

## ORDINANCE NO. 717

**AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF HAWARDEN, IOWA, BY AMENDING PROVISIONS GOVERNING TELEPHONE, CABLE, INTERNET, ELECTRIC, NATURAL GAS, POTABLE WATER, SANITARY SEWER, AND SOLID WASTE SERVICES BILLING AND BILLING INFORMATION SECTION 111.03**

**BE IT ENACTED** by the City Council of the City of Hawarden:

**SECTION 1. SECTION AND SUBSECTIONS MODIFIED AMENDED AND ADOPTED.**

Section 111.03 of the Code of Ordinances of the City of Hawarden, Iowa is repealed, and the following adopted in lieu thereof:

**111.03 BILLING/BILLING INFORMATION.** Customers shall be billed on a monthly basis. Charges for services start immediately after service is activated. The billing period will coincide with the period that utility services, including electric, natural gas, wastewater, garbage and/or water services, are provided during each billing month. Billing information will only be made available to those individuals designated by the account holder. Charges for all telecommunications services will be billed on a monthly statement that includes telephone, internet and cable services. When a customer is connected or disconnected or the meter reading date causes a given billing period to deviate by more than 10 percent (counting only business days) from the normal meter-reading period, such bill shall be prorated on a daily basis.

1. **Minimum Bill.** The minimum bill provided for in the rate schedule for each class of service will apply to any billing period during which service remains connected and the minimum quantity of service is not used. The minimum bill shall apply to each separate account holder receiving a service to include each individual dwelling unit.
2. **Billing Form.** The following information will be included on the billing form or made available to the customer at the Utility's customer services office:
  - A. The reading of the meter at the beginning and at the end of the period for which the bill is rendered.
  - B. The dates on which the meter was read at the beginning and end of the billing period.
  - C. The number and kind of units metered.
  - D. The applicable rate schedule or identification of the applicable rate schedule.
  - E. The account balance brought forward and the amount of each net charge for rate-schedule-priced utility service, sales tax, other taxes, franchise fees, late payment charge, and other charges required by the Utility and any regulatory authority and total amount currently due. In the case of prepayment meters, the amount of money collected shall be shown.
  - F. The last date for timely payment will be clearly shown and will not be less than 20 days after the bill is rendered.
  - G. A distinct marking or wording to identify an estimated bill or meter reading.
  - H. A distinct marking to identify a minimum bill.
  - I. Any conversions from meter readings units to billing units, or any calculations to determine billing units from recording or other devices, or any other factors, such as sliding scale or automatic adjustment (i.e., multiplier) and amount of sales tax adjustments used in determining the bill.
  - J. Any other requirements in accordance with Iowa Administrative Code.

As per IAC 19.4(9) as a utility serving fewer than 5,000 customers, information regarding Items 2, 4 and 8 above can be obtained by contacting the Utility's local office at 1150 Central Avenue or calling 712-551-2565.

3. **Bill Payment Terms.** Billed charges will be due and payable when rendered and will be considered past due 20 days from the time the bill is rendered. A bill is considered rendered when deposited in the U.S. Mail with postage prepaid. If delivery is by other than the U.S. Mail, the bill is considered rendered when delivered to the last known address of the party responsible for payment. The last date for timely payment will be clearly shown on the bill and will be not less than 20 days from the date the bill is rendered. A late payment charge and interest on the unpaid balance at rates set by Section 113.11 will be assessed on past-due accounts. Each account will be granted at least one complete forgiveness of a late payment charge in each calendar year. All over-payment of billings will be refunded to the account holder, unless other arrangements have been made between account holder and City. The normal past due date that appears on the account holder's utility bill can be adjusted once every 12 months, if necessary, to

better coincide with the account holder's cash flow situation. To qualify, customers must have a consumption of less than 250 ccf (gas) and 3,000 kWh (electric). The requested change must be in writing and in advance (i.e., not for any currently issued bills). Bills shall be paid by mail, by direct deposit through a financial institution, by deposit in designated receptacles at the City's business office or in person at the City business office at 1150 Central Avenue.

4. **Partial Payments.** Partial payments (including LIHEAP funds) made on accounts that have multiple services, shall be credited to the total bill; partial payments will not be accepted for one specific service. If a combined service account becomes delinquent, all services are subject to disconnection unless the account holder enters into a payment agreement or makes payment in full.

5. **Returned Checks and Automatic Clearing House Rejects.** A service charge per occurrence in an amount to be set by Section 113.11 shall be assessed to any customer whose check is returned unpaid or whose Automatic Clearing House (ACH) payment is rejected by the bank on which it was drawn. The service charge shall be in addition to the late payment penalty if the check is not made good and the service fee not paid prior to the delinquent date of the bill. If two or more checks are dishonored or ACH payments rejected, the Utility may require future payments to be by cash, cashier's check, or money order and may require a new deposit.

