

Town of Liberty

Water & Sewer Connection Policy and Agreement

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by the Liberty Town Council

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Table of Contents

| | |
|--|-----------|
| Table of Contents | 2 |
| Record of Amendments | 5 |
| Introduction | 6 |
| Section 1 – Town of Liberty Public Utilities | 6 |
| A. Establishment | 6 |
| B. Authority | 6 |
| C. Office and Service Hours | 6 |
| D. Continuity of Service | 7 |
| E. Scope & Intent | 7 |
| F. Application of Policies | 7 |
| G. Customer Request for Policies | 7 |
| H. Privacy | 8 |
| Section 2 - Establishing Service | 8 |
| A. Connecting to the System | 8 |
| B. Service to Existing Connections | 9 |
| C. Utility Application Processing | 9 |
| D. Service to Commercial and Industrial Accounts | 10 |
| E. Multiple Delinquencies per Service Location | 11 |
| F. Time and Place of Application | 11 |
| G. Temporary Connections and Disconnections of Utility Services | 11 |
| H. Estate Account and Deceased Account Holder | 11 |
| I. Customer Responsibility for Piping | 12 |
| J. Prior Debts | 12 |
| K. Deposits | 12 |
| L. Refunds of Deposits | 13 |
| M. Future Deposits | 13 |

| | |
|---|------------------------------|
| N. Reasons for Denial of Service | 13 |
| Section 3 - Rates, Fees, and Application of Fees | 13 |
| A. Establishment of Rates and Fees | 13 |
| B. Determination of Utility Rates | 13 |
| C. Late Fee | 14 |
| D. Fee for Nonpayment | 14 |
| E. Tampering Fee | 14 |
| F. After Hours Reconnection Fee | 14 |
| G. After Business Hours Appointment | 15 |
| Section 4 - Billing for Service | 15 |
| A. Billing Cycle | 15 |
| B. Meter Reading | 15 |
| C. Payment Options and Application of Payments | 15 |
| D. Service Changes | 16 |
| E. Billing Changes | 17 |
| F. Address Changes | 17 |
| G. Transfer of Existing Customer to Location | 17 |
| H. Failure to Receive Utility Bill | 17 |
| Section 5 – Discontinuing Service | 17 |
| A. Closing a Utility Account | 17 |
| B. Forced Closing of a Utility Account | 18 |
| C. Termination of Service | 18 |
| D. Customer's Rights Prior to Discontinuance of Service | 18 |
| E. Chronically Ill and Life Support Customers | 19 |
| F. Involuntary Discontinuance of Service | 19 |
| G. Reconnections | 19 |
| Section 6 - Operational Policies | Error! Bookmark not defined. |

| | |
|--|-------------------------------------|
| A. Billing Adjustments | Error! Bookmark not defined. |
| B. Meter Testing | Error! Bookmark not defined. |
| C. Responsibility for Leakage | Error! Bookmark not defined. |
| D. Damage to Plants and Shrubs | 25 |
| E. Damage to Town Equipment | 25 |
| F. Irrigation Water Meters | 26 |
| G. Returned Check/Draft Processing | 26 |
| H. Debt Collection | 26 |
| I. Internal Audits and Evaluations | 26 |
| J. Town Staff Continuing Education and Training | 26 |

Record of Amendments

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Introduction

The policies and procedures contained in this document are intended to define the relationship between the customer of utility services including water, wastewater, and solid waste collection and the Town of Liberty. These policies are, by notification of and availability to all customers, made part of the contract for service entered into by the customer. By contracting for service, the customer acknowledges the applicability of these policies and procedures and agrees to abide by them.

Section 1 – Town of Liberty Public Utilities

A. Establishment

The Town of Liberty (Town) owns and operates water and wastewater utilities in accordance with applicable State and Federal regulatory requirements and under permits issued by the State of North Carolina. These policies, as amended periodically, are adopted by the Liberty Town Council to govern the relationship between the Town and its utility customers.

The Public Services Department (hereinafter referred to as Department) is operated as a Town Department. Operational authority of the Department rests with the Town Manager while the Town Council retains governing authority of the utilities. The terms Department and Town may be used interchangeably in this document.

B. Authority

The enactment of standard utility policies requires the approval of the Town Council. As fee schedules, rates and other specific policies are updated, it will be the responsibility of the Town Manager or their designee to ensure this policy manual is revised in accordance with Town Council action. The Town Manager is authorized as the hearing or grievance officer for customers. As such, the Town Manager, or their designee, is authorized to hear concerns and complaints, settle disagreements, and reconnect any customer disconnected for nonpayment or other reason while the concern is investigated, if that official deems necessary. Hearings are addressed in Section 5, Discontinuing Service.

Prior to an item appearing before the Town Council, all grievances should be heard by and submitted to the Finance Director for review and recommendation to the Town Manager for possible resolution.

C. Office and Service Hours

The Town Hall is located at 239 South Fayetteville Street and is open from 9 a.m. to 5 p.m. Monday through Friday. Routine and regular service work will be performed from 7 a.m. to 4 p.m. Monday through Friday except for municipal holidays. Service work for unusual conditions may be arranged at other times upon customer request and may require an additional fee.

A 24-hour drop box is available for customer's convenience next to the drive through window of Town Hall. Payments made at the drop box after 5:00 p.m. are posted the next business day.

Emergency restoration work is performed 24 hours a day, seven days a week. Please call us at 336-215-7887 for emergency service. If an emergency occurs during non-business hours, please contact 9-1-1. Reconnection due to disconnection of service for nonpayment is not considered an emergency. Dispatch for reconnection of services that were disconnected due to nonpayment, or similar instances, will result in additional fees being assessed to the account holder.

D. Continuity of Service

All reasonable efforts are made to assure continuity of services to customers. Notice is given by posting signs and door hangers, by mass calling using the REACT emergency notification system, or by personal contact of predictable interruptions to services resulting from systems maintenance operations or repairs. The Department may suspend water and sewer services as a result of accidents requiring major repairs, loss of the water supply, public health emergencies, at the direction of the courts or public authorities or as a result of strikes, riots, war, fire, flood or other disasters (Town Code 50.030). Although the Town uses its good faith effort to see that utilities are delivered safely, the Town is not responsible for any damage caused by interruption of utility services. The customer understands that instances may occur where service is interrupted beyond the control of the Town and that no compensation will be rendered for such loss of service.

E. Scope & Intent

The intent of these policies is to provide the customer, and the employees of the Town a helpful guide with uniform procedures for providing utility service. This policy is not meant to be all-inclusive but offers direction and guidance. The Town desires to treat its citizens in a fair and nondiscriminatory manner, while recognizing that each customer has distinct needs and requirements.

These policies and procedures have been established as guidelines for the day-to-day operations of the Town of Liberty Public Utilities. These are intended to be used and referred to by the Town Council and any employees or agents of the Town for determining actions and procedures to be followed with respect to town utilities.

