



City of Gladstone Utility Policy

The Utility Policy shall be part of the terms and conditions of the contract of service between the City and the customer.

Definitions-As used in this rule

1. “Critical care customer” means a customer who requires, or has a household member who requires, home medical equipment or life support system that *requires* electricity, and who has provided appropriate documentation from a physician or medical facility to the provider identifying the medical equipment or life-support system and certifying that an interruption of service would be immediately life threatening.
2. “Life support equipment” includes, but is not limited to, respirators, iron lungs, hemodialysis machines, suction machines, electric nerve stimulator, pressure pads and pumps, aerosol tents, electrostatic and ultrasonic nebulizers, compressors, intermittent positive pressure breathing (IPPE) machines.
3. “Electric service limiter” means an electric meter or device used in conjunction with an electric meter that automatically interrupts all electric service to a customer without intervening direction from the utility when a utility imposed peak usage limit is exceeded.
4. “Eligible low-income customer” means a customer who can provide reasonable documentation that their household income does not exceed 150% of the poverty level, as published by the United States Department of Health and Human Services (DHS), or who received assistance and can provide documentation from a state emergency relief (SER) program, food stamps or Medicaid. Reasonable documentation includes, but is not limited to, a variety of documents such as Federal tax return(s), current pay stubs, unemployment forms or state or federal agency assistance documents.
5. “LIEAF” means Low Income Energy Assistance Fund for qualified households as specified above for assistance with the electric portion of utility bills during the heating season. The LIEAF charge to electric customers will be set annually by the Michigan Public Service Commission (MPSC) and not to exceed \$1.00 per electric meter in accordance with Public Act 95 of 2013. LIEAF funds are administered by the State of Michigan.
6. “Eligible senior citizen” means a utility customer who is 65 years of age or older and who demonstrates his or her eligibility by completing a City approved form.
7. “Heating season” runs from November 1 through April 15.

8. “Medical emergency” means an existing medical condition of the customer or a member of the customer’s household, as defined and certified by a physician or public health official that will be aggravated by the lack of utility service.
9. “Utility” means the electric, water, sewer and refuse services operated by the City of Gladstone.
10. “City” means the City of Gladstone.
11. “Premise” means the service address.
12. “MPSC” means Michigan Public Service Commission
13. “Utility committee” consists of the City Manager, Treasurer, Electric Superintendent, Water/Wastewater Superintendent and utility billing personnel

Service Deposits

1. A service deposit is required for electric customers who rent a premise, premise is located on leased land or premise is located outside our taxing district. One-half (1/2) of deposit is due at time-of-service request and remainder to be paid upon due date of first utility bill. Deposit is set in accordance with the City Fee Schedule.
2. Low-income qualified customers, per State of Michigan guidelines, may make deposit in two monthly payments upon payment of one-third (1/3) of deposit for service transfer.
3. In cases of bankruptcies, deposits will be credited to any outstanding utility account balance as of the court file date. A new deposit will be required for post-petition utility account in conformance with bankruptcy laws. New deposit amount will be assessed in accordance with the City Fee Schedule.
4. Deposits will be refunded to landowners outside taxing district and premises on leased land (Lake Bluff Retirement Village and Oak Bluff Estates) who have maintained a payment history void of past due notices, shutoffs or NSF payments for a period of two years. Deposit and interest will be applied to the utility account. If a customer does not meet criteria listed, their account will be re-evaluated every six months for refund of deposit. Interest will be accrued at the rate of 1% per annum. If deposit has been refunded, the City reserves the right to reassess a deposit to customers on leased land whose payment history goes into arrears.
5. Renters will have their deposits held and applied to final bill. Interest will be accrued on these accounts.

6. Deposits paid by service agencies will not be refunded to customer but to their account only. Any deposit remaining will be returned to service agency that granted the deposit. Deposits do not earn interest.
7. Customers moving within our service territory will have their deposit transferred to the new premise, upon final payment of account. If customer was a previous homeowner and becomes a renter, and no deposit is on file, a deposit will need to be paid at the rate specified in the City Fee Schedule. If customer does have a deposit on file and does not pay their bill from the former premise, the deposit and interest will be applied. Any remaining deposit will be transferred to the new premise. If none remaining, deposit will be assessed to new premise at the current deposit rate.
8. The City of Gladstone reserves the right to require an additional deposit if any of the following apply:
 - Customer has had a 48-hour disconnection notice (door hanger) at least three times during a rolling twelve-month period.
 - Customer has had service disconnected, for non-payment, at least twice during a rolling twelve-month period.
 - Customer has had two NSF payments during a rolling twelve-month period.
 - Customer has filed bankruptcy.
 - Customer has utility bills consistently higher than deposit amount. Calculation of additional deposit will be based on two highest consecutive billing months over a twelve-month period, less initial deposit.
 - Customer has not fulfilled payment agreement obligations.
 - Customer has closed account with balance due within the past six years. This applies to opening a new service account.
9. Failure to comply will result in refusal of utility services or disconnection of utility services.

