

Collection Policy

of

Johnstown Regional Sewage

Purpose: To establish procedures to collect monies due the Johnstown Regional Sewage (“JRS”) in connection with the provision of water service. It is the JRS’s policy to collect all amounts due for sewer service, first from the customer and then from the landlord if the customer is a tenant. All practical action will be taken to collect such amounts so as to avoid charging off the account and consequently requiring other customers of the JRS to absorb these costs.

1) Definitions:

An account is delinquent if an amount billed to a customer remains unpaid one day past the due date, or if a payment due under a payment plan is not made on the date due. A customer is any person who has applied for and been approved for water service at a specific address, and includes all household members residing therein.

Bills are considered paid when received by JRS at their lockbox or for payment plans, when paid at the Main St. Office.

A landlord is an owner of a property in which a customer resides.

2) Termination of Service for Delinquent Bills:

The primary method of collection of delinquent amounts shall be through water termination procedures.

Failure to pay the bill within 10 business days of the due date will result in a \$ 50.00 Posting (Delinquency Processing) fee being added. The billing office may forgive or otherwise credit an account for the \$50.00 Posting (Delinquency Processing) fee, as a rule, once per customer, where there is an indication of a hardship or the customer’s account has otherwise been paid in full on a monthly basis prior to the imposition of the charge.

Any account that is delinquent will be provided the required ten (10) business day minimum notice of termination placed on the property serviced. Failure to settle the bill will result in termination of water service. A customer entering a payment plan suspends the termination only as long as payments are made by the due date. If payment under a payment plan is not made when due, the service may be terminated on the next day, without further notice.

Accounts which have had water terminated shall have added any charges for termination and reinstatement of water service based on the charges assessed for that function from the water provider.

3) Suits for Delinquent Final Accounts:

Customer deposit shall be applied to final bills at the expiration of the due date for the final bill. The JRS may institute suit or refer delinquent accounts to a collection agency before the local magistrate for all final accounts which remain unpaid for a period of thirty (30) days from the date of billing.

4) Liens Against Property: Liens may be placed against the owner of property pursuant to provisions of the Municipal Claim and Tax Lien Law Act of May 16, 1923, P.L. 207, No. 153, as amended under the following conditions;

- a) A lien may be placed against property served in which an account, final or current, owes at least \$200.00 for a period of sixty (60) days, unless a customer, or landlord is current under a payment plan.
- b) When the JRS is informed of a pending sale or transfer of property and provides information on final amounts due, a notice shall be provided to the settlement agent that liens or other enforcement notices may be instituted unless a guarantee of payments of amounts listed is provided in writing to the JRS within two (2) business days.

5) New Service Limitation:

Service shall not be initiated for a customer who is not the owner of the property served unless and until property owner information is received along with a current legible copy of the owner's driver's license and is verified. All new accounts will be placed in the property owner's name and the bill will be mailed to the property owner for payment. Service will not be initiated to a customer until account has been placed in

the property owner's name and all required paperwork has been received and approved by Johnstown Regional Sewage.

New Service shall not be initiated to an owner, a household member, tenant or joint tenants on a lease, with a delinquent balance unless settlement is made or a payment plan established.

6) Payment Plans:

Payment plans will be offered as a means to permit customers (tenant or landlords) with delinquent balances to prevent termination of, or obtain water service. A payment plan can be entered if, as a general rule, the delinquent amount is over \$500.00, which may be lowered by the Executive Director in the case of a unique hardship. A 25% lump sum down payment will be required and the remainder of the delinquent balance must be paid off within three (3) months in addition to the monthly consumption charges. Customers shall have their water service terminated immediately, without further notice, upon failure to make a payment when due. A customer shall be limited to one payment plan in any 24 month period.

The JRS may consider alternate payment plans in special circumstances.

7) Medical or other hardship:

The JRS may delay the imposition of a termination up to seven (7) days, where the customer presents proof of a medical or other hardship. The delay in termination is solely for the purpose of permitting the customer to acquire the resources necessary to enter a payment plan. A delay will not be granted for hardship where a customer has failed to meet their commitments under a prior payment plan, within the past 5 years.

8) Costs and Penalties:

Liens shall carry simple interest of 10% per annum, from the date of notice. A reimbursement of Attorney's fees shall also be assessed in the amount of \$57.00 per lien filed. Where bills are settled after a warning letter is sent, a fee of \$5.00 will be assessed. Where Scire Facias is instituted all actual costs of the litigation, filing fees and title search shall be assessed.

ADOPTED the 19th day of July, 2016 as set forth above.

I, Bruce Haselrig, Secretary for the Redevelopment Authority of the City of Johnstown (JRS), hereby certify the above to be a true and correct copy of the Collection Policy adopted by the Redevelopment Authority of the City of Johnstown at a regular meeting held on the 19th day of July, 2016.



, Secretary