These policies and procedures may be periodically revised through recommendation by the Town Manager and with approval of the Town Council. Town of Liberty utility services are regulated by the Liberty Code of Ordinances, general utility law, and North Carolina General Statutes. Policies adopted and amended by the Town Council are available on file with the Town Clerk and on www.Liberty-NC.com.

Employees of the Town have been empowered and trained to use these policies to deliver high quality service to customers. Employees are expected to deal with each situation with empathy and understanding, listening carefully to the needs and requirements of individual customers. Ultimately, the Town Manager is the final authority on these policies. However, every customer has the right to appeal any decision before the Town Council. See section *Customer Rights Prior to Discontinuance of Services* for details.

These policies are not meant as a substitute for personal initiative on the part of employees but to serve as a guide for reasonable response to customer needs while meeting the requirements of good business practices on the part of the Town.

F. Application of Policies

These policies apply to every customer and/or applicant for utility service and may be revised, amended, supplemented, or otherwise changed periodically by action of the Town Council.

G. Customer Request for Policies

A summary of this policy is to be given, or offered to all customers and applicants for service. Customers may obtain a full copy of the Town's policies from Town Hall or on the Town's website www.Liberty-NC.com. Customers may also request a verbal explanation of policies and are encouraged to seek answers to any questions by contacting Town Hall.

This information is available in Spanish or any other language upon request. Please contact the Town Manager at 336-622-4276 or at 239 S Fayetteville St. Liberty, NC 27298 for accommodations for this request.

Esta información está disponible en español o en cualquier otro idioma bajo petición. Por favor, póngase en contacto con Town Manager al 336-622-4276 o en 239 S Fayetteville St. Liberty, NC 27298 de alojamiento para esta solicitud.

H. Privacy

Our application/agreement requests that the potential customer provide their social security number. We request this number to verify identity, protect sensitive account information, and collect delinquent balances once a customer vacates a property. There is no statutory or other authority requiring any customer to provide a social security number. However, when customer billing data is requested, the last four digits of the social security number or Tax ID Number will be used to verify identity prior to any information being given out by staff. Staff members have the authority to request other verifying information to protect customers against fraud.

Customer billing data is not considered public information. The Town will ensure that customer information, including billing data, is adequately safeguarded against unauthorized use.

Section 2 - Establishing Service

A. Connecting to the System

New customers connecting to the water and/or sewer system may apply for the desired services in the following manner: In accordance with Town Ordinance 50.003, any application shall be delivered to Town Hall during business hours on a prescribed form. For detail in regards to connection requirements, see Chapter 50: General Water and Sewer Provisions of the Liberty Code of Ordinances. Applications received for connection to town infrastructure are reviewed on a case-by-case basis and are not guaranteed for approval.

1. New customers may apply for service where the necessary water distribution and sewer collection pipes exist beneath or adjacent to streets abutting the property. Customers will be required to complete an Application for Connection to Town Infrastructure. Upon approval of the application, customers will pay the proper tap fee and schedule a date of connection. Customers approved for connection to infrastructure will also be required to complete an Application for Utility Services acknowledging responsibility for payment of bills to begin at the time of connection to Town infrastructure.
2. If service is requested where the necessary water distribution and sewer collection pipes DO NOT exist beneath or adjacent to streets abutting the property, and a customer would like to encroach upon other property in order to connect to existing infrastructure, the customer shall provide legal easements for any property encroached upon between Town infrastructure and customer property. Customers will also be required to complete an Application for Connection to Town Infrastructure. Upon approval of the application, customers will pay the proper tap fee and schedule a date of connection. Customers approved for connection to infrastructure will also be required to complete an Application for Utility Services acknowledging responsibility for payment of bills to begin at the time of connection to Town Infrastructure. Customers will be responsible for all costs incurred to extend personal infrastructure to connect to that of the Town.

3. If service is requested where the necessary water distribution and sewer collection pipes DO NOT exist beneath or adjacent to streets abutting the property, the owner/developer of said property shall be responsible for the cost of extending service to the property. Proposals for service connection involving the extension of Town infrastructure will be reviewed independently.

B. Service to Existing Connections

Service may be provided to existing connections upon the completion of an Application for Utility Services available at Town Hall or on the Town's website. This application form may be submitted in person, via mail, email or via facsimile. However, in order to verify identity, a valid government issued identification document (driver's license, passport, state identification card, military identification card, etc.) and validation of the applicant's social security number must be provided. A new application must be submitted for every connection, regardless of prior connections to an existing address or customer history.

C. Utility Application Processing

Customers wishing to establish service will be required to complete an Application for Utility Services.

All persons requesting utility services must provide the following information:

- Full name
- Mailing Address
- Service Address
- Home, Cell, & Work Phone Numbers
- Email Address (if available)
- One valid form of government issued identification with photo – Driver's License, Passport, or State issued ID (ID will be scanned into the system for attachment to the customer's account for identification purposes and one copy will be attached to the application for validation of signature on file).
- Presentation of social security card or acceptable documentation noting a social security number for validation of number. (A copy of this document will not be kept on file). Refusal of presentation of a valid social security number may result in a higher rate of deposit. See subsection *Deposits* for detail. Social security numbers may be used to collect any delinquencies due the Town.
- Connection date of services
- Employer Name and Address
- Property Owner Name and Telephone Number
- Any additional information necessary for accurate processing of account application and recordation of history
- Property Type (Residential, Commercial, Institutional, Industrial)
- Signature and Date Signed
- Proof of Property Ownership or Occupancy (see below)

Property Owners shall provide a closing statement or deed to verify ownership. Property owners may have utilities connected at more than one location as long as all accounts remain current. Any prior delinquency for utility services at any location may prevent a property owner from establishing new service. See subsection *Prior Debts* for details.

Non-Property Owners shall provide the Town with a copy of a lease/rental/occupancy agreement and will be limited to one service location at any given time. The non-property owner's utility account will be set up in the name or names specified in the lease/rental/occupancy agreement. In the event that any person named in the lease has any outstanding utility debt with the Town, that debt shall

be paid in full prior to service connection. See subsection *Prior Debt* for details. If a lease/rental/occupancy agreement cannot be provided, an Application for Utility Services may be denied.

Multi-Unit Residencies shall provide the Town with verification of ownership listing all units by street address and unit number, if applicable. Owners of the property shall provide the Town with a list of authorized agents who act upon their behalf (e.g. site managers, real estate agents). The account may be set up in the name of the property owner, site manager, or real estate agent. A federal identification number or social security number must be provided for access to account information and use in the collection of any delinquencies owed to the Town. It is recommended that multi-unit establishments request for account responsibility to automatically revert back to the establishment when a tenant requests for services to be discontinued in their name. If a tenant disconnects service without the account reverting back into the name of the establishment, or if a tenant is disconnected for non-payment and vacates the premise, an Application for Utility Services must be filled out and submitted and a service initiation fee must be paid in order to have services connected at any unit. Requests may be submitted in person, by email or via fax without verification of information as long as ownership information has been previously verified and is on file with the Finance Director. Multi-unit residency owners or agents may have utilities connected at more than one location as long as all accounts remain in good standing. Any prior delinquency for utility services at any location may prevent an owner from establishing new service. See subsection *Prior Debts* for details.