6. **Adjustments of Bills.**

A. **Administrative and Hook-up Errors.** An adjustment, refund or back-billing shall be made for any overcharge or undercharge resulting from incorrect reading of the meter, incorrect application of the rate schedule, incorrect meter connection, or other similar reason.

(1) **Overcharges.** The amount of the overcharge will be refunded or credited to the customer. The time period for which the utility will adjust, refund, or credit the customer's bill shall not exceed five years.

(2) **Undercharges.** The bills will be recalculated back to a period not to exceed five years. If the recalculated bills exceed \$10.00, the customer may be backbilled for the amount due. Back-billing will be completed within six months of the discovery of the error. If the back-billing creates customer hardship, a reasonable agreement to pay shall be offered. The Utility reserves the right to forego back-billings which it determines are not cost effective.

B. **Accidental Wastage of Gas or Water.** When a customer provides reasonable evidence to the utility that a leak, not resulting from customer negligence, has existed on the customer's side of the meter, the utility shall estimate the normal usage for each billing period during which the leak is reasonably believed to have existed, not to exceed two months. The bill for each such period shall be recomputed, treating the amount of the above-normal consumption as "lost gas or water." Lost gas or water shall be billed at the lowest rate on the customer's rate schedule and the total difference will be credited to the customer's account.

C. **Meter Error.** Whenever a meter is found to have an average error exceeding the allowable tolerance by more than 2.0 percent, the utility shall adjust a current customer's bill by issuing a refund/credit or back-billing. The amount of the adjustment shall be calculated on the basis of metering accuracy of one hundred percent and pursuant to the rules of the IUB found in IAC. The adjustment period shall extend from the date the error began. If the time which the error first developed or occurred cannot be definitely determined, it shall be assumed that the error has existed for the shortest time calculated as one-half the time since the meter was installed, or one-half the time elapsed since the last meter test unless otherwise ordered by the utility. The adjustment period shall not exceed six months without the approval of the Utility Division. When a meter is found not to register due to a failure of part or all of the utility equipment, the Utility shall issue an estimated bill according to the rules of the IUB found in IAC.

7. **Level Payment Plan (Budget Billing).** All residential customers or other customers whose consumption is less than 250 CCF (gas) or 3000 kWh (electric) may select a plan of level payments. The plan shall:

A. Be offered when the customer initially requests service.

B. Have a date of delinquency changeable for cause in writing; such as, but not limited to, fifteen days from approximate date each month upon which income is received by the person responsible for payments.

C. Provide for entry into the level payment plan anytime during the calendar year. The month of entry shall be that customer's anniversary month.

D. Have level payments equal to the sum of estimated charges divided by the number of standard billings intervals, all for the next twelve consecutive months.

E. Provide for withdrawal from the plan at any time. The account must be balanced before termination or withdrawal, except that the customer may choose to apply an account credit to future service or receive a refund.

F. The level payment plan account balance on the anniversary date shall be carried

forward and added to the estimated charges for service during the next year, and this total will be the basis for computing the next year's periodic billing internal level payment amount. The customer shall be given the option of applying any credit to payments of subsequent months' level payment amounts due or obtaining a refund of any credit in excess of \$10. For purposes of this paragraph, the anniversary date account balance shall not carry forward on unpaid level payment bill. Delinquent level payments must be paid up in full as of the anniversary date.

G. Have the level payment amount computed at the time of entry into the plan. It may be recomputed on each anniversary date, when requested by the customer, or whenever utility rates or consumption, alone or in combination, result in a new estimate differing by ten percent or more from that in use. When a customer's payment level is recomputed, the customer shall be notified of the revised payment amount and the reason for the change. The notice shall accompany the monthly bill prior to the bill affected by the revised payment amount.

Regardless of the account balance, a delinquent payment on the level payment plan will subject the customer to the normal procedures for collection and termination of service. However, if the customer has an excess credit balance on said customer's account over and above normal usage for the entire plan year, a missed payment will be allowed. If the account balance is a credit, the level payment plan shall terminate after not less than 30 days nor more than 60 days of delinquency.

**SECTION 2. SEVERABILITY CLAUSE.** If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, subsection, provision of part thereof not adjudged invalid or unconstitutional.

**SECTION 4. WHEN EFFECTIVE.** This ordinance shall be in effect from and after its final passage, approval and publication as provided by law.

Passed and Approved by the Council of the City of Hawarden on the 23rd day of October 2019.

Richard R. Porter  
Richard R. Porter, Mayor

ATTEST:

Michael DeBruin  
Michael DeBruin, City Administrator/Clerk

First Reading: September 25, 2019

Second Reading: October 09, 2019

Third Reading: October 23, 2019

I certify that the foregoing was published as Ordinance No. 718 on the 24 day of October, 2019.

Michael DeBruin  
Michael DeBruin, City Administrator/Clerk