



Issue: COUNCIL BILL #2022-061 AN ORDINANCE OF THE COUNCIL OF THE CITY OF NIXA AMENDING CERTAIN UTILITY BILLING POLICIES.

Date: June 1, 2022

Submitted By: Jennifer Evans, Director of Finance

Background

At the April 11, 2022, Council meeting, staff presented proposed changes to the Utility Billing policies. A portion of these policies were originally adopted by ordinance, and a portion were adopted by Resolution.

Analysis

After reviewing the current policies, code, and past legislation, one ordinance was drafted for clarification and simplification. The goal is to provide simplification, clarification, and transparency. Highlights of the proposed changes are as follows: a simplified deposit structure has been proposed for both water and electric deposits; commercial deposit options have been clarified; billing due dates have been simplified and clarified; disconnection/reconnection procedures have been simplified; and a payment plan option has been added.

Recommendation

Staff recommends passage of this bill.



Issue: First Reading Council Bill #2022-061

Date: 06.02.2022

Submitted By: Doug Colvin
Assistant City Administrator – Director, Nixa Utilities and Public Works

Background

The attached Council Bill #2022-061 proposes to increase the city's bulk water sales rate from \$4.50 per 1000 gallons to \$5.00 per 1000 gal.

Analysis

The city's bulk water rate has been \$4.50 per thousand gallons, plus sales tax, for over twenty years. Initially this amount was a fairly high rate for bulk water and therefore was not increase in the last two rate ordinances. Since the last rate ordinance in 2017, finished water cost have continued to rise due mostly to disinfection cost.

The first of two new bulk water stations are near opening. Establishing a new rate at this time will serve the purpose to capture increased water cost and to have a rate that works within the programming formula of the bulk station credit card system. Finally, this new rate will include sales taxes.

Recommendation

Staff plans to bring this back to Council for a second reading and formal action at your next meeting. Until then, we are available to answer any questions or address any concerns.

Sec. 22-46. – Water Charges.

- (a) Base rates for the provision of water service. A base rate for the first 3,000 gallons of water service provided to individual water users shall be charged by the City. The monthly base rates shall be as follows:
 - (1) For the provision of water service to residential dwelling units using a 5/8 by 3/4-inch meter, a base rate of \$15.00 shall be charged.
 - (2) For the provision of water service using a 1-inch meter, a base rate of \$55.00 shall be charged.
 - (3) For the provision of water service using a 2-inch meter, a base rate of \$140.00 shall be charged.
 - (4) For the provision of water service using a 4-inch meter, a base rate of \$285.50 shall be charged.
- (b) Rates for the provision of water service above 3,000 gallons. In addition to the base rates established herein, an additional rate of \$2.85 shall be charged for every 1,000 gallons of water service provided above the first 3,000 gallons provided.
- (c) The rate for bulk water service shall be \$5.00 per every 1,000 gallons of water provided.
- (d) The rates established in this section, except for the rate for bulk water service, shall be increased by a rate of one and one-half times when the user's service address is wholly or partly outside the City limits.
- (e) A water service user who has applied for water service to a service address shall be liable for all charges for water service furnished to such address until such time as said user notifies the city, in writing, to discontinue the service.

Sec. 22-47. – Water deposits.

- (a) All users of water service shall pay a refundable deposit with the city set forth herein. Said deposit shall be provided prior to the time water service is obtained by the user. In the event any bill issued by the city for water service becomes delinquent the city may apply the deposit toward any outstanding balance.
- (b) For residential users of water service, whose service address is wholly within the city limits, the deposit amount shall be \$50.00. For residential users of water service, whose service address is partially or wholly outside of the city limits, the deposit amount shall be \$75.00.

- (c) All residential users of water service who authorize the City to collect their water service payments via an Automated Clearing House who have not had any missed or late payments for water service for a consecutive 12-month period shall be eligible to have their deposit refunded as a credit to their utility account.
- (d) Commercial users of water service shall provide a deposit in an amount equal to two times their estimated water bill before the user obtains water service from the City. The City may use the funds of the deposit, or security referenced herein towards any delinquent bills for water service of the users.
 - (1) A commercial user of water service may opt to not provide a deposit when said user authorizes the City to utilize direct banking withdrawal for their monthly water service payments and when the user provides to the City a security in the amount of the required deposit and lists the City as the beneficiary of such security.
 - (2) Whenever a banking withdrawal is returned for insufficient funds, the commercial user shall provide a deposit in an amount calculated at two times the user's average water bill. If the user fails to provide the replacement deposit, then they may be subject to disconnect as provided herein for failing to maintain a deposit with the City.
- (e) Deposits required to be provided by this section shall not bear interest.
- (f) The City may disconnect water service without notice to any water service user who fails to make or maintain the applicable deposit required herein.
- (g) The deposits required by this section shall be refunded at the termination of water service after all charges that are due and payable by the water service user have been paid. Deposits shall be applied to the user's final bill when the water service user disconnects their service with the City, any remaining balance will be returned to the user. Refunds shall be issued in the name of the account holder only.
- (h) The deposits required herein may be waived for the following situations:
 - (1) Where the service address is vacant, and the property owner requests a waiver from the deposit requirement in writing.
 - (2) Where the service address is in the possession of a bank or other financial institution due to foreclosure and evidence of such is provided to the City.
- (i) Upon notification of a bankruptcy filing for a water service user, the city shall make a final reading of the customer's water meter. Said user's account shall be closed, any deposits or securities shall be applied to any outstanding water service charges. The water service user's account shall remain inactive until further notice from the bankruptcy court as to the disposition of the outstanding balance. A post-bankruptcy account may be opened for a user who requires water services. All charges after the

