

SECTION 10

310.001

DISCONTINUANCE OF SERVICE AND DELINQUENT ACCOUNTS.

- A. **Penalties.** A late payment penalty, as established annually by the City Council on the utility rate schedule, shall be assessed on all accounts with a past due balance.
- B. **Payment Arrangements.** In the event that a user is unable to make payment by the specified date, the user may request an application to make payment arrangements by completing a form prescribed by the City and shall contain the name of the owner and/or user, property address, payment plan and signature of the applicant. All applications must be approved by the official in charge of billing or designated representative.
- C. **Discontinuance of Service for Nonpayment of Bills.** In addition to all other methods of collecting delinquent accounts including legal action, the City shall have the right to shut off the water service to any delinquent customer when satisfactory arrangements for payment have not been made. Such action shall be taken only after following the procedure as set forth in this code. Water shall not be shut-off until notice and an opportunity for a hearing before the City Council or an employee designated by the City Council have been provided to the occupant and/or owner of the premises involved.
1. If any bill is not paid by the due date listed on the bill, a reminder notice will be mailed by first class mail and/or transmitted electronically and shall state that if payment is not made by the designated day of the month in which the reminder notice was distributed, a shut-off notice shall be posted at the service location and service will be shut off for nonpayment if payment has not been received by the date stated in the notice, but not less than three (3) days after the date on which the notice was posted.
 2. The reminder notice and shut-off notice shall contain the address and telephone number of the official in charge of billing; the address and phone number shall be clearly visible and easily readable.
 3. The notice shall also state that any occupant or owner may, before the specified date, request a hearing in writing delivered to the City Clerk-treasurer on the matter, in which case the supply of water will not be shut off until after the hearing process is complete. If the customer or occupant requests a hearing before the date specified, the hearing shall be held on the matter by the City Council at the next regular City Council meeting.
 4. The owner or occupant may be represented in person and by counsel or any other person of his or her choosing. The owner or occupant may present orally or in writing his or her complaint to the City official in charge of utility billing.
 5. If, as a result of the hearing, the City Council finds that the amount claimed to be owing is actually due and unpaid and that there is no legal reason why the water supply of the delinquent customer may not be shut off in accordance with this ordinance, the City may shut off the water supply.
 6. If a customer fails to pay and fails to request a hearing under this part, service will be shut off at the time specified in the notice but not until the charges have been due and unpaid for at least fifteen (15) days.
 7. Whenever water service to any premises has been disconnected, service shall not be restored except upon the payment of all delinquent amounts due plus any penalties, interest and reconnection charges. The official in charge of utility billing shall be authorized to order

continuation of the customer's service and shall have the authority to enter into a mutually agreeable payment plan.

D. Discontinuance of Service. All municipal utilities may be shut off or discontinued whenever it is found that:

- The owner or occupant of the premises served, or any person working on any connection with the municipal utility systems, has violated any requirement of this code relative thereto or any connection therewith; or
- Any charge for a municipal utility service, or any other financial obligation imposed on the present owner or occupant of the premises served, is unpaid after due notice thereof; or
- There is fraud or misrepresentation by the owner or occupant in connection with any application for service or delivery or charges thereof.

No service of a residential customer shall be disconnected if the disconnection affects the primary heat source for the residential unit when the disconnection would occur during the period between October 15 and April 15, the customer has declared inability to pay on forms provided by the City, the household income of the customer is less than 185% of the federal poverty level as documented by the customer to the City and the customer's account is current for the billing period immediately prior to October 15 or the customer has entered into a payment schedule and is reasonably current with payments under the schedule.

E. Certification for Collection with taxes. Unpaid charges on utility accounts shall not be certified to the county auditor until notice and an opportunity for a hearing have been provided to the owner of the premises involved. The notice shall be sent by first class mail and shall state that if payment is not made before the date for certification, the entire amount unpaid plus penalties will be certified to the county auditor for collection as other taxes are collected. The notice shall also state that the occupant may, before such certification date, attend or schedule a hearing on the matter to object to certification of unpaid utility charges.

1. The owner of the property shall have the option of paying the balance due on the account until the date the notice of the certification hearing is mailed. After the date the notice of certification hearing is mailed, payments will still be accepted but may include unpaid charges and penalties.
2. A hearing shall be held on the matter by the City Council. Property owners with unpaid utility charges shall have the opportunity to object to the certification of unpaid charges to be collected as taxes are collected. If, after the hearing, the City Council finds that the amounts claimed as delinquent are actually due and unpaid and that there is no legal reason why the unpaid charges should not be certified for collection with taxes in accordance with this ordinance, the City may certify the unpaid charges to the county auditor for collection as other taxes are collected.
3. For each certification sustained, the property owner shall have the following options after the hearing,
 - a) To pay the delinquent amount listed on the preliminary roll, within ten (10) days of the hearing date.
 - b) To pay the certified delinquent amount after the hearing date, but before the county certification deadline.
 - c) To pay the certified charges as billed to them by McLeod County on their property tax statement with a collection term of one year.
4. Fifteen days after the hearing, the certified roll, minus any payments, shall be delivered to McLeod County.

F. Civil Action. The City may, at its discretion, file suit in a civil action to collect such amounts, as are delinquent and due against the occupant, owner, or user of the real estate, and shall collect as well all attorney's fees, court costs, court reporters fees, and other expenses of litigation incurred by the City in filing the civil action.