Revert-To-Owner Contract for Continuous Utility Service shall provide property owners and managers the ability to maintain continuous utility service while a rental unit is vacant. A Contract must be completed and a listing of all premises (service addresses) must be completed and submitted by the Owner(s)/Property Manager(s). By signing the contract, the owner(s) or manager(s) are agreeing to be responsible for utility services and related costs between the time service to outgoing tenants is terminated and service to incoming tenants is initiated. Upon completion of the contract, staff is to assign a contract number, add all service addresses to the Revert-To-Owner Property Listing, set up owner information in the utility billing system, and file accordingly. Utility bills for all properties included in the Attachment A of the Contract will be sent to the mailing address provided on the Contract and may not be the same as one of the properties covered in the contract. Service is to automatically revert to the owner upon notification by a tenant to discontinue service in their name. As stated in the contract, no notification will be given to the owner/manager in such a situation. If service is discontinued by the Town due to non-payment or interference with normal service (i.e. meter tampering), service shall NOT automatically revert to the owner. Once service has been terminated for non-payment or interference with normal service has occurred, service at the premises will be reinstated only if (1) arrangements are made to pay in full all amounts due on the account in accordance with these policies; or (2) proof is provided to the Town of Liberty that the non-paying tenant no longer occupies the premises. Owner(s)/Property Manager(s)/Tenants may be denied service in the instance the Owner(s)/Property Manager(s) are delinquent at any utility service location. The contract shall be made in an initial term of twelve months and shall be automatically renewed for subsequent terms of twelve months. Termination of the contract must be provided in writing by either party. Changes to the contract must be submitted in writing and processed within thirty (30) days. Adding a property to the Contract will not automatically activate a meter that is not in use. Town staff must be notified and directed to activate meters at a property that is not in use.

D. Service to Commercial and Industrial Accounts

Accounts established for non-residential service will require a signature by a duly authorized representative of a business entity. For a business not operated by a recognized legal entity, the account will be listed in the name of a responsible person (owner, manager, etc.). That person accepts the personal responsibility for payment of the account and must notify the Town of any changes in ownership. For a business operated by a recognized legal entity, the account will be listed

in the name of a responsible person "DBA" (doing business as) the name of the company. Non-residential property applicants use the same application and require the same information as residential property applicants and are subject to all utility policies and procedures as described in this document.

E. Multiple Delinquencies per Service Location

The property owner, or their specified agent on record, will be required to be the contracting utility customer after two (2) delinquencies on utility accounts have occurred at a specified location in a five (5) year period. A delinquency on a utility account is when a utility customer is indebted to the Town after all deposits and payments are applied during the finalization process. Service will remain in the name of the owner or agent; however, an authorization form to release utility billing information may be completed in order to give additional persons access to account information for the purpose of payment and balance requests.

F. Time and Place of Application

Persons requesting utility services can complete the application process and submit all required documentation to Town Hall between 9:00 a.m. and 4:00 p.m. Monday through Friday. No service will be connected until all application procedures have been completed and any fees/balances, if applicable, are paid in full. Applications submitted after 4:00 p.m. may be processed; however, utility services will not be performed until the following business day. The Town will strive to meet each customer's needs for connection of service. Normal connection will be made in a timely manner during regular business hours. The Town reserves the right to inspect the premises prior to connection to determine if utility service can be received at the premise in a safe manner.

Water customers who request connection or reconnection of water service shall have a representative present in the residence when service is established to ensure that no damage is caused as the connection is re-established. The Town shall not be held liable in such instances and the customer will indemnify and hold harmless the Town and its agents in such instances.

G. Temporary Connections and Disconnections of Utility Services

Customers may request temporary connections and disconnections of service for a period not greater than ten (10) days. Persons wishing to establish temporary service must follow the Utility Application Process. In addition to providing the connection date when applying, the date of service disconnection must be provided and scheduled. If at any time during temporary connection an extension for services is requested, the account will take on permanent status and follow all policies and procedures for normal service, including but not limited to fees, rates, and/or deposits. Extensions for temporary service will not be granted until fees, rates, and/or deposits are received. Temporary service will be billed at a prorated amount based on the number of days the account is active in the billing cycle plus any consumption billed at the regular rate. Services provided for a period of more than 10 days are subject to regular rates.

H. Estate Account and Deceased Account Holder

A Utility Billing Change Form must be completed in order to transfer an account into the ownership of an estate. The Town may request legal documentation from the executor or the person responsible for administering an estate. The account will then be established in the estate's name. It is the responsibility of the executor or other person administering the estate to notify the Town of any changes in account status. The Town of Liberty will allow an account to remain in the name of an estate for a period of 4 months from the date of service connection. It is the responsibility of the executor or administrator of the estate to either disconnect or transfer ownership of the account into

the name of a responsible person prior to this date. If an application has not been processed to transfer ownership of the account by this time, services may be disconnected without further notice.

When an account holder is deceased, a Utility Billing Change Form must be completed in order to transfer an account into the name of the responsible party. The Town may request legal documentation including, but not limited to, death certificates in order to process the utility billing change request. If the Town of Liberty receives notice or determines that an account holder is deceased, notification of account closure will be mailed to the address on record. The letter will set forth a date in which a Utility Billing Change Form must be received in order to continue services at the location of the deceased account holder. If the responsible party is not the property owner, an Application for Utility Services must be filled out and the application process must be completed in accordance with this policy.

I. Customer Responsibility for Piping

Each customer is responsible for water and sewer piping on his/her property. The customer is responsible for obtaining any permits, approvals, inspections, or easements. Installation is governed by the North Carolina Building Code and inspection of such new water and sewer piping is completed by the Randolph County Building Inspector. Any new taps must be inspected by the Public Services & Recreation Director or designee. Sharing services between buildings on different properties, except for condominiums and group residences, is not permitted. For detail regarding system operations for the Town of Liberty, please refer to the Liberty Code of Ordinances, Title V Chapter 50 (Town Code 50.055).

J. Prior Debts

The Town will refuse to furnish new service to an applicant who is indebted to the Town for service previously furnished at any location connected to Town infrastructure where they were the responsible party. Also, service will not be established if any member of the household has an outstanding account with the Town at the time of an application for service. In the instance that debt to the Town is not discovered prior to approval of application, the customer must be informed immediately upon discovery. The previous balance will be transferred to the customer's current account where it will become part of the balance due for services. Customers will be expected to pay the previous balance in full along with their subsequent monthly bill in order to avoid having services interrupted for nonpayment. If the previous balance is of significant amount, a customer may apply for an extension or payment plan in accordance with this policy. Failure of staff to discover a previously owed debt does not relinquish the debt owed to the Town by the delinquent customer.

