

SECTION 4.00
APPLICATION FOR SERVICE, DEPOSITS AND BILLING

4.01 Application for Service: The Board shall require each new customer to apply for water service, and provide the Board with such personally identifying information as the Board deems necessary for the provision of services. A new applicant shall be any person or firm who applies for water service and who has not had water service from the Board within the previous twenty-four (24) months.

Established customers of the Board shall provide application information, if requested to do so. Typically, this may be necessary if the established customer fails to maintain a current account with the Board and it becomes necessary to have the account secured by a deposit.

All applications for service shall be made in the true name of the person to be responsible for payment of charges for service rendered. Applications will be made at the Business Office of the Board unless specified otherwise by the Board. Identification satisfactory to the Board may be required prior to initiation of service. Incomplete applications for service or falsified information may be grounds for the Board to refuse service. Applicants for water service agree to abide by the terms and conditions set forth in the Board's rules and regulations. See Section 1.06.

Temporary service, not to exceed ten (10) days, may be initiated pursuant to a telephone application for service by the customer. Such service may only be initiated during regular business hours.

4.02 Service Deposits: Deposits may or may not be required of residential and commercial class customers, at the option of the Board. When required, the deposit shall typically be based upon the estimated cost of three (3) months water service, but in no event less than \$75.00.

Deposits may be waived for owners of residential property. Unpaid bills for service left by owners, renters, or lessees shall be cleared before service is initiated to a subsequent customer. See Section 4.08.

Deposits may be waived for owners of commercial property. Unpaid bills for service left by owners, renters, or lessees shall be cleared before service is initiated to a subsequent customer. See Section 4.08.

Deposits shall be required of all renters/lessees of residential or commercial property. Renters/lessees who have demonstrated a satisfactory record of payment may be subject to a waiver of deposit at the discretion of the Board. To qualify for a deposit waiver, the Board may request the customer provide letters of credit from a bank, a similar utility company, or a credit agency report which is satisfactory to the Board. Any cost incurred in obtaining credit reports shall be borne by the customer.

Deposits shall be required from all renters/lessees who sign up for the Budget Billing program. The deposit shall be held until the account is finalized or the customer withdraws from the Budget Billing program. If the renter/lessee withdraws from the Budget Billing program, then the deposit will be held for an additional twelve (12) months.

Deposits will be held for not less than twelve (12) months and are held to guarantee payment of all bills assessed to a property by the Board. Deposits will be reviewed for return to the depositor following twelve (12) months of service. To qualify for a refund, the account must not have been delinquent within the preceding twelve (12) months.

Deposits held for a minimum of six (6) months shall accrue interest. The interest rate will be determined by the Director of Administrative Services, based on the Board's rate of return for demand deposits. No interest will be paid on deposits held less than six (6) months, or any fractional part of a month.

The Board reserves the right to refuse service at a new premise if the applicant has outstanding charges from a previous address. In the event a customer is receiving water service and the Board becomes aware of an unpaid billing from a previous property, water service may be discontinued after serving standard notice of service interruption unless charges are paid in full.

If water service is discontinued due to delinquency, service shall not be reinstated until the account balance, an appropriate deposit and applicable service charges have been paid in full.

Established customers who develop a history of delinquency may be required to reapply for service and pay an appropriate deposit even though water service has not been discontinued.

Deposits will not be considered an advance payment for water service. At the option of the Board, the deposit may be applied at any time to the customer's account and a new deposit must be provided by the customer in order to continue to receive water service.

Payment of a deposit or delinquent account which is returned, "not paid" shall be reason for discontinuance of water service after the Board has made a reasonable effort to advise the customer of the returned payment.

When a customer requests a discontinuance of service, deposits shall not be refunded until a final meter reading is taken and the final bill computed.

At the option of the Board, commercial accounts may provide a Utility Surety Bond, in an amount specified by the Board, sufficient to cover at least three (3) months water service. Minimum term of a Bond shall be not less than twenty-four (24) months. The Utility Surety Bond must be provided on a timely basis and contain a cancellation clause of not less than thirty (30) days. In the event the customer cannot provide the Bond timely, the Board may require a cash deposit pending receipt of a Bond.

4.03 Deposit for Special Use: All persons or firms taking water from fire hydrants or other special connections for use in water hauling, construction, backfilling, demolition of building, paving, private street sweepers, or any other use, either in the City of Pueblo or outside the corporate limits of the City, shall make a deposit as specified in Appendix A for a temporary meter. All connections shall comply with Board requirements and Colorado Department of Health regulations on cross-connection and backflow prevention.