bankruptcy notification shall be posted to the post-bankruptcy account. A deposit of two times the average monthly water bill shall be required as a water deposit for a post-bankruptcy account.

(j) When the provisions of this section call for estimating the water service bill of a user to determine the amount of a deposit, the deposit amount shall be determined by calculating the average of the last 12 months of water usage at the service address. If the service address does not have at least 12 months of prior usage, then the deposit shall be based on the size of the meter, as follows:

(1) For a $\frac{3}{4}$ -inch meter, a deposit of \$150 shall be required.

(2) For a 2-inch meter, a deposit of \$300 shall be required.

(3) For a 4-inch meter, a deposit of \$500 shall be required.

Sec. 22-48. – Provisions related to payment of bills for water charges.

(a) All bills issued by the City for the payment of water service shall be due and payment shall be made by the due date stated on the bill. Bills shall be mailed via US regular mail. Bills shall be considered delinquent after 5:00 p.m., central time, on the due date stated on the bill. The due date for water service bills shall be the 5th or 20th day of the month as stated on the bill. Payments that are mailed, including payments made by a bank bill pay service provided by the user's bank or financial institution, must be received by the due date stated on the bill to avoid a surcharge or the disconnection of service. A ten percent surcharge shall be added to all bills for water service which are not paid by the stated due date. If a bill for water service is not paid by the tenth calendar day following the due date, the provision of water service shall be subject to being disconnected. Following disconnection of services due to nonpayment, full payment of all delinquent utility accounts due shall be paid prior to the city reconnecting water utility service. Furthermore, a service charge of \$50.00 shall be charged for the reconnection of water service or any other utilities which require reconnection.

(b) Bills and notices to water service users shall be deemed to have been presented and given when sent via United States regular mail to the address of the utility user on file with the City.

(c) The City shall not be bound by bills issued under mistake of fact as to the quantity and nature of water service rendered.

(d) The City shall have the right to read meters and issue bills either monthly or for such other periods as may be deemed practicable by the city and such bills shall be due and payable as provided herein

(e) Water service shall be provided for the sole use of the water utility user. The resale or sub-metering of water or water service by any person is prohibited. A separate bill

shall be issued for each meter, and water service furnished to the same user through separate meters shall not be added or cumulated for billing purposes, irrespective of the location of the meters except only when such separate meters are installed on the same premises for the convenience and at the request of city, in which event the water service furnished through said meters may be cumulated for billing purposes.

- (f) In case of a dispute involving the accuracy of a water meter, such meter may be tested upon the request of the water user and bill will be adjusted if the testing reveals a discrepancy. If upon testing, the meter is found to be accurate, the requesting water user shall reimburse the city for all testing costs associated with the request. The city may place this on the user's next bill.
- (g) The City Administrator, for the purpose of preventing the disconnection of water service, is hereby authorized to enter into repayment agreements with water utility users provided that said users have not failed to fully pay a prior repayment agreement amount within the last 12 months preceding the current request for a repayment agreement. Repayment agreements shall not exceed a term of three months.
- (h) The City Administrator is authorized and empowered to promulgate additional procedures to carry out the terms and intent of this Section. Such additional procedures shall be placed on file for public inspection in the Office of the City Clerk and shall include, without limitation, procedures related to the disconnection of water service for nonpayment and provisions related to repayment agreements. Violations of these additional procedures shall be considered violations of this Section.

Sec. 22-308. - Electric deposits.

- (a) All users of electric service shall pay a refundable deposit with the city as set forth herein. Said deposits shall be provided by the user prior to the time electric service is obtained by the user. In the event any bill issued by the city for electric service becomes delinquent the city may apply any deposit toward any outstanding balance.
- (b) For residential users of electric service, the deposit amount shall be \$100.00 for homeowners and \$250.00 for tenants.
- (c) All residential users of electric service who authorize the City to collect their electric service payments via an Automated Clearing House customers that participate in the ACH (auto-pay) program and who have not had any missed or late payments for electric service for a consecutive 12-month period shall be eligible to have their deposits refunded as a credit to their utility account
- (d) Commercial users of electric service shall provide a deposit in an amount equal to two times their estimated electric bill before the user obtains electric service from the City. The City may use the funds of the deposit, or the security referenced herein towards any delinquent bills for electric service of the user.

