



**LUMMI TRIBAL SEWER AND WATER DISTRICT**

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**LUMMI TRIBAL SEWER AND WATER DISTRICT**

*Update: November 05, 2009*

**District Policy**

**TITLE:** Collection procedures for past due accounts.

**IMPLEMENTATION DATE:** Board approval date. This policy replaces and supercedes preceding policies regarding District collection of past due accounts.

**PURPOSE:**

The District is mandated in the Lummi Tribal Sewer and Water District Ordinance, §16.08.030, to collect rates sufficient to operate the District in an efficient and proper manner. Collection of monthly billings is a necessary step in setting reasonable and equitable rates for all customers. The procedures set forth herein are necessary to accomplish collection.

**POLICY:**

It shall be the policy of the District to send out monthly billings on or before the 10<sup>th</sup> of each month.

The **Due Date** for monthly billings shall be the 25<sup>th</sup> of each month. Utility bills are **Past Due** or **Delinquent** on the day following the Due Date of the billing month. A Late Fee of \$5.00 or 1% of the unpaid balance, whichever is greater, shall be added to Past Due accounts on the day following the Due Date. If the Due Date falls on a weekend or holiday, the Due Date shall become the next following business day, and the account shall become Delinquent on the second following business day.

**For All Amounts Owning of \$ 5.00 Or More, 30 Day Past Due Notices** shall be sent out 30 days following the Due Date stating 1) the total amount due, and 2) that payment is due immediately.

When an account becomes 90 days Past Due, the District's remedies may, reasonably and equitably, include, but are not limited to, one or more of the following options: 1) place a lien against the property with Whatcom County or the Bureau of Indian Affairs, as appropriate, 2) foreclose on the lien in Whatcom County or Lummi Reservation Court, 3) withhold payroll or

Fish Tax, and/or 4) file for personal judgment, in Lummi Reservation Court, for the past due amount plus reasonable costs and attorney 's fees.

Any employee within any entity of LIBC who is currently a customer of the Lummi Tribal Sewer and Water District, and whose account is currently Past Due, is required to be on payroll deduction. The customer has the option of withholding monthly charges in one monthly payroll deduction or two biweekly payroll deductions. All changes for water/sewer deductions must be approved and signed by the District Office Manager.

Partial payments on Past Due accounts shall be allocated to 1) penalties, 2) cost recovery charges, 3) other fees, charges or assessments, 4) the most recent sewer billings, and 5) the most recent water billings, in that order.

The Lummi Tribal Sewer and Water District Board shall have the authority to temporarily or permanently suspend, any action taken by the District under this policy.

Water and water/sewer accounts:

If payment is not received by the District within ten (10) working days after the 30 Day Past Due Notice is sent, the account shall be scheduled for Lock Off. The 30 day Past Due Notice shall be sent stating 1) the total amount due; and 2) that payment is due by 3 p.m. the tenth (10<sup>th</sup>) working day from the mailing of the Past Due Notice.

If payment is then not received a **Lock Off Warning** (hang-tie) shall be placed on the delinquent property, and after two days the water service shall be locked off without further notice. A cost recovery **Lock Off Charge** of **\$75.00** shall be added to the account when the Lock-Off crew is dispatched, regardless of whether or not the actual Lock Off occurs.

Upon payment in full, and upon payment of the **Return of Service Charge** of **\$75.00**, full water service shall be reinstated. There shall be no Return of Service available outside normal business hours.

Tampering with a District Lock Off tag, or with the meter in any way, or preventing or hampering access to the meter shall incur the penalty of not less than \$100.00 per day under §16.10.020 of the Sewer Code of the Lummi Nation Code of Laws.

Sewer only accounts:

If payment is not received by the District within five (5) days after the 30 Day Past Due Notice is sent, the account may be turned over to a collection agent, which agent may be the District 's attorney, for action.

Customers with Past Due accounts in an amount greater than \$100.00 shall be sent a Notice of Intent to Lien, and if payment is not received within five (5) days, the lien shall be filed. A Lien Fee of **\$ 300.00** will be charged at the time of filing.

Liens may be foreclosed at any time, upon approval of the Lummi Tribal Sewer and Water District Board, in Lummi Reservation Court and

may also be registered and enforced in Whatcom County.

Payoff Agreement:

A Payoff Agreement may be signed by customers with Past Due accounts of over \$1000.00 under the following terms and conditions: 1) the customer has not defaulted on a payback agreement within the last five years, 2) a 25% down payment is made at the time of executing the agreement, 3) the customer agrees to pay the remaining Past Due balance in eleven (11) or less monthly installments, including 1% per month interest, 4), the customer agrees to remain current on monthly charges in addition to monthly Payoff Agreement payments.

Regular monthly water/sewer service charges will still be due and payable on the 25<sup>th</sup> of each month. Failure to pay either the monthly bill or the monthly debt installment under the Payoff Agreement will result in immediate and automatic termination of the contract. The entire amount owing at the time contract termination will be due and payable immediately.

In the case of water or water and sewer customers, water service will immediately be set for Lock Off, the Lock Off cost recovery fee of \$75.00 will be added to the amount owing, and the total amount owing, plus a Return of Service Fee of \$75.00, shall be paid before water service is restored. In the case of sewer only or Standby Sewer customers, lien and foreclosure actions will be immediately commenced. In the event the customer fails to make any required payment, the District may take action in addition to water Lock Off, and the customer shall agree to pay all costs of collection, including a reasonable attorney 's fee and court costs. Acceptance by the District of any payment shall not constitute a waiver of the District 's right to timely performance of the contract.

Approved by Lummi Tribal Sewer and Water District Boards: November 05, 2009

**LUMMI TRIBAL SEWER AND WATER DISTRICT**

*Update: August 2, 1999*

**District Policy - ADDENDUM A**

TITLE: Collection procedures for past due accounts.

IMPLEMENTATION DATE: Board approval date.

ADDENDUM PURPOSE: To clarify and standardize the policy as it concerns Lummi tribal employees who choose to pay Past Due balances through LIBC payroll deduction.

POLICY: Payment of Past Due balances through LIBC payroll deduction shall be allowed by the District under the following conditions and terms:

1. The customer initiates the payroll deduction at the District, by executing a One Year Payroll Deduction Contract;
2. The terms of the contract shall be:
  1. the customer shall not have defaulted on a District payback agreement within the last five years,
  2. the customer agrees to pay the remaining Past Due balance in eleven (11) or less monthly installments, including 1% per month interest, from the first semi-monthly check;
  3. the customer agrees to deduct an amount equal to an average monthly bill calculated from the previous twelve (12) months at the time of entering the contract, from the second semi-monthly paycheck, until the Past Due balance is cleared.
  4. If employment is terminated for any reason, the remaining balance becomes due and payable immediately.
3. The customer agrees that the deduction cannot be removed or altered without the written consent of the District.

APPROVED LTSWD BOARD(s): November 05, 2009