4.04 Monthly Bills: All accounts are due and payable at the office of the Board, or its authorized pay station(s). Bills are due upon receipt, delinquent if not paid in full within twenty (20) days from date of rendering statement.

Metered water service shall be billed on a monthly cycle basis, as determined by the difference in meter readings in 1,000 gallon units. (See Section 4.10 for irrigation water meter billing.) The term *month* for billing purposes means the period between two consecutive regular meter readings, and such readings are to be taken as nearly as practicable every thirty (30) days.

Should the Board be unable to read the meter or meters because of inclement weather conditions, or for another unusual circumstance, the Executive Director or his designated representative may authorize the estimation of meter readings. The basis for estimation will be the customer's consumption experience during the most recent like billing period. Example: December, current year, vs. December prior year. If the next reading shows that the bill for amount of water delivered since the previous meter reading is not equal to as much as the minimum charge for each month that has passed since the previous meter reading, then the customer shall pay the minimum charge for each month since the last regular reading.

Failure to receive a bill in no way exempts the customer from payment for service rendered. The Board will mail to the customer, at the service address or to another mailing address designated by the customer, a bill for water delivered, and it shall be conclusively presumed that the customer received said bill by mail within forty-eight (48) hours after the bill was mailed.

4.05 Budget Billing: All customers of the Board are eligible to sign up for the Budget Billing program at any time online or by written request to the Board's business office.

The basis for calculating Budget Bills will be the aggregate charge for the prior twelve (12) months, divided by eleven (11). The Budget Bill amount will remain in effect until the settlement period, which has been established as March of each year. At settlement, if there is a balance due the account must be paid in full by the due date of the March billing. If there is a credit balance, it will be applied to the account for the March billing. If the credit balance exceeds the amount of the March bill, the balance will be refunded by check unless said refund is less than \$50.00 in which case the credit will be posted to the account.

Monthly Budget Bill amounts not paid on time will subject the account to discontinuance. If service is discontinued, all charges including any deferred amount will become due immediately, and the account may be removed from the Budget Billing program. If removed due to delinquency, the account will be ineligible to participate in the Budget Billing program for one (1) year.

Any payment returned for Insufficient Funds twice in a twelve (12) month period, will result in the account being removed from the Budget Billing program and it will be ineligible to participate in the Budget Billing program for one (1) year.

Renters/Lessees that wish to participate in the Budget Billing program must receive signed written consent from the property owner, using the Board's approved form.

Customers may elect to withdraw from the Budget Billing program at any time. This request may be made online or in writing and forwarded to the Board's business office. Any balance owed must be paid by the due date indicated on the bill.

- 4.06 Delinquent Accounts:** Accounts which are thirty-five (35) days delinquent shall receive a notice of discontinuance, and water service shall be shut off on the date specified in the notice unless the account balance is paid in full on or before the date and time specified. At least seven (7) days shall elapse between issuance of notice of discontinuance and discontinuance of water service. Water service which has been discontinued for delinquency shall not be reinstated until the account balance has been paid in full, plus applicable deposit and service charges. If the Board incurs expense to discontinue or reinstate water service, the cost shall be borne by the customer.
- 4.07 Payment for Service Rendered:** All accounts must be paid in United States dollars, whether by cash, check, draft, credit card or money order. Accounts paid by check or drafts are subject to collection prior to final credit to the customer's account. Payments returned to the Board marked *NOT PAID, ACCOUNT CLOSED, INSUFFICIENT FUNDS*, etc., are subject to discontinuance of service, upon reasonable notice to the customer by the Board. A service charge is applicable for processing returned payments. The Board may refuse to accept payment by check or draft from a customer having a history of three (3) returned checks within the prior twelve (12) months.
- 4.08 Purchasing and Leasing:** It is the responsibility of the purchaser of property to ascertain that the water account is paid to the date of sale. Property owners who lease or rent a premise to a tenant, and who permit the tenant to pay for water service, should ascertain whether the water account has been paid to date when a tenant vacates the premise. The Board provides service to the property, for which the owner is responsible. Unpaid bills are the responsibility of the property owner and must be paid before service can be restored to the property. The Board may file a lien against the property for outstanding charges and cost of filing. The property owner shall be notified, whenever possible, of the Board's intent to file a lien and shall be notified when a lien is filed.

Property owners whose tenants pay for water service are eligible to list themselves on the Board's Third Party Notification system in order to be kept apprised of delinquency or service-related problems.

- 4.09 Vacancies:** Vacancy credit shall be recognized from the date when written notice is received by the Board. No such credit shall be rendered for a period of less than one (1) month. Vacancy credit shall not apply if the Board is not properly notified, or if someone other than Board personnel shut water service off.

