CHAPTER 92

WATER RATES

92.01 Service Charges
92.02 Rates For Service
92.03 Rates Outside the City
92.04 Billing for Water Service
92.05 Service Discontinued
92.06 Lien for Nonpayment
92.07 Lien Exemption
92.08 Lien Notice
92.09 Customer Deposits
92.10 Temporary Vacancy
92.11 Water Utility Fund
92.12 Accounting and Audit
92.13 Liability Limit for Billing Errors

92.01 SERVICE CHARGES. Each customer shall pay for water service provided by the City based upon use of water as determined by meters provided for in Chapter 91. Each location, building, premises or connection shall be considered a separate and distinct customer whether owned or controlled by the same person or not.

(Code of Iowa, Sec. 384.84)

92.02 RATES FOR SERVICE.

1. Water service shall be furnished at a monthly rate within the City as set by resolution of the City Council. The Council shall review the rates annually and based on the results of the review, shall be authorized to increase the rates up to a maximum of 2.5% per year if deemed fiscally necessary.

2. The amount of water used and measured by an additional or second water meter at the same location shall be considered part of the usage billed to the established account for that location, and the total amount of water thus consumed shall be billed at the regular water usage rate as established from time to time, except that no minimum amount for water service will be charged for an additional or second meter.

92.03 RATES OUTSIDE THE CITY. The City, in the exercise of its discretion, may provide water service to any customer located outside the corporate limits of the City and may furnish water in bulk for use within or outside the corporate limits of the City, upon the terms, conditions and rates stipulated by the Council. In no case shall the rates be less than the minimum charges specified in Section 92.02. In addition, if the City responds to a request for water in bulk, a fee equal to a minimum of one hour's overtime rate of pay for the Public Works Director shall be charged, regardless of whether the Public Works Director or another City employee responds to the request.

92.04 BILLING FOR WATER SERVICE. Water service shall be billed as part of a combined service account, payable in accordance with the following:

1. Meter Reading. The City of Urbana shall read the water meters monthly, using the automated radio read system. The City of Urbana may require and therefore shall be granted access to the water meter. Meter Reading Discrepancies. Utility bills will not be adjusted when meter reading is affected by leaks, inaccurate readings or other unknown causes. Utility bills may be adjusted if Public Works staff determines the meter to be defective. No adjustment will be made, however, if the defective status is due to damage to or misuse of the meter by the customer.

2. Bills Issued. The Clerk shall prepare and issue bills for combined service accounts before the first (1st) day of each month.

3. Bills Payable. Bills for combined service accounts shall be due and payable at the office of the Clerk by the 20th day of the same month. If the 20th day of the month is on a weekend or holiday, payment must be at the Clerk's office before the office opens on the next business day after the 20th to be considered paid on time. There shall be a service fee in an amount to be established by resolution of the Council for all checks that are returned unpaid.

4. Late Payment Penalty. Bills not paid by the 20th day of the month shall be considered delinquent. A one-time late payment penalty of ten percent (10%) of the amount due shall be added to each delinquent bill. Customers are responsible for payment of bills by the due date, regardless of the date the customer receives the bill.

92.05 SERVICE DISCONTINUED. Water service to delinquent customers shall be discontinued in accordance with the following:

(Code of Iowa, Sec. 384.84)

1. Notice. Each delinquent customer shall contain a notice that service will be discontinued if payment of the combined service account, including meter reading and late payment charges, is not received by the date specified in the notice of delinquency. Disconnect notices will be mailed on the 21st to customers with unpaid bills. Customers with unpaid bills on the last day of the month in which the bill is due will receive a delinquency posting stating the service will be disconnected on the next business day if no payment is received by 9:00 am, except that if that day of the month is on a Friday, a weekend or a holiday, service will be disconnected on the next business day after the Friday, weekend or holiday.

2. Notice to Landlords. If the customer is a tenant, and if the owner or landlord of the property has made a written request for notice, the owner or landlord shall be notified of the delinquency.

3. Hearing. If a hearing is requested by noon of the day preceding the shut off, the Clerk and the Public Works Director shall conduct an informal hearing and shall make a determination as to whether the disconnection is justified. The customer has the right to appeal the decision of the Clerk and Public Works Director to the Council, and if the Council finds that disconnection is justified, then such disconnection shall be made, unless payment has been received.

4. Fees. During regular business hours, a fee as set by resolution of the City Council shall be charged before service is restored to a delinquent customer. No reconnections will be made outside of regular business hours. The fee shall be added to the customer's account at the time that the Public Works Department employees receive the service order to disconnect service at the customer's address because the bill is unpaid. The disconnection shall be completed as directed regardless of requests to the contrary by the customer, and shall not be reconnected until all charges, penalties and fees are paid in full. Payment must be submitted to the City Clerk's office during regular business hours. Public Works Department employees shall not be authorized to accept such payments. If a service site will be temporarily vacant and the owner wishes to have billing for service discontinued during his/her absence, there will be a fee as set by resolution of the City Council charged to (i) shut the service off at the curb, and (ii) to reconnect service when the customer returns. If the water is not shut off at the curb, billing will continue during the customer's absence. No fee shall be charged for the usual or customary trips in the regular changes in occupancies of property.

