

Town of Nags Head
Post Office Box 99
Nags Head, NC 27959
Telephone 252-441-5508
Fax 252-441-0776
www.nagsheadnc.gov



Cliff Ogburn
Town Manager

Administrative Policy

Water Billing/Water Service

Application for Service

The property owner will make application for water service in writing on the proper forms and shall pay the required fees and deposits prior to the start of water service.

Water accounts and deposits shall be in the name of the property owner. The property owner shall be responsible for payment of all bills incurred in connection with the service furnished.

The property owner may request in writing that the bills may be mailed in care of a tenant with a long term lease (at least one year). However, the owner remains responsible for all outstanding amounts owed.

It is the responsibility of the property owner to notify the Town of changes in billing address. Failure to receive bills or notices shall not prevent such bills from becoming delinquent or relieve the property owner from payment obligation.

Deposits are required for each piece of property owned by the property owner pursuant to the Town's Consolidated Fee Schedule. The deposit will be held in escrow for the duration of property ownership to be applied or refunded when all amounts owed the Town are satisfied.

The Town may reject any application for service if the applicant has any delinquent water accounts at any location within the Town.

Should an old account without a deposit become delinquent, the full deposit (per the fee schedule) will be added to the account balance and due with the next payment due date. Should an account without a deposit be cutoff, the service will not be re-started without the full deposit being made in addition to the delinquent amount and reconnection fee.

Discontinuation of Service

Not less than three days notice must be given, in person or in writing, at Town Hall for discontinuing service or a change in ownership.

The responsible party of record shall be responsible for all water consumed up to and including the closing date of the sale, or the departure of the outgoing party, or the proper notification of new ownership, whichever period is longer.

Responsibilities/Liabilities of Property Owners

In the event of any loss or damage to the property of the Town which is caused by or results from the negligence or wrongful act of the property owner his agents or employees, the costs of repairs shall be added to the property owner's bill, and if such charges are not paid, service may be discontinued by the Town.

Returned Checks

The Town charges a fee for each returned check in accordance with the established fee schedule. The payee has five business days from the date the returned check is received by the Town to pay by cash, cashier's check, money order or credit card, the balance of the account, the returned check fee, deposit when applicable and any other required charges.

The Town may attempt to redeposit the check if the customer bank advises sufficient funds are present. Should the check be successfully re-deposited, the returned check fee remains due.

Two returned checks within an eighteen month period (nine billing cycles) will require the account to be paid by cash, cashier's check, money order or credit card for a period of twenty four months.

Leak Adjustments

Requests for an adjustment to a bill due to a leak must be made in person or in writing within 60 days from the date the bill was mailed. The Town will grant no more than 2 leak adjustments per year for undetected water loss due to a broken or damaged water line, valve, or water heater; a toilet flapper valve is not applicable. Requests for leak adjustments require proof that the leak has been repaired. Proof of the repair will be required in the form of a receipt for a paid plumber's invoice. The customer shall pay their average bill at the existing commodity rate for average gallons used using the same billing period over the prior three years, but no less than the full minimum. In the case that a leak occurred in one of the prior billing periods, that billing period will not be included and the next further year out will be included in the prior three year average. The remaining quantity shall be considered lost water and will be payable by the customer at 50% of the commodity rate for the lost gallons. If service has been in place for less than a three-year period, the average will be calculated using the same billing periods available. For new service, the customer shall pay the full bill, and the leak adjustment will be calculated when at least one available prior billing period is available. The customer's account shall then be credited. In order to be granted the adjustment, your excess bill must be either twice your average consumption for the same time period or \$1,000 more than your average consumption for the same time period, and greater than \$50.

Application for a leak adjustment does not excuse the timely payment of the bill. Upon written request, a payment plan may be available for a water leak adjustment bill in excess of \$500. The payment schedule will be determined at the discretion of the Deputy Town Manager. No more than two leak adjustments will be permitted in any twelve month period.

Delinquent Accounts

- I. Water accounts that are past due 90 days or more are considered delinquent. Water accounts that are past due at 120 days are classified as uncollectible.

- II. At the time an account becomes uncollectible (reaches 120 days), a credit adjustment to the Water Receivables account should be made for the full amount of the past-due account, charging or debiting a reserve account entitled Allowance for Bad Debt. This adjustment will insure a more accurate and less inflated accounts receivable total.

The Town will continue to pursue collection of these accounts.

- III. Near the end of each fiscal year, the Finance Officer will present the Board of Commissioners with a list of uncollectible accounts in excess of \$50, requesting the Board's approval for a formal write-off of such accounts. Staff will have the authority to write-off lesser amounts without Board approval.
- IV. The Town may report to the Credit Bureau or to the Debt Set Off Program uncollectible accounts.
- V. Staff will prepare an annual report to the Board summarizing total write-offs during a fiscal year and commenting on efforts to collect these accounts.

Payment of bills

Refer to Town Code Chapter 44 Section 44-35. Water bills shall be mailed on the 10th and 25th of each month depending on the cycle to which your address corresponds. When Town Hall is closed, they will be mailed on the previous business day. Each cycle will receive a bill every other month. A calendar is established at the beginning of each fiscal year outlining dates for billing, due date, penalty date, late notices and cut-off dates for each cycle. Water services charges are immediately due and become past due on the 5th and 20th, respectively, of the following month. After the expiration of the appropriate water billing past due date, there shall be levied a late payment fee in an amount equal to ten percent of the principle amount of the bill. Water services may be cut off for nonpayment on the 20th and 5th, respectively, following the billing past due date, without further notice and a tag fee from the consolidated fee schedule will be added to the account. Even when service is cut off, water customers retain the liability for the minimum charge for each billing period the service is discontinued. Payment of water bills may be enforced as provided in G.S. 160A-314.

Penalties

A late fee in the amount of 10% of the unpaid balance will be added to the account once the bill becomes delinquent. A late fee can only be removed once in a three year time frame, and only on the condition that payment has never before been late in that time frame. The owner must request in writing why they think their penalty should be removed.

Additional Fees

Re-read at Customer's Request		\$10.00
Re-read if Incorrect		No charge
Tag Fee		\$50.00
Turn On/Off (each incident)		No Charge
Return Check Fee		\$25.00
Meter Tampering Fee		\$50.00
Meter Test Fee if Correct		\$25.00
(If incorrect there is no charge and bill will be adjusted accordingly)		