(1) A commercial user of electric service may opt to not provide a deposit when said user authorizes the City to utilize direct banking withdrawal for their monthly electric service payments and when the user provides to the City a security in the amount of the required deposit and lists the city as a beneficiary of such security.

(2) Whenever banking withdrawal is returned for insufficient funds, the commercial user shall provide a deposit in an amount calculated at two times the user's average electric bill. If the user fails to provide the replacement deposit, then they may be subject to disconnect as provided herein for failing to maintain a deposit with the City.

(e) Deposits required to be provided by this section shall not bear interest.

(f) The City may disconnect electric service without notice to any electric service user who fails to make or maintain the applicable deposit required herein.

(g) The deposits required by this section shall be refunded at the termination of electric service after all charges that are due and payable by the user have been paid. Deposits shall be applied to the user's final bill when the electric service user disconnects their service with the City, any remaining balance shall be returned to the user. Refunds shall be issued in the name of the account holder only.

(h) The deposits required herein may be waived for the following situations:

(1) Where the service address is vacant, and the property owner requests a waiver from the deposit requirement in writing.

(2) Where the service address is in the possession of a bank or other financial institution due to foreclosure and evidence of such is provided to the City.

(i) Upon notification of a bankruptcy filing for an electric service user, the City shall make a final reading of the user's electric meter. Said user's account shall be closed, any deposits or securities shall be applied to any outstanding electric service charges. The electric service user's account shall remain inactive until further notice from the bankruptcy court as to the disposition of the outstanding balance. A post-bankruptcy account may be opened for a user who requires electric services. All charges after the bankruptcy notification shall be posted to the post-bankruptcy account. A deposit of two times the average monthly electric bill shall be required as an electric deposit for a post-bankruptcy account.

(j) When the provisions of this section call for estimating the electric service bill of a user to determine the amount of a deposit, the deposit amount shall be determined by calculating the average of the last 12 months of electric usage at the service address. If the service address does not have at least 12 months of prior usage, then the deposit amount shall be determined by calculating the average of the total months of service for the service address.

Sec. 22-312. - Provisions related to payment of bills for electric charges.

(a) All bills issued by the City for the payment of electric service shall be due and payment shall be made on the due date stated on said bill. Bills shall be mailed via US regular mail. Bills shall be considered delinquent after 5:00 p.m., central time, on the due date stated on said bill. The due date for electric service bills shall be the 5th or 20th day of the month. Payments that are mailed, including payments made by a bank bill pay service provided by the user's bank or financial institution, must be received by the due date to avoid a surcharge or disconnection of service. A ten percent surcharge shall be added to all bills for electric service which are not paid by the stated due date. If a bill for electric service is not paid by the tenth calendar day following the due date, the provision of electric service will be subject to being disconnected. Following disconnection of services due to nonpayment, full payment of all delinquent utility accounts due shall be paid prior to the city reconnecting electric utility service. Furthermore, a service charge of \$50.00 shall be charged for the reconnection of electric service, or any other utilities which require reconnection.

(b) Bills and notices to electric service users shall be deemed to have been presented and given when sent via United States regular mail to the address of the utility user on file with the City.

(c) Electric service shall be provided for the sole use of the electric utility user. The resale or sub-metering of electric energy or electric service by any person is prohibited. A separate bill shall be issued for each meter, and electric service furnished to the same user through separate meters and shall not be added or cumulated for billing purposes, irrespective of the location of the meters except only when such separate meters are installed on the same premises for the convenience and at the request of the city, in which event the electric service furnished through said meters may be cumulated for billing purposes.

(d) The City shall not be bound by bills issued under mistake of fact as to the quantity and nature of electric service rendered.

(e) The City shall have the right to read meters and issue bills either monthly or for such other period as may be deemed practicable by the city and such bills shall be due and payable as provided herein.

(f) In case of a dispute involving the accuracy of an electric meter, such meter may be tested upon the request of the user and the bill will be adjusted as provided in subsections 22-309 of the Nixa City Code. If upon testing, the meter is found to be accurate as described in subsection 22-309, the requesting customer shall reimburse the city for all testing cost associated with the request.

(g) The City Administrator, for the purpose of preventing the disconnection of electric service, is hereby authorized to enter into repayment agreements with electric utility users provided that said users have not failed to fully pay a prior repayment agreement

amount within the last 12 months preceding the current request for a repayment agreement. Repayment agreements shall not exceed a term of three months.

(h)The City Administrator is authorized and empowered to promulgate additional procedures to carry out the terms and intent of this Section. Such additional procedures shall be placed on file for public inspection in the Office of the City Clerk and shall include, without limitation, procedures related to the disconnection of electric service for nonpayment and provisions related to repayment agreements. Violations of these additional procedures shall be considered violations of this Section.

