



CALEDONIA
MINNESOTA
A CITY FOR ALL SEASONS

Utility Customer Policies and Procedures

City Hall Office Hours:

Monday – Friday,

8:00 a.m. – 4:30 p.m.

Phone: 507-725-3450

Fax: 507-725-5258

Revised: March 22, 2021

REQUEST FOR SERVICE

A customer requesting utility service from the City of Caledonia must provide the following:

- Completed Application for Utility Service by customer
- Completed Services Agreement between City and owner (if residential or commercial account is requested by owner to be put in name of a renter)
- A utility deposit (if applicable)
-See deposit section below for more information and details on deposit requirements.
- Date service is to be started.
- Photo ID, if available.

No utility account will be established for any individual or business for which there exists a prior unpaid account balance for prior utility service.

All accounts shall be carried in the name of the owner who personally, or by his or her authorized agent, applied for such service. The owner or owner's agent shall complete a Services Agreement while the occupant/tenant shall fill out an application for service. The City retains the right to refuse utility service to any property that does not comply with the aforementioned provisions.

DEPOSITS

New and Disconnected Accounts

A utility service deposit is required for ALL accounts under the following circumstances:

- This is a new account and you are not the property owner.
- This is a new service address and you have had at least one late payment during the preceding 18 months at a different service address.
- You are requesting reconnection of utility service that has been disconnected at your service address.
- A residential account must provide a \$250 utility deposit unless the customer owns the residential unit.
- A commercial account must provide a \$300 utility deposit unless the customer owns the commercial building.
- If necessary, new customers can make payments on the \$250 meter deposit. The full deposit must be paid within 30 days from the date of application. The utility bill will stay in the landlord's name until the deposit is paid in full.
- For those utility customers in which a disconnection has occurred, the deposit must be paid in full prior to reconnection.

Interest in Deposits

Interest on deposits shall accumulate interest at a rate required by State of Minnesota Statute 325E.02. By December 15 of each year, the Commissioner of the Minnesota Department is required to announce the interest rate for the next year.

Refund of Deposit/Interest

The deposit, plus interest, shall be reimbursed after the customer moves out or purchases a property.

For those accounts which have been disconnected, the deposit, plus interest, shall be retained thereafter until the utility service is terminated. The remaining balance, plus interest, shall be credited to any remaining balance with the excess refunded to the customer.

PAYMENTS

Payment Options

The City of Caledonia currently accepts cash, checks, money orders, automatic account withdrawal, debit and credit cards, and online bill pay. Any credit transaction is subject to a 3% fee. Payments may be mailed to 231 E. Main St. or dropped off in the drop box at City Hall. If mailing your payment, please allow 3-5 business days for your payment to be received. A late fee will be applied to a payment received after the 10th of each month. Bills may also be paid online at <https://www.caledoniamn.gov/pay-bills/>.

Automatic Withdrawal Payments

The City of Caledonia offers all account holders the option of having their account balance automatically withdrawn from their checking or savings account. Account holders choosing this option must request and complete an application for the account that they wish to have the funds withdrawn from. Funds will be withdrawn on the 10th of the each month.

The account holder will be mailed a monthly statement indicating the account balance that will be withdrawn. Automatic payment may be discontinued by notifying City Hall. Payments returned for non-sufficient funds will be subject to a \$30 service fee. All conditions in the Non-Late Payment section will apply. Account holder will be removed involuntarily from the ACH program upon receipt of the second NSF ACH.

Overpayment or Underpayment

In the event that an account holder overpays their utility bill and is not delinquent, the overpaid amount will be applied as a credit against any unpaid account balance. If the credit will not be absorbed within two months, the account holder can request that a refund check be issued. If the account holder's account is closed prior to incurring any new charges, the overpayment will be refunded within 45 days.

Partial payments, although accepted, will not prevent disconnection of utility services unless other payment arrangements have been agreed upon by all parties involved.

Delinquent Payments or Unpaid Accounts

Unpaid accounts shall be delinquent on the first day following the 10th day of each month and shall be assessed a penalty in the amount of five (5%) percent.