Utility Bill Charges

The City of Gladstone utility bills are sent out monthly. Meters are read the first weekday of the month. Utility bills are broken down into the individual, unbundled charges for each separate utility service being billed instead of the total aggregate cost of each service. Charges on utility bills encompass the following:

Electricity

- Readiness to Serve-this charge is the cost of supplying electric to each premise. This is a flat fee charged to each electric meter for the transmission lines and equipment to bring electricity to the premise. Rate is based on the type of service being billed.
- Energy charge-this is the charge per kilowatt hour (kwh) used. The kwh is listed on your bill.

- Power cost adjustment (PCAC)-the adjustment between the cost of power purchased and power sold. The amount is calculated monthly and can be either a positive (addition) to the bill or a negative (subtraction) to the bill.
- Energy Optimization (EO)-a charge required by the State of Michigan for programs to reduce energy consumption. The rate per kwh changes annually based on previous years energy sold. This is sent to an agency for disbursement.
- LIEAF-is a charge for low-income assistance on electric bills. Rate is set annually by the MPSC. This is sent to the State of Michigan for disbursement.
- Sales tax-a charge required by the State of Michigan. The residential rate is 4% of total bill (less LIEAF) and 6% for commercial/industrial customers. This is sent to the State of Michigan.

Water

- Readiness to Serve-this charge is the cost of supplying water to each premise. This is a flat fee charge for each water meter for the infrastructure to bring water to each premise. Charge is based on the size of the water meter. Accounts that are wastewater only will have a water meter installed for the wastewater calculation, but will not be billed a Readiness to Serve charge under water.
- Water usage- the rate per gallon charged. Usage is billed per thousand gallons used. Water reads **are not** rounded up to the next thousand gallons. Wastewater only accounts will not have the water usage calculated as the meter is to only monitor wastewater.
- Public fire protection: the rate for fire protection within the city. Rate is based on size of accounts main water meter.
- Per unit charge is for complexes with multiple apartments on one water meter. An additional charge per apartment on the single water meter is added per the Fee Schedule.

Wastewater

- Readiness to Serve-this charge is the cost of removing wastewater from each premise. This is a flat fee charge for each account, based on the size of the primary water meter, for the premise.
- Wastewater usage-the rate per gallon charges. Usage is billed per thousand gallons based on the primary water usage. Usage on specified irrigation meters is not included in the calculation for wastewater usage.

Solid Waste

- Customer charge-covers use of compost site, city-wide clean up vouchers and other items not included in refuse pickup. This charge is only on bills for premises within the corporate city limits.
- Refuse/Recycling-charge for the pickup of the refuse and/or recycling. Recycling is a separate charge only if premise is required to have a dumpster and customer requests recycling pickup. Charge does not change if customer has refuse pickup and does not wish to have recycling pickup.

Utility rates for City utility bills are approved annually by the City Commission. Rates for Masonville sewer and Mapleridge water are set by their governing body.

Payments

Payment is due by the specified due date on utility bill. Payment must be received **by** close of business on the due date or it will be considered late. Due dates that fall on weekends or holidays will be moved forward to next business day. Drop box and online/IVR payments are collected/downloaded upon the end of business day and applied to utility accounts. Payments in drop box, online or via IVR, received in mail or other method after that time will be late. Payment methods for utility bills are as follows:

- Online-debit/credit/check
- IVR (toll-free phone payment)-debit/credit/check
- Mail
- Drop box (front of City Hall)
- In person at office-cash/debit/credit/check
- Autopay from your checking or savings account (ACH)

Payments will not be taken over the phone in the office.

Credit Utility Account Balance

Utility accounts, not on a budget plan, that carry a credit balance amounting to over \$300 and the credit amount is over 90 days in aging, the credit balance will be refunded through a check to the customer during the normal city bill pay process.

The City will not refund credit balances on Masonville sewer or Mapleridge water accounts unless directed by the governing entity to do so.

Late Penalties/Fees

All utility bills must be paid by the specified due date and time or a penalty will be assessed to the outstanding bill balance, not total account balance. An NSF fee will be assessed to your utility account for each non-sufficient fund, wrong bank account number or closed account transaction. If account has two (2) non-sufficient funds within a rolling calendar year, the utility account will be placed on cash or credit/debit card payment only. Online/IVR payment method will be suspended for six (6) months. An additional deposit may also be assessed at that time. Fees and penalties will be in accordance with the City Fee Schedule.