1 AN ORDINANCE OF THE COUNCIL OF THE CITY OF NIXA AMENDING SEVERAL
2 SECTIONS OF CHAPTER 22 OF THE NIXA CITY CODE TO CODIFY AND UPDATE
3 THE CITY’S WATER RATES AND TO UPDATE PROVISIONS RELATED TO THE
4 CITY’S UTILITY BILLING PROCEDURES.
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7 WHEREAS during the April 11, 2022, regular City Council meeting, staff presented
8 proposed changes to the City’s billing policies for the municipal utility services provided
9 by the City; and
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11 WHEREAS after the presentation to the Council, City staff met and prepared this
12 Council Bill for Council’s consideration; and
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14 WHEREAS this Bill attempts to harmonize, update, and simplify the City’s current
15 utility billing policies by providing a simplified deposit structure, clarification regarding
16 commercial deposit options, clarification on billing due dates, disconnection and
17 reconnection procedures, and the option to offer payment plans; and
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19 WHEREAS additionally, staff is recommending that the rates for water service be
20 established in the City Code so that the public and staff have easier access to such
21 established rates; and
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23 WHEREAS if adopted and approved, this Bill will codify the established water rates
24 into the City Code; and
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26 WHEREAS further, this bill would authorize an increase in the City’s bulk water
27 rate, from \$4.50 to \$5.00 per 1000 gallons of use, if adopted and approved; and
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29 WHEREAS the City Council, after considering the amendments contained herein,
30 desires to approve and adopt this Council Bill.
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32 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF
33 NIXA, AS FOLLOWS, THAT:
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35 SECTION 1: Chapter 22, Article II, Division 2, Section 22-46 of the Nixa City Code
36 is hereby amended by repealing said section in its entirety and adopting in lieu thereof a
37 new Section 22-46, which said section shall read as follows:
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39 (Note: Language to be added is indicated by being underlined. Language to be removed
40 is indicated by being ~~stricken~~.)
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42 Sec. 22-46. – Water Charges.
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44 (a) Base rates for the provision of water service. A base rate for the first 3,000 gallons of
45 water service provided to individual water users shall be charged by the City. The
46 monthly base rates shall be as follows:

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(1) For the provision of water service to residential dwelling units using a 5/8 by 3/4-inch meter, a base rate of \$15.00 shall be charged.

(2) For the provision of water service using a 1-inch meter, a base rate of \$55.00 shall be charged.

(3) For the provision of water service using a 2-inch meter, a base rate of \$140.00 shall be charged.

(4) For the provision of water service using a 4-inch meter, a base rate of \$285.50 shall be charged.

(b) Rates for the provision of water service above 3,000 gallons. In addition to the base rates established herein, an additional rate of \$2.85 shall be charged for every 1,000 gallons of water service provided above the first 3,000 gallons provided.

(c) The rate for bulk water service shall be \$5.00 per every 1,000 gallons of water provided.

(d) The rates established in this section, except for the rate for bulk water service, shall be increased by a rate of one and one-half times when the user’s service address is wholly or partly outside the City limits.

(e) A water service user who has applied for water service to a service address shall be liable for all charges for water service furnished to such address until such time as said user notifies the city, in writing, to discontinue the service.

~~The rates and charges to be paid to the city for water service shall be as established by ordinance.~~

SECTION 2: Chapter 22, Article II, Division 2, Section 22-47 of the Nixa City Code is hereby amended by repealing said section in its entirety and adopting in lieu thereof a new Section 22-47, which said section shall read as follows:

(Note: Language to be added is indicated by being underlined. Language to be removed is indicated by being ~~stricken~~.)

Sec. 22-47. – Water deposits.

(a) All ~~inside city and outside city~~ users of water service shall pay a refundable deposit with ~~the city utilities as established by ordinance~~ set forth herein. Said deposit shall be provided prior to the time water service is obtained by the user. In the event any bill issued by the city for water service becomes delinquent the city may apply ~~any~~ the deposit toward any outstanding balance.

93 (b) For residential users of water service, whose service address is wholly within the city
94 limits, the deposit amount shall be \$20.00 \$50.00 if the service is being provided inside
95 the city limits. For residential users of water service, whose service address is partially
96 or wholly outside of the city limits, the deposit amount shall be \$30.00 \$75.00. if service
97 is being provided outside the city limits.
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99 (c) All residential users of water service who authorize the City to collect their water
100 service payments via an Automated Clearing House customers that participate in the
101 ACH (auto-pay) program and who have not had any missed or late payments for water
102 service for a have a satisfactory payment history shall be eligible to have their deposits
103 refunded as a credit to their utility account. A satisfactory payment history for
104 residential customers shall be established by the most recent 12 consecutive month
105 consecutive 12-month period as a city utility customer with no more than one late
106 payment and no payments returned for insufficient funds shall be eligible to have their
107 deposit refunded as a credit to their utility account.
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109 (e)(d) Commercial users of water service shall provide are required to make a deposit in
110 an amount equal to two times their estimated water bill before the user obtains water
111 service from the City. The City may use the funds of the deposit, or security referenced
112 herein towards any delinquent bills for water service of the users.
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114 (1) A deposit shall not be required from a commercial user of water service may opt
115 to not provide a deposit when said user authorizes the City to utilize customer who
116 agrees to participate in direct banking withdrawal for their monthly water service
117 utility payments and when the user provides to the City a security provides a surety
118 bond in the amount of the required deposit with the city and lists the City as the
119 beneficiary of such security. listed as obligee.
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121 (2) Whenever a If Commercial users who have had a security deposit waived have
122 their banking withdrawal is returned for insufficient funds, the commercial user
123 shall provide a a new surety bond or cash security deposit in an amount calculated
124 at two times the user's may be required in accordance to an updated calculation
125 of two times the customer's average water bill. If the user fails to provide the
126 replacement deposit, then they may be subject to disconnect as provided herein
127 for failing to maintain a deposit with the City. The city may make a claim for
128 payment under any surety bond in the event a user becomes delinquent in
129 payment.
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131 (d)(e) Deposits required to be provided by this section shall not bear interest. shall not
132 bear interest. City utilities may disconnect water service without notice to any
133 customer who may fail to make or maintain the deposit required by city utilities.
134 Deposits shall be applied to the customer's final bill.
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136 (e)(f) The City may disconnect water service without notice to any water service user
137 who fails to make or maintain the applicable deposit required herein. In the event

