

Utility Billing Policy & Procedures

Utility Billing Set Up

- a. Initial Contact. To initiate water and sewer services, customers will need to contact the Utility Billing office by phone (785-832-7878), in person at City Hall (6 E 6th St.), or by completing the Start Service request form online - https://lawrenceks.org/utility-billing/service_request/start_stop_transfer/.
- b. All customers must provide the following information to set up a utility account:
 - Name
 - Social Security Number or Federal Tax ID (commercial accounts)
 - Date of Birth
 - Working Phone Number
 - Driver's License Number
 - Email Address (not required, but highly encouraged)
- c. Any customer who is not the property owner must provide the above information plus a current photo ID, and a lease agreement (which includes the service address and the term of the agreement) signed and dated by the tenant and the landlord.
- d. Transfer or Disconnection of Service. A customer will remain responsible for any utility charges until a properly completed Stop or Transfer Utility Service request is received by the Utility Billing office. The service request form is available online at this location - https://lawrenceks.org/utility-billing/service_request/start_stop_transfer/. The property owner of record is responsible for any utility consumption and all base fees that occurs on an inactive account.
- e. If a customer owes a past due balance from a previous Lawrence Utility account the full balance must be paid before signing up for services under a new account. If the lease indicates there are multiple tenants at a given address, all tenants must have all past due balances paid in full before services can be initiated.
- f. If a customer, who is not the property owner, is disconnected for non-payment and no longer resides at the location, the property owner may establish services in their own name after providing a written confirmation to the Utility Billing Office by email, US Mail, or in person.

Customer Deposit

- a. The purpose of a customer deposit is to try to ensure that all utility charges are collected, which helps keep rates from unduly increasing for those customers who do pay their bills.
- b. All deposits may be billed in two equal installments on the customer's first two utility bills, unless they have a previous delinquent account.
- c. Annual interest will be paid on customer deposits at the rate set by Kansas Corporation Commission. This is calculated in January of each year.
http://www.kcc.state.ks.us/pi/interest_rate.htm

Non-Property Owners

- d. Non-property owners are charged a \$40 deposit when initiating a new account.
- e. Customers who have past due balance on a previous account are required to pay the deposit up front when initiating services.

Multi-Family

- f. Multi-family customers are charged a cash deposit equal to the amount arrived at by multiplying the number of units by the amount of the minimum monthly bill for water, sewer, and sanitation service for one unit, or \$40 whichever is greatest when initiating a new account.

Commercial

- g. Commercial accounts are charged a cash deposit of \$40 or the average of the highest three months cost during the past twelve months used by the previous customer, whichever is the larger when initiating a new account.

Refund of Deposit

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- a. The City reserves the right to retain deposits indefinitely to assure payment of utility charges. However, the City may elect to refund deposits in the following situations provided the account is at a zero balance:
 - For residential customers, after 18 consecutive months of payments received on time and without instances of returned payments of any type; or
 - For commercial or multi-family customers, after 36 consecutive months of payments received on time and without instances of returned payments of any type; or
 - Upon customer request for termination of service; or
 - Other circumstances satisfactory to the Finance Director that all future utility bills will be paid in their entirety and in a timely manner.
- b. The City retains the option of effecting refunds in cash or applying to outstanding or future utility charges. If the customer has an active account credit balances will be transferred to their active utility account. No refund checks will be issued for amounts less than \$5.00.

Billing

- a. Bills shall be prepared monthly for each billing cycle.
- b. Bills are due 20 days from the billing date.
- c. Payment may be made
 - online or through the Phone interactive voice response (IVR) by credit card or e-check;
 - with a recurring payment scheduled online or by setting up bank ACH draft;
 - through the mail with a money order or check;
 - in person at the counter by cash, money order, check, or credit card;
 - drop boxes with a money order or check at the following locations:
 - East of City Hall between the Riverfront Mall and City Hall
 - In the foyer of the east entrance of City Hall (8:00am – 5:00pm, Mon-Fri)
- d. If payment is not received by the due date, a 2% late fee will be added to the customer's account. All bills not paid within 40 days are subject to disconnection.
- e. If a bill is returned to the City of Lawrence by the post office as undeliverable, the customer service representative shall make all reasonable efforts to obtain a forwarding address and correct the address in the Utility records. In the event that the bill becomes delinquent, the customer service representative shall follow the collection efforts below.
- f. It is the customer's responsibility to contact the City of Lawrence in the event that they do not receive a bill within 45 to 60 days of initiating service, or within 35 days of their previous bill.

Rates

- a. The rates for water and sewer are posted online at <https://lawrenceks.org/utility-billing/rates/>.
- b. **Water base fees** are determined by meter size.
- c. **Water consumption charges** are determined by customer class. Customer classes are defined as:

Residential	Single-family homes, duplexes, and individually-metered condominium units, apartment building units, and mobile home park units used primarily for residential or domestic purposes.
Multi Family	Multiple-dwelling buildings through a single meter serving three or more family units are classified as multifamily residential.
Commercial	Entities engaged primarily in the sales of goods or services, or other nonmanufacturing commercial uses. Mixed-use Commercial - Properties, such as apartments mixed with retail, are classified as commercial.
Industrial	Entities engaged primarily in the manufacturing, fabrication or assembly of products that consume approximately 3 million gallons or more of water annually.

