

September 15, 2016

RESOLUTION - # 04-17-14(1) PPWC POLICIES AND FEES REVISION DATE: September 15, 2016

WHEREAS, the 2012 Amended Bylaws of the Ponderosa Pines Water Company (PPWC), ARTICLE VI, states that the business and the property of the Corporation shall be managed and controlled by a Board of Directors. Such board shall have the power and authority to make rules and regulations and generally exercise all powers necessary for the transaction of Corporation business, and,

WHEREAS, Article IX, Section 1. Rates states: "Members of Corporation shall have the right to receive water services from Corporation at rates substantially equal to Corporation's cost for such service. Corporation will accumulate or retain funds only to the extent necessary to meet its current losses and operating expenses and other reasonable needs such as, but not limited to, retiring indebtedness, maintaining, improving and expanding its water distribution system, or maintaining reserves for necessary purposes.";

WHEREAS, Article IX, Section 3. Method of Assessment states that Corporation's Board of Directors may assess reasonable charges for providing water and water-related services to members and that members may pay assessments annually, quarterly or monthly;

WHEREAS, Article IX, Section 3.5. Additional Billings, allows for billing for water use over annual allotment;

WHEREAS, Article IX, Section 4. Liens, states legal remedies for delinquent accounts, including but not limited to, placement of lien against property, charging of interest on unpaid assessments, foreclosure; and charging of collection costs to owner;

WHEREAS, Article IX, Section 4.5. Discontinuation of Service, allows for discontinuation of service if assessment is thirty (30) days past due.

WHEREAS, Section VI of the 2015 PPWC Master Plan discusses water conservation and states that "Water conservation offers several benefits to Ponderosa Pines. The following are some of the benefits that may be obtained.

- Reductions in maintenance costs
- A more stable supply
- Reductions in electrical costs

In addition, water systems with water conservation programs in place generally receive greater governmental or public support for future water projects. Water conservation can take one of two forms: efforts by individual users, and PPWC efforts."

NOW IT IS RESOLVED THAT PPWC Policies & Fees are outlined in this resolution and are subject to change at Board of Director's discretion.

NOW BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all members at their last known address.



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John Thomas, Vice Chair	Date
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PPWC POLICIES & FEES

<u>Annual Water Service Fee</u>: All metered properties will be charged an annual water service fee based on the Annual Operating Budget. Unless adjusted by the Board of Directors, payment of this fee entitles each property up to 240,000 gallons of water per year.

<u>Reserve Assessment</u>: Beginning January 1, 2014, all properties within the Ponderosa Pines water service area will be charged a Reserve Assessment each year. These monies are designated for future anticipated maintenance and capital needs of Corporation.

Additional Billing: Unless adjusted by the Board of Directors, water consumption which exceeds the allowed 240,000 gallons annual usage, but is less than 340,000 gallons annual usage, will be charged at \$1.00 per thousand gallons. Water consumption which exceeds 340,000 gallons' annual usage will be charged at \$2.00 per thousand gallons. This additional billing will be billed annually and is due upon receipt. Usage exceeding the 240,000 gallons annual usage that is due to a leak on a member's property may be adjusted by the Board of Directors, once the leak is fixed, and verification is completed by the PPWC. Adjustments will be based on prior record of usage by the member. This additional billing will be billed annually and is due upon receipt

Meter Reads: Unless adjusted by the Board of Directors, all meters will be read annually in the month of May. A final meter read will be done on a property before it is sold, or ownership otherwise transfers, when the Corporation is aware of property changing ownership. Members may request their meters to be read on a more frequent basis. Each member will receive one free meter read in addition to the Annual meter reading in May. Any additional meter reading will have a service fee of \$10.00, if ground conditions permit meter reading.



Service Connection Fee: All new service connections will require a paid deposit before work begins. A minimum deposit of \$500 will be charged to all properties requiring a new service connection, permanent or otherwise. Deposit includes upfront payment for estimated required appliances, valves, meters, plumbing, testing and a minimum labor charge for 2 employees for 2 hours. Labor costs will vary based upon ground conditions and any additional labor will be billed upon completion of the job. Following installation, the member will be charged for the actual materials and labor cost to install the new service connection. If the cost is less than the required deposit, the remainder will be refunded to the member. If the cost is more than the deposit, the member will be billed and the bill is due upon receipt.

Reconnection Fee: A \$100.00 reconnection fee will be charged to any property where service has been discontinued for non-payment, service is disconnected due to a negligent or willful act of owner, or to owners notified of a leak who do not make the necessary repair(s) within 30 days.

Water Leak Remedy: If a water leak is discovered on private property, the property owner has thirty (30) days after notification to repair said leak. If the leak is not repaired within thirty (30) days, PPWC will discontinue service. If a water leak is discovered on a property that is vacant, permanently or otherwise, PPWC will discontinue service immediately. Water overages will be charged to property owner (See discussion of Additional Billing above).

Billing Cycle & Payment Arrangements: The annual billing cycle begins on January 1 of each year. All previously agreed to payment arrangements will reset and new arrangements must be made through the PPWC Treasurer. Payment arrangements are also available on Reserve assessments.

Payment Terms:

Payment Due Date:

Annual

Reserve

Due invoice date, delinquent in 30 days

Monthly Due 1st day of each month, delinquent in 30 days

Quarterly

Due 1st day of the first month of each quarter: Jan, Apr, Jul, Oct,

delinquent in 30 days

Additional Billings

Due invoice date, delinquent in 30 days

Due invoice date, delinquent in 30 days

Initial Service Connection

Deposit due prior to initiation of service, additional billing due invoice date,

delinquent in 30 days

Delinquency & Interest: Payments are delinquent 30 days from the payment due date. Payments must be received within 30 days of the payment due date to avoid interest charges on account.

Discontinuation of Water Service Policy: All accounts are subject to discontinuation of water service if the yearly assessment fee becomes more than thirty (30) days past due per payment arrangements, or if any additional billing fee becomes more than thirty (30) days past due. When an account becomes delinquent, a disconnect notice will be sent at least 15 days prior to the scheduled disconnect. The 15-day "Discontinuation of Service" notice will be followed up by a 5-day "Discontinuation of Service" notice. A medical certificate will prevent disconnection up to 6 months for a non-chronic condition; up to 12 months for a chronic condition, and will require the customer to arrange and follow a payment plan.



Service may be discontinued for tampering with PPWC equipment such as the cross-connect device, water meter, etc., or diversion of service or other theft of service. Discontinuation will be immediate and continue until situation is resolved.

Service may be discontinued when a customer does not cooperate in providing reasonable access to the service box for maintenance, reading or inspection. Discontinuation will be immediate and continue until situation is resolved.

Service may be discontinued when facilities provided are unsafe or are deemed to not be in compliance with state and county codes governing service or PPWC rules and regulations. Discontinuation will be immediate and continue until violations have been eliminated.

Service may be discontinued when dangerous or emergency conditions exist at the service premises. Discontinuation of service will be immediate and continue until offending condition has been eliminated.

<u>Appeal Process</u>: Any property owner who wishes to appeal a discontinuation of service may do so in writing within 10 days of the date of the "Discontinuation of Service" notice. All appeals are to be directed to the PPWC Water Manager and the Water Company Board of Directors.