92.06 LIEN FOR NONPAYMENT. The owner of the premises served and any lessee or tenant thereof shall be jointly and severally liable for water service charges to the premises. Water service charges remaining unpaid and delinquent shall constitute a lien upon the premises served and shall be certified by the Clerk to the County Treasurer for collection in the same manner as property taxes. This lien may be imposed upon a property or premises even if services to the property or premises have been or may be discontinued as provided in this chapter.

(Code of Iowa, Sec. 384.84)

92.07 LIEN EXEMPTION. The lien for nonpayment shall not apply to a residential rental property where water service is separately metered and the rates or charges for the water service are paid directly to the City by the tenant, if the landlord gives written notice to the City that the property is residential rental property and that the tenant is liable for the rates or charges. The City may require a deposit not exceeding the usual cost of ninety (90) days of water service be paid to the City. The landlord's written notice shall contain the name of the tenant responsible for charges, the address of the rental property and the date of occupancy. A change in tenant shall require a new written notice to be given to the City within ten business days of the change in tenant. When the tenant moves from the rental property, the City shall refund the deposit if the water service charges are paid in full. A change in the ownership of the residential rental property shall require written notice of such change to be given to the City within ten business days of the completion of the change of ownership. The lien exemption does not apply to delinquent charges for repairs to a water service.

(Code of Iowa, Sec. 384.84)

92.08 LIEN NOTICE. A lien for delinquent water service charges shall not be certified to the County Treasurer unless prior written notice of intent to certify a lien is given to the customer. If the customer is a tenant and if the owner or landlord of the property has made a written request for notice, the notice shall also be given to the owner or landlord. The notice shall be sent to the appropriate persons by ordinary mail not less than thirty (30) days prior to certification of the lien to the County Treasurer.

(Code of Iowa, Sec. 384.84)

92.09 CUSTOMER DEPOSITS. There shall be required from every residential customer or prospective customer served a fifty dollar ($50.00) deposit intended to guarantee the payment of bills for service. There shall be required from every commercial or industrial customer or prospective commercial or industrial customer served a one hundred-fifty dollar ($150.00) deposit intended to guarantee the payment of bills for service. Upon termination of the use of the water service by that customer for that building, any balance of such deposit shall be returned to the customer without interest. A customer is eligible for a refund of such deposit, without interest, prior to the termination of the use of water service, if:

1. The customer is the record title holder of the location for which the deposit was paid and/or the person who paid the deposit and verifies this fact when said customer becomes eligible for a refund.

2. The customer has been billed for a period of twelve (12) consecutive months from the time water service commenced.

3. The customer has paid all utility bills in full on or before the due date of such bills for the twelve (12) consecutive months prior to the date of application for a refund of said deposit.

4. If the customer has not complied with the above requirements, the customer shall not be eligible for a refund until such time as the customer has established a record of twelve (12) consecutive months of compliance.

5. These conditions shall not apply to customers classed as "repeat offenders."

Customers that (i) do not currently have a deposit on file with the City and (ii) for any reason are not in compliance with any of the regulations which apply to being a customer in good standing and/or to maintaining service from the City may, at the discretion of the Council, be required to make a deposit in an amount to be determined by the Council to re-establish or to maintain service. The requirement to make a deposit under such conditions does not preclude the Council from establishing such other regulations as may be necessary to insure that the customer is in compliance with all applicable regulations. Customer deposits are not to be considered as a prepayment for utility services. Separate deposits shall be required for each customer and/or location served. If a customer who has paid a deposit fee desires to terminate use of services from one connection and desires to make application for use of services from another connection for which the customer would be required to pay a deposit fee, then the deposit fee already paid may remain on deposit for the new application if the customer pays the old account in full.

92.10 TEMPORARY VACANCY. A property owner may request water service be temporarily discontinued and shut off at the curb valve when the property is expected to be vacant for an extended period of time. The Council by resolution may set a fee for the temporary shut off and for restoring service. During a period when service is temporarily discontinued as provided herein there shall be no minimum service charge. The City will not drain pipes or pull meters for temporary vacancies.

92.11 WATER UTILITY FUND. All revenues and moneys derived from the operation of the water system shall be paid to and held by the City separate and apart from all other funds of the City and all of said sums and all other funds and moneys incident to the operation of said system, as may be delivered to the City, shall be deposited in a separate fund designated the "Water Utility

Fund," and the Council shall administer said fund in every respect in the manner provided by the Code of Iowa and all other laws pertaining thereto.

92.12 ACCOUNTING AND AUDIT. The City shall establish a proper system of accounts and shall keep proper records, books and accounts in which complete and correct entries shall be made of all transactions relative to the water system. The Council shall cause to be made an audit by an independent audit concern of the books to show the receipts and disbursements of the water system whenever such audit is required by the State of Iowa or a majority of the Council.

92.13 LIABILITY LIMIT FOR BILLING ERRORS. If a billing error is made on a customer's combined services account that results in an overcharge, the City shall credit the customer's account in an amount equal to the aggregate overcharge amount for the six-month period preceding the date the error is found by the City or reported by a customer. The City shall not be liable for any other overcharges accumulated to that point. If a billing error is made that results in an undercharge, the City shall bill the customer's account in an amount equal to the aggregate undercharge amount for the six-month period preceding the date the error is found by the City or reported by a customer. The customer shall not be liable for any other undercharges accumulated to that point.