138 ~~service is disconnected for nonpayment, an additional service deposit shall be~~
139 ~~collected prior to reconnect.~~

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141 ~~(f)(g) The~~ Such deposits required by this section, as outlined above, shall be refunded at
142 the termination of water service after all charges that are may be due and payable by
143 the water service user customer have been paid. Deposits shall be applied to the
144 user's final bill when the water service user disconnects their service with the City,
145 any remaining balance will be returned to the user. Refunds shall be issued in the
146 name of the account holder only.

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148 ~~(g)(h) The deposits required herein may be waived for the following situations: A customer~~
149 ~~who has made application for water service to a premise shall be held liable for all~~
150 ~~water service furnished to such premises until such time as the customer properly~~
151 ~~notifies city utilities to discontinue the service for his account.~~

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153 (1) Where the service address is vacant, and the property owner requests a waiver
154 from the deposit requirement in writing.

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156 (2) Where the service address is in the possession of a bank or other financial
157 institution due to foreclosure and evidence of such is provided to the City.

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159 ~~(h)(i) Upon notification of a bankruptcy filing for a water service user, the city shall make~~
160 ~~a final reading of the customer's water meter. Said user's account shall be closed, any~~
161 ~~deposits or securities shall be applied to any outstanding water service charges. The~~
162 ~~water service user's account shall remain inactive until further notice from the~~
163 ~~bankruptcy court as to the disposition of the outstanding balance. A post-bankruptcy~~
164 ~~account may be opened for a user who requires water services. All charges after the~~
165 ~~bankruptcy notification shall be posted to the post-bankruptcy account. A deposit of~~
166 ~~two times the average monthly water bill shall be required as a water deposit for a~~
167 ~~post-bankruptcy account. Deposits may be waived for vacant premises owned by a~~
168 ~~landlord or for properties which have been vacated and are in the possession of a~~
169 ~~banking institution due to foreclosure.~~

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171 ~~(i)(j) When the provisions of this section call for estimating the water service bill of a user~~
172 ~~to determine the amount of a deposit, the deposit amount shall be determined by~~
173 ~~calculating the average of the last 12 months of water usage at the service address.~~
174 ~~If the service address does not have at least 12 months of prior usage, then the deposit~~
175 ~~shall be based on the size of the meter, as follows: Upon notification from the~~
176 ~~bankruptcy court of a bankruptcy filing for a utility customer, reading of the customer's~~
177 ~~water meter shall be made. Such account shall be closed, and security deposits shall~~
178 ~~be applied to any outstanding charges. Account shall remain inactive until further~~
179 ~~notice from bankruptcy court as to the disposition of the outstanding balance. A post-~~
180 ~~bankruptcy account may be opened for a bankruptcy customer who requires water~~
181 ~~services. All charges subsequent to the bankruptcy notification shall be posted to the~~
182 ~~post-bankruptcy account. A deposit of two times the average monthly water bill shall~~
183 ~~be required as a water deposit for a post-bankruptcy account.~~

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(1) For a ¾-inch meter, a deposit of \$150 shall be required.

(2) For a 2-inch meter, a deposit of \$300 shall be required.

(3) For a 4-inch meter, a deposit of \$500 shall be required.

SECTION 3: Chapter 22, Article II, Division 2, Section 22-48 of the Nixa City Code is hereby amended by repealing said section in its entirety and adopting in lieu thereof a new Section 22-48, which said section shall read as follows:

(Note: Language to be added is indicated by being underlined. Language to be removed is indicated by being ~~stricken~~.)