Late Fees/Additional Fee Charges Refund

The City shall refund any late fees, door hanger fees, disconnection fees or other fees related to a shutoff or resumption of service if those fees were improperly assessed because of failure to provide notice as required by this policy. Failure to receive shutoff notification(s) due to actions outside of the City's control do not negate any of the charges assessed.

New Service Requests

1. Upon request for utility service, customers must fill out the request for service paperwork and pay a deposit on electric service as outlined in this policy. Customer who previously had service with the City and have a balance owing on a closed account **will not** be granted service at their new premise until the balance has been paid on the former account and minimum deposit requirements met.
2. Current customers transferring service from one premise to another will need to have their current account up to date before service will be transferred. Any deposit on the account will be held until the final bill is paid. Upon payment in full, the deposit will be transferred to the new account. If not paid by due date, deposit will be applied to the former account and the deposit rate as stated in this policy will be assessed to the new account. If deposit is not sufficient to cover the balance of the former account in full, the customer will be subject to shutoff procedures at their new premise for the unpaid balance of their former premise.

Electric Service Limiters

Electric service limiters will not be used until after the MPSC issues an order that establishes uniform standards for the use of electric service limiters. At that time the City may establish rules on the use of services limiters consistent with the MPSC rules.

Third Party Consent

Subject to applicable third-party consent, a customer may be permitted to designate a third party to receive all bill notifications, on the customer's behalf. Such notices may be provided to both the designated third party and the customer. Landlord's may only receive notifications with the written consent of the tenant occupying the premise and named as the utility account holder. An Authorization to Release Personal and Account Information form must be signed and filed with the utility office before any third party may receive any account information. Information on utility accounts is not available to the public without written authorization from the account holder. Consent is implied on inquiries from assistance agencies.

Utility Assistance Notices

The City shall supply information regarding utility assistance programs and protections to customers annually as a bill message, in a bill insert, public forum, newspaper announcement, City website or in any other manner approved by the governing body of the City. Information to be included:

- Assistance information available by calling 2-1-1
- Medical emergency and critical care protections provided in this policy
- Military shutoff protections pursuant to MCL 460.9C
- Low-income protections provided in this policy
- Senior citizen protections provided in this policy

Senior Identification Notice

The City shall, at least once a year, attempt to identify senior citizen customers by at least one of the following methods:

- Conducting customer interviews
- Obtaining information from a consumer reporting agency
- A personal or automated telephone call where direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail
- First class mail
- Personal visit to the customer
- Written notice left on customer's door
- Utility bill insert

Temporary Shutoff

Notwithstanding other requirements of this policy, service may be shutoff temporarily for reasons of health, safety or in a state or national emergency. When service is shutoff for reasons of health or safety, the utility shall attempt to leave notice at the premises whenever reasonably possible.

Enforced Shutoff

The City may shutoff or terminate service to a customer for any of the following reasons:

1. The customer has not paid a delinquent account that accrued within the last six (6) years.
2. The customer failed to pay deposit as required.
3. The customer has engaged in unauthorized use of the utility services.
4. The customer has failed to comply with the terms and conditions of a Payment Agreement, Winter Protection Payment Plan or Emergency Medical Agreement.
5. The customer has refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance or replacement of equipment that is installed upon the premises or for the removal of a meter.
6. The customer misrepresented his/her identity for the purpose of obtaining service or put service in another person's name without permission of the other person.
7. The customer has not placed service in their name leaving in the name of the former account holder or landlord without the permission of the former account holder or landlord.

8. The customer has violated any rules of the City so as to adversely affect the safety of the customer or the integrity of the system.
9. A person living in the customer's residence meets both of the following:
 - Has a delinquent account for service with the City within the past three (3) years that remains unpaid?
 - The customer lived in the person's residence when all or part of the debt was incurred. The City may transfer a prorated amount of the debt to the customer's account, based upon the length of time the customer resided at the person's residence. This subdivision does not apply if the customer was a minor while living the person's residence.
10. The customer has not paid for service at a premise occupied by another person, and it is not feasible to provide service to the occupant as a customer without a major revision, as determined by the City, of existing distribution facilities.
11. The customer paid with non-sufficient funds or on a closed account to avoid a previously noticed shutoff.
12. The City **will not** terminate services via a landlord's request to evict a tenant **even if** utility account is in landlord's name. See Landlord/Tenant utilities for more information.

Agency Assistance Requests

Customers applying for assistance need to have the agency contact the utility office, prior to 48-hour notice delivery, informing us that an application for assistance has been submitted. Once contacted, a 10-day hold will be placed on the shutoff awaiting the agencies determination of payment. The payment due date listed on past due notice is to be used as date utility office needs contact from assistance agency. A hold will not be placed on an account based on customer stating they are applying for assistance. Agency must contact the utility office.