K. Deposits

Customers wishing to establish service at any location in which they are NOT the owner on record, or to any location that serves a mobile home or temporary structure, are required to pay a utility deposit in accordance with the current fee schedule. The full amount of the deposit must be paid prior to services being connected at any location. Temporary service connections may require a deposit if an extension for service beyond the initial disconnection date is requested.

The Town may not make the provision of a social security number mandatory for service connection. However, election not to provide a valid social security number will subject the customer to a deposit equal to three (3) months of the applicable base rate(s) before service is established. This deposit will be in addition to the required deposit for applicants. This type of deposit is required by any applicant, including property owners and agents, wishing to establish service without providing and verifying their social security number.

Payment for deposit must be made by cash, money order, or credit card. No checks will be accepted for payment unless funds can be verified by the banking establishment.

L. Refunds of Deposits

Deposits will remain on account throughout the life of the account. When services are requested for disconnection or are terminated by the Town, the deposit on account will be applied to any balance due, including the final bill, prior to funds being refunded. Deposit refund checks will be issued to the same name as the account holder and mailed to the last known address unless another address is provided.

Deposits are transferrable from one location to another as long as there is no outstanding debt on the account. Deposits will only be transferred from one location to another under the same account holder. An administrative fee, in accordance with the current fee schedule, will be due for the processing any new application.

M. Future Deposits

Any customer whose service is involuntarily terminated for nonpayment, tampering, or other reasons more than twice (2) in any twelve (12) month period AND does not already have a deposit on account will be required to pay a deposit, as specified in the above paragraphs, prior to reconnection of service. This applies to all customer accounts, including those maintained by owners of property, or their specified agent.

N. Reasons for Denial of Service

Applications for utility service may be denied for any one of the following reasons:

- A lease/rental/occupant agreement cannot be provided
- Validity of lease/rental/occupant agreement is in question and the property owner cannot be reached
- There are two or more delinquencies at a service location in a five (5) year period occurring after adoption of these policies resulting in services being provided to the property owner or agent on record only
- Questionable Identification – inability to provide verifiable or valid identification

Section 3 - Rates, Fees, and Application of Fees

A. Establishment of Rates and Fees

The Town Council reviews rates and fees each year during the budget process. The Council examines current and future needs (including adequate reserves) of the systems in order to establish rates that are adequate to meet these needs. Rates and fees for all utility services are established and adopted by the Liberty Town Council. Rates and fees are generally set in a fee schedule adopted with the annual budget; however, rates are subject to change throughout the fiscal year.

B. Determination of Utility Rates

Every account in the utility account system must contain rate codes regardless of whether it is active or inactive. All government locations should maintain an active account to track consumption used to ensure accurate records are kept. Utility rates for specific locations are based on a number of factors including residency, connection/meter size, and number of establishments connected to a single service connection. Water charges are billed according to the number of gallons metered within a billing cycle. Sewer charges are based on the total number of gallons recorded on the water meter

within a billing cycle. Solid waste charges are based on the number of containers delivered to a location. All in town properties receiving utility services are required to have solid waste services and will be charged the solid waste fee, as set forth in the current fee schedule, except where solid waste services are provided independently.

C. Late Fee

A late fee, as set forth in the current fee schedule, will be applied to any utility account whose current bill is not paid in full by the due date. This includes accounts where only a partial payment has been received during the month. This fee may also be applied to any account whose payment arrangement has defaulted or is delinquent. The late fee will be applied to applicable accounts at 5:00 p.m. at the close of business on the due date. In the instance the due date occurs on a weekend day or holiday, the late fee will be applied after 5:00 p.m. on the following business day. Payments received after this time, whether in person, by mail, or in the drop-box will still be deemed past due.

D. Fee for Nonpayment

A fee for nonpayment, as set forth in the current fee schedule, may be applied to any utility account with a past due balance on the 5th day of the month following the due date, normally the 15th of the previous month. This includes accounts where only a partial payment has been received during the month. This fee may also be applied to any account whose payment arrangement is defaulted. The fee for nonpayment may be applied to applicable accounts at 5:00 p.m. at the close of business the 5th day of the month following the due date. If the 5th *of the month* occurs on a weekend day or holiday, the fee for nonpayment will be applied after 5:00 p.m. on the following business day. Payments received after this time, whether in person, by mail, or in the drop-box will still be deemed delinquent.

A fee for nonpayment is in direct relation to scheduled service disconnection due to non-payment. This fee must be paid, along with any balance due, in order to have services reinstated if disconnection for non-payment occurs. Personal checks are not an acceptable form of payment to reestablish service after disconnection occurs for nonpayment.

E. Tampering Fee

In accordance with the Liberty Code of Ordinances, it shall be unlawful for any person or plumber to tamper with any water meter or open any water service valve in the town without first consulting the Public Services & Recreation Director or designee. Furthermore, no person shall touch, tamper or in any manner manipulate or turn the cut-offs on the water mains or meters forming a part of the water system of the town, nor shall any person tamper with or harm in any manner whatsoever any water or sewer line, main or any appurtenance thereto. N.C. General Statute 14-151.1 allows the Town to hold responsible the "person in whose name such meter is installed or the person or persons so using or receiving the benefits" to be fined penalty for tampering. If the town finds that a meter, line, apparatus, etc... has been tampered with, a penalty, as set forth in the current rate schedule, will be applied to the person responsible for service at that particular location. Services will be disconnected until such fee is paid in full. If tampering occurs when an account is not active, the owner of the property shall be fined penalty and held responsible for such tampering. In addition to penalty, the customer or owner will be charged for the amount of any losses or damages sustained for each tampering incident. The Town of Liberty reserves the right to prosecute all cases of tampering, utility theft and fraud to the fullest extent of the law.

F. After Hours Reconnection Fee

If a customer wishes for services to be reconnected at any location between the hours of 4:00 p.m. and 5:00 p.m., Monday through Friday, an after hours reconnection fee will be due, in addition to

any other fees that may apply. After hours reconnections are performed for customers whose service has previously been disconnected for nonpayment.

G. After Business Hours Appointment

A charge, determined by cost, will be levied for service calls made by Town personnel outside their normal working hours of 7:00 a.m. to 4:00 p.m. on weekdays and on weekends, which are initiated by customers or their agents. Each request must be documented on a Town Service Request Form by the customer acknowledging responsibility for charges that may accrue.

Section 4 - Billing for Service

A. Billing Cycle

Bills are mailed on or about the 20th day of the month. The first *and final* utility bill for a customer will be prorated based on the number of days the account is active in the billing cycle and will include charges for all consumption billed at the regular rate.

A bill is past due if not paid by 5:00 p.m. on the 15th day of the following month. If the 15th day of the month falls on a weekend day or holiday, the customer will have the next business day to pay without penalty.

