

WATER SERVICE RULES

FOR

ORIENT MUNICIPAL UTILITIES

ORIENT, IOWA 50858

EFFECTIVE DATE – 11/08/2021

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DIVISION ONE -- STATEMENTS OF OPERATION

SECTION 1.1 PURPOSE

These service rules have been adopted by the City Council of Orient. The rules are subject to change from time to time to ensure safe and efficient service in compliance with applicable laws and regulations.

SECTION 1.2 APPLICABILITY

These service rules are intended to broadly govern operation of the municipal water utility. Where a rule cannot be reasonably applied to a specific situation, the City Council reserves the right to act in an adjudicative capacity to resolve such conflicts.

Rates and charges are not included in these service rules. References to rates or charges and certain other terms and conditions of service "adopted by the City Council" refer to applicable resolutions adopted by City Council.

SECTION 1.3 DEFINITIONS

Unless another meaning is specifically indicated, when used in these rules:

- a. "Complaint" means a statement or question by anyone, whether a utility customer or not, alleging a wrong, grievance, injury, dissatisfaction, illegal action or procedure, dangerous condition or action, or utility obligation. The utility may require that complaints be in writing.
- b. "Customer" is the account holder or any person, firm, association, or corporation, any agency of the federal, state or local government, or legal entity directly benefiting from water service from the water utility. In the case of a residence, customer also means other adult persons occupying the residence, which means they are receiving benefit from the water service.
- c. "Delinquent or delinquency" means an account for which a service bill or service payment has not been paid in full on or before the last date for timely payment.
- d. "City Council" means the governing board.
- g. "Meter" a device that measures and registers the use of water.
- h. "Timely Payment" is a payment on a customer's account made on or before the date shown on a current bill for service, or on a form which records an agreement between the customer and a utility for a series of partial payments to settle a delinquent account, as payment charge to the current bill or future collection efforts.
- i. "Utility" means Orient Municipal Utilities.

DIVISION TWO -- SERVICE CHARACTERISTICS

SECTION 2.1 SERVICE CHARACTERISTICS (General Statement)

The Utility shall maintain at its expense that portion of the service line from the main to the curb stop, including the necessary tap, fittings, pipe and curb stop with riser, after it is installed at the customer's expense to the utility's specifications. The customer shall install and maintain at its expense that portion of the service line from the curb stop to his premises. All service lines shall be sized by the utility and installed at a depth of five (5) feet, and with materials, approved by the superintendent, with a minimum rating of 200 PSI and provisions for locating.

SECTION 2.2 ENGINEERING PRACTICE

Facilities of the utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice in the water industry to assure, as far as reasonably possible, continuity of service and safety of people and property.

The utility shall make all reasonable efforts to eliminate interruption of service, and when such interruptions occur will endeavor to reestablish service with the shortest possible delay. Whenever the service is interrupted for the purpose of working on the water system, all customers will be notified in advance, whenever possible and practical to do so.

The utility shall in no event be held responsible for any claims made against it by reason of the breaking of any mains or service pipe, or by reason of any other interruption caused by the malfunction of equipment or stoppage for necessary repairs; and no person shall be entitled to damages nor refund of payment for any interruption of service deemed necessary by the utility.

SECTION 2.3 SPECIAL CONDITIONS OF SERVICE

Except for facilities defined in section 2.1 of these rules as a responsibility of the utility, the customer shall be responsible for all pipes and plumbing equipment after the curb stop. The installation and maintenance of customer facilities shall be consistent with standards imposed by the state plumbing code of Iowa and or the Iowa Department of Natural Resources.

The customer's facilities shall be subject to inspection by the utility during normal working hours. No inspection or approval of a customer's compliance with this section by the utility or other agent of the municipal government shall be construed to impose any duty or liability on the utility, but shall be considered solely for the purpose of ensuring protection of the utility's property and continuity of service to customers of the utility.

SECTION 2.4 METER INSTALLATION

Water meters shall be sized by the utility. Water meters shall be installed horizontally, with an inlet meter valve and an outlet back-flow preventer (dual check valve or equal).

The water meter, remote reader will be maintained free of charge by the utility (after original approved installation, paid for by the customer), except when damaged by freezing, hot water or through carelessness, neglect or tampering by the owner and or customer.

* An expansion tank is required to protect the customer's water system when a back-flow preventer is used. The utility will supply an expansion tank (to be installed and maintained by the customer) to a customer with a water meter installed prior to October 2, 1992, for meters after this date, customers will be billed for the expansion tank.

