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Municipal Administrator	John M. Leach	Digitally signed by John M. Leach Date: 2021.07.01 09:32:20 -08'00'

Municipal Utility Service Policies

The City and Borough of Sitka offers electricity, water, wastewater and refuse collection services. Not all service locations in Sitka have access to all four utility services.

1. CUSTOMER ACCOUNTS

- **Customer Required to Accept All Utilities That Can Be Provided to a Service Location**
All CBS customers pay for access to Municipal utility infrastructure (electric, water, sewer and solid waste). By agreeing to open an account with the City and Borough of Sitka, a customer must accept all utility services provided to that location, regardless of how much that service is used. A customer must pay for all services available—the only exception is refuse collection services when the unit is not occupied long-term (the location must be empty of all items, such as a unit that is not occupied and listed for sale, and not just temporarily vacated to qualify). Sitka General Code (SGC) requires most dwellings/structures with access to municipal sewer and water to establish a connection to those services under most circumstances. In circumstances in which municipal services are not available required (as described in Title 15 of the SGC for a given building, those services will not be charged.

In certain circumstances, if a location no longer needs a given service, that service may be disconnected at an additional cost to the customer.

Apartments in dwellings with external egress will be charged for all available services (see section on multi-family dwellings).

- **Customer Account Numbers**
Any individual or entity who receives utility services from the City and Borough of Sitka will be assigned a specific customer account number. This account number is tied to a specific physical service location.
- **Who Can Open, Change and Access an Account**
Each customer account number must have a specific primary responsible individual or entity identified as the primary account holder. This individual or entity can open, access, change, and close accounts. This individual or entity will be financially responsible for payment of all utility charges.

Primary responsible individuals may authorize additional individuals to access account information. This must be accomplished in writing prior to such access being provided. Telephonic authorizations will not be accepted. Those individuals on the account will also have financial responsibility for that account.

- **Opening Accounts – Credit and Identification**
Every customer opening a utility account must provide a taxpayer identification number and a valid driver’s license number. This is to assist the Municipality in collecting unpaid utility bills.
- **Opening Accounts – Account Applications, Credit Checks, and Service Charges.**
To open an account, a customer must complete a new account application and, when applicable, pay a deposit. A customer must provide all required information on the account form, including a taxpayer identification number, to be used in credit checking. **A customer will be billed a \$10 service charge for opening a utility account which requires an electrical meter to be read. A customer will be billed a**

\$50 service charge for opening a utility account which requires an electrical meter to be connected. Any time a meter is to be disconnected; the customer will be billed a \$50 disconnect fee as well.

A customer may not open a new account with the Municipality if that customer has unpaid debts owed the Municipality in any capacity, including unpaid parking tickets, prior utility charges, property or sales tax debts, harbor debts, or other municipal debts. The Municipality may, at its discretion with the approval of the Administrator, agree to combine all outstanding debts into a promissory note as allowed under SGC in order to allow a customer to open a utility account.

➤ **Transferring Existing Accounts to a New Service Location**

To transfer an account, a customer must complete an account transfer application and, if applicable, pay a deposit. **Any balance on an account must either be paid in full or will be transferred to an active utility account. A customer will be billed a \$10 service fee to transfer an existing customer account to a new service location. A customer will be billed a \$50 service charge for transferring a utility account which requires an electrical meter to be connected or disconnected.**

A customer moving into a rental must have a signed lease/letter from their landlord indicating that they are official tenants of the location for which utility service is being requested. For a homeowner, proof of purchase is required to open a utility service account.

A customer may not transfer an existing account with the Municipality if that customer has unpaid debts owed the Municipality in any capacity, including unpaid parking tickets, prior utility charges, property or sales tax debts, harbor debts, or other municipal debts. The Municipality may, at its discretion with the approval of the Administrator, agree to combine all outstanding debts into a promissory note in order to allow a customer to open a utility account.

➤ **Accounts for Liveaboard vessels**

Anyone moored in the harbor system who is actively living on a vessel longer than one week is required to register their utility account as a “liveaboard” which means that all services are added. Services will remain on the account as long as the vessel is being occupied or a minimum of one month.

