

Attachment 3

ORDINANCE NO. 2007-__03

AN ORDINANCE OF THE SAN DIEGO COUNTY WATER
AUTHORITY REVISING AND CONSOLIDATING POLICIES
GOVERNING REVENUE COLLECTION

The Board of Directors of the San Diego County Water Authority does ordain as follows:

1. The San Diego County Water Authority Revenue Collection Policy attached to this ordinance is approved and adopted.
2. Section 16.8 of the Administrative Code is superseded by the provisions of the Revenue Collection Policy adopted by this ordinance and, therefore, is repealed.
3. Notwithstanding Ordinances Nos. 2004-08 and 2005-03, Section 3 of Ordinance No. 97-1, as amended by Ordinance No. 2000-1, is superseded by the provisions of the Revenue Collection Policy adopted by this ordinance and, therefore, is repealed.
4. This ordinance shall be effective upon adoption.
5. The Clerk of the Board shall publish this ordinance or a summary prepared by the General Counsel pursuant to Section 1.00.040 of the Administrative Code.

PASSED, APPROVED AND ADOPTED, this 26th day of July, 2007.

AYES: Unless noted below all Directors voted aye.

NOES:


ABSTAIN:

ABSENT: Arant (p), Bowersox (p), Bond, Lewis, and Wornham



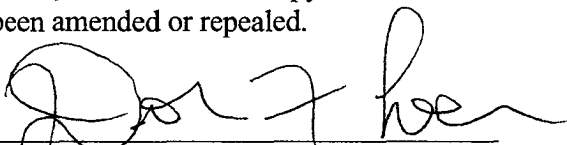
Fern M. Steiner, Chair, Board of Directors

ATTEST:



Mark A. Watton, Secretary, Board of Directors

I, Doria F. Lore, Clerk of the Board of Directors of the San Diego County Water Authority, do hereby certify that the above and foregoing is a full, true and correct copy of said Ordinance No. 2007-__ of said Board and that the same has not been amended or repealed.



Doria F. Lore
Clerk of the Board

SAN DIEGO COUNTY WATER AUTHORITY

Revenue Collection Policy

PURPOSE: This Revenue Collection Policy establishes uniform and consolidated guidelines and requirements for billing to and collection from the Water Authority's Member Agencies or other customers of Water Authority services of rates, fees, charges, revenues and claims, and other payments due to the Water Authority. The ordinance adopting this policy also repeals certain provisions of the Administrative Code or other ordinances that are inconsistent with the provisions of this Policy. This Policy does not revise or repeal any provision of an ordinance or resolution establishing a rate, fee or charge for delivery of water, provision of service or use of facilities, standby availability charge, capacity charge, tax or other assessment, but instead is intended to supplement and be harmonized with such other ordinances or resolutions.

POLICIES:

- (a) **Billing.** Invoices for rates and charges for water deliveries, provision of service or use of facilities, Infrastructure Access Charges, In-Lieu Taxes, and miscellaneous charges will be mailed within (10) ten business days after the calendar month-end. Invoices for Capital Reimbursements or other contract payments will be mailed as provided in the contract establishing the payment obligation. Invoices shall indicate the date of invoice, amount and basis for billing, and total amount due and payable.

EXCEPTION: Capacity charges – When a Member Agency is required to collect and remit the Capacity Charges on behalf of the Water Authority, the Water Authority does not invoice Member Agencies for these charges. Quarterly payments of Capacity Charges are due and payable according to paragraph (h) below. Contract payments – When a contract or other written agreement specifies a payment date, the payment is due on that date without requirement for invoice by the Water Authority, unless otherwise provided in the contract or agreement.

- (b) **Payment.** Payment of the amount invoiced shall be due not later than 2:00 p.m. on the date stated on the invoice.

Capacity Charges due the Water Authority and collected by a Member Agency during the prior three (3) calendar months are due on or before 2:00 p.m. of the last day of the month of January, April, July, and October of each year.

Any amounts not paid on or before the date the payment is due shall be deemed delinquent and will accrue delinquency charges to be calculated from, and including, the due date but excluding the date the delinquent amount is paid in full.

If the date a payment is due falls on a day that is not a business day, the payment is delinquent if not made on or before 2:00 p.m. the next business day. A payment is made when it is received at the Water Authority's Finance Department, or is delivered by wire transfer, inter-branch transfer, ACH transaction, lockbox, or other means pursuant to a prior agreement between the Water Authority's Director of Finance and the Member Agency or customer.

- (1) "Business day" means any day other than a Saturday, a Sunday, a Bank Holiday, or a Water Authority Holiday.
 - (2) "Received by the Authority" means receipt of the funds in a form that are immediately available for investment by the Authority's Finance Department or as a credit to the Water Authority's general account at its principal bank.
- (c) Adjustment. In the event an error is discovered in a Water Authority invoice, the Director of Finance shall initiate appropriate corrective action. No error made more than three (3) years prior to its discovery shall be corrected. If an incorrect invoice has been issued to a Member Agency or customer, the Director of Finance shall notify the Member Agency or customer of any required credit or change, neither of which shall bear interest. Adjusted monthly invoices shall be due and payable thirty (30) days after the mailing date and shall be delinquent thereafter.
- (d) Delinquency Charge. If a Member Agency or customer is delinquent in payment, the Member Agency or customer shall also pay a delinquency charge of two percent (2%) of the delinquent payment for each month or portion thereof that the payment remains delinquent. However, if the delinquency does not exceed five (5) business days, the delinquency charge shall be reduced to one percent (1%) of the delinquent amount. A payment remains delinquent so long as the original payment amount, plus the delinquency charge, is not paid in full.
- (e) Refunds. The Water Authority occasionally issues credit invoices (i.e. seasonal storage or agricultural use) to Member Agencies or customers where the dollar amount exceeds the amount due. A Member Agency or customer with a credit balance may elect to either carry forward the credit balance to apply to a future payment or request a refund in writing to the Director of Finance which will be issued thirty (30) days after the mailing date of the request.
- (f) Protests. Any protest of a payment shall be filed concurrently with full payment of the amount due.

- (g) Exceptions. Should the Water Authority have a collection provision covered in a written agreement with a Member Agency or customer, contractual terms of the agreement shall supersede this Policy. The scope of this Policy governs issues not specifically covered in such written agreement.
- (h) Member Agencies are responsible for collecting and remitting Capacity Charges to the Water Authority according to the Capacity Charge ordinances.