Sec. 22-48. – Provisions related to payment of bills for water charges ~~Payment due and delinquent bills.~~

(a) All bills issued by the City for the payment of water service shall be due and payment shall be made by the due date stated on the bill. payable Bills shall be when mailed via US regular mail. Bills shall be considered and shall become delinquent after 5:00 p.m., central time, on the due date stated on the bill. The due date for water service bills shall be the 5th or 20th day of the month as stated on the bill 46 days after such date. A five percent surcharge shall be added to all bills not paid by the aforesaid due date. Payments that are mailed, including payments made by a bank bill pay service provided by the user's bank or financial institution, must be received by the due date stated on the bill to avoid a surcharge or the disconnection of service. A ten percent surcharge shall be added to all bills for water service which are not paid by the stated due date. If a bill for water service any bills rendered pursuant to this article are is not paid by the 48th tenth calendar day following the billing due date, the provision of water service will shall be subject to being disconnected in accordance with the city utility billing department's utility billing collection policy statement and procedures. Following disconnection of services due to nonpayment, full payment of all delinquent utility accounts due shall be paid by the customer prior to the city providing a reconnect reconnecting water utility service. Furthermore, a service charge of \$50.00 shall be charged for the reconnection of water service or any other utilities which require reconnection reconnect-fee in the amount established by ordinance shall be charged for each electric and water service reconnected.

(b) Bills and notices to water service users shall be deemed to have been presented and given when sent via United States regular mail to the address of the utility user on file with the City.

(c) The City shall not be bound by bills issued under mistake of fact as to the quantity and nature of water service rendered.

229 (d) The City shall have the right to read meters and issue bills either monthly or for such
230 other periods as may be deemed practicable by the city and such bills shall be due
231 and payable as provided herein

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233 (e) Water service shall be provided for the sole use of the water utility user. The resale or
234 sub-metering of water or water service by any person is prohibited. A separate bill
235 shall be issued for each meter, and water service furnished to the same user through
236 separate meters shall not be added or cumulated for billing purposes, irrespective of
237 the location of the meters except only when such separate meters are installed on the
238 same premises for the convenience and at the request of city, in which event the water
239 service furnished through said meters may be cumulated for billing purposes.

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241 (f) In case of a dispute involving the accuracy of a water meter, such meter may be tested
242 upon the request of the water user and bill will be adjusted if the testing reveals a
243 discrepancy. If upon testing, the meter is found to be accurate, the requesting water
244 user shall reimburse the city for all testing costs associated with the request. The city
245 may place this on the user’s next bill.

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247 (g) The City Administrator, for the purpose of preventing the disconnection of water
248 service, is hereby authorized to enter into repayment agreements with water utility
249 users provided that said users have not failed to fully pay a prior repayment agreement
250 amount within the last 12 months preceding the current request for a repayment
251 agreement. Repayment agreements shall not exceed a term of three months.

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253 (h) The City Administrator is authorized and empowered to promulgate additional
254 procedures to carry out the terms and intent of this Section. Such additional
255 procedures shall be placed on file for public inspection in the Office of the City Clerk
256 and shall include, without limitation, procedures related to the disconnection of water
257 service for nonpayment and provisions related to repayment agreements. Violations
258 of these additional procedures shall be considered violations of this Section.

259
260 **SECTION 4:** Chapter 22, Article IV, Division 2, Section 22-308 of the Nixa City Code
261 is hereby amended by repealing said section in its entirety and adopting in lieu thereof a
262 new Section 22-308, which said section shall read as follows:

263
264 (Note: Language to be added is indicated by being underlined. Language to be removed
265 is indicated by being ~~stricken~~.)

266
267 Sec. 22-308. - Electric deposits.

268
269 (a) All ~~inside city and outside of city~~ users of electric service ~~electricity~~ shall pay a
270 refundable deposit with ~~the city utilities~~ as set forth herein, ~~established by ordinance~~
271 Said deposits shall be provided by the user prior to the time electric service is obtained
272 by the user. In the event any bill issued by the city for electric service becomes
273 delinquent the city may apply any deposit toward any outstanding balance.

275 (b) For residential users of electric service, the deposit amount shall be \$100.00 for
276 homeowners and \$250.00 for tenants.

277
278 ~~(b)~~(c) All residential users of electric service who authorize the City to collect their electric
279 service payments via an Automated Clearing House customers that participate in the
280 ACH (auto-pay) program and who have not had any missed or late payments for
281 electric service for a consecutive 12-month period have a satisfactory payment history
282 shall be eligible to have their deposits refunded as a credit to their utility account. A
283 satisfactory payment history for residential customers shall be established by the most
284 recent 12-consecutive-month period as a city utility customer with no more than one
285 late payment and no payments returned for insufficient funds. For residential
286 customers the deposit amounts shall be as follows:

- 287
- 288 ~~(i) Homeowner with natural gas service – \$50.00~~
- 289
- 290 ~~(ii) Homeowner without natural gas service – \$200.00~~
- 291
- 292 ~~(iii) Tenant at rental with natural gas service – \$100.00~~
- 293
- 294 ~~(iv) Tenant at rental without natural gas service – \$200.00~~
- 295

296 ~~(e)~~(d) Commercial users of electric service shall provide ~~are required to make a deposit~~
297 in an amount equal to two times their estimated electric bill before the user obtains
298 electric service from the City. The City may use the funds of the deposit, or the security
299 referenced herein towards any delinquent bills for electric service of the user.

