

RESOLUTION NO. 19-1009

RESOLUTION OF THE BOARD OF DIRECTORS OF THE JOSHUA BASIN WATER DISTRICT AMENDING THE RULES & REGULATIONS, RESOLUTION 97-572 AS AMENDED, RELATED TO OWNER AUTHORIZATION FOR TENANT ACCOUNTS AND CONTINUOUS SERVICE AGREEMENT

WHEREAS, the District has previously established regulations for establishing new accounts, including tenant accounts; and

WHEREAS, the District seeks to require owners to take responsibility for unpaid tenant accounts; and

WHEREAS, the District seeks to implement a Continuous Service Agreement to assist property owners and managers in maintaining continuous service during periods of tenant vacancy.

NOW, THEREFORE BE IT RESOLVED, that the Rules & Regulations are amended as follows:

Definitions

Cutoff – Disconnection of active water service by JBWD personnel as a result of non-payment or non-compliance with the Rules & Regulations. Also called Lockoff.

Lockoff – Disconnection of active water service by JBWD personnel as a result of non-payment or non-compliance with the Rules & Regulations. Also called Cutoff.

Article 1.9.1 Tenant Water Service Application

Property owner or owner-authorized property manager must approve all new tenant accounts. JBWD will, upon written request of an owner (i.e. Owner Request for Tenant Water Service) and receipt of a complete water service application and payment of all applicable fees and deposits, open an account in the name of a tenant.

Article 1.9.2 Service to Tenants with Third Party Property Manager.

When the property in question is managed by a third-party property manager whom the owner designates to sign the Owner Request for Tenant Water Service, the JBWD will require from the third-party property manager a copy of the service contract between property owner and management company delegating such authority. It is the owner or property manager's responsibility to notify JBWD of any changes to contact information, property ownership, and /or property management agreement.

Article 1.9.3 Owner Responsibility.

The owner/property manager of each separate property with an Owner Request for Tenant Water Service in place is ultimately responsible for the payment of all applicable water service charges provided to each separate property. Article 1.29 addresses owner responsibility for payment of accounts that don't have an Owner Request for Tenant Water Service in place. If a property address has accounts that are delinquent, in collections, or have been written off as bad debt in the past for any reason, future accounts at the address must be established, transferred and maintained, in the owner's name until such time that the account is paid in full and an Owner Request for Tenant Water Service is completed if applicable. It is the owner or property manager's responsibility to notify JBWD of any changes to contact information, property ownership, and /or property management agreement.

ARTICLE 1.11 Guarantee and Other Water Account Deposits (Amended by Resolution No. 18-993 on 11/07/2018)

Before water delivery is started for any new or existing Active Account, the Applicant shall secure the account by depositing with the JBWD the amount specified in Article 13.3 unless there is a Continuous Service Agreement in place – see Article 1.14.1.

Water service will not be installed, connected, or turned on for any applicant or customer until all delinquent charges for service or other charges on any or all accounts have been paid in full. No owner/property manager will be allowed to have a new tenant account, established at an address, that has prior accounts that are delinquent, in collections or have previously been written off as bad debt.

Deposits will not automatically be refunded for customers whose account status changes (Active, Transitional, and Inactive). Customers whose account status changes will have to meet the satisfactory payment requirements as indicated in this Article before Deposit is refunded or applied to account.

Each time that water rates are changed in accordance with Board action, the Guarantee Deposit will also be re-calculated and changed, based on the average residential water consumption from the most recent water rate study (currently, the 2018 Water Rate Study, and nine [9] units' average consumption per month,) multiplied times three (3) months.

a. Guarantee Deposit: When the Applicant has established a satisfactory payment record for twenty-four consecutive months, the JBWD will refund the guarantee deposit by crediting the customer's account. If service is discontinued before that time, the deposit will be deducted from the closing bill, and a check for the balance or a water bill will be mailed to the customer at his last known address.

A satisfactory payment record is achieved if the Applicant meets the following criteria within the twenty-four-month period:

- No more than two late payments,
- No cut-offs for non-payment, and
- No returned checks.

The JBWD may require a Guarantee Deposit on an unsecured account if one of the aforementioned items occurs during the duration of the water service.

b. Termination of Water Service Deposit. Following termination of water service for nonpayment, the customer may be subject to a deposit equal to one and one-half (1.5) times the Guarantee Deposit amount. Refund of Termination of Water Service Deposit is the same as a refund of the Guarantee Deposit.

If a customer whose water service has been terminated for non-payment has zero deposit on-hand at the time of service termination, they must pay at least the Guarantee Deposit amount before service can be restored, and the remaining additional deposit due may be established as a contract, payable by the customer over a timeframe not-to-exceed two months. Failure to pay the contract as required will once again subject the customer account to termination.

c. Damage/Lock Deposit. If a locked meter is unlocked or the meter is damaged, the customer may be subject to a deposit equal to two times the standard deposit. Refund of Damage/Lock Deposit is the same as a refund of Guarantee Deposit.

d. Continuous Service Agreement Deposit

A property owner (or owner-authorized property manager) of a rental property who has a valid Continuous Service Agreement in place will not be required to pay a New Account charge or provide a Guarantee Deposit each time that active water service is automatically transferred into their name in-between tenant accounts. The Continuous Service Agreement and this waiver of new account charge and guarantee deposit will be terminated if owner or property manager fail to pay for any past due balances associated with the subject property.