A 10-day hold **does not** apply to the following circumstances:

- Customers applying **after** delivery of a 48-hour notification.
- Customers who were denied by agency the previous month.
- Customers who failed to meet their co-pay requirement resulting in non-payment of assistance.
- Power has already been shutoff for non-payment.

If the agency is only paying the past due electric portion, the customer will be required to pay the remaining past due balance for the other utilities billed. Assistance agencies will be notified of this co-pay requirement and could hold/rescind their payment of the electric based on customer payment of other past due utilities. Co-payments not met within the time frame allotted, could result in service being turned off for non-payment. If 10-day hold has expired and utility

department has not received a determination of payment, utilities for the premise will be shut off. If premise is already shut off for non-payment past due balance must be paid in full before utilities will be turned back on. This payment can be from an assistance agency, customer or both parties.

Payment Arrangements

Payment arrangements may be requested during the heating season if a customer does not qualify for low-income assistance or the Low-Income Winter Protection program. Payment arrangements will be determined by the Utility Committee. Approved payment arrangements will be for a term no longer than six (6) months. Term of arrangement will be based on the balance owing. Arrangements will be set at current month billing plus additional amount as determined by Utility Committee.

Payments are due on due date as set forth on utility bills. Customers with a Payment Agreement or Winter Protection Payment Plan and fails to make that payment, the customer's electric service will be disconnected on the business day following the date of non-compliance, but not before the end of a ten (10) day notice period. If the customer fails to make a scheduled payment that is more than fifteen (15) days past the date of the Payment Agreement, the City will issue the first and second shutoff notices.

The City is not required to enter into a subsequent payment plan with a customer who defaulted on the terms and conditions of a payment plan within the past 12 months. The City may modify an existing payment if the customer is not in default and demonstrates a significant change in economic circumstances and requests a modification of the payment plan.

The City cannot enter into payment arrangements with Masonville sewer or Mapleridge water customers.

Budget Arrangements

Budget plans are available for residential utilities for City of Gladstone customers. Accounts need to be current to request a budget arrangement. Budgets are re-evaluated twice a year after the cooling and heating seasons. Customers are informed in writing to any changes in their budget amount. Failure to make budget payment amount may cause shutoff procedures to be initiated. If shutoff procedures are initiated, budget will be voided and entire balance will be due.

The City cannot make budget arrangements for Masonville sewer or Mapleridge water customers.

Shutoff Notification/Procedures

The first notice (past due notice) will be issued if a utility account is in arrears or has a deposit owing. The notice will be mailed by first class mail to the customer's billing address approximately one week after new utility bill has been sent. The customer will be given ten (10)

days to pay the arrearage or enter into a payment arrangement. Customers applying for assistance on their past due utilities must have the agency contact the utility office to obtain a hold on their account awaiting agency determination. If customer meets requirements as stipulated in Assistance Agency requests, a 10-day hold will be placed on the utility shutoff procedure. Agency must contact prior to delivery of 48-hour notice. No hold will be given after delivery of 48-hour notice.

If the customer does not make payment or assistance agency has not contacted the utility office by the first notice due date, a second notice (door hanger) will be delivered to the customer's premise. A fee will be assessed to the utility account for delivery of this notification in accordance with the City Fee Schedule. The second notification will provide 48-hours to pay the amount as stated on the notification or utility service will be disconnected. Payment must be received by 9:30 a.m. on date of first notice to avoid 48-hour notice being delivered and fee being placed on utility account. Assistance agencies not contacting utility office **will not** negate fee being added to utility account and delivery of 48-hour notice. No hold will be placed on utility account after delivery of this notice.

The following information is required for shutoff notices:

- Name of account holder
- Service address
- Clear and concise statement of reason for proposed shutoff
- Date on or after which service may be shutoff unless customer takes appropriate action
- Telephone number and address where customer may make an inquiry about or dispute the balance
- Shutoff may be postponed through Medical Emergency procedure

No fewer than two (2) attempts shall be made prior to an involuntary shutoff of service to inform the customer of impending shutoff. Following are methods that may be used for contact:

- Previous balance on utility bill
- Past due notification sent via first-class mail
- 48-hour notification left at premise

Service may be shutoff up to fifteen (15) days after date on notification. If service is not shutoff within that period, first and second notifications must be reissued before disconnection of service.

Shutoff of service shall occur after 9:30 a.m. on date specified. Service shall not be shut off on a day or a day immediately preceding a day when the City is not open for normal business. Utility personnel must attempt to make contact with a responsible individual at the premise prior to shutoff of service.

Determination of shutoff of service will be done by the Utility Committee in accordance with this policy.