Returned Payments

If a customer makes payment by a check or ACH which is subsequently returned for non-sufficient funds (NSF) or account closed, that customer's account will be considered delinquent. The customer's account will be assessed a \$30 service fee and the five (5%) percent delinquent account penalty.

If the City of Caledonia receives more than two (2) NSF notices or account closed checks from a customer within a twelve (12) month period, that customer may be required to make future payments in cash, by money order or certified funds. The customer may also be required to provide a utility service deposit. If the NSF payment is received to avoid disconnection, disconnection may occur the following business day without additional notice.

DISCONNECTION OF SERVICE FOR NON-PAYMENT

When an account becomes past due, the City of Caledonia shall mail a notice to the billing address informing the customer of the utility's intent to discontinue service if payment is not made. Such notice shall inform the account holder that the bill must be paid by the 15th of the following month or the electric and/or water service will be shut off.

Disconnection of utility service will happen on the first working day after the 15th of each month. If full payment is not received by that time, utility service will be shut off without further notice. Payment arrangements may only be made in extenuating circumstances and must be acceptable to the utility. Service will be restored only after the full amount due including any current charges, a reconnection charge and a utility service deposit has been paid.

Discontinuance of service shall release the account holder from his or her obligation for payment of bills or charges. Failure to comply with agreed upon payment arrangements will make the account immediately subject to the disconnect procedure that the payment arrangement avoided.

Whenever a disconnection occurs, a \$100 reconnect fee will be imposed. The City reserves twenty-four (24) hours to reconnect the service from the time the account is made current. Electric utility reconnects will only take place during the Electric Department working hours of 7:00 a.m. and 3:00 p.m. Monday through Friday. If a disconnected party wishes to be reconnected after Electric Department working hours Monday through Friday, the reconnection fee is \$200. The only exception to this policy is for those utility customers in which a current documented medical emergency exists or where medical equipment is requiring electricity necessary to sustain life is in use, provided that the utility service receives from a medical doctor written certification, or initial certification that disconnection of service will impair or threaten the health or safety of a resident of the customer's household.

TERMINATION OR TRANSFER OF SERVICE BY CUSTOMER

It is the account holder's responsibility to notify the City of Caledonia of the date of final service when selling a property or moving out of a rental property. A forwarding address must be provided. On the date specified by the account holder, a reading will be made and a final bill will be calculated. If the City is still holding a security deposit, then it will be applied to the final bill. A final bill for the outstanding balance or refund check will be sent to the account holder at the forwarding address given by the account holder within 45 days.

The City of Caledonia will not remove water or electric meters at a customer's or property owner's request. The only exception is for buildings with at least two or more water/electric meters. A property owner may request that the City remove extra water/electric meters for a fee of \$50 per service, so long as the property keeps at least one active water/electric meter. If extra

water/electric meters are removed, a customer will have to pay new connection charges to have meters added to the property in the future.

For example, if a water meter is removed, a customer will have to pay \$50 for disconnecting from water service and \$50 for disconnecting from sewer service, and if a customer requests additional water meters in the future, a customer will have to pay the connection fee for connecting to water and sewer service because water meters are used to calculate charges for water and sewer service.

All customers with access to public water service, public sewer service, or electric service are required to pay the monthly service availability charges.

ACCOUNT ADJUSTMENTS

No account adjustments will be made unless approved by the Caledonia City Council, or the City Clerk-Administrator acting as the City Council's designee. Any such request must be made in writing and signed by the account holder or someone with legal authority to act in the account holder's behalf. The request must include a short and plain statement of the relief that the account holder is requesting.

COLLECTION OF DELINQUENT ACCOUNTS

When all administrative efforts at collecting a delinquent account have been exhausted, alternative collection methods will be used, including disconnection of service, collection agency assignment, garnishment of wages or any other legal action. In addition, the unpaid charges may be imposed as lien against the property to which the utility service was rendered. The remedies described herein are not meant to be exclusive and the City of Caledonia may use any alternative method of collecting delinquent charges that is available under the laws of the State of Minnesota.

DATA PRIVACY ACT

The utility is prevented by Minnesota law to notify any party other than the account holder, including landlords, of proposed disconnection or any other account data unless the landlord is the account holder for the service address or a release of information by the account holder is provided to the utility.