300
301 ~~(1) A deposit shall not be required from a commercial user of electric service may opt~~
302 ~~to not provide a deposit when said user authorizes the City to utilize~~ customer who
303 agrees to participate in direct banking withdrawal for their monthly electric service
304 utility payments and when the user provides to the City a security a surety bond in the
305 amount of the required deposit and lists with the city as a beneficiary of such security
306 listed as obligee.

307
308 ~~(2) Whenever If Commercial users who have had a security deposit waived have their~~
309 ~~banking withdrawal is returned for insufficient funds, the commercial user shall provide~~
310 ~~a new surety bond or cash security deposit in an amount calculated may be required~~
311 ~~in accordance to an updated calculation of at two times the user’s customer’s average~~
312 ~~electric bill. If the user fails to provide the replacement deposit, then they may be~~
313 ~~subject to disconnect as provided herein for failing to maintain a deposit with the City~~
314 ~~The city may make a claim for payment under any surety bond in the event a user~~
315 ~~becomes delinquent in payment.~~

316
317 ~~(d)~~(e) Deposits required to be provided by this section shall not bear interest.
318

319 ~~(e)~~(f) The City utilities may disconnect electric service without notice to any electric service
320 user customer who may fail fails to make or maintain the applicable deposit required
321 herein by city utilities.

323 (g) The deposits required by this section shall be refunded at the termination of electric
324 service after all charges that are due and payable by the user have been paid.
325 Deposits shall be applied to the user's customer's final bill when the electric service
326 user disconnects their service with the City, any remaining balance shall be returned
327 to the user. Refunds shall be issued in the name of the account holder only In the
328 event service is disconnected for nonpayment, an additional service deposit shall be
329 collected prior to reconnect.

331 ~~(f) Such deposits, as outlined above, shall be refunded at the termination of service after~~
332 ~~all charges that may be due and payable by the customer have been paid.~~

334 ~~(g) A customer who has made application for electric service to a premise shall be held~~
335 ~~liable for all electric service furnished to such premises until such time as the customer~~
336 ~~properly notifies city utilities to discontinue the service for his account.~~

338 (h) The deposits Deposits required herein may be waived for the following situations:
339 vacant premises owned by a landlord or for properties which have been vacated and are
340 in the possession of a banking institution due to foreclosure

342 (1) Where the service address is vacant, and the property owner requests a waiver
343 from the deposit requirement in writing.

345 (2) Where the service address is in the possession of a bank or other financial
346 institution due to foreclosure and evidence of such is provided to the City.

348 (i) Upon notification from the bankruptcy court of a bankruptcy filing for an electric service
349 user a utility customer, the City shall make a final reading of the user's customer's electric
350 meter shall be made. Said user's Such account shall be closed, any deposits or securities
351 and security deposits shall be applied to any outstanding electric service charges. The
352 electric service user's account Account shall remain inactive until further notice from the
353 bankruptcy court as to the disposition of the outstanding balance. A post-bankruptcy
354 account may be opened for a user bankruptcy customer who requires electric services.
355 All charges after subsequent to the bankruptcy notification shall be posted to the post-
356 bankruptcy account. A deposit of two times the average monthly electric bill shall be
357 required as an electric deposit for a post-bankruptcy account.

359 (j) When the provisions of this section call for estimating the electric service bill of a user
360 to determine the amount of a deposit, the deposit amount shall be determined by
361 calculating the average of the last 12 months of electric usage at the service address. If
362 the service address does not have at least 12 months of prior usage, then the deposit
363 amount shall be determined by calculating the average of the total months of service for
364 the service address.

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SECTION 5: Chapter 22, Article IV, Division 2, Section 22-312 of the Nixa City Code is hereby amended by repealing said section in its entirety and adopting in lieu thereof a new Section 22-312, which said section shall read as follows:

(Note: Language to be added is indicated by being underlined. Language to be removed is indicated by being ~~stricken~~.)

Sec. 22-312. - Payment due and delinquent bills ~~Provisions related to payment of bills for electric charges.~~

(a) All bills issued by the City for the payment of electric service shall be due and payment shall be made on the due date stated on said bill. Bills shall be mailed via US regular mail. Bills shall be considered payable when mailed and shall become delinquent 16 days after 5:00 p.m., central time, on the due date stated on said bill such date. The due date for electric service bills shall be the 5th or 20th day of the month. Payments that are mailed, including payments made by a bank bill pay service provided by the user's bank or financial institution, must be received by the due date to avoid a surcharge or disconnection of service. A five ten percent surcharge shall be added to all bills for electric service which are not paid by the stated aforesaid due date. If a bill for electric service is any bills rendered pursuant to this article are not paid by the tenth calendar 18th day following the billing due date, the provision of electric service will be subject to being disconnected in accordance with the city utility billing department's utility billing collection policy statement and procedures. Following disconnection of services due to nonpayment, full payment of all delinquent utility accounts due shall be paid prior by the customer prior to the city reconnecting electric utility providing a reconnect service. Furthermore, a service charge of \$50.00 reconnect fee in the amount established by ordinance shall be charged for the reconnection of electric service, or any other utilities which require reconnection ~~each electric and water service reconnected.~~