A bill is subject to disconnection if not paid by 5:00 p.m. on the 5th day of the month following the due date. If the 5th day of the month falls on a weekend day or holiday, the customer will have the next business day to pay without penalty.

Service for delinquent accounts is scheduled to be disconnected on the 6th day of the month. If the 6th day of the month occurs on a Friday, weekend day, or holiday, services will be disconnected the following business day. Provided if the scheduled date of disconnection is directly before or within three days prior to town hall being closed for an extended period (i.e. more than one day), services will be disconnected the following business day in accordance with this policy. The delinquency fee and account balance must be paid in full before service is reconnected.

B. Meter Reading

All locations containing a meter will be read on a monthly basis regardless of the status of an account. Consumption will be noted and meter reading sheets will be provided to the Director of Utilities. Staff conducting meter readings will note any meter where readings are questionable or meters that appear to have stopped working. The customer should maintain the area of the meter box serving the property in a manner that keeps it unobstructed by shrubs, grass, weeds, mulch, dirt, or other similar materials. Similarly, vehicles may not be parked over the water meter. The Town will take all measures necessary to ensure reading of the meter including towing of vehicles. If a failure to retrieve a reading is due to customer (or their agent) obstruction or due to damage caused by a customer (or agent), notice will be given to the customer. If failure to comply with the notice occurs, a tampering fee will be applied to the account and a fee to recover any costs incurred shall be invoiced and applied to the customer's account. Meters may not be read the same day each month. The actual dates of meter reading for a particular account are shown at the top of each utility bill.

C. Payment Options and Application of Payments

The Town accepts cash, checks made payable to the Town of Liberty, money orders, and VISA/Mastercard credit card payments in person and online.

All checks must be made payable to the Town of Liberty. Third-party checks ARE NOT an acceptable form of payment to the Town. Also, no cash change will be given for checks written for an amount greater than the account balance; any overpayment will be credited to the customer's account. The Town of Liberty reserves the right to verify funds on any check presented for payment on account before or after accepting such payment. If a customer's banking institution denies the Town the ability to verify funds, checks presented for payment may be denied. Staff must make sure that the account number is listed on the check. Also, the check number should be entered into the cash management systems description line for future reference.

Refusal to accept methods of payment: Due to processing charges, credit cards cannot not be used for payments totaling over \$1,500. The Town reserves the right to refuse personal checks from customers who have had two (2) or more returned checks applied to their account within a twelve (12) month period. Checks are also not an acceptable form of payment to reestablish service after disconnection due to nonpayment.

Partial Payments: In the event a customer does not pay the total amount due on an account, Town staff will post the partial payment made to the appropriate account. Customers understand that the account balance due must be paid in full to avoid disconnection of service. **At no point will staff return or refuse a payment to an account, unless the refusal of payment method is otherwise described in this policy.** Partial payment of balances due on a customer's account shall be applied in the following order, when applicable:

1. Solid waste service charges
2. Charges and fees – such as, but not limited to, late payment penalties, delinquency fees, and charges resulting from damage to Department equipment and/or property.
3. Sewer service charges
4. Water service charges

Payment Drop-Box: A drop-box is located next to Town Hall for check and money order payments. Cash payments are receipted in Town Hall during regular business hours, Monday – Friday, 9:00 a.m. to 5:00 p.m. Any payments placed in the drop-box after 2:00 p.m. will be posted the next business day. Payments placed in the drop-box after 5:00 p.m. on the due date and after 5:00 p.m. on the 15th day of the month will not be applied to the customer account until the next business day; thus, penalties may be applied in accordance with this policy.

Autopay: Customers can have their bill drafted directly from their bank account or credit card each billing cycle. Bank drafts for utility billing are processed on the due date. Autopay may be elected through InvoiceCloud and the terms and conditions will be explained and must be accepted. Returned drafts will be handled in the same manner as returned checks.

D. Service Changes

There are three (3) types of service changes:

1. Service Connection where the Town pipes, shutoff valve and water meter and/or sewer connection, if applicable, are initially installed at the customer property,
2. Service Disconnection where the installed water meter is taken out of service by the Town, and
3. Service Reconnection where a water meter is restored to service in previously used Town piping. Provision of sewer service coincides with the status of the associated water meter.

Changes in service are authorized by written application of the customer or his/her agent to the Town. Charges for service changes are as set in the fee schedule adopted annually by the Town Council.

E. Billing Changes

It is the responsibility of the property owner, account holder, or authorized designee to advise the Town to whom and to what address bills are to be sent (e.g. new owner or renter). A Utility Billing Change Form is available from Town Hall for any changes that are necessary to an account. Only an account holder or authorized party can request changes to billing information and statuses.

F. Address Changes

Customers must advise the Town of any change in the address to which bills are to be mailed. There is no charge for such changes. **Failure to receive a bill sent by mail will not excuse late payment or nonpayment of bills.**

G. Transfer of Existing Customer to Location

If an existing Town customer moves from one location serviced by the Town to another location serviced by the Town, consumption charges will be billed based upon actual final meter readings and initial meter readings. Customers may transfer service from one location to another as long as any balances are not past due. The remaining amount owed and any fees from a previous service may be transferred to the new account.

If the customer has an account that is past due, the customer will have to pay that amount before the account can be transferred. The deposit from the previous account will be transferred and an additional deposit may be required in conjunction with the regulations of this policy.

Utility customers requesting to transfer their service from one Town of Liberty location to another must follow the Application for Utility Services process, including payment of a service initiation fee. The customer may also be required to update the deposit at this time. When transfer paperwork is being completed, a "connect" date at the new address and "disconnect" date at the previous address must be given. Services at two addresses may not "overlap" for more than 14 days. The customer is still responsible for any outstanding balances at the previous address. Failure to pay such balances will result in involuntary disconnection at the new address.

H. Failure to Receive Utility Bill

Once a utility bill has been placed in the mail or dropped off at the US Post Office, the Town is no longer responsible for that utility bill. Payment for that utility bill is due to the Town even if the customer does not receive it in the mail. All customers who receive utility service with the Town understand, regardless of receiving a bill, that payment is due for services received. Failure to receive a utility bill does not exclude any account from penalty or disconnection.

Section 5 – Discontinuing Service

A. Closing a Utility Account

After an account has been closed by either customer request or demand of the Town, all funds (including deposits, refunds, and overcharge credits) will be applied against amounts owed the Town on the closed account. This includes any joint accounts the customer may have with the Town. When those accounts have been cleared, a check for the remaining money will be issued to the customer and sent to the last known address on record. Refund checks will only be issued in the name of the account holder.

B. Forced Closing of a Utility Account

Within 15 days after termination of utility service, the account will be closed. All fees and credits are then added to the balance and a "final" bill will be issued to the customer. Any balance owed to the Town will remain a receivable until paid. All legal means of collection for a delinquent account in arrears will be taken.

