

OLIVEHURST PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2230

RESOLUTION OF THE BOARD OF DIRECTORS OF OLIVEHURST PUBLIC UTILITY DISTRICT ESTABLISHING FEES FOR DELINQUENT ACCOUNTS

WHEREAS, Olivehurst Public Utility District (District) is a special district formed and existing in accordance with Division 7 of the Public Utilities Code of the State of California; and

WHEREAS, the District, effective May 17, 2008, did rescind ARTICLE XI, Paragraph 3, of Ordinance No. 185, entitled "PAYMENT OF CHARGES" and the 10% penalty for accounts not paid in full by the last day of the service period, and adopted Resolution 2175 establishing a grace period for payment of bills, and imposing certain fees on delinquent accounts subject to termination.

WHEREAS, the District does incur, as a result of delinquencies, extraordinary administrative costs and expenses caused by the administration and accounting of the late payment and by the costs and expenses incurred to process and administer two special notifications-- the 10 notice and the 48 hour notice--required to be given to delinquent accounts prior to discontinuance of service.

WHEREAS, the Board of Directors has the authority to establish a reasonable "grace period" in which charges must be paid to avoid delinquency, and to establish delinquent account fees for accounts that become delinquent in order to insure that those customers paying their bills within the grace period are not subsidizing the extraordinary costs incurred to secure payment from and/or to terminate delinquent accounts.

WHEREAS, the Board of Directors has established a grace period of no less than 25 days after the initial billing for payment of bills to avoid delinquency.

WHEREAS, the Board finds that costs incurred by the District in processing the 10 day notice of delinquency, have not been charged to those customers receiving such notice, resulting in such extraordinary costs being charged to all customers, including those paying within the grace period.

WHEREAS, the Board wishes to insure that the costs incurred in processing delinquent accounts be charged, to the extent feasible, to the delinquent customers for whom such costs are incurred.


NOW, THEREFORE, BE IT RESOLVED Resolution 2175 is rescinded.

BE IT FURTHER RESOLVED that the District does hereby authorize the establishment, effective as of the 1st day of December, 2010, in accordance with Exhibit A, fees and charges applicable to the administration, accounting, and processing required for delinquent accounts for which special accounting and notifications are required.

BE IT FURTHER RESOLVED that such fees and charges will be assessed upon processing (printing) of the required notifications given to delinquent account holders, during the second monthly billing cycle, which will provide a grace period of no less than 25 days after the first billing of the amount that has become delinquent.

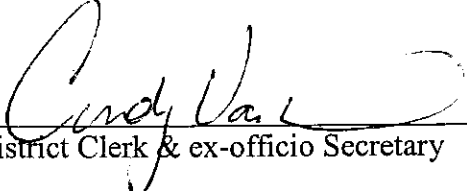
PASSED AND ADOPTED THIS 21st DAY OF OCTOBER 2010.

OLIVEHURST PUBLIC UTILITY DISTRICT




President, Board of Directors
Olivehurst Public Utility District

ATTEST:



District Clerk & ex-officio Secretary

APPROVE AS TO FORM AND LEGAL
SUFFICIENCY



Legal Counsel

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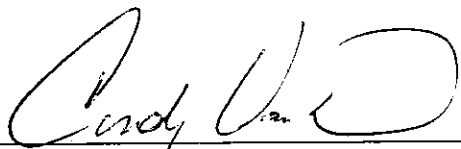
I hereby certify that the foregoing is a full, true, and correct copy of an Ordinance duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 21st day of October 2010, by the following vote:

AYES, AND IN FAVOR THEREOF: DIRECTOR PATTY, KING, HOLLIS,
DOUGHERTY AND MORRISON.

NOES : NONE.

ABSTAIN : NONE.

ABSENT : NONE.



District Clerk and ex-officio Secretary

EXHIBIT A

Fees to Be Charged to Accounts for Which 10 Day Reminder and 48-Hour Notices are Processed

- 1) Fees for administration and processing of notifications to delinquent accounts: Cost of administration (labor/wages, office supplies, and postage): \$10.00 per special notice, to be added to the account when the notice is processed in the Accounts Receivable system. "10-Day Reminder" notices are processed at a time to permit mailing on or about the 10th day following the second billing cycle. "48-hour" notices are processed to permit mailing one week later.
- 2) A \$10.00 fee will be assessed to the account upon processing (printing) the "10-Day Reminder" and a further \$10.00 fee will be added to the account upon processing of the "48-hour" notice.
- 3) Delinquent Account Fees will be added to the account and will be collected as part of the costs to preserve or restore service, whether or not the delinquent balance is paid before termination of service.