

**CITY OF SALEM**  
**DEPARTMENT OF PUBLIC WORKS**  
**ADMINISTRATIVE RULE**  
**CHAPTER 109**  
**DIVISION 800-2**  
**UTILITY BILLING**

**1.1 Purpose**

The purpose of this administrative rule is to provide a clear and consistent practice for establishing a utility account with the City of Salem and establish a methodology for billings, payments, and collections on utility accounts.

**1.2 Applicability**

This administrative rule applies to all utility customers of the City of Salem regardless of the number of utility services the customer receives. This administrative rule is authorized by *Salem Revised Code* Chapter 70.

**1.3 Definitions**

- (a) City means the City of Salem, Oregon.
- (b) Designated agent may be a tenant, property agent, or other person designated by the property owner as the property owner's agent for all purposes related to the utility account.
- (c) Director means the City Manager, or the department head charged by the City Manager with the implementation and enforcement of this rule, or that department head's designee.
- (d) Person means an individual, corporation, limited liability company, sole proprietorship, association, partnership, trust, cooperative, governmental unit, estate, or any other entity in law or fact.
- (e) Service lateral means a pipe connecting a wastewater main to the building's wastewater or stormwater system or a pipe connecting water main to the building's water meter.
- (f) Service line means a pipe connecting a water meter to a building's water system.
- (g) Utility service means water, wastewater, stormwater, and streetlight service or any combination of these services, provided by the City to its customers.

## ***1.4 Customer Classification***

For the purposes of establishing utility accounts and accompanying rates, all utility accounts will be classified in one of the following categories:

### **(a) Commercial**

- (1) Commercial customers include but are not limited to offices, restaurants, retail businesses, churches, and state licensed residential care facilities or day care facilities.
- (2) Customers do not use water for a manufacturing process.
- (3) Wastewater strength is domestic in nature.
- (4) Customers may be required to install grease traps, amalgam separators, silver recovery devices or other pretreatment processes to remove pollutants or prevent discharge to meet local limit requirements.
- (5) Customers are not required to obtain permits and are not monitored for wastewater flows or loads.

### **(b) Institutional**

- (1) Institutional customers do not use water for a manufacturing process.
- (2) Institutional customers classified as having a potential to negatively impact the wastewater treatment plant may be required to have a pretreatment permit. The impact may be based on wastewater flows (volume) or strengths. Volume considerations may include impact of inflow and infiltration.
- (3) Wastewater has been tested and proven to be relatively uniform in strength and comparable to domestic use. Wastewater fees are calculated based on average flows and loads sampled according to permit requirements.
- (4) Water use is comparable to commercial customers. Wastewater volume and/or strength is comparable to industrial customers.

### **(c) Industrial**

- (1) The industry meets the Federal definition of a Significant Industrial User either as a categorical industry, a customer discharging 25,000 gallons per day of process wastewater, a customer contributing five percent or more of the average dry weather hydraulic or organic capacity of the treatment plant, or a customer identified by the City as having the potential to adversely affect the wastewater system or violate any pretreatment standard or requirement
- (2) Customers are required to have a Wastewater Discharge Permit and meet limits prior to discharging process wastewater to the sewer. Customer's discharge is regularly monitored according to permit requirements to calculate strength and volume for billing purposes.

**(d) Municipal.** All City of Salem accounts.

**(e) Public**

- (1) Public customers include certain state, county, or school district accounts that do not meet other customer classifications.
- (2) Public customers do not use water for a manufacturing process.
- (3) Wastewater strength is domestic in nature and may vary by customer.
- (4) Customers are not required to obtain permits and are not monitored for wastewater flows or loads.
- (5) Water and wastewater use are comparable to commercial customers.