At least two (2) hours prior to the close of the City's business day on date electric service is shutoff, a notice will be left at the premise stating that service has been shut off in accordance with this policy.

A fee will be assessed to the customer utility account once personnel have been dispatched for electric service shutoff. Payment or assistance agency notification must be made **prior** to 9:30 on day of shutoff to avoid fee being charged to account. If payment is made **after** 9:30 **and** personnel have been dispatched, a fee will still be assessed to utility account even if electric service **has not** been shutoff. Once personnel have been dispatched the fee will be applied regardless of account status.

Assistance information requests received after power has been shutoff for non-payment will be processed. Power will remain off until assistance determination has been made and any balance remaining thereafter has been paid to make utility account current.

It is against National Electric Code (NEC) 400.12 to run an extension cord from your premise to a neighbor for power if an enforced shut off has occurred. If it is found by utility personnel that this has occurred, the premise that is shut off will be charged for tampering at the rate currently set in the City Fee Schedule.

Eligible Senior Citizen Shutoff Notification

In addition to meeting the procedures as noted above, if an eligible senior citizen is shutoff the City will attempt to contact the customer by one of the following means no later than three (3) business days after shutoff:

- Personal or automated phone call
- Notice by first-class mail
- City staff attempt to make contact at the premise
- Social services or public safety notification for contact (if City staff cannot make contact)
- Any other method approved by the governing body

Prior to shutoff of eligible senior citizen, utility personnel must attempt to inform customer that they are there to shut off their utility for non-payment. Utility personnel are to determine if customer understands what they are there to do and that there is not a medical or other issue that precludes the shutoff of power. If utility personnel feel the customer does not understand or medical or other issue, utilities will not be shutoff and management staff will be informed of the situation.

During the cooling season, if the temperature forecast for the day of shutoff or day following shutoff is 95° or greater, than shutoff on eligible senior citizen will not occur.

During the heating season, the City shall not shutoff an eligible senior citizen. If it is determined by utility personnel that upon making contact prior to shutoff that the person is an eligible senior citizen as described in this policy, personnel will leave on power and inform City management.

Heating Season Shutoffs

The City shall not shutoff service to any residential customer during the heating season **if** the City **does not** opt-in to the LIEAF program. If the City **charges** the LIEAF surcharge the City **shall not** shutoff service to customers who meet the following requirements:

- An eligible senior citizen lives at the premise and utility office has been notified
- An eligible low-income customer that has entered into a Winter Protection Program Agreement and is adhering to the payments
- Notification has been given to the City by an assistance agency that a pending payment has been approved for past due amount
- A Medical Emergency form has been filed with the City

Low Income Winter Protection Program

During the heating season, a qualified low-income customer, as identified by item 4 in the definitions, may enter into the Winter Protection Program. The customer agrees to pay a monthly amount equal to 7% of the estimated annual billing for the premise or a mutually agreed upon amount. Prior to entering the program, a customer must demonstrate within 14 days of requesting protection that they have applied for assistance with the balance. Any arrears balance will be paid in equal payments from start of application to the start of the next heating season (November 1) in addition to the 7%. Once customer is approved, payment is due on the billing due date. After the heating season, the balance is evenly divided by months left to November 1. This will be the true-up payment. The true-up payment will be in addition to the regular monthly bill payment.

Service will be shut off to an eligible low-income customer who does not pay the monthly amount required under the winter protection program. Notification for non-compliance with the terms and conditions of the customer's protection agreement will include the following:

- Customer has defaulted on the winter protection program
- Nature of default
- Customer has ten (10) days in which to make payment or service will be shutoff
- Date on or after which service will be shutoff unless customer takes appropriate action
- Customer may dispute the claim, in writing, before the date of proposed shutoff as provided in this policy
- If dispute filed, City will not shut off service pending resolution of dispute
- Contact information of the City
- 2-1-1 assistance number

- Shutoff would be postponed if a critical care or medical emergency exists
- Additional deposit may be required

Customers under this program who pay in accordance with their schedule will not be charged a late penalty. If a customer fails to pay by the due date, a late penalty will be assessed in accordance with the City Fee Schedule.

Critical Care/Medical Emergency

Shutoff shall be postponed for not more than 21 days if the customer or a member of the customer's household has a certified medical emergency. The certification shall identify the person requiring the protection, the medical condition, any medical or life-supporting equipment being used and the specific time period during which the shutoff of service will aggravate the medical emergency.

Shutoff may be extended for further periods of not more than 21 days, not to exceed a total postponement of shutoff of service of 63 days in any 12-month period. Customer must provide additional certification for each 21day period. The 12-month period starts from date first certification is filed with the City.