** Any testing of a backflow preventer shall be the responsibility of the customer and or owner.

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2.4(1) Individual Metering

Individual metering shall be required on multi-occupancy premises in which units are separately rented or owned, except that the utility may provide single meters for water used:

Where individual metering is impractical and/or where a facility is designated for elderly or handicapped persons and utility costs constitute part of the operating cost and are not apportioned to individual tenants.

2.4(2) Special Metering Installations

The utility reserves the right, at its option, to require or place special meters or instruments on the premises of a customer for the purpose of special tests of all or part of the customer's water usage.

2.4(3) Meter Testing

All meters and associated devices shall be inspected, tested, adjusted, and certified to be within an allowable tolerance of error, in accordance with commonly accepted engineering practice.

2.4(4) Meter Location

Water meters shall be located inside the building served, between one (1) and two (2) foot from the location where the service pipe enters the building. With a remote reader installed on the outside of the building, close to the electric meter and at a height of four (4) to five (5) feet.

Exceptions: the water meter may be installed in a meter pit if in a rural type setting where the service line from the property or easement line to the building to be served is longer than two hundred (200) feet. The customer shall pay for and maintain the meter pit. Easy access shall be maintained for the utility by the owner and or customer to both the meter and the remote reader.

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DIVISION THREE -- CUSTOMER RELATIONS

SECTION 3.1 APPLICATION FOR SERVICE

Application for service shall be filed at City Hall. At the time of application, the applicant shall be given an opportunity to designate a person or agency to receive a copy of any notice to disconnect service due to the applicant's nonpayment of a bill. As soon as practicable after the approval of the application, the utility shall supply service to the applicant in accordance with these rules.

SECTION 3.2 CUSTOMER DEPOSITS

Customer deposits are required, amount set by the City Council.

SECTION 3.3 BILLING INFORMATION

Customers shall be billed on a monthly basis according to the appropriate rate schedule for metered service received during the billing period.

3.3(1) Billing Form

The following information shall be included on the billing form or made available to the customer at the utility's business office:

- a. The actual or estimated meter readings at the beginning and end of the billing period.
- b. The date of the meter readings.
- c. The number and kind of units metered.
- d. Reference to the applicable rate schedule.
- e. The account balance brought forward and amount of each net charge, and total amount currently due. In the case of prepayment meters, the amount of money collected shall be shown.
- f. The last date for timely payment shall be clearly shown and shall be not less than twenty days after the bill is rendered.
- g. A distinct marking to identify an estimated bill or meter reading.
- h. A distinct marking to identify a minimum bill.

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3.3(2) When Payable -- Late Payment Penalty

A bill shall be due and payable when rendered and shall be considered delinquent after twenty days from the time it is rendered. A bill shall be considered rendered by the utility when deposited in the U.S. mail with postage prepaid or when delivered by the utility to the last known address of the party responsible for payment. Bill payments received by the utility on or after the delinquent date shall be for the gross amount stated on the bill which shall include a late payment penalty (set by the City Council) per month of the last due amount. Failure to receive a properly rendered bill shall not entitle the customer to relief from penalties for late payment.

Each account shall be granted one complete forgiveness of a late payment penalty in each calendar year. The customer shall be informed of the use of the automatic forgiveness by phone or in person, by posting to the next bill, or by separate mailing.

3.3(4) Where Payable

Bills shall be paid by mail, by direct deposit through a designated financial institution, by deposit in a designated receptacle, or in person at City Hall.

3.3(5) Minimum Bill

The minimum bill provided for in the rate schedule will apply to any billing period during which the service remains connected.

3.3(6) Temporary Disconnections

The utility may, upon reasonable notice by a customer, make temporary disconnections for the customer's convenience.

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3.3(7) Service Calls

The customer shall be billed for the cost of services not the responsibility of the utility, as follows:

- a. For a service call where the trouble is found to be on the customer's equipment, the customer shall be billed in accordance with terms and conditions established by the City Council.
- b. For a service call requesting the relocation of facilities belonging to the utility, the customer shall be billed for the direct cost of labor and replacement of materials. An advance deposit equal to the total estimated cost may be required where the estimate exceeds one hundred dollars.

3.3(8) Customer Requested Meter Tests

The utility will periodically inspect and test meters in accordance with accepted engineering practice. In addition to regular testing, the customer may request a meter test, providing that such tests need not be made more frequently than once each eighteen (18) months. The customer or the customer's representative may be present when the meter is tested and the results shall be reported to the customer within a reasonable time. If the meter is within the allowable tolerance, the customer shall be billed for the cost of the test in an amount established by the City Council.