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- d. **Charges for sanitary sewer** usage are based on water consumption. For residential customers, the sewer charge will be based on water consumption during the “winter quarter”. Residential sewer customers are charged based on actual water usage billed in the months of December, January and February (winter quarter). For residents that have not lived at their current residence long enough to establish a winter quarter average, their sewage charge is based on the amount of water consumed each month. All non-residential customers are charged based on monthly water use.
- New residents without an established winter quarter who are irrigating can contact the Finance Department to apply for an adjustment due to non-sewered water use. Supporting documentation will be required.

Billing Dates

- a. Utility Bills are generated in four different cycles. Cycles are assigned based on location of the residence.
- b. Utility Billing bill and due dates below are +/- 2 days
- Cycle 1 – Bill generates on the 22nd; Due on the 12th
 - Cycle 2 – Bill generates on the 29th; Due on the 19th
 - Cycle 3 – Bill generates on the 7th; Due on the 28th
 - Cycle 4 – Bill generates on the 15th; Due on the 6th

Estimation of Bill

- a. When meters cannot be read, either due to extreme cold temperatures or the meter failing to register properly, the usage will be estimated. In those instances an “E” will display in the EST field of the top portion of the bill.
- b. The estimate will be based on the previous month’s usage using this formula:
Previous month’s consumption/number of days in previous service period = Daily Average;
Daily Average x number of days in current service period = Estimated Usage
- c. Estimated bills will be reconciled with the next month’s billing cycle.

Returned payments

- a. For all checks, credit card payments, and bank drafts returned for uncollected or insufficient funds, the customer will be assessed a \$25 fee to reimburse the City staff administrative time. Any such fees will be added to the account and must be paid with other past due charges in order to continue Utility service.
- b. The customer will be notified via letter notifying the customer of the event and requesting replacement funds or alternative payment arrangements.
- c. Customers who do not make good any returned checks or bank drafts and applicable fees will be considered to have not made any payment, and will be subject to procedures for the collection of past due Utility charges.
- d. Two episodes of returned payment within a year time span will result in that payment type being blocked for use in future payments.

Collection of Past Due Utility Charges

- a. **Accounts past due.**
- A disconnect notice will appear in your bill if the account is past due. If a payment is not made by 20 days after the due date account is subject to disconnection.
 - If an account is disconnected, the Utilities staff will leave a door hanger at the service address noting the date of disconnection.
- b. **Accounts over 60 days.** If payment is not received within 60 days, the City may take one or more of the following actions:
- A reminder notice will be sent explaining the amount due to avoid further collection activity.
 - Customer may be denied access to Utility services.
- c. **Accounts over 90 days.** If payment is not received within 90 days, the City may take one or more of the following actions:

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- The account will be terminated and water service will be locked off, if not already done so. A new account will be created under the property owner's name for the service address in question.
 - The City's collection agency will be forwarded the name, address, and balance due requesting them to start collection activity.
 - Remaining balances on terminated accounts may be transferred to a customer's active utility account for collection of charges due.
- d. **Extended Payment Option.** If a customer cannot pay the entire amount of past due charges at one time, the Utility Billing Manager may arrange with the customer to make partial payments over a specified period of time based on account standing. If a customer does not honor the extended payment schedule, the City may disconnect Utility service or take any other legal action to collect past due charges.

Consideration of Credits and Refunds

Refunds

- a. No refunds less than \$5.00 will be made on a customer's account.
- b. If a closed account has a credit balance of \$5.00 or more and there is no active account to transfer the balance to, a credit refund check will be issued. Processing can take up two months.

Leaks

The City of Lawrence may allow credit for Utility charges resulting from leaks on the customer's side of the meter.

a. Exterior and/or Hidden Leaks

Adjustments may be given for high usage bills when a water leak is found to be between the City water meter and the structure. Credit will be given after the following occurs:

- Usage returns to normal
- Customer provides proof of repair (invoice from plumber, copy of bill, etc.) accompanied by a statement confirming that a leak (or multiple leaks) had been repaired, and a description describing where the leak(s) occurred.
- Customer submits a signed Leak Adjustment Request Form

Once proper documentation has been received and usage returns to normal, a credit of 50% of the leak usage less normal usage may be offered typically for a maximum of two months.

A payment plan can be arranged on the balance due, if greater than \$50, up to three months.

The City of Lawrence does not repair or detect leaks on the customer's side of the water meter.

b. Interior Leaks

Interior Leaks (toilets, washing machines, sinks, frozen pipes, etc.)

No water charge adjustments will be made if the leak is inside the structure.

The City will consider applications, fully supported, for adjustments due to non-sewered water use.

Vacant Residences

Account holders/Property Owners are required to pay for the base water and sewer charges when a house is vacant. If the customer notifies the City in advance, water can be Shut Off and solid charges suspended; base water and sewer fees will still be charged. If water is left on, solid waste charges will continue to be charged each month.

Department Explanation

The Utility Billing office is responsible for creating and processing utility bills and monitoring the receipt of payments for the amounts billed. Utility Billing also responds to customer inquiries and provides follow-up if required. Utility Billing maintains approximately 33,000 Active Utility Accounts. Utility Billing Division assists with all customer move-ins and move-outs in the community.