Water service shall be resumed upon application of the owner of said property, or owner's authorized agent, providing that the water account is not in arrears for water service previously rendered. If for any reason water service to multiple dwellings served by one meter cannot be turned off, vacancy credit will not be allowed.

When billing multiple dwelling units served through a single water meter, the number of units to be charged for will be determined by the number of separate units or spaces which have water service and are available for occupancy.

Vacancy credit will be allowed for multiple dwelling units or spaces which are permanently vacated. The dwelling unit will then be inspected by the Board and classified as follows:

- A. A permanent vacancy** shall be defined as a former separate dwelling unit or units which have since been reduced to fewer or no space available for occupancy, or a separate dwelling unit or units which have been vacant for six (6) months or more and are not expected to be occupied in the foreseeable future.
- B. A nonpermanent vacancy**, for which the vacancy credit shall not apply, shall be defined as a unit which may be temporarily vacant but is available for occupancy. A mobile home space having a water connection shall be considered a dwelling unit available for occupancy.

- 4.10 Multiple Water Services – Residential:** Each property shall have individual metered service and will be billed as a separate account. When two (2) structures are on a single property, served by separate lines, both structures must be metered at the same time. Multiple structures on the same property can be served by one (1) or more meters.

- 4.11 Irrigation Meters:** For a property having two (2) or more metered services where one (1) or more of the services provides water exclusively for irrigation of lawns and shrubbery, each meter shall be billed separately, and the applicable rate applied to each meter as a separate account.

- A. For meters used exclusively for irrigation of lawns and shrubbery which were in use prior to December 31, 1970, the water consumption for the period from the regular date of reading in November to the following regular reading in April shall be billed to the customer on the April billing. The total consumption during this period shall be billed on the same basis as single month's consumption. If at any time the irrigation meter

indicates that there is no water consumption, the customer will not be billed. The conditions of this paragraph shall be observed until such time as there is a change in ownership/tenancy. Upon transfer of the account to a new customer/owner, the account shall be converted by the Board to the conditions outlined in paragraph 4.11-B.

- B. For meters installed after January 1, 1971, used exclusively for irrigation, a charge will be billed monthly in accordance with the established rate for the applicable size of meter. For residential irrigation meters minimum monthly charges for the non-irrigating months of November to March, shall apply only if there is consumption. For all other months the monthly minimum will be billed regardless of whether or not there is water consumption.
- C. Where meters are established for the City of Pueblo, exclusively for irrigation and beautification purposes, the water consumption for the period from the regular date of reading in November to the regular reading in April shall be billed on the April billing. The total consumption during this period shall be billed on the same basis as a single month's consumption.
- D. Where meters are installed for the Colorado Department of Transportation and are established exclusively for highway irrigation and beautification purposes, the water consumption for the period from the regular date of reading in November to the regular reading in April shall be billed on the April billing. The total consumption during this period shall be billed on the same basis as a single month's consumption.
- E. If the customer requests the irrigation meter be placed in service, the Board will turn on the water, provided the customer's domestic/commercial service and irrigation meter accounts are not delinquent. See Section 8.13.

4.12 Service Charges: Customer accounts are subject to service charges as compensation to the Board for its cost to provide the various services described herein.

- A. Turn on-nonpayment:** A fee of at least \$20.00 shall be paid by each customer whose service has been discontinued for nonpayment and who requests reinstatement of water service during regular business hours. If the customer request results in after hours call-out, overtime, or other costs to the Board, such additional costs shall be borne by the customer. Similarly, should the Board incur costs to reinstall a meter as a result of tampering or damage to locking devices, etc., such costs shall be borne by the customer prior to reinstatement of water service.
- B. Dishonored transactions:** A fee of \$15.00 shall be paid to the Board by customers whose checks are not honored by their banks because of insufficient funds, accounts closed, postdating, dispute reversal or other legitimate reason, including, but not limited to: personal or business checks, direct debit or other means of electronic fund transfers and credit or debit card payments.
- C. Field collection:** A fee of \$10.00 shall be paid by any customer whose account balance is collected at the property by Board personnel.