C. Termination of Service

Requesting Discontinuance of Service: Any customer requesting discontinuance of service will inform Town staff of the location of disconnection, date service is to be disconnected, and the forwarding mailing address for the final bill. Due to privacy issues, the account holder, or authorized party, must be the one to request the termination of service. In the event that the account holder has become incapacitated or deceased, legal documentation must be provided that the person requesting termination of service is an authorized representative of the customer.

Disconnection Scheduling: Under normal conditions, disconnection from the Town's utility system will be performed the same day if the request is received prior to 3:30 p.m. A request received after 3:30 p.m. will normally be fulfilled the next working day.

Final Bill: A customer's final bill will be mailed in a timely manner to encourage collection and customer understanding. The final bill will include all consumption used up to the time of service disconnection and any other charges or amounts due.

D. Customer's Rights Prior to Discontinuance of Service

Disputed Bills: If a customer believes the Town has made an error in calculating a utility bill, or otherwise disputes the obligation to pay the bill, the customer or the customer's authorized representative may arrange a meeting to discuss the matter. Any dispute of a utility bill should be expressed to the Town prior to the due date. When disputing a bill, the customer may first attempt to resolve the issue with the Billing Representative. The Billing Representative must document the dispute in the account notes.

- If the customer, after this conversation, still disputes the bill, the customer has the right to file a written appeal to the Finance Director. This appeal should include the reason for the dispute and any evidence proving the inaccuracy of the bill. Written appeals should be received within 30 days of the disputed bill date; however, according to General Statute, the customer has 3 years.
- The Finance Director will review the appeal and send a written reply within a reasonable amount of time to the address shown in the billing system, noting the decision regarding the appeal and any substantiation for the decision and direction on any further course of action that the customer may take.
- The account of any disapproved appeal shall be assessed penalty, if due, at the time the appeal process is closed.

Extensions: After a customer has established six months worth of history with the Town (including billing and payment of such), they will be allowed one extension per rolling 12-month period - in other words, only one payment plan per any consecutive twelve-month period regardless of calendar or fiscal year. In order to receive the extension, the customer must sign a Request for Payment Plan form with the Director of Finance and pay half (50%) of their account balance. If the payment plan and schedule documented is not adhered to, the customer will be charged a fee for nonpayment and placed on a list to have services disconnected immediately. No second notices

will be given. The customer's account shall be documented with any extension which may be granted. Extensions will only be given in extenuating circumstances. Extensions or payment agreements are not automatic; they are a privilege and will be granted only with proof of extreme hardship and after review of account and payment history. A payment arrangement must be paid in full within six (6) months. No extensions will be approved on or after the date of service disconnection for nonpayment.

Exceptions: Under special circumstances, the Town may choose not to interrupt service during extreme weather, public health emergency or when the services are provided to an elderly, handicapped or critically ill person, or a person on life support equipment about whom the Town has prior written notice from a medical facility.

E. Chronically Ill and Life Support Customers

The customer has the responsibility to notify the Town of Liberty of any person in their household who is chronically ill, on a life support system, and/or wears a medical alert device by providing a doctor's letter of certification. It is the responsibility of each customer to update certification letters annually each January. The customer has the right to request another person to receive a copy of the utility bill sent to the customer. This other person may be able to help the customer avoid interruption of services, but is not obligated to pay the customer's bill.

The customer has the responsibility of paying all utility bills when due. In the event of nonpayment or when utilities become subject to disconnection, the customer has the responsibility of notifying the Town to make arrangements for payment.

F. Involuntary Discontinuance of Service

The Town may discontinue utility service for any one of the following reasons:

- Failure of the customer to pay bills for utility service as required in these policies.
- Upon discovery of tampering including non-authorized meter connection, by-passing the meter, or altering its function. The account holder is held responsible for any meter tampering. In the absence of an account holder, the owner of the property for which services are provided shall be assessed all charges and penalties.
- Failure of the customer to permit municipal employees access to their meters at all reasonable hours. Locked gates, loose dogs, parking cars over meters, etc., are considered to be a denial of access.
- Use of service for unlawful reasons.
- Discovery of a condition which is determined to be hazardous or unsafe.
- Violation of any of the Town's other utility service policies and procedures, ordinances, or state or federal law.

G. Reconnections

When it becomes necessary for the Town to discontinue services for any of the reasons listed in this policy, service will be restored after payment of (1) all past due bills due the Town, (2) any deposit as required, (3) any material and labor cost incurred by the Town, according to the Fee Schedule, and (4) all fees and charges required by this policy.

Section 6 – Operational Policies

A. Billing Adjustments

At any time a billing adjustment is requested, the balance of the account must be paid in accordance with this policy in order to avoid penalty. If an adjustment request is approved, the adjustment will be made to the account and may show as a credit. Any adjustment requested that fall outside the adjustments below, the Town Manager, Finance Director or designated staff may make adjustments at their discretion based on the information provided.

If a customer receives a high bill and they believe it was in error or caused by a leak; the customer MUST turn in ALL the adjustment paperwork prior to the due date of that bill (Bills are due the 15th of each month). The customer will be responsible for paying their average water bill (based on a 12 month average if available) for that month while their adjustment is being processed.

Overcharge or Undercharge Error: If the Town has overcharged or undercharged a customer for service, the Town will correct this error subject to the following procedures:

1. If the Town has overcharged a customer for service, the Town will credit the customer's account, without interest, the excess amount and notify the customer by letter. Customers may request a refund of such excess charges if they were previously paid in full. Credit to a customer's account is subject to the following limitations:
 - If the time period over which the mistake occurred can be determined, the Town should credit or refund the excess amount charged the account for that entire interval, provided that such time period shall not exceed the statute of limitations as set forth in the N.C. General Statutes.
 - If the time frame of the problem cannot be determined, the Town should refund the excess amount charged during the previous 12 months.
 - If the exact amount of excess charge cannot be determined, the Town should take into consideration all information and account history in order to determine the amount due as accurately as possible.
 - If an overcharged customer owes a past due balance to the Town, the Town may deduct that past due amount from any refund or credit due the customer.
2. If the Town has undercharged a customer for service, the Town will collect the additional amount due the Town by billing the account. The customer will be notified by letter of any undercharged amount and how the amount was determined. A payment plan or other payment options may be extended to a customer. If a customer receives notice of undercharging and does not contact the Town in order to make a payment arrangement for such amount by the subsequent due date, the account may be disconnected for nonpayment in accordance with this policy.
3. If an undercharge has occurred because of tampering or bypassing a meter or because of other fraudulent or willfully misleading action of the customer, the Town shall collect the entire undercharged amount in a lump sum and seek such other rights and remedies as are permitted by law.