**(f) Residential**

- (1) Single or multi-family homes including mobile home parks and apartment complexes served individually by a single water meter
- (2) Discharge is domestic, uniform, and/or consistent in loading

**(g) Multifamily**

- (1) Multifamily residential property including mobile home parks and apartment units served by a master water meter
- (2) Units are not individually metered
- (3) Discharge is domestic, uniform, and/or consistent in loading and does not require monitoring or pretreatment.

**(h) Irrigation.** Service locations that have an irrigation only water meter and the water from that meter does not reach the wastewater system.

**(i) Wholesale.** Municipal and private agencies or districts that are authorized to resell City of Salem water and/or wastewater services to individual customers.

## ***1.5 Utility Accounts***

**(a) Application for Utility Service**

(1) Applicants for utility service shall provide the City with the following minimum information at the time each account is opened

- (A) Legal name of applicant and other responsible persons;
- (B) Service address as assigned by the county;
- (C) Whether or not the applicant is the owner of the property.
- (D) The mailing address for all utility bills and notices;
- (E) The type of utility service being sought, and, if water service will be provided, the intended use of water; and

(2) Personal identifying information, property information, or any other information deemed necessary by the Director to establish an account or to ensure the identity of the account holder. All personal identifying information shall not be disclosed, except as is otherwise required by state and federal law.

(3) Every person, as a condition of receiving utility service, shall agree to comply with all ordinances, rules and regulations related to such service.

(4) Where two or more persons join in one written or oral application or contract for utility service, such persons shall be jointly and severally liable there under and shall be billed by means of a single periodic bill mailed to the person designated on the application to receive the bill (account holder).

(5) Notwithstanding subsection (1) of this section, the obligation to pay for stormwater utility charges arises when a person responsible uses stormwater utility services. It is presumed that stormwater utility services are used whenever there is an improved premise.

**(b) Terms and Conditions of Service**

(1) Rate schedules are applied according to customer classifications. Customers are subject to, and required to comply with all applicable rules and regulations pertaining to utility service received from the City.

(2) The property owner is responsible to furnish and maintain all materials and facilities required to distribute services beyond the point of delivery to points of use on the property. City-owned facilities located beyond the point of delivery, shall be maintained by the City.

(3) The City shall not be responsible for loss or damage to life or property resulting from non-City owned, installed, or maintained facilities on, adjacent to, or connected to the City's facilities, and the property owner shall assume all liability therefore.

(4) Customer or applicant must pay all monies due by them to the City prior to service connection. The City reserves the right to deny new service until all monies owed are paid in full. The City reserves the right to discontinue any service if evidence is discovered that the customer owed a debt to the City that was not resolved at the time of service connection.

**(c) Account Responsibility**

(1) Utility accounts shall be opened by and billed to the owner of the property to which the services are rendered or to such property owner's designated agent.

**(d) Temporary Water Service**

(1) Temporary water service refers to water service for short-term or transient-type installations, such as short-term commercial activities or on-site service during construction operations. Short-term water service is limited to six months' use from date of connection and may be disconnected unless agreed upon with the Director in writing.

(2) During the period of temporary water service for construction purposes, charges for wastewater collection service shall be withheld until the end of the six month period, or if there is a change in the activity requiring the temporary service. Stormwater services charges shall incur once any ground disturbing activities commence.

**(e) Irrigation and non-wastewater accounts.** Water supplied to any customer that is not discharged to the public wastewater collection system shall not carry a wastewater collection charge. Private metering for the purpose of separating uses will not be recognized.

**(f) Stormwater only accounts**

(1) All properties within the City limits where ground disturbing activity or impervious surfaces exist shall be charged a stormwater services fee as set by resolution of the Council. This fee is charged regardless of the presence of water and/or wastewater collection services.

(2) In such cases where multiple utility accounts exist for the same property, stormwater services fee may be charged to each utility account.

**(g) Resale of utility service**

(1) Customer's rate schedules cover the sale of utility services for the sole and exclusive use of the customer. Non-wholesale customers shall not resell or substitute water services supplied by the City.

