

BOARD POLICY: #142 (Replaces Board Policy #127)

DATE: February 12, 2014

SUBJECT: Utility Deposits

The following criteria must be met before any services will be connected at any location by the Beatrice Board of Public Works:

Residential Properties – Owner-Occupied

Utility deposits for connection of services for all owner-occupied residential properties will be waived if proof of ownership is provided by the customer. The Board of Public Works' Proof of Ownership form must accompany the application for service. Proof of Ownership may be in the form of a closing statement from a real estate agent; bank mortgage papers; a signed document from the Gage County Assessor's office showing proof of ownership; a recorded deed; notice of proposed taxes or a tax receipt (in the name of the owner applying for utility service); a signed contract for the sale of the property; or a letter from the title company showing transfer of ownership. If the customer fails to provide proof of ownership, then a utility deposit of \$150.00 shall be required.

If a customer moves from an owner-occupied residence into a residential rental property, the deposit will be waived if the customer has twenty-four (24) consecutive months of good credit with the Board of Public Works. If the final bill at the customer's previous address is not paid, then services may be disconnected at the new service location.

If a customer moves from an owner-occupied residential property to another owner-occupied residential property, then the deposit, if any, will be transferred to the new property with the customer paying the final bill at the old residence. If the final bill at the customer's previous address is not paid, then services may be disconnected at the new service location.

If a customer moves to another property and does not require Board of Public Works services, the deposit, if any, shall be applied to the customer's final bill. Any amount remaining will be returned to the customer within thirty (30) business days after services are transferred out of the customer's name.

Any customer that does not have a utility deposit with the Board of Public Works and they are disconnected for non-payment of a bill or provides an insufficient fund check to the Board of Public Works shall pay a \$150.00 deposit before utility service is re-connected.

The deposit shall be made in cash, credit card, debit card, or certified check.

Residential Properties - Rentals

Utility deposits for connection of services for all residential rental properties, including apartments, condominiums, etc., shall be \$150.00 per service location. Deposits will remain with the Board of Public Works until such time as the customer moves to another service location.

If the customer moves to another residential rental property requiring Board of Public Works services, the deposit will be transferred to the new property, with the customer paying the final bill at the old residence. If the final bill at the customer's previous residence is not paid, then services may be disconnected at the new service location.

If the customer moves to another property and does not require Board of Public Works services, the deposit shall be applied to the customer's final bill. Any amount remaining will be returned to the customer within thirty (30) business days after services are transferred out of the customer's name.

If a customer moves from a residential rental property into an owner-occupied residential property, then the customer shall not be required to pay a deposit upon showing proof of ownership. However, if the customer has been disconnected for non-payment of a bill or provided an insufficient fund check to the Board of Public Works within the past twenty-four (24) months, then the customer shall pay a \$150.00 deposit. If the final bill at the customer's previous residence is not paid, then services may be disconnected at the new service location.

If a customer moves from an owned occupied residence to a residential rental property, the deposit will be waived if the customer has twenty-four (24) consecutive months of good credit with the Board of Public Works. If the final bill at the customer's previous residence is not paid, then services may be disconnected at the new service location.

Any customer that does not have a utility deposit with the Board of Public Works and they are disconnected for non-payment of a bill or provides an insufficient fund check to the Board of Public Works shall pay a \$150.00 deposit before utility service is re-connected.

The deposit shall be made in cash, credit card, debit card, or certified check.

Commercial Properties - All

A utility deposit for connection of services for all commercial properties and businesses shall be required. However, if a commercial customer moves from one (1) location to another, and the customer has twenty-four (24) consecutive months of good credit with the Board of Public Works, then the deposit shall be waived.

Any customer that does not have a utility deposit with the Board of Public Works and they are disconnected for non-payment of a bill or provides an insufficient fund check to the Board of Public Works, shall pay a deposit before utility services are re-connected.

The amount of the utility deposit shall be calculated as follows:

Average monthly utility bill for the past 12 months x 2 = Utility deposit

Example: Average monthly utility bill is \$750; therefore, the utility deposit is \$1,500.
($\$750 \times 2 = \$1,500$)

For a customer at a new location, new type of business, or where the average monthly utility bill for the past twelve (12) months is unable to be calculated, then the amount of the utility deposit shall be calculated using an estimated average utility bill.

If the customer does not have a utility deposit with the Board of Public Works and they are disconnected for non-payment of a bill or if we receive an insufficient fund check from the customer, then a deposit shall be required before utility service is re-connected.

The deposit will be applied to the final bill. Any amount remaining will be returned to the customer within thirty (30) business days after services are transferred out of the customer's name.

Commercial utility deposits may be made in the following manner:

1. Cash or check at the time of application;
2. Certificate of deposit in the name of the business and the Board of Public Works. The interest is payable to the business; or
3. Irrevocable Letter of Credit from the bank naming the Board of Public Works as Beneficiary.

Interest Earned on Deposits

All cash deposits will earn interest at the same rate as the Board of Public Works receives interest on their Certificate of Deposit for Utility Deposits. Interest will be credited annually to the January billings.

Residential Properties – Return of Deposits

Any owner-occupied residential customer may request that their deposit be returned after twenty-four (24) consecutive months of good credit, which means that there have been no late payments, insufficient fund checks, or disconnections for non-payment during that time.



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