Swimming Pools: Swimming pools may be filled once per year without the customer having to pay a sewer usage charge on the water used to fill the pool. This does not include routine maintenance and seasonal re-fillings. In order for an adjustment to be granted, the Town must be notified prior to the filling of the swimming pool. Customers must provide staff with the swimming pool capacity and the means by which the pool will be filled. Town staff must take a reading of the meter prior to the filling of the pool and again when the pool is filled. Consumption used will then be calculated and an adjustment will be made to the bill which includes the dates of usage. All water used to fill a pool will be metered and billed to the customer. Where calculations showing the pool's normal functional water capacity are available from a pool construction contractor (in 1,000 gallons), the customer shall submit such documentation, with the request for credit of the sewer charge, to the Town.

Excessive Use: Excessive use is defined as metered water and/or sewer flow equal to or greater than *one and one half (1 ½)* times the customer's average monthly consumption amount. Average monthly consumption is based on the six (6) month average prior to the month showing excessive use or the average of the prior year month and the two contiguous months (i.e. for July 2020 excessive use, you would average June, July and August 2019) - whichever results in the most accurate calculation.

Example: Customer Water Bill: Jan \$35, Feb \$45, March \$48, April \$42, May \$55, June \$52

Water Leak happened July – Bill for July was \$150

Average Water consumption for the past 6 months (Jan – June) was \$46.17

Excessive Use = Average Water Bill x 150% (1.5)

Excessive use = \$46.17 x 150% (1.5)

Excessive use = \$69.26

In this example the customer does have excessive use because their water bill was greater than the Excessive use calculation (Excessive use calculation came up with \$69.26 and water bill for July was \$150)

Utility customers (excluding irrigation customers) may apply for an adjustment when excessive use has occurred. An Adjustment Request Form should be completed by the account holder and submitted to the Town for review. The customer must provide information describing the situation or circumstances that resulted in the loss of water. This should include the cause of the water loss if known, when the problem was discovered, and what action was taken to stop the loss of water. Any documentation

verifying the cause of the excessive use should be attached to this form (e.g. plumber's invoice, receipts for purchase of repair equipment). Upon verification of the meter reading and verification that the consumption amount exceeds one and one half (1 ½) times the customer's average monthly consumption, the adjustment request may be considered. All documentation must be turned in by the due date of the bill in question (Bills are due the 15th of each month). After paper work has been submitted, and the average water bill paid, the adjustment will be considered. All late fees, and non-payment fees will be waived during the time that the water bill is under review for an adjustment.

If excessive use occurs and all forms and documentation has been submitted, a water leak adjustment may be provided. A customer may ONLY receive 2 months of water leak adjustments per year (that equals 2 billing cycles out of the 12 in a year). NO WATER ADJUSTMENT WILL BE PROCESSED UNTIL THE WATER USAGE RETURNS BACK TO NORMAL. "Normal usage" happens when the water bill returns close to the average consumption for that individual resident. ALL WATER BILLS must be paid in full, including any penalties on the account, on the regular schedule until the water adjustment has been completed. After the water adjustment has been completed, a credit will be applied to the account.

After excessive use has occurred and all forms have been submitted, approved for an adjustment, and water usage has returned to normal, at this point the customer's water bill will be adjusted to their average for the 1 or 2 months that they had a leak. If any amount is remaining on the bill after the adjustment, the consumer has the option to pay all the remaining bill or do up to a 3 month payment plan for after the water adjustment.

Example: Customer Water Bill: Jan \$35, Feb \$45, March \$48, April \$42, May \$55, June \$52, July \$100, Aug \$150, Sept \$50

Water Leak happened July – Bill for July was \$100 and August was \$150

Average Water consumption for the past 6 months (Jan – June) was \$46.17

Excessive Use = Average Water Bill x 150% (1.5)

Excessive use = \$46.17 x 150% (1.5)

Excessive use = \$69.26

In this example the customer does have excessive use because their water bill was greater than the Excessive use calculation (Excessive use calculation came up with \$69.26 and water bill for July was \$100 and August was \$150)

After all forms and documentation was submitted, water bill came back to close to average (Sept bill was \$50) then an adjustment for July and August may occur. There will be a 100% adjustment to the average for July and August. Adjustment is below:

July was \$100 – adjustment to average (\$46.17) = reduction of \$53.83

Aug was \$150 –adjustment to average (\$46.17) = reduction of \$103.83

Water customer will receive a credit on their account for \$157.66 and will not be eligible for a water adjustment again until after Aug 2023.

This billing adjustment shall not be allowed more than one time during any calendar year for no more than **two consecutive months of excessive usage.**

Catastrophic Water Leak Adjustment:

If during the twelve (12) month period for which the customer is no longer eligible for a 100% leak adjustment experiences another leak that is considered catastrophic, the customer may be eligible for additional relief.

1. A catastrophic leak is defined as water loss due to a busted line or leak resulting in a bill which is at least three (3 times) the average bill for the preceding twelve (12) months (excluding the previous leak usage).
2. The customer must complete the application for adjustment no later than the end of the month immediately following the due date of the bill reflecting the leak or busted pipe.
3. All needed repairs or actions to prevent any further loss of water must have been made.
4. The bill will be adjusted to three (3) times the average bill for the preceding twelve (12) month period (excluding the previous leak usage)
5. If it is determined that the leak occurred during a period which overlaps two (2) consecutive billing periods, both bills may be adjusted provided both bills qualify for an adjustment. **NO MORE THAN** two (2) bills may be adjusted for each catastrophic leak request.
6. The customer is eligible for two (2) catastrophic leak adjustments during the twelve (12) month period after the initial adjustment.
7. The customer may request a payment plan not to exceed three (3) months for the catastrophic leak.