ARTICLE 1.14 Turn On and Turn Off Service

The JBWD will charge for turning off and turning on service or locking/unlocking service at a customer's request, except when account is being closed or where a valid Continuous Service Agreement is in place. In the case of an emergency on the customer side of the meter, the customer will shut off his water service by use of the customer's service valve. If there is no customer's service valve or the valve is broken, the JBWD will provide emergency turn-off service, upon request, and without charge.

If the customer provides the wrong service address and the JBWD completes the turn on, the customer will pay another fee to turn on water at the correct address.

An owner or account holder can request that their service be locked off to require the resident living in the property to establish their own account. The JBWD requires payment of the tag fee and a 48-hour waiting period before service can be locked off in these circumstances to notify the resident and give opportunity to establish service. In no case will an owner request be honored to turn-off water to a residence, duplex, apartment, mobile home or other such dwelling because the occupant has not paid rent on the parcel to the owner.

Article 1.14.1 Owner Continuous Service Agreement (Optional Service)

The Continuous Service Agreement allows property owners and owner-authorized property managers to maintain uninterrupted water service while a rental property is vacant. The Continuous Service Agreement authorizes the JBWD to automatically establish an active water account in the owner or agent's name each time that a tenant vacates. The owner will be responsible for all services and charges until the time a new tenant establishes service. Failure to pay either the owner/property manager water bills or the delinquent tenant bills when due will result in cancellation of the Continuous Service Agreement for the subject property.

ARTICLE 1.20 Special Billings

Meter removal bills, special bills, and bills rendered to persons discontinuing service are due and shall be paid upon presentation. Turn-off and turn-on charges and payments, to reinstate or increase deposits, shall be paid before service will be turned on unless there is a Continuous Service Agreement exception.

ARTICLE 1.29 Collection of Delinquent Accounts

The JBWD will attempt to collect all unpaid water charges including penalties and interest as follows:

a. Delinquent Accounts Held in the Name of the Property Owner

Unpaid charges on account held in the name of the property owner will be filed as a lien against the property.

b. Delinquent Accounts Held in the Name of non-Property Owners

If the account holder/tenant at a property with a valid Owner Request for Tenant Water Service in place fails to pay the final closing bill, the JBWD will make one additional attempt to collect the funds through

either a delinquent billing process or by letter contact. Should the tenant fail to pay the final bill, the amount owed will be transferred to the owner/landlord for payment, pursuant to the Owner Request for Tenant Water Service. Failure to pay the tenant bill will result in termination of Owner Request for Tenant Water Service at the subject property.

For addresses with delinquent tenant accounts that do not have the Owner Request for Tenant Water Service in place, the property owner will be required to maintain future water accounts in the name of the property owner until the Owner Request for Tenant Water Service is completed, and all past due amounts are paid in full for the subject property.

If an address has accounts that are delinquent, in collections, or have been written off as bad debt in the past for any reason, future accounts at the address must be established, or transferred, and maintained, into the owner's name, until such time the account has been brought current and the Owner Request for Tenant Water Service has been completed. This does not apply if the prior non-payments occurred under different property ownership.

Uncollected delinquent balances on closed accounts will be collected as follows:

- a. When opening a new account, any delinquent balance due from a closed account held in the name of the same account holder ~~owner~~ will be collected as a condition of establishing the new account
- b. When discovered, any delinquent balance due on a closed account held in the name of the same account holder ~~owner~~ will be transferred to any other open account of the same account holder ~~owner~~. Failure to pay the delinquent account balance when due will subject the accounts to lock-off for nonpayment.

The JBWD retains the right to use the above and all other means of collecting unpaid accounts that are now in effect or that in the future may be established.

ARTICLE 13.3 Guarantee Deposit

A guarantee deposit is required from customers establishing active water service that are determined by JBWD to not be creditworthy. The determination of credit worthiness shall be based upon criteria established by the Board of Directors in Article 1. The guarantee deposit for property owners/managers that have a valid Continuous Service Agreement in place may be waived in accordance with the requirements in Article 1.11d.

ARTICLE 13.4 New Account Charge (Formerly Turn on New Service)

Upon customer request to establish a new account or request the transfer of service from an existing account to a new account, a New Account Charge shall be paid unless there is a valid Continuous Service Agreement in place.

ARTICLE 14.3 Guarantee Deposit

Applicants who provide a social security number will have their credit checked. The results of this soft credit check will provide either a green, yellow, or red rating, and the deposit amount will be based upon the rating. Customers that don't provide a social security number won't get a rating and will have to pay a guarantee deposit.

Deposit Required -	Red Rating
	Yellow Rating
	No Rating

No Deposit Required - Green Rating

Effective Date
Guarantee Deposit 10/10/18 \$225.00
 01/01/20 \$255.00
 01/01/21 \$285.00
 01/01/22 \$310.00

ARTICLE 14.4 New Account Charge (Formerly Turn on New Service)

A fee of \$43.00 will be paid to establish a new account or transfer service from one account to another unless a valid Continuous Service Agreement is in place.

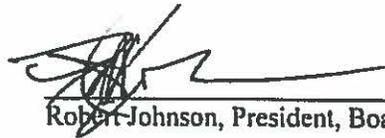
ADOPTED, SIGNED AND APPROVED this 18th day of September, 2019.

AYES: Floen, Hund, Johnson, and Unger

NOES: Reynolds

ABSENT:

ABSTAIN:



Robert Johnson, President, Board of Directors



Mark Ban, General Manager and Board Secretary