(2) Redistribution of utility charges by the customer for shared-meter services is permitted only for the purpose of allocating the actual cost of service to individual tenant-occupants. Such allocations shall be based solely on an equitable distribution of actual utility billings for services provided by the City through the shared-meter. In no case shall the sum of the City charges redistributed by any City customer to others be greater than the actual charges billed by the City in any given billing period.

**(h) Temporary suspension of service.** Residential customers planning for an extended period of absence may request of the City to have their utility billing suspended. Utility service will be deactivated and charges for all services will cease. The customer account will be subject to a reactivation fee once service resumes.

**(i) Medically necessary accounts**

(1) A customer must submit documentation from a qualified medical professional that explains how disconnection would significantly endanger the physical health of an occupant at the service address. The City may require proof of occupancy as part of the documentation process.

(2) Documentation must include:

(A) The name of the person to whom the exemption applies and relationship to the account holder; and

(B) The printed name, signature, address, and phone number of the qualified medical professional certifying the medical need.

(3) If documentation is not submitted in compliance with this rule, the City may disconnect service after providing notice to the customer.

(4) Medically necessary accounts shall be valid only for the length of time the health endangerment is certified to exist, but no longer than twelve months without renewal. If renewal is not received, the Director will provide written notice of the lapse in participation.

(5) A customer with a medically necessary account is not excused from paying for utility service.

(6) If the Director determines a customer does not qualify or no longer qualifies for a medically necessary account, the customer will be subject to service in accordance with the City's standard terms and conditions.

**(j) Denial of Utility Service**

(1) Utility service may be denied to any person for one or more of the following reasons:

(A) The person has an unpaid utility bill or account fees at the current or another address;

(B) The person caused damage or loss of revenue resulting from tampering with or bypassing water meters, locking devices, or otherwise interfering with any City equipment; or

(C) The person fails to provide adequate personal identifying information to establish a new account or to resume utility service where service has been disconnected.

(2) Utility service may be denied to any property owner and subsequent tenant of the property owner, if a former tenant at the property has:

(A) An unpaid water bill or account fee, or caused damage or loss of revenue resulting from tampering with or bypassing water meters, locking devices, or otherwise interfering with any City equipment; and

(B) If the City provided written notice of the delinquent status to the tenant and sent a copy of the notice by first class mail to the property owner at the last known address of the owner or owner's agent that is on file with the Director.

**(3)** Upon rectification of the cause of the denial of service by the person or property owner and paying any account fees, the Director may reinstate service.

**(k) Meter Location; Access to Meter.** The location of the water meter and the space required for the water meter will be determined by the City. As a condition of utility service, authorized City employees and its agents shall have access to the water meter at all reasonable hours to install, turn on, disconnect, inspect, read, repair, or remove the water meter. Water meters shall be kept clear of obstructions including but not limited to shrubs, trees, debris, vehicles, and structures. Failure to allow access to the water meter or prevent access shall be considered meter obstruction.

**(l) Community Gardens.** The Director may waive all usage and administrative charges for water supplied to community gardens under the following conditions:

(1) The community garden has a current agreement with a non-profit charitable food sharing organization as approved by the Director, in which a minimum of 20 percent of the net yield from the garden is donated to the charitable organization.

(2) The operators of the community garden are responsible for the installation, maintenance, and annual testing of an approved backflow prevention device. Failure to maintain the device in proper working or failing to have the required annual tests performed will result in suspension of water service to the community garden.

(3) Water provided to the community garden shall be used for irrigation purposes only between April 1 and October 31 of each year. Any water use outside of that timeframe may be deemed unauthorized and will be billed at the City's current rate, including all administrative charges.

(4) If, based on abnormal water usage, visual observation, or other evidence, a leak is suspected, it is the operator's responsibility to verify the leak and have any necessary repairs performed. If the leak(s) is not repaired within 30 days from discovery, the Director reserves the right to begin charging the full rate for water used.

