

ORDINANCE NO. 2000- 1

ORDINANCE OF THE SAN DIEGO COUNTY WATER AUTHORITY TO AMEND ORDINANCE NO. 97-1 FIXING CAPACITY CHARGES ON ULTIMATE USERS OF WATER FROM THE SAN DIEGO COUNTY WATER AUTHORITY.

WHEREAS, pursuant to Section 5.9 of the County Water Authority Act, the San Diego County Water Authority ("Authority") may fix and impose capacity charges upon the ultimate users of water delivered by the Authority to its member agencies and to require its member agencies to collect the charges on behalf of the Authority; and

WHEREAS, the Authority last revised the capacity charge imposed on ultimate users of water by adoption of Ordinance No. 97-1, dated May 15, 1997, which was amended by Ordinance No. 99-2, dated July 22, 1999; and

WHEREAS, it is considered appropriate to revise the date by which each member agency is required to collect capacity charges from the tenth (10th) to the thirtieth (30th) day of the months indicated in Section 3.

NOW, THEREFORE, the Board of Directors of the San Diego County Water Authority does ordain as follows:

Section 1. Findings. The foregoing recitals are true and correct and constitute legislative findings of this Board.

Section 2. Amendment of Ordinance No. 97-1

a. Section 3 of Ordinance No. 97-1 is amended to read in its entirety as shown on Attachment A, attached hereto and incorporated herein as a part of this Ordinance No. 2000- 1.

Section 3. Effective Date. This ordinance shall be effective upon adoption.

Section 4. Continuation of Ordinance No. 97-1. Except as amended by this ordinance and Ordinance No. 99-2, all provisions, terms and conditions of Ordinance No. 97-1 shall remain in full force and effect.

Section 5. Codification. The General Counsel shall incorporate the provisions of Ordinance No. 97-1 as amended and this ordinance into the Authority's Administrative Code according to the recodification plan approved by the Administrative and Legal Committee.

PASSED, APPROVED AND ADOPTED, this 27 day of January, 2000

AYES: Unless noted below, all Directors voted aye.

NOES:

ABSTAIN:

ABSENT: Bond, Broomell, Collins, Madigan, Quist and Slater



Joseph Parker, Chair
Board of Directors

ATTEST:



Francesca M. Krauel, Secretary
Board of Directors

I, Janet R. Maltman, Executive Secretary 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. 2000- 1 of said Board and that the same has not been amended or repealed.



Janet R. Maltman, Executive Secretary
Board of Directors

ATTACHMENT A

Section 3. Collection and Remittal by Member Agencies. Each member agency of the Authority is hereby required to collect the capacity charges on behalf of the Authority and to pay to the Authority, at least quarterly, on or before the thirtieth (30th) day of the months of January, April, July and October of each year, the total amount of the Authority's capacity charges collected during the prior three (3) calendar months. At the time of such payment, each member agency shall report to the Authority the number and size of all meters supplied to water users. Any interest earned on such funds collected and held by the member agency prior to payment to the Authority may be retained by the member agency to reimburse it for any costs incurred in collecting the Authority's capacity charges, unless the member agency applies for reimbursement pursuant to Section 4 of this ordinance; if the member agency intends to apply for reimbursement, it shall remit to the Authority, with its quarterly payments, any interest earned on such funds.



San Diego County Water Authority

REVENUE COLLECTION POLICY

PURPOSE: The purpose of this policy is to establish a uniform procedure for billing and collecting revenues and claims due the Authority. The Authority has established Section 16.8 of the Administrative Code to address Billing and Payment for Water Deliveries; however, this policy incorporates all revenues and claims of the Authority.

(a) **Billing.** Invoices for Water Deliveries, In-Lieu Taxes, Infrastructure Access Charges, Standby Charges, and Capital Reimbursements shall be mailed to Member Agencies or customers within ten working days after month-end or pursuant to the provisions of written agreements or contracts. Invoices shall indicate the date of mailing, the amount and basis for the billing, and the total amount due as determined by the General Manager.

(b) **Payment.** Payment of the amount invoiced shall be due on the date noted on the invoice or as required by other written agreements or contracts and shall be delinquent if not received by the Authority before the close of crediting activity on the tenth business day following the due date.

