

**RULE V****BILLING AND BILL PAYMENT, COLLECTIONS AND LEAK ADJUSTMENTS:**1. **BILLING PERIOD:**

- A. **Monthly Bills:** Bills for multi-family residential accounts, all commercial accounts, occasional or temporary-use accounts, and wholesale accounts shall be prepared and rendered monthly upon inspection and reading of the meter by an employee of the Water District.
- B. **Bimonthly Bills:** Bills for single-family residential accounts shall be prepared and rendered bimonthly upon inspection and reading of the meter by an employee of the Water District, with the inspection and reading of the meters being conducted under a 2 month cycle system. The District Management may require residential Customers to be billed on a monthly basis, if in its opinion, it would be in the best interest of the District.
- C. **Both Monthly and Bimonthly Bills:** Bills shall be due and payable when rendered to the Customer. The amount due shall be based on the rates established by the Water District Board for all water consumed as shown by the register of the water meter. Should the meter become defective or fail to register correctly, as determined by a test of the meter, the quantity of water used shall be determined by the amount or average amounts of water used during the preceding comparable billing period or periods or any other basis which may be pertinent and equitable.

2. **PRORATED BILLS:**

- A. When bills are issued for periods outside normal billing periods, the Service Charge will be prorated based on the actual number of days included in that bill. The rates used will be those in effect during the reading period and billing calculations will be

made using standard billing methodology consistent with industry standards.

- B. The charge for service to new Customers who have had service for 7 days or less when the meter is read shall be added to the next bill covering service for a full billing period.
- C. The charge for service to Customers who discontinue water service within 7 days following their regularly scheduled meter reading date may be added to their last bill covering service for the full billing period.

3. ESTIMATED BILLS:

A. Estimated Water Consumption For Customer Billings:

When the Water District is unable to obtain a meter reading due to bad weather or other causes, the Water District shall estimate the reading on the basis of consumption experience in previous billing periods unless the Water District has information pertinent to the consumption, which would make a duplication of the previous billing period consumption unreasonable. In the absence of previous consumption histories during the same periods being billed, accounts will be estimated for the maximum billable in Block I based on the AWC Used.

Upon subsequent actual reading of the meter by a Water District employee, the Customer's account shall be adjusted, if necessary, so the total water consumed between meter readings shall be allocated on a reasonable monthly or bimonthly consumption basis and billed accordingly.

- (1) Special Effort to Read Meter: The Water District shall make a reasonably special effort to gain access to the meter and obtain an actual meter reading after 2 consecutive estimated bills to a Customer and to obtain a verification

reading of the actual meter in the case of remote read meter dials no less often than once each 6 month period and at each "turn-off" service performed for any reason.

- (2) Discontinuance of Service: After 3 consecutive billings based on estimated meter readings or after inability of the Water District to gain access for verification readings of remote read meter dials for a period of 6 months, the Water District may give 10 days' written notice to the Customer to make arrangements with the Water District for a reading of the meter. If the Customer fails to make such arrangements, water service may be discontinued.

- (3) Relocation of Meter: (See Section 3, Subsections A and B of Rule IX).

4. RETURNED CHECKS:

- A. If a Customer's check received by the Water District as full or partial payment for a current or delinquent account balance is returned unpaid to the Water District, the amount of such returned check will be charged back to the Customer's account and the account will remain unpaid.
- B. When a returned check has been charged back to a Customer's account, that account will be subject to normal Water District collection charges and collection procedures prescribed in Section 5 of this Rule V.
- C. Returned checks will be delivered promptly to the payor together with a notice stating that the amount of the returned check has been added back to the Customer's account, and further stating that the account is subject to normal Water District collection procedures and may become subject to delinquency discontinuance of service. (See Section 5 of Rule V.)

