



Water/Sewer Account Policy Commercial Accounts

Adopted, 02/12/2019

The purpose of this policy is to provide guidance to the city council, mayor, city staff and citizens of Lone Oak for processing and filing water/sewer billing payments, extensions, penalty fees, disconnect, reconnect and associated fees. The City strives to maintain quality of services, improve relationships between City employees, City Council members, Mayor and the citizens of Lone Oak.

Setting up New Water/Sewer Accounts

Any new commercial water/sewer service requires the business to -

1. Complete a **Commercial Utility Service Application**.
2. Provide a picture ID copy or copy of drivers' license (attached behind the application)
3. A current water deposit for each water/sewer account.
4. A waste disposal deposit for commercial garbage receptacle.
5. A copy of lease agreement (if applicable) or documentation of ownership of property.

Water Deposit costs are required by type of commercial accounts -

\$500 (or current amount) required for large water usage accounts i.e. Restaurants, Car Wash Facility, Public Swimming Pools, etc.

\$250 (or current amount) Deposit required for all other commercial accounts.

Waste Disposal Deposit

A waste disposal deposit equal to one month of monthly service cost. (Example: 8 yds dumpster picked up 2 times per month at rate of \$289.56.)

Note: Credit/Debit, money orders, personal checks or cashier checks are accepted for water/sewer account deposits. No cash accepted.

Closing A Water/Sewer Account

The account holder is required to complete a **Request for Disconnect** form. If final bill is more than deposit, then the deposit paid will be applied to final bill and the account holder is liable for the remaining balance. If final water bill is less than deposit paid, then final bill will

be paid from the deposit amount and the remaining deposit amount will be issued to account holder by check and mailed to the address provided on the request form.

Late Payment and Penalty Policy

Monthly water, sewer and trash bills of Lone Oak Water account holders are due by the 10th of each month. A late fee of \$20.00 is assessed on the next business day following the 10th of the month, unless the 10th falls on a weekend. Then the following Monday will act as the 10th and late fees will apply on that Tuesday. Any payments in the Drop Box before 8:00 a.m. on the due date will not incur a late fee. Lone Oak account holders can avoid late fees by paying bills on time, using any one of our convenient payment methods available to them. Account holders may pay by personal check, money order, cashier's check, automatic bank draft, or credit/debit card. The City of Lone Oak does not accept cash payments.

Commercial Account Holder's Extension Agreement

For commercial account holders needing assistance to bring their account current, the City offers a payment agreement/payment plan called an **Extension**. Extension forms are available at City Hall. According to this agreement, the City of Lone Oak will allow commercial account holders to pay half (1/2) their outstanding balance in a time-frame based on individual circumstances. Remaining Balances are due by the 28th of each month. Current water bills must be paid in full by next billing cycle along with any payment plan payments arranged with the city.

If an account balance is \$500 or more, then the commercial account holder will need to meet with the Mayor to discuss payment arrangements. An account holder must agree to pay off the entire outstanding debt for water/sewer use, and failure to do so will result in the disruption of service.

NOTE: Only two (2) extension agreements are allowed per calendar year beginning January of each year. Any additional extensions or payment arrangements are based on individual circumstances.

Disconnect/Reconnect and Penalties

If a commercial account balance is delinquent and an extension has not been filed with the city, a **Disconnect Notice** will be issued the next business day after the 10th of the month by mail to the resident. Disconnection of services will be five (5) business days after disconnect notice is mailed unless it falls on a Friday. Then disconnection will be the following Monday. Failure to pay any outstanding balance of water bills after disconnect notices are issued are subject to a \$25.00 disconnect fee and a \$25.00 reconnect fee. These fees will be added to the current outstanding balance and water service will not be reinstated until account balance is paid in full.

If any commercial account balance is delinquent after two (2) months, then the account will be closed and any water deposit paid will be applied to the outstanding balance. If the account has a credit amount after the water deposit refund is applied, a check will be mailed for the credit amount and mailed to the address of the account.

If after two (2) disconnects on a commercial account, the requirement will be to pay the disconnect fee, the reconnect fee, and the account outstanding amount be paid in full, plus an additional deposit (\$500.00 or current deposit amount) before water service is reinstated.

Leak Adjustment Policy

In the event, that a Lone Oak Water account has experienced a water leak that has caused a spike in consumption, the commercial account holder may qualify for a bill adjustment. An adjustment is made only toward the sewer balance using an average consumption that is based on a prior four-month sewer usage. The calculated amount is then deducted from the sewer balance.