not to disclose their social security number will be considered a "high-risk," due to our inability to verify identity. Deposits will be calculated in the high risk tier.

4. **Refund of Deposit.** The Town reserves the right to retain deposits indefinitely to assure payment of utility charges. No interest may be paid upon deposited amounts. However, the Town may elect to refund deposits in the following situations provided the account is at a zero balance:

- Deposits on accounts within 24 consecutive months of good payment history (no late fees, insufficient funds penalties, or service disconnections) may be applied to the existing utility account; or
- Upon customer request for termination of service and Town determination that either the residence or business may remain vacant or another responsible person has applied for service.

No refunds may be made for amounts less than \$5.00.

5. **Voluntary Disconnection of Service.**

- **Temporary.** In the event a customer will not occupy a residence for an extended period and requests water to be turned off at the meter, utility base charges may be billed during this time. A premise visit may be charged to turn on/off the meter at each property/account.

- **Termination of Service.** It is the responsibility of the utility account owner(s) to complete and return a disconnection request form at least 2 business days prior to the requested service end date. Failure to notify the town of needed utility disconnection could result in additional usage and billing fees, for which the account holder will be responsible.
  
- 6. **Permanent or Indefinite Disconnection of Services.** In the event a residence is demolished, condemned, or court ordered abandoned, the customer/property owner or legal representative may request that the meter on the property be removed at the currently approved charge per the Fee Schedule. Town approved documentation must be received before meter services may be removed. If the meter is removed, and service discontinued, the base charge may not be applied to the account. If the service is not disconnected and the customer resumes using utility services, the Town retains the right to bill for past services not to exceed two years.
  
- 7. **Meter Tampering.** The Town does not allow for any unauthorized person(s) to open a meter box to interfere, alter, tamper with, or bypass a meter which has been installed for the purpose of measuring the use of water or knowingly to use water passing through any such tampered meter or water bypassing a meter provided by the Town for the purpose of measuring and registering the quantity of water consumed. Town of Black Mountain Ordinance 20-21. Any meter or service entrance facility found to have been altered, tampered with, or bypassed in a manner that would cause such meter to inaccurately measure and register the water consumed, or which would cause the water to be diverted from the recording apparatus of the meter, shall be prima facie evidence of intent to violate and of the violation of this section by the person in whose name such meter is installed, or the person or persons so using or receiving the benefits of such unmetered, unregistered, or diverted water. Any person(s) not authorized by the Town operating any valves on the water distribution system, which included the cut off valve at the meter, hydrants, etc. shall be charged with tampering. Per North Carolina General Statute 14-151.1
  - Any person violating any of the provisions may be liable to the Town any losses and shall also be charged for the cost to repair and or replace any damages sustained. A fine may be charged per occurrence per the most recently approved Fee Schedule.
    - a. First Occurrence-notification letter to the property owner
    - b. Second Occurrence-notification and fine
    - c. Third Occurrence-notification, fine which may include any additional civil or criminal charges including recover of water loss or damage to Town property.
  - If water is cut on illegally after disconnection due to nonpayment of a utility bill, this may cause the removal of the water meter and may result in additional charges. Reestablishing services may incur additional charges which may include deposits, fines and payment of all charges on the

account before reconnection.

- The Town may make a reasonable effort to hold tenants responsible for any damages associated, or loss recovery of water usage. However, if the tenant is not available, the landlord or property owners may be responsible for any fines, damages associated, or loss recovery of water usage.
8. **Waste of water.** Failure to repair utility services within 60 days from first notification, high usage bill or detection by the Town or property owner, may result in the Town disconnection of utility service until the leak has been repaired. Approved Town documentation must be submitted and approved before services may be restored.