B. Meter Testing

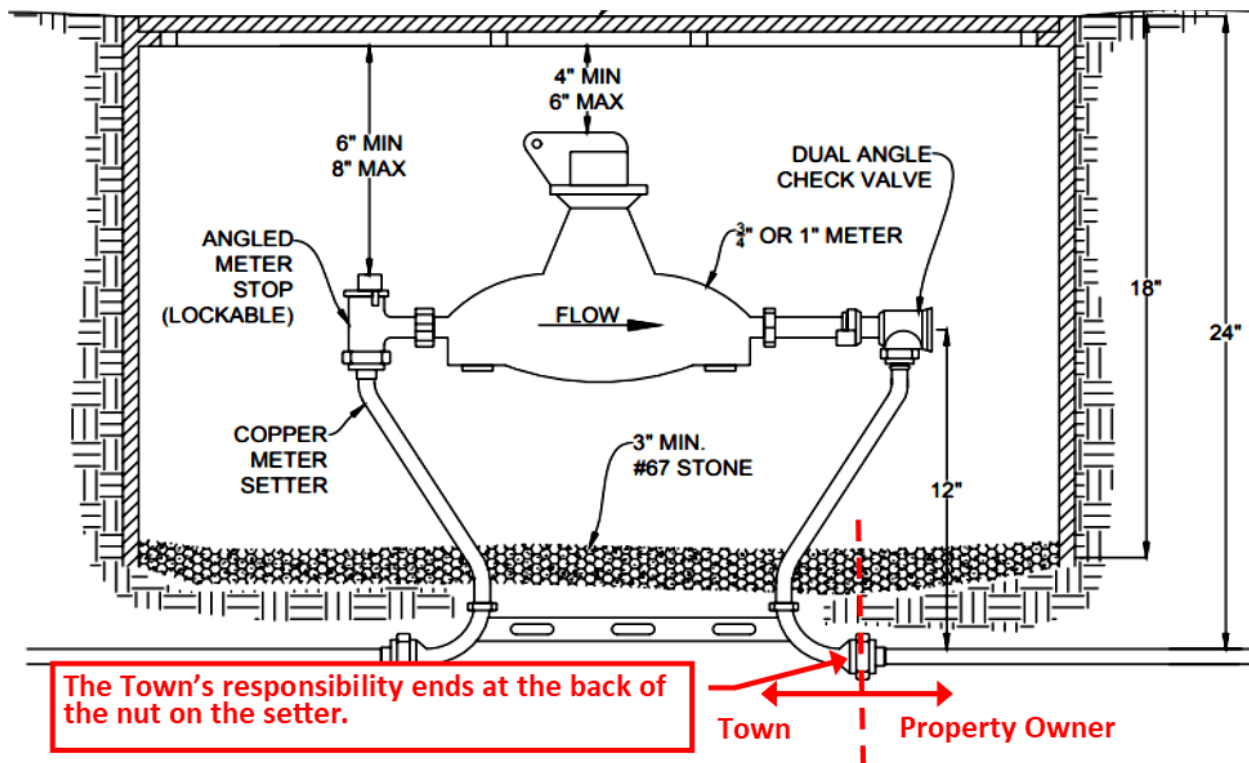
Customers may request that the Town test their water meter for accuracy once per year at no cost to them. This request must come from the account holder in a written form. Any additional request for testing of meter accuracy will be assessed at a rate as set forth in the fee schedule for a service call, unless the meter shows inaccuracy by more than five percent (5%). As soon as reasonably

practical after receiving the request for meter testing, the Director of Public Works should test the water meter for accuracy. Should testing reveal that the meter is indicating more flow than is actually passing through it, then the customer shall not be responsible for that portion of the bill equivalent to the percentage of error of the meter and the amount shall be deducted from the customer's bill for the current month only. Should testing reveal that the meter is indicating less flow than is actually passing through it, then the customer shall not be responsible for any unrecorded flow indicated by the percentage of error of the meter. Any water customer of the town may request that the accuracy of his or her meter be tested as described above.

If a meter test reveals an accuracy of less than 95% and the meter is indicating more flow than actually passes through it then the meter shall be replaced at no cost to the customer. If the meter is indicating less flow than is passing through it then the customer shall not be responsible for any unrecorded flow and the meter shall be removed from service and replaced at no cost to the customer. If a meter test reveals accuracy equal to or greater than 95%, then the meter shall be placed back in service on the same account and the customer shall be required to pay a service call fee as set forth in the fee schedule or the actual cost of the meter test, whichever is greater, plus regular rate for water and or sewer consumption recorded by the meter during testing.

C. Responsibility for Leakage

The Town is responsible for correcting leaks on the main water system and up to the water meter. The customer is responsible for leakage in the piping on his/her property on his/her side of the water meter and will be charged for water and/or sewer based on water use as indicated on the meter. The Diagram Below shows a water meter on a setter and who is the responsible party based on where the leak is at. If the leak occurs at the connection of the setter on the water customer's side, it is the water customer's responsibility to fix. This is the location where a plumber would connect the water to the customer's home or property.



D. Damage to Plants and Shrubs

The Town is not responsible for damage to plants and shrubs which may be dug up or cut/trimmed in the course of work on the underground piping system or other apparatus located beyond a customer's property line or within a utility easement. A reasonable effort will be made to minimize or repair any resulting damage. The customer is responsible for ensuring that the water meter is not obstructed by plantings, mulch, grass, or any other means. If the Town must, in the opinion of the Public Works Director, relocate a meter due to obstruction, the owner of the property will be charged for labor and materials to complete any necessary work.

E. Damage to Town Equipment

Any damage caused by the customer, property owner, or their agent(s) to the Town's equipment or property serving a customer shall be the responsibility of the customer. The Town shall make

necessary repairs and charge the customer for materials and labor to effect said repairs. Such damage includes, but is not limited to, damage from mowing, vehicles, landscaping, or excavation.

F. Irrigation Water Meters

Any utility customer of the town in good standing may request the town to install and operate a town approved irrigation meter at any property owned by such customer, to which the town provides utility services, for currently installed irrigation systems.

Prior to the installation of a new in-ground irrigation system to be connected to the Town's water system, or connection of an existing system to the Town's system, the customer shall request the Town to install and operate a town-approved irrigation meter. The customer is responsible for connecting their system to the customer side of the meter and for allowing inspection of all connections by Town staff prior to burial of piping and turn on of the meter. All irrigation meters, meter boxes, pipes and other equipment furnished or used by the town in installing any such irrigation meter shall be and remain the property of the town. Prior to installation of any such irrigation meter, the customer shall pay to the town all charges as specified in the fee schedule established and modified periodically by the Town Council, including but not limited to tap fees.

G. Returned Check/Draft Processing

Charges, as set forth in North Carolina General Statutes (23-5-506 and 6-21.3), are made for each check or automatic draft returned by a bank because of insufficient funds in the account, or any other reason the bank refuses the check or draft. The customer shall have five (5) days after notice is delivered indicating that the check is not good, to present cash, bank certified check, or money order for the full amount of the bill, plus the charge noted above (NC GS 6-21.3).

The existing due dates for avoiding late payment and delinquency fees on unpaid bills will remain in effect while bad checks are being made good. Therefore, even though the time for making the check good has not expired, the application of late fees and/or termination of service may occur.

Any customer account with two checks returned within a 12 month period will be restricted to cash, money order, debit or credit card when making all future payments. Checks received for payment on such noted accounts will not be accepted; instead, they will be made void and returned to the customer.

H. Debt Collection

The Town is authorized to collect delinquent public enterprise utility fees "by any remedy provided by law for collecting and enforcing private debts..." G.S. 160A-314(b). The North Carolina Setoff Debt Collection Act ("Act") provides an administrative procedure for the Town to collect amounts due for utility service from the state tax refunds and/or lottery winnings of its customers. More information can be found at <http://www.ncsetoff.org>.

I. Internal Audits and Evaluations

Processes, policies, and procedures shall be reviewed internally on an annual basis and this document updated to address any additional deficiencies in current practices that may be found.

J. Town Staff Continuing Education and Training

Funds should be budgeted and staff expected to attend training regarding utility billing to ensure that the Town is complying with all state and federal requirements and laws. Town staff will be responsible for researching available training opportunities and report such findings to the Town Manager for approval to attend.