- (1) "Business day" means any day other than a Saturday, a Sunday or an Authority Holiday.
- (2) "Received by the Authority" means receipt of the funds in a form that are immediately available for investment by the Authority at either the Finance Department at the Authority's Headquarters, or as a credit to the Authority's general account at its principal bank.
- (3) "Crediting activity" means either 2:00 p.m. if payment is delivered to the Finance Department at the Authority's Headquarters, or the cutoff time for crediting by the Authority's bank of that day's transactions, if payment is initiated by wire transfer, interbranch transfer, direct deposit, or by other means pursuant to an advance agreement with the Director of Finance.

(c) **Adjustment.** In the event an error is discovered in an Authority invoice, the General Manager shall initiate appropriate corrective action, except that no error made more than three years prior to its discovery shall be corrected. If an incorrect invoice has been issued to a Member Agency or customer, the General Manager 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 30 days after the mailing date and shall be delinquent thereafter.

(d) **Delinquency Charge.** If a Member Agency or customer is delinquent in payment as invoiced by the Authority, a delinquency charge of two percent (2%) of the delinquent payment for each month or portion thereof that the payment remains delinquent shall be paid by the Member Agency or customer. Provided, if the delinquency does not exceed five business days, the charge shall be equal to one percent (1%) of the delinquent amount. Invoices for delinquencies including any charges shall be mailed not later than the tenth day of each month.

- (e) General Manager's Action - Special Conditions. If a Member Agency or customer with a delinquency charge under \$1,000 continues to be delinquent from thirty days to ninety days, the General Manager may, after written notice mailed to the Member Agency's General Manager or the customer's financial officer, impose special payment conditions on the future provision of services or water deliveries until all delinquent payments, including additional charges, are made. Such conditions may include advance deposits, more frequent billing, payment guarantees or other measures to ensure full and timely payments.
- (f) Waiver. At the discretion of the General Manager, a delinquency charge under \$1,000 may be waived if a Member Agency or customer can show in writing substantial compliance or a good faith effort to comply with the provisions of this policy and that the delinquency is due to a mistake, inadvertence or excusable neglect. A Member Agency or customer ~~may not receive waivers totaling more than \$1,000 in any twelve-month period.~~ The General Manager shall make an annual report to the Board of any such waivers. Appeals of the General Manager's denial of a waiver and requests for a waiver of delinquencies over \$1,000 may be heard by the Board and resolved in the Board's discretion.
- (g) Refunds. There are occasions when the Authority issues credits (i.e. seasonal storage, agricultural credits) to Member Agencies or customers where the credits exceed the amount due resulting in a negative invoice. From time to time unused credits are carried forward for several months. Any Member Agency or customer having a credit balance will have the option of requesting a refund to be issued in the following month.
- (h) Board Action - Special Conditions. If a Member Agency or customer with a delinquency charge over \$1,000 continues delinquent for more than thirty days, or a delinquency under \$1,000 continues for more than ninety days, the General Manager shall make a written report to the Board with recommendations for actions to cure the delinquency and prevent future delinquencies. The report shall include a summary of the Authority's position regarding the amount due with supporting documentation. The recommendations may include provisions to guarantee payments and special conditions for future billings or reimbursements. A copy of the General Manager's report shall be sent registered mail to the customer or General Manager and Presiding Officer of the Member Agency's legislative body at least ten days prior to consideration by the Board. The Member Agency or customer may appear and be heard before the Board. The Board may take action as it considers appropriate including adoption or modification of the General Manager's recommendations or any other action determined necessary to correct the problem and prevent its reoccurrence.
- (i) Member Agency or Customer. - A Member Agency is defined as any entity that is currently a voting member of the San Diego County Water Authority as authorized by its Board of Directors. A customer is defined as any citizen; contractor; or federal, state, or local government agency.
- (j) Exceptions. - Where the Authority has collection provisions covered in written agreements with Member Agencies or other customers, the contractual terms take precedence over this policy. However, this policy governs issues not specifically covered in the written agreements or contracts.