

Water Utility Collections Policy

I. Purpose

The purpose of this Collections Policy is to outline the procedures for managing customer accounts that are past due, including steps to provide payment assistance, apply late fees, arrange payment plans, and handle disconnection for non-payment. This policy also includes guidelines for processing leak credits, transferring accounts due to homeownership changes, and ensuring fair practices for all customers. The Rules and Regulations, as posted on the Rangeview website), will take precedence if there any discrepancies in fees/amounts referenced herein and the published Rules & Regulations.

II. Scope

This policy applies to all residential and commercial customers of the Water Utility. It addresses the following areas:

1. Leak credit eligibility and procedure
2. Payment arrangements for past-due accounts
3. Collection efforts for overdue accounts
4. Disconnection and reconnection procedures
5. Transfer of service due to a change in homeownership
6. Fees and penalties

III. Leak Credit Policy

Customers may request a credit for water usage caused by a leak, provided the leak has been repaired, and certain conditions are met. To submit this request, please go to <https://rangeviewmetro.colorado.gov/>

- **Eligibility:**
 - The account must be current and in good standing prior to the leak.
 - The customer must provide proof of repair (e.g., plumber's receipt or documentation of self-repair).
 - The leak must have occurred on the customer's side of the meter.
 - The leak must be repaired, and the adjustment request must be submitted within 90 days of the leak occurrence.
- **Credit Calculation:**
 - The credit will be determined by comparing the water consumption during the leak period to the customer's average usage within the same time of year over the prior three years. If the homeowner has not resided in the home for three years, it will be

calculated based on a three-year average for the entire Sky Ranch community for that period.

- The customer is responsible for their average water usage; 50% of the water usage above the average will be credited.

- **Restrictions:**

- Only one leak adjustment per 12-month period is allowed.
- The maximum credit is capped at \$500 unless reviewed and approved by the Board of Directors.
- If the leak adjustment is accepted, it will be applied directly to the applicable account as a credit. No checks will be issued.

IV. Payment Arrangements for Past-Due Accounts

Customers experiencing financial difficulty may request a payment arrangement to avoid disconnection. The water utility will work with customers to offer a manageable payment plan for overdue amounts.

- **Eligibility:**

- The customer's account must be at least 30 days past due.
- Customers are allowed to request up to two payment arrangements per calendar year.

- **Terms of Payment Arrangement:**

- The total outstanding balance will be divided into monthly installments not to exceed 6 months.
- The customer must continue to pay the current month's bill in full, in addition to the agreed-upon installment for the overdue balance.

- **Default on Payment Arrangement:**

- If the customer fails to make any payment on time, the arrangement will be canceled.
- The full outstanding balance will become due immediately, and disconnection of water service may follow.
- A reconnection fee will apply if service is disconnected.

V. Collection Process for Overdue Accounts

The following steps will be taken to collect overdue amounts:

- **Reminder Notice:**

- A reminder notice will be sent when an account becomes 30 days past due. A second notice will be sent a few weeks later. These notices will outline the outstanding balance and the potential for disconnection if payment is not made within 7 days.
- **Interest Fees:**
 - Any delinquent amount of one hundred dollars (\$100) or more shall draw interest at the rate of two (2) percent per month, compounded monthly, from the date of delinquency until paid.
- **Disconnection Notice:**
 - If payment is not received after the reminder notice, a disconnection notice will be placed on the customer door one week before the scheduled disconnection date.
- **Disconnection of Service:**
 - If payment or a payment arrangement has not been made by the disconnection date, water service will be disconnected.
 - A disconnect/reconnection fee of \$100 will apply for accounts that are disconnected.
 - Full payment of the outstanding balance, including late fees and reconnection fees, is required before service will be restored.

VII. Communication

- **Customer Communication:**
 - All notices, including reminder and disconnection notices, will be sent by mail or electronic means if the customer has opted for digital communications.

VIII. Policy Review

This Collections Policy will be reviewed annually by the Board of Directors to ensure compliance with applicable laws and to adjust for operational requirements.