## **B. Utility Billing Procedures**

The Town of Black Mountain Utility Customer Service Department bills for Water and Sewer Services

### **1. Billing**

- Bills shall be prepared monthly and are as close to 30 days as practicable.
- Bills are due 20 days from the billing date.
- Payment may be made by check, money order, bank ACH draft, credit card, or in cash. Payments may be made online or in person.
- All bills not paid within 20 days are subject to late penalty of \$10.00 or 5% whichever is greater of the unpaid balance.
- If payment is not received and receipted by the 20th day at 5 pm, a late charge may be added to the customer's account.
- All bills not paid within 35 days of billing date are subject to disconnect.
- If payment is not received by the 35th day before 5 pm, a Utility Non-payment Fee, per the most recently approved Fee Schedule, may be added to the customer's account, and the account is subject to disconnection.
- To restore service, the entire account balance, including fees, must be paid in full.
- If a bill is returned to the Town of Black Mountain by the post office or email as undeliverable, the Utility Customer Service Department shall make all reasonable efforts to obtain a forwarding address and correct the address in the Utility records. In the event the bill becomes delinquent, the Utility Customer Service Department shall follow the collection efforts below. Customers are responsible for all billing regardless of receiving a monthly bill.
- Payments may be applied to customer accounts in the following order; fees or miscellaneous charges, water, and sewer charges.
- It is the responsibility of the property owner, account holder, or authorized designee to advise the Town to whom and to what address bills are to be sent (e.g. new owner or renter). A Utility Billing Change Form is available from the Utility Customer Service Department for any changes that are necessary

to an update an account. Only an account holder or authorized party can request changes to billing information and statuses.

- If the Town has overcharged or undercharged a customer for service, the Town may correct this error subject to the following procedures:
  - If the Town has overcharged a customer for service, the Town may credit the customer's account, without interest, the excess amount and notify the customer by letter. In the event of a significant credit Customers may request a refund of such excess charges if they were previously paid in full. Credit to a customer's account is subject to the following limitations:
  - If the time period over which the mistake occurred can be determined, the Town should credit or refund the excess amount charged the account for that entire interval, provided that such time period shall not exceed the statute of limitations as set forth in the N.C. General Statutes.
  - If the time frame of the problem cannot be determined, the Town should credit or refund the excess amount charged during the previous 12 months.
  - If an overcharged customer owes a past due balance to the Town, the Town will deduct that past due amount from any refund or credit due the customer.
- If the Town has undercharged a customer for service, the Town may collect the additional amount due the Town by billing the account. A payment plan or other payment options may be extended to a customer for repayment of charges billed from prior billing periods. If a customer receives notice of undercharging and does not contact the Town to make payment arrangement for such amount by the subsequent due date, the account may be disconnected for non-payment in accordance with this policy.
- If an undercharge has occurred because of tampering or bypassing a meter or because of other fraudulent or willfully misleading action of the customer, the Town shall collect the entire undercharged amount in a lump sum and seek such other rights and remedies as are permitted by law.

## **2. Returned payments.**

- Payments returned due to insufficient funds, closed accounts, or other issue not related to a Town error may be charged a fee according to the current fee schedule. If the return was due to Town error, the fee may be waived.
- Customers may lose the ability to use a payment method for two years if a payment has been returned due to insufficient funds, closed accounts, or other issue not related to a Town error two times in a 12-month period.
- Customers who do not make good on any returned payment and applicable fees may be considered to have not made any payment and

may be subject to procedures for late charges and disconnection of service.

- The Utility Customer Service Department may also send a letter notifying the customer of these events and request replacement funds or alternative payment arrangements.
- Payment return fees may be added to the account and must be paid with other past due charges to continue Utility service.
- Returned payments made by a customer to avoid disconnection on an account may be subject to immediate disconnection. All fees and account balances including a Nonpayment Service Disconnection Charge must be paid before service is reconnected

### 3. Collection of Past Due Utility Charges.

- *Accounts 20 days past due.* A cut off notice may be mailed when a bill is 20 days past due. If payment is not received by 5 pm on the 35<sup>th</sup> day, a Utility non-payment fee in accordance with the fee schedule in effect at that time may be added to the customer's account. The account may then be disconnected.
- *Accounts over 90 days.* If payment is not received within 90 days, the Town may take one or more of the following actions, as to the most optimum method of securing payment:
  - a. The Utility Customer Service Department may send the name, address, and balance due to the Town's collection agency or NC Debt Setoff Program.
  - b. The terms of the nonpayment may be communicated to any or all nationally recognized credit reporting agencies.
  - c. Customer may be denied access to Utility services.
  - d. Remaining balances on terminated accounts may be transferred to a customer's active utility account for collection of charges due. These charges may be subject to the disconnection policy and may cause the active account to be disconnected for nonpayment.