➤ **Deposits**

All customers, both new and existing, are required to pay a deposit to open an account unless the deposit fee is waived. Deposits earn interest until refunded. The Municipality may change the rate of interest earned on deposits to match financial market conditions.

Deposits are applicable to an overall customer account and not just to electrical service. In the unusual circumstance where a customer’s utility account does not include electrical service because it is not available, the deposit shall be applicable to those utility services received. In addition, should a customer request refuse collection services using a 48-gallon receptacle (only allowed in certain locations), a deposit is required per SGC 15.06.040. Should a customer switch to a full size (96-gallon) can within one year, the customer will forfeit their deposit.

Deposits may be waived if a customer has a good payment history with a municipal utility account and does not have any other past due unpaid debts owed the Municipality in any capacity, including unpaid parking tickets, prior utility charges, property or sales tax debts, harbor debts, or other municipal debts. A deposit may still be required even if a customer pays any unpaid debts first in order to establish an account. **A letter of credit may also be obtained from a previous utility company, and if it shows that the customer had good payment history in the past for at least 1 year, the deposit may be waived.**

Deposits may be refunded after one (1) year of on time payment history. If the account does not have a past due balance at the time a deposit refund is considered but has had instances of late payment in the prior year, the Municipality may elect to keep the deposit in place.

Deposits and any accrued interest held by the Municipality will be applied towards final bill balances when an account is closed. If any excess deposit remains after application towards a final bill, it will first be applied to other unpaid debts owed to the Municipality, then any remaining balances will be refunded.

The requirement for a deposit and the specified amounts are detailed in SGC 15.01.030 /15.06.040.

➤ **Owner Accounts**

A landlord may designate an account to be an owner account. Such a designation must be in writing and must specify the beginning date of owner account status and any ending dates, **if applicable**.

An owner account designation affords the owner the ability to have utilities billed to the owner during periods of time when a rental unit is not occupied by a tenant. An owner must pay a \$10 service fee to place an account into owner status and an additional \$10 service fee to suspend owner status. These fees are for the additional work required to change utility accounts.

When a unit becomes vacant or when it goes into an owner status, the owner will have 60 days to clean and turn around the rental unit to a new tenant. After such time, the owner will then be responsible for all utilities, with the exception of solid waste. An owner may not elect to stop paying for water and sewer service due to the rental unit being vacant.

➤ **Multi-Family Dwellings**

If multiple households occupy a multi-family dwelling, all separate portions of that dwelling that can only be accessed by external egress or is rented out, must have separate water, wastewater and solid waste service, regardless of how electricity is metered.

As electricity is sold based on the volume consumed and usage is measured by a meter, if multiple residents occupying a multi-family dwelling have an electricity-sharing arrangement, then one customer account number will be tied to the physical service location containing the meter and the other portions of the dwelling sharing the electricity will have separate customer sub-account numbers to which water, sewer and solid waste will be billed.

In certain cases in which a single household occupies a dwelling in which there are separate apartments accessed by external egress, but only used by that household, a customer may submit a signed affidavit certifying that this is the case and only one set of services will be billed. Should it be determined that that a separate household is using the space for which a customer signed an affidavit, water, sewer, and solid waste charge will be applied retroactively.

Installing sub-meters and reselling electricity passing through the main electric meter at the physical service location is not authorized.

➤ **Closing Accounts and Final Bills**

To close a utility account, **a customer must provide in writing the date they wish to close their account**, provide a valid physical address to which the final bill will be sent, and **will be billed a \$10 service charge which will be applied to the final bill. A \$50 charge will be applied if the meter must be**

disconnected. The final electricity consumption will then be read from the meter and a final bill sent to the address provided by the customer.

If not previously provided, a customer must provide a taxpayer identification number or a valid driver's license number to close an account. This is to assist the Municipality in collecting unpaid utility bills.

➤ **Misuse**

Tampering with meters or diversion of electricity is not allowed. If a meter is tampered with or electricity has been diverted, the utility shall charge the account holder for the cost of repairs plus all known or estimated electricity consumed. Charges will be made retroactively without limitation for all known or estimated electricity. In the event that misuse is identified, the CBS retains the right to disconnect service.