## **1.6 Billing and Payments**

### **(a) Billing**

(1) All billings for utility service shall be made based upon the utility rate schedule adopted by resolution of the City Council.

(2) Customers will be billed for any combination of utility service provided by the City on each month's bill.

(A) Water service is considered to be provided if the customer's property is connected to the water system and the customer has not requested the City close or suspend the account. Consumption of water is based on the meter reading of the water meter serving the property.

(B) Wastewater service is considered to be provided if:

(i) The customer's property is connected to the water and wastewater system and the customer has not notified the City that the property is vacant and water and wastewater service is no longer required; or

(ii) The customer receives only wastewater service from the City and the customer has not notified the City that the property is vacant and wastewater and/or stormwater service is no longer required.

(C) Stormwater and streetlight services are considered to be used if the customer's property has any kind of development, ground disturbance, or impervious surface on it, regardless of whether water or wastewater service is provided by the City.

(3) Administrative service charges are set by resolution of Council. The charges, which include, but are not limited to, franchise fees, activation fees, reactivation fees, suspension fees, dishonored payment fee, fees for tampering with or bypassing water meters, locking devices, or otherwise interfering with any City equipment may be charged to the customer's account and included in the monthly billing.

### **(b) Dishonored Payments**

(1) Utility payments dishonored from a financial institution for any reason will be charged a dishonored payment fee. The dishonored payment fee, set by resolution of Council, will be up to the maximum allowable under state law.

(2) Utility accounts may be placed on guaranteed fund status if two dishonored payments are received within a six-month period. Accounts placed on guaranteed fund status will be required to make payments by cash, money order, or cashier's check. Accounts will remain on guaranteed funds status until six months have passed since the last dishonored payment was received.

### **(c) Adjustment of utility bills**

(1) When an under-billing or over-billing occurs, the Director shall provide the customer with notice of the circumstances, period of time, and amount of adjustment. If the date of the error can be established, the under-charge or over-charge shall be computed back to such date. If no date can be established, the Director shall refund or re-bill for six months of usage. In no event shall an under-billing or over-billing be adjusted for a period of more than 10 years.

(2) The Director may waive re-billing for under-billings when the cost to the City of re-billing is not economical.

(3) No billing adjustment shall be required if a water meter registers less than 2% error under conditions of normal operation.

(4) Usage charges and administrative service charges may be reduced, adjusted, or waived at the discretion of the Director. The Director may take into account the history of the account and any other special circumstances when determining if an adjustment to the utility bill is warranted.

(5) When a customer is required to pay for an under-billing, the customer may enter into a time-payment arrangement agreement at the Director's discretion.

(6) Should any refund of a payment be requested and granted, refunds will be issued by paper check or electronically at the Director's sole discretion.

(A) Electronic refunds will be issued to the credit card or bank account from which the funds were originally drawn.

(B) Refunds by paper check will be issued to the name and address of the utility account holder.

**(d) Estimating bills.**

(1) When a meter fails to register accurately, the Director shall charge for water based on the historic usage of water at the premises.

(2) Estimated bills may be issued if a meter reading cannot be recorded because the meter is inaccessible due to, but not limited to, inclement weather; overgrowth or other obstruction; failure to locate; or illegal usage bypasses the meter.

(3) For customers without sufficient billing history at the premises, estimated bills shall be based on the customer's historic City account usage at a previous service address. If sufficient account history does not exist, estimated bills shall be based on the City average for the account classification. Subsequent billings shall be adjusted based on actual usage.

**(e) Water leak notification and adjustments**

(1) If, based on unusual or abnormal water usage, the City suspects a leak on the customer's premises, the City shall notify the customer of the possible leak prior to the next regularly scheduled meter reading. It is the sole responsibility of the customer to investigate, verify, and/or repair the leak.