(b) Bills and notices to electric service users ~~any customer~~ shall be deemed to have been presented and given when sent via deposited in the United States regular mail to the address of the utility user on file with the City, addressed to the last known address of such customer as shown on records of city utilities. ~~Notices to city utilities shall be given in writing as defined in section 22-269.~~

(c) Electric service shall be provided to each customer shall be for the sole use of the electric utility user. The such customer on the premises described in the application for electric service and resale or sub-metering of electric energy or electric service by any person such customer is prohibited. A separate bill shall be issued rendered for each meter, and electric service furnished to the same user customer through separate meters and shall not be added or cumulated for billing purposes, irrespective of the location of the meters excepting except only when such separate meters are installed on the same premises for the convenience and at the request of the city utilities, in which event the electric service furnished through said meters may be cumulated for billing purposes.

411 ~~(d) Payment shall be made at the principal office of city utilities or at such other~~
 412 ~~conveniently located places as may be designated by city utilities.~~

413
 414 ~~(e)(d) The City utilities will~~ shall not be bound by bills issued ~~rendered~~ under mistake of
 415 fact as to the quantity and nature of electric service rendered.

416
 417 ~~(f)(e) The City utilities~~ shall have the right to read meters and issue ~~render~~ bills either
 418 monthly or for such other period as may be deemed practicable by the city utilities and
 419 such bills shall be due and payable as provided herein ~~in subsection (a)~~ of this section.

420
 421 ~~(g)(f) In case of a dispute~~ ~~disputed account~~ involving the accuracy of a an electric meter,
 422 such meter may be tested upon the request of the user ~~customer~~ and the bill will be
 423 adjusted as provided in subsections 22-309**(b)** ~~and (e)~~ of the Nixa City Code. If upon
 424 testing, the meter is found to be accurate as described in subsection 22-309**(b)**, the
 425 requesting customer shall reimburse the city utilities for all testing cost associated with
 426 the request.

427
 428 (g)The City Administrator, for the purpose of preventing the disconnection of electric
 429 service, is hereby authorized to enter into repayment agreements with electric utility
 430 users provided that said users have not failed to fully pay a prior repayment agreement
 431 amount within the last 12 months preceding the current request for a repayment
 432 agreement. Repayment agreements shall not exceed a term of three months.

433
 434 (h)The City Administrator is authorized and empowered to promulgate additional
 435 procedures to carry out the terms and intent of this Section. Such additional
 436 procedures shall be placed on file for public inspection in the Office of the City Clerk
 437 and shall include, without limitation, procedures related to the disconnection of electric
 438 service for nonpayment and provisions related to repayment agreements. Violations
 439 of these additional procedures shall be considered violations of this Section.

440
 441 ~~(h)The minimum charge, for each applicable tariff, shall be paid whether such quantity of~~
 442 ~~electrical energy is used or not and no credit shall be allowed for any cause unless~~
 443 ~~discontinuance of service has been requested by the customer and the electric service~~
 444 ~~has been shut off by city utilities, for the period involved.~~

445
 446 ~~(i)If, for any reason, service is discontinued before the expiration of one month from~~
 447 ~~commencement of service, a bill for at least the minimum charge for one month will be~~
 448 ~~rendered.~~

449
 450 **SECTION 6:** The City Attorney, when codifying the provisions of this Ordinance, is
 451 authorized to provide for different section numbers, subsection numbers, and different
 452 internal citation references than those provided herein when such section numbers,
 453 subsection numbers, or internal citation references are in error or are contrary to the intent
 454 of this Ordinance.

455

456 **SECTION 7:** Savings Clause. Nothing in this Ordinance shall be construed to
457 affect any suit or proceeding now pending in any court or any rights acquired, or liability
458 incurred nor any cause or causes of action occurred or existing, under any act or
459 ordinance repealed hereby.

460
461 **SECTION 8:** Severability Clause. If any section, subsection, sentence, clause, or
462 phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect
463 the validity of the remaining portions of this Ordinance. The Council hereby declares that
464 it would have adopted the Ordinance and each section, subsection, sentence, clause, or
465 phrase thereof, irrespective of the fact that any one or more sections, subsections,
466 sentences, clauses, or phrases be declared invalid.

467
468 **SECTION 9:** This Ordinance shall be in full force and effect from and after its final
469 passage by the City Council and after its approval by the Mayor, subject to the provisions
470 of section 3.11(g) of the City Charter.

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472

473 **ADOPTED BY THE COUNCIL THIS ___ DAY OF _____, 2022.**

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481 **APPROVED BY THE MAYOR THIS ___ DAY OF _____, 2022.**

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ATTEST:

PRESIDING OFFICER

CITY CLERK

ATTEST:

MAYOR

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY