
Title: Utility Collection and Billing Policy

Department/Division: Corporate Services

Purpose:

The intent of this policy is to effectively and equitably manage the City of Owen Sound water and sewer receivables, work with customers to meet their payment obligations in a timely manner, rectify issues where payment remains outstanding, and account for the receipt of payments.

Scope:

The Utility Collection and Billing policy applies to all customers who purchase or receive water and sewer services from the City of Owen Sound, all property owners whose property is being supplied water and services and all City staff.

Definitions:

For the purposes of this policy:

“Authorized Employees” any Director of Corporate Services & Treasurer, City Manager, Director of Operations, Deputy Treasurer or designated employee of the City.

“Average Consumption” means a calculation done taking the average water consumption for a service address over the most recent consequent 12-month period.

“Billing Designate” means a person or entity authorized by the owner of the property to be the “Primary Account Holder”

“Billing Designate Application” means the form utilized by the owner of the property to appoint a tenant to be the “Primary Account Holder”

“Business Days” means Monday to Friday, 8:30 am to 4:30 pm, excluding statutory holidays.

“City” means The Corporation of the City of Owen Sound.

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“Collection Agency” an accredited collection company appointed by the City to collect debts owing to the City from delinquent customers.

“Customer” means any owner, occupant, lessee, tenant or any other person purchasing or receiving services from the City.

“Council” means the Council of the City of Owen Sound

“Due Date” means the last date by which an invoice must be paid by a customer in accordance with the terms of payment on the City’s invoice.

“Fee & Charges By-Law” means the current schedule of applicable fees, rates and other charges for the services, which may be amended by Council from time to time.

“Invoice” means a bill issued by the City to a customer indicating the amount owing over a single billing period for the delivery of water, sewer and meter service charges.

“Meter” means an apparatus for measuring the quantity of water used.

“Owner” means an owner of a building or of lands; or their agent/designate.

“Primary Account Holder” means an individual(s) whose names(s) are listed on the “Billing Designate Application”, the account and on the water utility invoice. The Primary Account Holder(s) is the main point of contact for the City and Payee(s) of any refund cheques issued unless otherwise instructed in writing by all the tenants listed on the “Billing Designate Application”.

“Payment Plan” means a written and signed payment arrangement authorized by appropriate city staff.

“Receivables” means any monies owed to the City of Owen Sound for goods and/or services rendered other than property tax.

“Services” means all water and sewer services supplied by the City.

Roles & Responsibilities:

Municipal staff assigned to the administration and collection of utility accounts shall adhere to the policy and procedures detailed below.

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Policy:

Readings

- All customers are required to grant authorized employees of the City access to the outside remote reader and water meter at the service address. Meters and remote readers must be accessible at all times.
- If a meter reading cannot be obtained a notice card will be left at the service address to contact Water Services.
- The City must be notified of a required final reading a minimum of five (5) business days prior to the date when a customer vacates or occupies the property and also when a property changes ownership.
- The City must be notified of the correct forwarding mailing address for the final invoice.

Residential & Commercial Tenants

a) Residential and commercial tenants requesting services with the City will be required to:

Complete a Tenant Application and Owner Authorization Form (hereinafter referred to as "Billing Designate Application"). When completed, the Billing Designate Application forms a legal and binding contract for the supply of water and sewer services that the customer, the owner and the City have accepted and have mutually agreed to the terms.

Under the terms, the Billing Designate(s) will agree:

- To pay all water and sewer charges when they are due for the period they are a tenant or occupant;
- Acknowledge that the City will pursue all legal remedies to collect any unpaid balances;

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- Notify the City of all tenant(s), occupant(s), and/or any tenancy changes; and
 - Provide access to the premises during regular business hours to allow authorized employees to read, repair, remove and replace meters.
 - Submit the Billing Designate Application a minimum five (5) business days prior to occupancy date.
 - Submit the Billing Designate Application in person, by mail, courier, facsimile, on-line or emailed in pdf format.
 - Designate a Primary Account Holder. There may be no less than one and no more than two individuals designated as the Primary Account Holder.
 - If a Billing Designate Application is not received by the City after an account has been final billed the new account will default to an owner held account.
 - All tenants moving into the Owen Sound Non-Profit Housing at 2150 9th Ave E. will be required to provide a \$200 deposit with their Billing Designate Application form. The deposit will be applied to the final bill when the tenant moves out.
- b) Owners of properties occupied by Residential and Commercial Tenants requesting services with the City will be asked to:
- Ensure the Billing Designate Application is completed in full and received by the city at least five (5) business days prior to the occupancy date.
 - Keep the City advised of any changes to the information listed on the Billing Designate Application.
 - In the event that there is only one water meter for multiple rental units or that a meter is inaccessible at a property the billing account must be an owner held account.

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Billing

- All properties connected to the drinking water system shall be metered.
- Every owner of land connected to the City of Owen Sound water or wastewater shall pay water and wastewater charges based on the metered water consumption and fixed charges at the rates specified in the City's Fees & Charges By-law.
- All water passing through the meter shall be charged for, whether used or wasted.
- In the event of a dispute, the reading of the water meter register shall be the sole evidence of the quantity of water supplied to a property owner/tenant unless the meter is proved to be defective through a meter test conducted by the City.
- In instances where there is a discrepancy between the meter register and the remote reading device, the reading taken from the meter register will be deemed correct.

Billing Errors

- Where billing errors have resulted in over-billing, the customer shall be credited with the amount erroneously billed for the relevant period, inclusive of any interest that has accrued, but not exceeding two (2) years.
- Where billing errors have resulted in under-billing, the customer shall be charge the amount erroneously not billed for a period not exceeding two (2) years. No interest will be charged.

Fees

All fees will be included in the City's Fees and Charges by-law. All fees are reviewed on an annual basis.

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Payment of Bills

- Invoices are due twenty one (21) days after the bill issue date.
- A customer may pay an invoice without the application of a late payment charge on the amounts paid on or before the due date.
- Where payment is made by mail, payment will be deemed to be made on the date the payment is received by the City. Where payment is made on-line, through telebanking or at a financial institution payment will be deemed to be made on the date payment is received by the City.
- A partial payment will be applied to any outstanding arrears and interest before being applied to the current billing, unless the City has made special considerations.
- Post-dated cheques will be accepted by the City.
- Pre-Authorized Payment Plan(PAP):

Payment may be paid by PAP if a customer provides a completed PAP Application form accompanied by a void cheque, copy of a void cheque or a pre-authorized debit form from the bank for which the amount owing will be withdrawn on the due date and for the amount due as indicated on the customer's bill.

- Active billing accounts with PAP's will be exempt from late penalties and will not accrue interest on outstanding balances, nor will interest accrue on credits.
- A customer must submit changes and/or cancellations to their PAP in writing a minimum of ten (10) calendar days prior to the next due date.

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Late Payment Charges

A late payment charge of 1.5% (18% per annum) calculated on the amount outstanding will be added to the invoice on the 15th of each month after the due date, and on each 15th of the month thereafter.

Eligibility for Sewer Surcharge Appeals

An appeal of a sewer surcharge will be considered if it meets any of the following criteria:

- Non-connection – Only customers connected to the sewer system will be charged.
- Flow differential exceeding 20% of water consumption – Appeals will be considered when the amount of flow differential exceeds 20% of water consumption. Flow differential refers to the amount of water consumed by the customer which does not discharge to the sanitary sewer system.
- Ineligible situations for reduced sewer charges are:
 - Lawn watering and garden irrigation – virtually all customers have usage of this type. This type of flow differential is considered “normal” and is not eligible for a rebate.
 - Swimming pools – The City does not allow sewer discounts to fill a pool because the water **should be** discharged into the sanitary sewer system. Many swimming pools have a bottom drain directly connected to a sanitary sewer, while others are pumped out or the water level lowered with portable pumps and the water is discharged directly into the homeowner’s sewer or onto the ground.
 - Plumbing Problems – Unusual and dramatic increases in water consumption are sometimes traced to plumbing problems. This type of appeal is not eligible because it is very difficult to

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measure the volume of water lost and to prove that the leak did not eventually reach the sanitary sewer system.

Leak Adjustments

- The City offers a one-time, leak adjustment. No adjustments will be made for bills less than \$250.
- Customers must fill out a leak request form and return to the Water Services Department within twenty one (21) days after receiving their bill.
- Customers requesting an adjustment whose bill is \$250 or more will receive a one-time, lifetime adjustment per location, based on the past nine (9) months average consumption.
- City staff may inspect the repairs and customers will be required to supply proof of repair from a certified plumber, receipts if repaired by owner/tenant or proof that plumbing is now functioning properly.

Payment Agreements

A payment agreement may be reached if approved by an authorized employee.

Returned Payments

- An administrative fee set out in the City's Fees and Charges by-law will be charged to the Primary Account Holder's account for any payment returned by the account holder's financial institution. A letter will be mailed to the Primary Account Holder advising of the returned payment. The amount of the returned payment, the returned payment fee (NSF fee) and any later payment charges will be added back to the Primary Account Holder's account.
- When a payment has been returned on a past due account the City will continue to collect the amount past due as if the payment was never made.

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- When a payment has been returned on a Primary Account Holder's account that has received a final notice, the amount of the returned payment, the NSF fee and any applicable late payment charges will be added back to the Primary Account Holder's account, and the City will continue to collect the amount past due in the usual manner.
- When a payment has been returned for a past due billing account, the Primary Account Holder has ten (10) days to pay the arrears, the NSF fee and any later payment charges, failing which the City may terminate the Primary Account Holders participation in the PAP.
- If payment has been returned for the same billing account two times or more in a calendar year, the City reserves the right to cancel the Primary Account Holder's participation in the PAP.
- The City may report returned payments to an accredited Collection Agency.

Past Due Notice & Transfer to Property Tax Roll

- In the case where the Primary Account holder is a tenant, active accounts with a past due balance greater than \$100.00 will receive arrears notices from the City. The Primary Account Holder shall receive a reminder notice and final demand notice as well as an administrative fee based on the City's Fees and Charges bylaw. If no payment is received or a suitable payment plan arranged within 15 days they will receive a service disconnect notice demanding immediate payment. Property owners will also receive a final demand notice.
- A Final Arrears notice shall be mailed to the Owner of the property advising that balances six (6) months in arrears will be transferred to the tax roll if payment is not received within thirty (30) days.
- Billing arrears that are more than six (6) months past due will be transferred to the tax roll with and Administration fee as set out in the City's Fee & Charges bylaw.

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- Outstanding balances less that \$100 will not be considered for transferring to the tax roll.

Final Billed Accounts

- A collection letter will be sent to the previous Primary Account Holder approximately five (5) days after the due date of the final bill.
- The City may add the arrears to the property tax roll after reasonable collection efforts have been made.
- A final billed Primary Account Holder with arrears may be reported to an accredited Collection Agency.
- A final Primary Account Holder who has a credit will be refunded. Any unclaimed credit will be held by the City for two years and then claimed as revenue. A written request may be required before the City will issue a replacement cheque.
- Credits or debits of \$10.00 or less for inactive accounts will be written off.

Recovery Through Monies Owed To The Customer

If the City of Owen Sound is holding any monies owing to the customer, such as accounts these amounts will be applied to the customer's tax arrears, with notification to the customer.

Water Shutoff

Customers will be charged a water shutoff and turn on fee based on the City's Fees & Charges bylaw.

Unauthorized Interference with a Meter

- No person, except a person authorized by the City for that purposed, shall be permitted to open, or in any way whatsoever to tamper with the meter, remote reading device or with the seals placed thereon, or do any manner of thing which may interfere with the proper

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registration of the quantity of water passing through such meter or the operation of the units.

- Should any person change, tamper with or otherwise interfere, in any way whatsoever, with any meter(s), remote reading devices, and/or equipment placed in or on any building or property the Water Services Department may forthwith shut off the water to such building or property, and the water shall not be turned back on to such building or property without the express consent of an Authorized Employee of the City. The owner or designated account holder of the property will be charged a fee for turning the water off and on, along with any applicable fines for illegal tampering and/or damage, as specified by the Fees & Charges bylaw.

Reservation of Rights

The City reserves any and all rights permitted by law to collect, enforce or realize upon any monies owed to or collectable by the City in addition to any steps set out in this policy.

Compliance

In cases of policy violation, the City may investigate and determine appropriate corrective action.

Appendices:

Billing Designate Application Form

Leak Adjustment Request Form

Revision History:

By-law Number	Date
2018-125	August 13, 2018