3.3(9) Adjustment of Bill for Meter Error

Whenever a meter is found to have an average error of more than 2.0 percent the utility shall adjust a current customer's bill or issue a refund or back bill to a past customer. The amount of the adjustment shall be calculated on the basis of metering accuracy of one hundred percent. The adjustment period shall extend from the date the error began. If that date cannot be determined, it shall be assumed the error has existed for the shortest time calculated as five years from the date the error was discovered, one half the time since the meter was installed, or one half the time since the last previous meter test. The adjustment period for slow meters shall not exceed six months without the approval of the Board of Trustees. When a meter is found not to register, the utility shall issue an estimated bill.

An adjustment, refund or back-billing shall be made for any overcharge or undercharge resulting from incorrect reading of the meter, incorrect application of the rate schedule, incorrect meter connection or other similar reason.

This section shall not be construed to require a cash refund to a current customer nor a refund or back-billing to a previous customer in an amount less than two dollars. The utility further reserves the right to forego back-billing procedures, which it determines, is not cost effective.

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3.3(10) Returned Checks

A service charge in an amount established by the City Council shall be assessed to any customer whose check is returned unpaid by the bank on which it was drawn. The service charge shall be in addition to the late payment penalty if the check is not made good and the service fee not paid prior to the delinquent date of the bill. If two or more checks are dishonored within six-month period, the utility may require future payments to be by cash, cashiers check, or postal money order.

SECTION 3.4 DISCONNECTION OR DENIAL OF SERVICE

Water service may be discontinued by the utility for any violation of any service rule, regulation or condition of service, and especially for any of the following:

- (a) Resale or giving away of water.
- (B) Waste or misuse of water due to improper or imperfect service pipes, and/or fixtures, or failure to keep same in suitable repair.
- (C) Tampering with the meter, meter seal, remote reader & wire, meter valve, back-flow preventer or ground strap, or permitting such tampering by others.
- (D) Connection, cross-connection, or permitting same, to any alternative water supply and/or possible contamination.
- (e) Non-payment of OMU utility bills (to include but not limited to Electric, Water, Taxes, and Penalty).

Where the water service to a customer has been discontinued pursuant to this section, a reconnect charge set by the City Council(plus any delinquent bill) shall be paid in full by the customer before service is reconnected.

SECTION 3.5 CUSTOMER OBLIGATIONS

Acceptance of service shall obligate a customer to the conditions imposed by these rules and applicable rules of the Iowa Department of Natural Resources and the state plumbing code of Iowa.

3.5(1) Damage to Utility Facilities

If any loss or damage to the property of the utility or any accident or injury to persons or property is caused by or

results from the negligence or wrongful act of the customer, member of his household, his agent, employee or renter, the cost of the necessary repairs or replacements shall be paid by the customer to the utility and any liability otherwise resulting shall be that of the customer.

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3.5(1) Damage to Utility Facilities (continued)

No unauthorized person shall be allowed to uncover, work on or make connections to the utility's water system without obtaining a permission from the Superintendent. The person may be required to deposit with the Utility a performance bond equal to the estimated cost of the work to be done (minimum of \$1,000.00) and proof of liability insurance, if deemed necessary by the Superintendent and/or the City Council.

3.5(2) Customer Premises

The customer and owner shall grant the utility, without charge, right of way over and on the premises on which equipment and structures of the utility are located. Access to the equipment and structures shall be granted to the utility at reasonable times for installation, inspection, testing, repair, and other functions necessary for the maintenance of satisfactory service.

3.5(3) Notice by Customer to Terminate Service

A customer shall give the utility not less than three business days notice prior to final termination of service. Disconnection of service under this section shall be during the regular business hours of the utility.

The customer shall remain liable for water used and service rendered until transferred to another approved customer or service is discontinued at the curb stop by the utility. The curb stop requirement may be waived for residential customers who leave their homes annually, as long as proper notice is given to the utility when they leave and return.

The utility will make every attempt to inspect and read the water meter and remote reader at the time of a customer change to insure the accuracy of the remote reader.

If a building, which has water service to it, is to be torn down, the customer shall notify the utility as the customer may be required to disconnect the service line at the main and return all meters and fixtures, which have been maintained by the utility.

SECTION 3.6 CUSTOMER COMPLAINTS

Customers may be asked to submit complaints in writing, specifying the nature of the complaint and the relief sought. Complaints concerning the charges, practices, facilities or service of the utility shall be investigated promptly and thoroughly. A customer may appeal the findings of the investigation and shall be given reasonable opportunity for a full hearing of the matter before the City Council.

LIST OF ATTACHMENTS:

- A. Resolution Adopting Service Rules
- B. Service Charges (other than rates)
- C. Copy of Current Rates
- D. Application For Service
- E. Extension Policy