ALDERWOOD WATER & WASTEWATER DISTRICT
SNOHOMISH COUNTY, WASHINGTON
RESOLUTION NO. 2603-2012

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
ALDERWOOD WATER & WASTEWATER DISTRICT, Snohomish
County, Washington, providing for the enforcement and collection of
delinquent utility service charges and
superseding Resolution No. 2588-2012.

WHEREAS, Alderwood Water & Wastewater District (the "District") is a
public body engaged in furnishing water and sewer services to residents of the
District for human consumption pursuant to chapter 57 of the Revised Code of
Washington (RCW); and

WHEREAS, certain customers neglect, fail, or refuse to pay for such
services; and

WHEREAS, RCW 57.08.081 authorizes the District to enforce the
payment for these utility services; and

WHEREAS, the District and its customers benefit from a statement of the
procedures that the District follows regarding delinquent utility bills;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
COMMISSIONERS OF ALDERWOOD WATER & WASTEWATER DISTRICT,
SNOHOMISH COUNTY, WASHINGTON, as follows:

Section 1. Process. In addition to the steps authorized by
RCW 57.08.081, the following provisions set forth procedures to be utilized by
the District in the event that a utility bill for services rendered to a customer of the
District becomes delinquent. The District disclaims any obligation regarding
delinquent accounts that exceeds the statutory provisions of RCW 57.08.081 as
is now in effect or may hereafter be amended.

Section 2. Delinquent Account: Whenever a utility bill for services
rendered to a customer of the District is unpaid for more than twenty-one (21)
days (date of delinquency), the account is considered delinquent. Whenever any
amount becomes delinquent, all other charges, whether delinquent or not,
become due and payable together with the delinquent amount. The customer is
the person for which service is being rendered and the person whose name

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appears as a customer according to the records of the District. It is the customer's responsibility to provide the District with current and correct contact information, including customer name, mailing address, phone number and if available email or other electronic contact information (hereinafter referred to as "Billing Address").

**Section 3. Late Penalty:** Utility bills which remain delinquent more than thirty (30) days after the original due date will be charged a ten percent (10%) late penalty on the outstanding delinquent water and sewer charges.

**Section 4. Past Due Notice:** Approximately seven (7) days after a bill which includes delinquent past due amounts is sent, a Past Due Notice will be sent to the customer with a copy to the owner, if different from the customer's Billing Address. A Past Due Notice will specify the total amount which is due and the date the total amount must be paid (hereinafter referred to as "Required Payment Date") which is approximately fourteen (14) days from the date of the Past Due Notice. The total amount must be paid in cash, check or by credit card and received at the District office by the Required Payment Date to avoid additional collections procedures and fees.

**Section 5. Water Service Shut-Off or Lock-Off:** Except as provided in Sections 7 and 8, if the District has not received full payment of the total required payment amount by the Required Payment Date, the water to the premises may be shut-off or locked-off. At least twenty-four hours (24) hours prior to shutting off or locking off the water services to the premises, the District will provide notice to the premises indicating that service is scheduled for shut-off or lock-off. Customers receiving a shut-off notice at the premises will be assessed a Collection charge as set forth in the District's current Fee Schedule. Nothing herein requires or precludes the District from providing additional written, telephonic or electronic notice that if full payment of the total required amount is not received by the Required Payment Date water to the premises may be shut-off or locked-off.

**Section 6. Required Payment:** As stated in Section 2, whenever any amount becomes delinquent all other charges whether delinquent or not, become due and payable together with the delinquent amount. A customer with any
delinquent amount not paid by the Required Payment Date is subject to enforcement and collection procedures, including termination of water service, and fees and charges, as set forth in the District's current Fee Schedule. Eligible customers may request an extended payment arrangement per Resolution No. 2570-2011 as is now in effect or may be hereafter revised or amended. Once an account is shut off or locked off for nonpayment, service may not be restored until all outstanding water and sewer charges, fees and fines are paid in full; or an eligible customer requests and executes a thirty (30) day agreement per Resolution No. 2570-2011 as is now in effect or may be hereafter revised or amended. If a customer whose account has been shut off for nonpayment within the past seven days (7) pays all other balances outstanding, he or she may elect to carry forward into the next billing cycle the Collection Fee, the Meter Lock-off Fee and the Turn-on Fee.

Section 7. Appeal Hearing: In the event the customer believes there is an error in the billing or disputes the amount due, the customer may be entitled to a hearing by the Director of Finance of the District prior to termination of service, provided that a written request for such hearing is received by the Director of Finance no later than the close of business on the day before the Required Payment Date. At such hearing, the customer shall have the opportunity to present argument and evidence in support of his/her claim of error or irregularities. At the hearing the Director of Finance should afford the customer reasonable opportunity to present evidence and argument in support of the customer's claim of error or irregularity with respect to the bill. After giving careful consideration to any evidence and argument presented, the Director of Finance shall make a decision regarding any adjustment in the bill that the Director of Finance believes is fair and equitable. The decision of the Director of Finance in this regard shall be in writing and shall be final and conclusive. The Director of Finance will cause a copy of the written decision to be mailed to the customer.

Section 8. If a customer pursues a hearing pursuant to Section 7, until the Director of Finance has made a decision, the water will not be shut off for non-payment of the total amount due. However, if the charges as determined by
the Director of Finance are not paid by the customer within ten (10) days from the mailing of the Notice of Determination by the Director of Finance, the water to the premises will be shut off or locked off.

Section 9. Lien and Foreclosure: Pursuant to RCW 57.08.081(3), as is now in effect or as may hereafter be amended, if the utility charges for an account, penalty charges, termination charges, or any other charges are delinquent for over thirty (30) days, the Director of Finance of the District may file a Certificate of Delinquency with the Snohomish County Treasurer. A lien fee, as set forth in the District's current Fee Schedule, will be added to the total amount delinquent in order to cover the cost of filing and releasing the lien and other lien processing expenses.

Section 10. Foreclosure. Action may be taken by the Commissioners to enforce collection as provided in RCW 57.08.081(4), as is now in effect or may hereafter be amended.

Section 11. Release of Lien: Any lien filed with the Snohomish County Treasurer shall not be released until the total amount, including penalty charges, collection fees, lien fees, interest, reinstallation charges, and other costs associated with the lien, and all other charges are paid in full.

Section 12. Severability: If any provision of this resolution or its application to any person or circumstance is held invalid, the remainder of the resolution or the application of the provision to other persons or circumstances shall not be affected.

Section 13. Resolution No. 2588-2012 is hereby repealed.

ADOPTED BY THE BOARD OF COMMISSIONERS OF ALDERWOOD WATER & WASTEWATER DISTRICT, SNOHOMISH COUNTY, WASHINGTON,
at a regular meeting thereof held this 1st day of October, 2012.

Larry D. Jones, President
ATTEST:

Secretary