(2) If a water customer suspects a leak within their system, the customer may request the City to perform a leak inspection. The City shall notify the customer of the results of the leak inspection as soon as practicable.

(3) If within 90-days of notification of the leak to the customer satisfactory proof of the leak repair is verified by the Director, a maximum of three months of the estimated excess water consumption will be refunded to the water customer as a credit. The amount of the adjustment will be based upon the customer's use during the same period of the prior year or upon the available history of the customer's water consumption.

(4) In the event the account holder for which the leak is occurring is not the owner of the property to which water is supplied and the leak is not repaired in a timely manner, the City reserves the right to transfer responsibility of the account to the property owner until such time the leak is repaired to the City's satisfaction.

**(f) Wastewater base setting**

(1) The wastewater base for each account is established annually and shall be calculated on the average measurable water consumption of up to four water meter readings on or after November 1<sup>st</sup> of each year.

(A) If a utility account is suspended or has no measurable consumption during a billing cycle used in setting the wastewater base, the corresponding meter reading shall not be used to set the wastewater base.

(B) If a utility account is established during the wastewater base setting period, meter readings that are less than a full billing cycle and are not therefore representative of normal water use shall not be used to set the wastewater base.

(2) Wastewater base adjustments may be given to customer accounts where the wastewater base was set at the rate of a new account without history, as listed in the rate resolution. At the request of the customer, the account may be reviewed after two full billing cycles to establish a wastewater base.

(A) If the actual base is less than the prior set wastewater base, a credit of the difference will be issued retroactively for charges occurring during the billing cycles used to establish history.

(B) If the actual base is greater than the prior set wastewater base, no additional fees will be assessed retroactively for charges occurring during the billing cycles used to establish history.

(3) Customers may request an adjustment to the wastewater base due to a waterline leak during the wastewater base setting period provided the City can verify abnormal water use over the period in question and the leak has been repaired.

**(g) Past due and delinquent accounts**

(1) Utility charges are due upon receipt. Any charges not paid within 25 days from the date of billing are considered past due.

(2) Any account with a past due balance greater than 25 dollars is considered delinquent.

(A) Water service may be discontinued to customers having any delinquent utility charges, when, in the judgment of the Director, such action is necessary to enforce collection of delinquent amounts.

(B) Septic hauler and hauled waste dumping privileges may be suspended upon having any delinquent utility charges.

(C) In cases of hardship, or if a customer is unable to make full payment by the due date, the Director may make or accept payment arrangements. Payment arrangements will be made at the discretion of the Director based on review of the account type and past payment history. Some accounts will not be eligible for payment arrangements.

(D) Unless other arrangements have been made by the Director under (C) of this section, service shall not be reinstated until all charges to the utility account have been paid in full.

(3) The City may initiate legal proceedings or contract with third parties for the collection of delinquent utility charges.

(h) **Transfer of Previously Unpaid Accounts.** The City may transfer to an existing or new service account any unpaid charges for service previously furnished to the same customer at any location in the City's service area. If more than one available account exists, the customer may request which account the balance shall be transferred to.

(i) **Hearing on disputed bills.** Any person who is responsible for payment of a utility bill who disputes the amount of the charges may submit a request for hearing in writing on such disputed bill. Hearings on disputed bills will be conducted as detailed in SRC 20J 320-430.

(j) **Meter Tampering/Obstruction**

(1) It shall be unlawful for any unauthorized person to alter, tamper with, relocate, willfully damage, or bypass a water meter. It is unlawful for any person other than a City employee to reconnect a water meter or any other device or piping for the purposes of obtaining water after City personnel have disconnected it.

(2) It shall be unlawful for any person to cover or otherwise restrict access to a water meter for the purpose of impeding the City's ability to determine accurate consumption of water from the meter, connecting or disconnecting service, or service and maintenance of the water meter.

(3) Penalties for meter tampering and/or obstruction may include administrative service charge, civil penalty, or violation and fine, or any combination thereof.