

LAKEHAVEN WATER AND SEWER DISTRICT
King County, Washington

Resolution No. 2020-1339

A **RESOLUTION** of the Board of Commissioners of the Lakehaven Water and Sewer District, King County, Washington, establishing a Delinquent Account Payment Plan to assist District customers impacted by the COVID-19 Emergency and cancelling and superseding Resolution No. 2020-1338.

WHEREAS, the COVID -19 Emergency has caused significant adverse impacts on the state and local economies, and

WHEREAS, the economic impacts have made it more difficult for residential and business customers to remain current on water and/or sewer bills, and

WHEREAS, in compliance with proclamations of the Governor of the State of Washington, the District has previously suspended service termination and the accumulation of interest and penalties on unpaid water and sewer bills, and

WHEREAS, by further proclamation of the Governor, water and sewer utility providers in the State of Washington are required to adopt payment plans to assist customers having trouble with the timely payment of water and sewer bills, and

WHEREAS, the Board previously adopted a Delinquent Account Payment Plan, pursuant to Resolution No. 2020-1338, for the assistance of customers, and

WHEREAS, having considered the matter further, including additional guidance from the State of Washington, the Board has determined that modifications to the Delinquent Account Payment Plan are appropriate and beneficial, and

WHEREAS, believing the Delinquent Account Payment Plan established herein to be in the best interests of the District and its customers;

NOW THEREFORE BE IT RESOLVED as follows:

- A. In order to provide District customers with reasonable opportunities to cure delinquent accounts that have arisen out of the economic hardships caused by the Covid-19 Emergency, it is necessary that the District establish measures to provide financial relief from delinquent water and/or sewer bills. Accordingly, the following measures will be implemented, effective August 1, 2020, regarding all delinquent accounts:
 - 1. No water service shall be terminated for lack of payment through December 31, 2020.

2. No penalties or interest shall be added to delinquent balances through December 31, 2020.
3. Delinquent Account Balance - \$200 to <\$400 - Six (6) months to pay arrearage with no interest charged on remaining balance.
4. Delinquent Account Balance - \$400 to \$600 - Nine (9) months to pay arrearage with no interest on remaining balance.
5. Delinquent Account Balance - >\$600 - One (1) year to pay arrearage with no interest on remaining balance.
6. A payment plan entered into during the pendency of the Governor's suspension of the authority to terminate service shall be deemed an Interim Payment Plan.
7. Customers on Interim Payment Plans will be required to pay at least 50% of current bills accrued during the period up until the Governor ends the restrictions.
8. Customers requesting Interim Payment Plans will be asked to sign a payment plan agreement that will outline the terms of the payment plan. On property occupied by a tenant, payment plans may be signed by the tenant, with a copy provided to the property owner along with notice that all charges for water and sewer service shall remain with the property.
9. Unless circumstances require otherwise, Interim Payment Plans shall require the customer to make level payments during the repayment period sufficient to pay the entire balance within the duration of the payment plan. When restrictions on termination of service and applying penalties on delinquent accounts are lifted, customers remaining current on payments under the Interim Payment Plan and who pay at least 50% of bills that accrue up to the lifting of the restrictions, will be eligible to enter a new payment plan, referred to as the Final Payment Plan, for all amounts then delinquent. The length of the Final Payment Plan will be based on the schedules set forth in Sections 1-4 above. No interest shall accrue as long as payments remain current.
10. Customers who do not remain current on the Interim Payment Plan payments, including payments on current bills, will be required to pay the entire balance within 90 days of the date the Governor's restrictions on service terminations expire. Interest and penalties will thereafter apply and service may be terminated.
11. Customers with delinquencies meeting the minimum threshold, shall enter into an Interim Payment Plan within sixty (60) days from the date notice of their eligibility to enter into an Interim Payment Plan is sent. Customers who fail or refuse to enter into an

Interim Payment Plan by such date will be required to pay the full amount of the delinquent balance within one month of the date the Governor’s restriction on service termination expires and interest and penalties shall thereafter accrue at the rate established under District resolution. Such accounts shall be subject to regular collection processes, including termination of service.

12. Customers with delinquent balances below the minimum threshold for an Interim Payment Plan will be permitted to pay the delinquent balance, with no interest, in installments of no less than one-fourth of the current delinquent balance each month. Customers shall also pay no less than 50% of the current bill. At such time as the Governor’s restrictions on service termination expire, customers meeting these requirements will have 180 days to pay the remaining balance, which balance shall not accrue interest. Customers who do not meet these requirements will be required to pay the full amount of the delinquent balance within one month of the date the Governor’s restriction on service termination expires and interest and penalties shall thereafter accrue at the rate established under District resolution. Such accounts shall be subject to regular collection processes, including termination of service.

B. This Delinquent Account Payment Plan shall be posted on the District’s website.

C. Except as to the date for restricting service terminations set forth in Section (A) (1) above, the Board reserves the right to modify the Delinquent Account Payment Plan as deemed appropriate.

D. Resolution No. 2020-1338 is hereby cancelled and superseded in its entirety by the provisions herein.

ADOPTED by the Board of Commissioners of Lakehaven Water and Sewer District, King County, Washington, at an open public meeting this 23rd day of July, 2020.

ATTEST:

_____	_____	_____	_____
President and Commissioner	Yea	Nay	Abstain
_____	_____	_____	_____
Vice President and Commissioner	Yea	Nay	Abstain
_____	_____	_____	_____
Secretary and Commissioner	Yea	Nay	Abstain

Commissioner

Yea

Nay

Abstain

Commissioner

Yea

Nay

Abstain

Approved as to form: _____
General Counsel