If shutoff of service has occurred without any postponement being obtained, the service shall be restored for not more than 21 days if the customer provides proper certification for certified medical emergency.

Restoration of Electric Service

Once the electric service is disconnected, it will not be reconnected until the amount as stated on the notice is paid or the City has been contacted by an assistance agency that the past due amount is to be paid through them or an agency they are representing. Reasonable efforts will be made to restore service on the day of payment or notification by assistance agency. Except for reasons beyond the control of the City, the service shall be restored not later than the first working day after payment or assistance agency notification.

After 3:00 p.m. reconnections will only be done if customer agrees to pay a higher after-hours reconnection fee. Fee must be paid prior to 10:00 a.m. the following day or power will be disconnected until arrears balance, plus all fees, are paid in full. An additional fee will be assessed for the second reconnection in accordance with the City Fee Schedule.

Reconnects done at the pole require 2-men and a truck. Reconnect cost will be based on time, material and vehicle expense. After hours reconnection is a minimum of two (2) hours overtime for two (men), time, materials and vehicle expense. Disconnections for non-payment are only done at the pole if access to meter is unavailable to city personnel.

Water Service Shutoff

The City reserves the right to shutoff water service on accounts where electric service has been involuntarily shutoff for one (1) week. If water service is disconnected, a reconnection fee will be assessed to account when service is turned back on through payment or assistance agency notification. Notification by assistance agency on electric portion payment does not apply to water balance. If assistance agency is using LIEAF funds, only the electric portion of the balance is paid. Your water service will remain off until balance is paid or agency contacts City stating they are paying the water portion of the bill. All reconnection fees will be in accordance with the fee schedule.

The City does not shutoff water to an occupied premise due to high usage issue without authorization of owner/tenant. A notification of high usage will be placed at the premise if unable to contact someone in person. The City is not responsible for any damages incurred to premise due to shutoff of electric or water services for non-payment by the customer or high usage issue.

Refuse Service

The City offers refuse pickup to our citizens. A private refuse service will only be recognized, and the refuse pickup charges removed from utility bill, if the Public Works Superintendent requires the premise to have a private service. This exemption applies to business customers or multi-family complexes required by the City to have a dumpster. Refuse charges will be applied to all premises in the municipal city limits, unless exemption has been authorized.

The City will furnish one refuse receptacle and one recycling receptacle per premise and/or unit. Requests for additional receptacles will be paid for by the customer and be the property of the customer. An additional pickup and/or recycling charge will also be added to the utility bill. All receptacles furnished by the City are the property of the City. Receptacles are numbered and assigned to the premise. Stolen or damaged receptacles are to be reported to the Public Works Department. Receptacles damaged through customer negligence will be replaced at a cost to the customer. Refuse receptacles for apartments are based on the number of units not the number of meters. Individually metered apartments will have refuse container removed by city personnel if the meter is disconnected for other than non-payment enforcement. Multi-unit shared meter premises will have refuse charges equal to number of units at premise added to the house account.

Per the City Commission minutes of October 10, 2005, refuse fees will not be waived for vacant premises unless the electric and/or water meter(s) are removed.

Compost Site

The City operates a compost site located on 29th Street. Customers who pay the Solid Waste Customer Charge on their utility bill can use the compost site. Non-city residents cannot use the compost site. The city reserves the right to ban persons who dump illegally at the site. Furthermore, the city may close the site, without advance notice, if abuses are occurring

pertaining to materials being left at site. City personnel inspects the site for infractions. City personnel are the only authority to deny entry to the compost site.

Clean Up Voucher Program

The City of Gladstone provides the residents, who pay the solid waste customer charge, with a voucher for one load of trash up to 1,000 pounds beginning May 1 through June 30. Vouchers are for the residents of the premise who are named on the utility account. Landlords can only obtain vouchers for utility accounts in their name. Vouchers carry a small monetary value and can be used for any additional fees imposed by the Delta County Solid Waste Authority (DCSWA). The total cost of trash and additional fee items exceeding value as listed on voucher is the responsibility of the resident. A list of items that require additional disposal fee are as follows (list is subject to change by DCSWA and may not be all inclusive):

- Tires
- Mattresses/Box Springs
- Televisions
- Computers
- Printers
- Faxes
- Copiers
- Any other electronic
- Freon containing appliances

Disposal and acceptance of any item will be at the discretion of the DCSWA.

Utility Dispute

A customer may submit a utility dispute, on a City approved form, if they believe there is an error with their bill or other utility related charges. The customer must provide specific detail about why they believe there is an error with the utility bill or other charges. The Utility Committee will review the customer's utility dispute and make a determination. The customer may appeal the committee's decision to the City Manager. Requests for credits on high water/wastewater due to broken pipes or other plumbing issues will be initially denied by the Utility Committee. It is suggested that the owner of the premise file a claim with their insurance carrier for the excess water/wastewater charges.