- 4. Extended Payment Option.** Payment plans may only be available for past due balances related to leaks or accounts that are back billed for previously unbilled usage. Accounts that have past due charges related to regular monthly billing will not be eligible for payment plans. The Utility Customer Service Department will review the account to establish a payment plan for the customer. The customer will be required to sign a payment plan form specifying the terms of the payment plan. Customer must continue to pay regular monthly charges plus a portion of the back billing or a leak bill(s). If a customer has any returned, missed, or delinquent payments on the account, the payment plan may be voided, and the balance will be due immediately.



- 5. Deceased Account Holder/ Estate Account.** When an account holder is deceased, a Utility Billing Change Form or New Service Application must be completed in order to transfer an account into the name of the responsible party within 45 days. The Town may request legal documentation including, but not limited to, death certificates, wills, or other legal documents to process the utility billing change request. If the Town of Black Mountain receives notice or determines that an account holder is deceased, notification of account closure may be mailed to the address on record. The letter may set forth a date in which a Utility Billing Change Form must be received to continue services at the location of the deceased account holder. An Application for Utility Services must be filled out and the application process must be completed in accordance with this policy.

An account may be transferred into the ownership of an estate. A Utility Billing Change Form is required, and the Town may request legal documentation from the executor or the person responsible for administering an estate. It is the responsibility of the executor or other person administering the estate to notify the Town of any changes in account status. The Town of Black Mountain may allow an account to remain in the name of an estate for a period of 4 months from the date of service connection. It is the responsibility of the executor or administrator of the estate to either disconnect or transfer ownership of the account into the name of a responsible person prior to this date. If an application has not been processed to transfer ownership of the account in the timeframe specified, services may be disconnected without further notice.

- 6. Premise Visit Charge.** A premise visit charge, per the Town Fee Schedule, may be charged for services performed by Town staff that is not deemed necessary by the Town. Such services include, but are not limited to, re-reading of meters, checking a meter for a possible leak, shutting meter off more than two times during any single leak event while leak on the customer's side is being repaired and the testing of meters for accuracy. The Town may charge premise visit fee for services that require multiple visits to a property. Such services include, but are not limited to, leaks, temporary disconnection for repairs or any other services.

### C. Consideration of Credits and Refunds

#### 1. Refunds.

No refunds less than \$5.00 may be made on a customer's account.

#### 2. Credits.

- **Filling Swimming Pools**

The Town does not allow adjustments for filling pools or spas. Customers can apply for a separate irrigation meter to fill pools or spas which may not charge for sewer usage.

- **Leak Adjustments**

The customer is responsible for leakage in the piping on his/her property on his/her side of the water meter and will be charged for water and/or sewer based

on water use as indicated on the meter. This is being defined as that point at which the customer's plumbing connects either directly to the meter box or the customer's shut off valve connects directly to the meter box. The Town does not repair leaks on the customer's side of the water meter. The Town of Black Mountain may allow credit for utility charges resulting from leaks on the customer's side of the meter.

1. Credit may be extended to the customer's account/property only once every 24 calendar months upon approval.
2. Customer must submit a completed Leak Adjustment form within 60 days of leak detection either by the Town or the customer.
3. Customer must provide to the Town of Black Mountain an invoice from a licensed plumber for repairing the leak(s). This must be accompanied by a statement confirming that a leak (or multiple leaks) had been repaired, and a description describing where the leak(s) occurred.
4. A customer may make their own repairs. If a customer makes their own repairs, all receipts for parts and pictures of the leak site prior to repair and after completion are required to be sent to the Town for approval.
5. Leak adjustments may be calculated based on residential customer's average monthly consumption amount plus 25%. Average monthly consumption is based on the four (4) month average prior to the month showing excessive use. If previous consumption is less than 4 previous months, the Town may require 3 additional months of normal usage before adjustment calculation can be processed.
6. No credit will be applied to the account until water usage returns to normal.
7. No credits or adjustments of \$ 5.00 or less may be given unless the cause for the credit or adjustment is an error by the Town of Black Mountain.