- D. If an analysis of the Customer's account discloses a history of returned checks, the Water District may require payment for any returned check be made in the form of cash or money order.
- E. When a returned check is charged back to a Customer's account, a Returned Check Charge (as specified in Rule XVIII) in addition to any applicable collection charges will be added to such account to reimburse the Water District for costs incurred in processing and handling the returned check.

5. PARTIAL PAYMENT, DELAYED PAYMENT CHARGE, COLLECTION CHARGE AND DISCONTINUANCE OF SERVICE:

A. Partial Payment of Balance:

When a Customer's payment received by the Water District is for an amount less than the accumulated balance in said Customer's water account, his payment shall be applied to satisfy charges represented in the water account balance in the order of their origination.

B. Delayed Payment Charge and Discontinuance of Service:

Payment of charges for water service is due on or before the 21st day following the mailing of the statement, and is in default thereafter. If payment for the charge for current water service, or any portion thereof, is not received in the Water District office on or before the date indicated on the bill, a Delayed Payment Charge (as specified in Rule XVIII) will be added thereto, following which the Water District will institute uniform collection procedures and may finally discontinue water service to such Customer in default.

C. Notice of Discontinuance: The intention of the Water District to discontinue

delivery of water to a Customer in default shall be stated in a "notice of discontinuance" mailed to the Customer or delivered to the premises, notifying the Customer that the water service will be discontinued on the date designated thereon if by that time payment of the total delinquent amount has not been received in the office of the Water District. The notice of discontinuance shall also notify the Customer of the amount then delinquent plus the amount of the Field Trip Charge which has been applied.

- D. Field Trip Charges: A Field Trip Charge (as specified in Rule XVIII), will apply each time a field visit is made due to delinquency (or when service is discontinued for reasons otherwise set forth in these Rules and Regulations). A Reconnection Trip Charge (as specified in Rule XVIII) will also apply each time a separate field visit is made to reconnect water service during Normal Reconnection Hours, which include Business Hours and may include extended collections hours set by the District. When a Customer requests that reconnection of service occur outside the Normal Reconnection Hours, an After Hours Reconnection Trip Charge (as specified in Rule XVIII) will apply in lieu of the regular Reconnection Trip Charge. Field Trip and Reconnection Trip Charges must be paid prior to reconnection of service.
- E. No Liability to Water District: The Water District shall not be liable for any damages which the Customer may sustain following discontinuance of water service due to nonpayment of delinquent amounts due the Water District.
- F. Exceptions: Subdivisions of the State of Kansas and the Federal Government, public and charitable institution, churches and schools shall not be subject to the Delayed Payment Charge referenced in Section 5 Subsection B of this Rule.
- G. Transfer of Customers Liabilities: Charges relating to providing service to a

Customer at any location served by the District that are delinquent and unpaid may be transferred to an account for water services to said Customer at any other location served by the District and upon such transfer if such delinquent and unpaid charges remain unpaid, the water service at the location where transferred shall be subject to delinquency discontinuance of service.

Other forms of unpaid delinquent charges or obligations from a Customer, whether the Customer is an individual, corporation, partnership or joint venture, may be transferred to another Water District account where such other designated account Customer thereby subjected to the transferred charges or obligations, is identical, or had or continues to have a substantial relationship to the Customer originally obligated. An obligation is "delinquent" when it is due and unpaid after the designated date by the applicable invoice, notice, contract or other agreements, unless extended in writing by the Water District. A "substantial relationship" shall be defined as:

1. In the case of individual Customers, or individual partnerships or joint ventures,
  - a. Having been an officer, director or shareholder controlling at least 5% of the issued shares in the corporate Customer originally obligated:
  - b. Having any partnership interest in a partnership which was originally obligated; or
  - c. Having any participation in a joint venture which was originally obligated.
2. In the case of a corporate Customer, or corporate partners or joint ventures,

