

RESOLUTION NO. 8 FOR 2006

A RESOLUTION SETTING DELINQUENCY NOTICE AND SERVICE INTERRUPTION POLICY FOR WATER AND/OR WASTEWATER UTILITY ACCOUNTS; SETTING INTEREST RATE ON DELINQUENT ACCOUNTS.

WHEREAS, the Sweet Home City Council has provided that "Rules" can be adopted as Resolutions to carry out provisions of Water and Wastewater (Sewer) Ordinances in accordance with Ordinance No. 1174 and 1175; and

WHEREAS, Sweet Home Municipal Code (SHMC) provides that "All bills (water and/or sewer) are due when mailed and shall be considered delinquent if not paid by the fifteenth (15th) of the month following the month in which the service was provided and/or charges incurred."; and

WHEREAS, City desires to establish a formal policy regarding the handling of delinquency notices, delinquent accounts, and/or interruption of service.

NOW, THEREFORE, BE IT RESOLVED BY THE SWEET HOME CITY COUNCIL that effective upon passage of this Resolution, the following policy shall be in effect:

Consumption (usage) is typically measured from mid-month to mid-month, i.e. February 20 – March 19, and bills are prepared for mailing approximately three business days before the end of the month to ensure bills are received by customer within first three business days of the following month, i.e. by April 3.

Each bill received shall have the "date due" listed and if payment is not received within office by the end of business on date due, a "delinquency notice" shall be generated and mailed. If the amount indicated on the delinquency notice is not paid by date and time indicated, service is subject to interruption and account shall be assessed a penalty fee of \$2.00 per month. In addition, delinquent amount (including fees and service charges) shall begin to accrue interest at rate of One and one-half percent (1 ½%) per month until paid in full. If service is scheduled to be interrupted for non-payment according to the process established below, a service charge shall be applied as set by Resolution. Service shall not be restored until all delinquent charges, including interest, penalty fee, and/or service charges, are paid in full.

Service may be interrupted according to the following process:

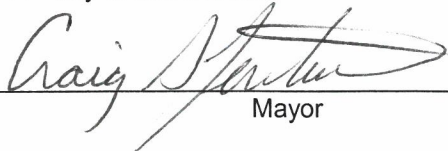
Residential Customers – Any residential customer with a delinquent amount owing (including interest, penalty fees, and/or service charges) in excess of deposit on account or \$80.00, whichever is less, shall be subject to service interruption. Interruption of service shall take place no later than the second Wednesday of the month following delinquency notice due date.

Commercial and Industrial Customers – Any commercial and/or industrial customer with a delinquent amount owing (including interest, penalty fees, and/or service charges) in excess of deposit on account AND more than 60 days delinquent shall be subject to service interruption. Interruption of service shall take place no later than the second Wednesday of the month following delinquency notice due date.

Payment Arrangements – Any customer that is unable to pay the entire amount delinquent in a timely manner to avoid service interruption shall have the opportunity to request "payment arrangements". In order to be considered, all payment arrangements must include current month billings PLUS amount to be determined and is intended to be no longer than three months in duration. Interest shall continue to accrue on all delinquent amounts.

It has been determined that these rates and/or fees are classified as not being subject to Oregon Constitution, Article XI, Section 11b limitations.

PASSED by the Council and approved by the Mayor this 14th day of March 2006.



Mayor

ATTEST:



City Manager - Ex Officio City Recorder