Damage to Meters

The electric and water meters are property of the City. Meters that are damaged through negligence, tampering, freezing, etc. will be replaced at the cost of the customer. Meters damaged by lightening will be replaced by the City. Determination of cause of meter damage will be done by the appropriate utility personnel and the premise owner will be notified in writing the determination as to cause of meter failure, if it is found damage is the premise owner's responsibility. The customer can dispute these findings through our utility dispute process.

Cost of replacement will be based on current market value for unrepairable meters for water. Damaged electronic radio readers on water meters and frost plates are also included in this clause. Electric meters will be based on current market value for replacement.

Water meters and/or electronic radio readers for meters not returned to Water Department upon the removal of a mobile home will have the replacement of said items billed to the last owner of record.

Water/Wastewater Credits

Following insurance claim, credits for excess wastewater usage due to water leak/frozen pipe **may** be given as a **one-time** credit if it is ascertained by water/wastewater personnel that the water **did not** go through the wastewater system. Credit will not be given in the case where water was partial on the ground and partial through wastewater system. Water will be charged per the usage. Credit is not given on water as it was processed through the water system.

Winter “let run” credits will be given **only** on accounts authorized by the Water Department. Customers who do not have authorization will not be given a credit on their water/wastewater usage. Customer is responsible for ensuring their household water delivery system is sufficiently protected from freezing. Water Department provides premise listing to Utility Billing for credit purposes.

It is the responsibility of the landlord to ensure that pipes are sufficiently protected. If a tenant has a water pipe break, leak or running toilet, the landlord may be held responsible for the excess water charges, even if a lien waiver is on file. This is considered a maintenance issue, not a tenant responsibility for excess water billing due to conditions beyond tenant’s control. If excess water billing is caused by other issues (i.e.: including but not limited to: running hose, pool fill or usage of similar nature) the billing will be the tenant’s responsibility.

Residential customers may receive a wastewater credit for the volume of water used to fill an outdoor swimming pool. Volume is determined by the water technician. Credit is limited to once a calendar year.

The City does not control let runs for Masonville sewer or Mapleridge water service.

Sanitary Sewer Lateral Backups

If you have a back-up of sewage or suspect a back-up, you will need to immediately call the Wastewater Plant **first** and plant personnel will inspect the sewer main. If no one can be reached at the plant call 911. We must first inspect the sewer main to see if it is flowing properly. Once inspected, a drain cleaning service should be called if the problem is in the property owner’s lateral. The City is not automatically liable for resulting damages or lateral cleaning whenever a sewer backs-up. It is only liable for those damages if the back-up was caused by negligence on the part of the City. Michigan courts have made it clear that the City does not and cannot guarantee that its sewers will never back-up.

The courts have stated that the City is liable for sewer back-up damages only if the City's negligence caused the damage. There are four basic questions the courts look at in deciding this issue. The City is liable if the answer to **all four** questions is **yes**:

1. Was there a defect in the City's sewer line?
2. Did the City know, or should have known, about the defect?
3. Did the City fail to correct the defect within a responsible time after learning of it?
4. Did that failure by the City cause damages?

If the City exercises reasonable care in inspection and maintaining its sewer lines, and if it responds to problems in a reasonable manner of time, it is not liable when sewer backups occur.

If you believe that answer is yes to all four of the questions listed above, then you should contact City Hall and proceed with filing an insurance claim. If not, file a claim with your homeowner's insurance.

The City is not liable for Masonville Township sewer. Contact the township for sewer back-up.

Discontinuation of Service

The City may discontinue service upon written notice in case the meter or wiring for electric and/or the water meter on the customer's premise is tampered with in any manner to allow unmetered usage. The customer shall pay the City the estimated cost for the unmetered usage and pay the costs incurred to rectify the wiring and meter box for electric and/or water connection as approved by the City. The unauthorized connection to a utility power source or bypassing utility power source and/or bypass of water connection will be considered theft and will be prosecuted.

Customers or Electrical Contractors shall not cut meter seals without contacting Gladstone Electric Department prior to beginning of work. Meter seals shall not be cut prior to approval except in the case of danger to life or property. Permission will only be given to qualified persons to cut meter seals. Water meters and/or electronic radio readers shall only be removed with prior approval. Permission will only be given to qualified persons. Anyone cutting a meter seal, removing an electric meter or removing water meter components without adhering to the provisions provided herein will be subject to a tampering charge as set forth in the City Fee Schedule.