- a. Having any officer, director or shareholder controlling at least 5% of the issued shares of the corporation who was similarly situated in a corporate Customer which was originally obligated;
  - b. Having any officer, director, or shareholder controlling at least 5% of the issued shares of the corporation who was a partner in a partnership which was the Customer originally obligated; or
  - c. Having any officer, director or shareholder, controlling at least 5% of the issued shares of the corporation who participated in a joint venture which was the Customer originally obligated.
6. EACH METER- A CUSTOMER ACCOUNT: Each meter installation shall be considered as a separate Customer account and shall be billed as such, except wholesale account meter installations and manifold meter installations in which 2 or more meters are installed in parallel to supply the maximum demand for a single Customer account.
7. OFFICE FOR COLLECTION: Bills for water service shall be paid at the Water District's principal office or at such other specific locations that the Water District has designated a Collection Agent. No employees of the Water District except those so authorized shall accept payment of water bills.
8. COLLECTION AGENTS: The Water District Board may from time to time designate Collection Agents at locations where water Customers may pay water bills. Collection Agents shall be required to comply with the following regulations and procedures:
- A. Regulations and Procedures:
    1. No payment for water service shall be accepted by a Collection Agent in any amount that is different from either the "net amount" or "gross amount" due the Water District as indicated on the water bill stub.

2. No payment shall be accepted if not accompanied by a water bill stub.
  3. Each bill stub collected shall be stamped with the date collected and listed daily on an adding machine tape. The tape shall be properly dated and stamped with the name of the Collection Agent. Banks designated as Collection Agents shall deposit collections for each day in the "Water System General Fund" account of the Water District, and shall forward each day a duplicate deposit slip together with the above described tape and bill stubs to the principal office of the Water District.
  4. No fee or charge shall be collected by a collection agent from a water Customer for accepting the Customer's payment for water service. However, the Water District Board may determine and authorize payment of a reasonable collection fee to a collection agent payable only from Water District funds.
  5. No credit balance of Customers shall be refunded by a collection agent.
9. ADJUSTMENT FOR LEAKAGE: If a Customer suffers a loss of water due to a break or failure in the plumbing, of which he has no knowledge, and the water so lost has been registered on the meter, an adjustment of the Customer's bill may be made in accordance with the following provisions:
- A. Proof: A request must be made for an adjustment and satisfactory proof must be offered the Water District showing that the high bill was due to leakage.
  - B. Amount of Leak: The estimated water so lost must be equal to or more than 25% of the water normally used per month.
  - C. Method of Adjustment:
    - (1) Customers on Monthly Billing Cycle: The bill may be adjusted to an amount

equal to the total of:

- (a) The estimated normal month's consumption plus one-half of the first 25,000 gallons or less lost due to the leak, and,
- (b) One-half of the gallons lost due to the leak that is in excess of 25,000 gallons.
- (c) The gallons identified in (a) and (b) will be added together to determine the total billable gallons, and will be used as the base to calculate an adjusted water bill using the rate schedule in effect for the period being adjusted.

(2) Customers on bimonthly Billing Cycle: The bill may be adjusted to an amount equal to the total of:

- (a) The estimated normal two months' consumption plus one-half of the first 25,000 gallons or less lost due to the leak, and,
- (b) One-fourth of the gallons lost due to the leak that are in excess of 25,000 gallons.
- (c) The gallons identified in (a) and (b) will be added together to determine the total billable gallons, and will be used as the base to calculate an adjusted water bill using the rate schedule in effect for the period being adjusted.

D. Length of Adjustment Period: Adjustments will NOT be made for water lost after the Water District has notified the Customer of the existence of a leak, nor the water lost after the Customer has advised the Water District of a leak and/or requested an adjustment. Adjustments may be made for water lost during the period covered by the last bill rendered before said notification of said request, and for that portion of

the current billing request preceding said notification or said request.

- E. Restriction on Adjustments: Adjustments will NOT be repeated in those instances of chronic losses, where, in the opinion of the Water District, the losses are recurring due to faulty repairs of plumbing or lack of reasonable inspection and maintenance.