- D. Irrigation systems and/or meters:** The turn on/off service will be provided free of charge, twice annually, once at the beginning of the irrigation season and once at the end of the season. Additional requests for this service will be honored on a fee basis. Additional requests, whether during or after regular business hours, shall be subject to a charge of \$20.00. Premises having one meter which serves both domestic/commercial and irrigation service shall be subject to the same charge as listed above. Requests to turn on service will be honored providing the account standing is satisfactory and not in delinquent status.
- E. Finance Charges:** The Board may bill customers separate and aside from its customary utility billing process for such things as material sales, water leases, property leases, property damage recovery, etc. Such "Service Account" billings shall be due upon issuance, delinquent if not paid within thirty (30) days of rendering statement. Delinquent balances shall be subject to a late payment charge of 1.5% per month on the unpaid balance. By special arrangement with the Customer Services Manager or his designee, service account customers may enter into a short term financing with the Board for such things as water main extension agreements, main assessments, etc., for a term not exceeding twelve (12) months. Short term financings shall be subject to a finance charge equal to the prevailing Prime Rate or as otherwise determined by the Director of Administrative Services.
- F. Missed Appointments:** The Board will set appointments upon customer request for field services such as a turn on/off, leak detection, etc. If the customer does not keep the requested appointment, does not provide the Board with advance notice, and later requests a return visit to complete the same or similar service, the customer shall be assessed a fee of \$20.00 for each missed appointment.

4.13 Service Leaks: In the event of a service leak, an adjustment to the customer account may or may not apply.

- A. Should a leak occur **INSIDE** the structure, a billing adjustment will not be given. This "no credit" provision applies to leaks in toilets, water softeners, etc.
- B. Should a leak occur **OUTSIDE** the structure, a billing adjustment may be given. Typically, this would involve a leak in the customer-owned service line between the meter and the structure served. If the loss of water is a result of negligence, such as failure to properly turn off sprinkler system valves, outside faucets, etc., a billing adjustment will not be given.
- C. At the time of leak detection, the Board will obtain a meter reading and notify the customer of the leak in writing, or orally if possible. A record of this notice will be kept by the Board's Service Department and/or Billing Department. See Section 7.01 regarding time limits for completing repairs.
- D. The total amount of water used during the period from the beginning of the leak and ending with the first detection by the Board that a leak exists, may be adjusted to the

normal consumption for the period. However, the maximum adjustment period shall be no more than sixty (60) days.

- E. After the leak has been detected and notice has been given to the customer, there may be an adjustment of fifty percent (50%) credit for subsequent water loss, based on the normal consumption for that customer.
- F. All adjustments shall be approved by the Customer Services Manager.

4.14 Liens: The Board, by its Resolution 86-10, and the City, by Ordinances No. 5322 and No. 5410, provide that the unpaid charges for water service shall be a lien against the property served and provide a method for foreclosure of said lien. Further, these Ordinances and more particularly Ordinance No. 5410, provide the following:

- A. The charges of the Board of Water Works for water service, including main assessments, tap fees, meter fees, plant water investment fees, delinquent customer turn-on fees, and check processing fees, shall be due and payable according to the *Rules and Regulations* of the Board of Water Works of Pueblo, Colorado, as adopted from time to time. All due and unpaid fees and charges, plus interest thereon at the rate of one and one-half percent (1.5%) per month shall constitute a perpetual lien on and against the property serviced. The Board or its agent shall cause a notice of the lien stating the amount of the due and unpaid fees and charges and describing the property served to be recorded in the office of the County Clerk and Recorder of Pueblo, Colorado.
- B. The lien for unpaid fees and charges may be foreclosed by the Board of Water Works of Pueblo, Colorado, by bringing an action in the District Court in and for the County of Pueblo, State of Colorado, in the manner prescribed for the foreclosure of liens set forth in Chapter 38, Article 39, Colorado Revised Statutes as amended.

The Board may file a lien against the property for outstanding charges and cost of filing as set forth above.

4.15 Unexplained Consumption: In the event a customer experiences an abnormally high billing for which the water consumption cannot be identified by ordinary methods, the Board of Water Works may provide a billing adjustment under certain circumstances.

- A. Should a customer receive a water bill for unusually high consumption wherein the consumption cannot be identified in any way, and
- B. Where the customer's premise has been physically inspected by Board personnel in an effort to determine the source of loss, and
- C. Where the customer has witnessed a test of the meter serving the premise in accordance with applicable standards, and the meter tests within accuracy parameters,

- D. An Adjustment Review Committee, comprised of the Customer Services Manager and/or the Customer Services Supervisor, and the Meter Services Supervisor and/or the Manager of Transmission & Distribution, has met to review the circumstances,
- E. A billing adjustment may be authorized, not to exceed fifty percent (50%) of the usage which is over and above the normal usage for a similar billing period as determined by the Adjustment Review Committee. Only one such adjustment may be given to a customer at any premise.
- F. All decisions of the Adjustment Review Committee shall be final.