2. **BILLING**

➤ **Monthly Bills**

Utility charges are billed to all customers monthly. The City of Sitka has four billing cycles and all accounts are on one of the four billing cycles. Each cycle is billed in a different week of the month. Your bill will arrive approximately the same time every month; the date it arrives depends on the billing cycle your account is in.

Meter Reading. Meters shall be read monthly as nearly as possible on the same cycle date. Because of holidays, Saturdays, Sundays and the difference in the length of months, a variation of three to five days may occur in the monthly billing date. If for any reason a reading cannot be obtained for any particular period, the billing may be based on an estimated energy use and demand.

Utility bills contain separate charges for electricity, water, wastewater, and refuse collection which are combined into one total to which sales tax is added, unless a customer is not subject to sales tax.

Important Note. The City and Borough of Sitka has seasonal electric rates. The rates change on November 1st and May 1st. **Electricity consumed is charged at the seasonal rate in effect on the date your bill is printed.**

You are required to pay the entire billed amount in full every month to keep your account current. Failure to pay the full amount due will cause your account to become past due.

➤ **Delinquency and Finance Charges**

An account becomes delinquent if not paid within 30 days from the date the bill was sent. Once an account is delinquent the following procedures will take place:

- 15 days after it becomes delinquent, the customer will be notified by mail that their account is delinquent and failure to pay will result in disconnection of electricity.
- 5 days after the delinquent notice is sent, the customer will be scheduled for disconnection of electricity
- Electricity will be disconnected without further notice.

Past due balances are assessed a finance charge of 1% per month. Finance charges are applied when a utility bill is printed and are not prorated; a 1% charge is assessed against all past due balances on the monthly utility bill. Any payments made on past due accounts are **applied to finance charges first.**

If a customer cannot pay the balance due, he or she may enter a payment plan (not to exceed one year) to avoid disconnect. Customers on payment plans will **not** receive a delinquent notice and electricity will be disconnected without further notice if payment of the payment plan amount and current bill amount plus penalties is not made by the due date.

➤ **Disconnections for Non-Payment**

Utility charges must be paid in full by the payment date shown on each bill. Utility charges not paid in full by the payment date shown on each bill become past due and incur finance charges. Disconnection notices are sent if all charges, including finance charges, are not paid in full within 15 days after the utility bill due date. **Electricity may be disconnected at any time without advance notice after 5 days from the date a disconnection notice is printed and mailed.**

If your electricity is disconnected for nonpayment of utility charges, you must pay all outstanding charges plus a reconnection fee of \$100.00 plus sales tax for reconnection during normal working hours of 8:00 am to 4:00 pm, Monday Through Friday. The reconnection fee for any reconnections made outside of normal working hours is \$500.00 plus sales tax.

Customers are responsible for paying all utility charges due whether they receive a utility bill in the mail or not. If you have not received your bill after a reasonable length of time, please contact the Utility Customer Service Department to confirm mailing/contact information and we will furnish you your current utility charges and payment due date.

3. PAYMENTS

➤ **Payment Methods**

Payment via cash, check, or credit card is accepted in the payment office on the first floor of City Hall Monday through Friday between 10AM and 4PM. Payment via check may also be made by mail, or dropped off in the payment box outside of City Hall after business hours. In addition, online payment and bill access is available at www.cityofsitka.org. Credit card payments may be made by phone between 8AM and 4:30PM. You may also visit or call the Payment Office to set up credit card autopay.

Questions and Contact Information:

If you have any further questions, or if we can be of assistance, please contact the Utility Customer Service Department as follows:

**CITY AND BOROUGH OF SITKA
UTILITY CUSTOMER SERVICE DEPARTMENT
100 Lincoln Street
Sitka, Alaska 99835
Telephone (907) 747-1800 or (907)-747-1818
Fax: (907) 747-4779
Email: utilities@cityofsitka.org**

**Alaska Waste (Refuse Collection)
(907) 747-5669**