Meter Test Requests

Customers may request an accuracy test of their electric and/or water meter once every two (2) years at no cost to the customer. Additional requests within that time period will be at customer expense if test results show meter is accurate to industry standards. Testing fee will be in accordance with City Fee Schedule.

Utility Liens

Charges for services furnished to a premise may be a lien on the premises, and those charges delinquent may be certified by the Treasurer who shall enter the lien on the next tax roll against the premises to which the services have been rendered. Utility liens are related to the premise parcel number and not the name as stated on the utility account. The charges will be collected and the lien shall be enforced in the same manner as provided by the State of Michigan and the Gladstone City Charter and Ordinances for the collection of taxes assessed upon the roll and the enforcement of the lien for the taxes. Charges paid after due date specified on notification sent will be subject to a 10% penalty, even if paid prior to being placed on property taxes.

The City does not control utility liens for Masonville sewer or Mapleridge water services.

Landlord/Tenant Utilities

If the utilities for a premise are in the landlord's name, the landlord cannot shutoff the service to harass or evict the tenant if it is known by City personnel that a tenant is living there.

If the service is shutoff due to non-payment by landlord, the tenant may have utilities turned back on by having service placed in their name and a deposit paid in accordance with the deposit requirements herein.

The City will not be involved with any landlord/tenant disputes due to shutoff for non-payment by landlord and tenant placing utilities in their name.

Landlord Not Responsible

In cases where a tenant is responsible for the payment of utilities and the Utility Billing Office is so notified in writing, which notification shall include a Lien Waiver form and a copy of the true lease, if one exists, any utilities accrued from the date that paperwork **is filed** with the Utility Billing Office will not be placed as a lien upon the landlord's property taxes. Exceptions would be as follows:

- If the City has discontinued service to a premise for non-payment and tenant is subsequently evicted, the Lien Waiver agreement is "**null and void**" as the rental agreement which the landlord had with tenant has been voided by way of eviction. Landlord would be responsible for utility balance and should contact utility office to ascertain balance to include with any collections the landlord is pursuing.
- Tenant has passed away.
- Tenant classified as "senior citizen" moves during or within one month of end of winter moratorium as described in Heating Season Shutoff.
- Tenant moves prior to receiving 3th utility bill.
- Landlord sells rental to someone other than tenant.
- Tenant moves without informing utility office.

- In cases of excess water/wastewater charges as determined by guidelines set under Water/Wastewater section, the landlord may be responsible.

The City will not send the landlord notification of tenants past due utilities without a signed Authorization to Release Personal and Account Information form signed by the tenant as stated in the Third-Party Consent portion of this policy. Landlords are encouraged to file a lien waiver to avoid potential past due utilities being placed as a lien on the premise. If a Lien Waiver has been filed, notification of past due accounts will not be sent to the landlord as they are not potentially responsible for the debt. However, notification will be given to the landlord upon the third day utilities have been disconnected for non-payment and tenant has not contacted utility office for payment arrangement, assistance agency contact or made payment of past due balance.

The City cannot accept Lien Waiver forms for Masonville sewer or Mapleridge water accounts.

Land Contracts

Land contracts filed with the city assessor will be treated as sale of the premise. The payee of the contract will be looked upon as the financial institution holding a mortgage. Lien waivers cannot be filed as the property taxes will be in the payor's name. If the land contract is held by the payee and not filed with the city assessor, it will be treated as a rental for utility purposes. A deposit will be required in accordance with this policy and at the rate set in the Fee Schedule. A lien waiver may be filed under same conditions as stated in previous section. Upon the property taxes being placed in the payor's name the lien waiver will be voided.

Business Utilities

Business utilities will follow the same shutoff notifications as listed in this policy. Businesses are not eligible for any of the special programs for shutoff protection listed in this policy.

A new account will only be established for a business once a business has been registered and is in compliance with all ordinances, codes, policies, permits and uses as prescribed by the City, State and Federal regulations as required by law. Failure to comply will result in any active utilities at premise being terminated, even under another name, until compliance has been met. If premise has had utilities discontinued by the City for non-payment and premise has code/ordinance violations, per Ordinance 607, Chapter 58-Utilities, Article I Section 58.3-Application for service:

Service will be connected and/or transferred to applicant only if use of premise has met all ordinances, codes, policies, permits and uses as prescribed by city and state. Non-residential enterprises must be registered with the city prior to application for utility service to ensure they meet all requirements for premise location.

Business owners having a delinquent balance from a business at a different premise will have to pay previous account in full prior to new service being established. Businesses moving from one

location to another must have their account current prior to establishment of account at new location and have met the compliance requirements with Community Development. Unpaid final balance from previous location, will subject the current business location to enforced utility shutoff if left unpaid.

Businesses will pay a utility deposit in accordance with the City Fee Schedule if they do not own the premise.

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