

Resolution
of the
Municipal Authority of the Borough of Portage

Adopted this 11th day of July, 1996, by the Municipal Authority of the Borough of Portage, at a regularly scheduled public meeting of the Municipal Authority at which a quorum was present.

Whereas, The Municipal Authority of the Borough Portage provides water service to the residents of Portage Borough, Portage Township and Cassandra Borough, and from time to time has to take action to enforce payment of bills from delinquent accounts, and

Whereas, the principle cost effective method of enforcing payment of delinquent accounts is the termination of water service, and,

Whereas, the Authority desires to set forth in writing its rules as to termination of water service as result of non payment of charges billed.

NOW THEREFORE, Be it resolved that the Municipal Authority of the Borough of Portage adopts the following rules for the termination of water service on account of non payment of water charges. Nothing In this rule is to be construed to limit or restrict the manager's authority to terminate service permanently or temporarily where he determines such action is necessary to protect the public health or safety.

Section 1: When Bills Due

All water bills shall be due and payable within one calendar month of the date the bill is rendered, as shown on the bill.

Section 2: Penalty for Late Payment

Any water bill not paid within one calendar month of the date the bill is rendered, shall be subject to a one time late charge of ten (10%) per cent of the amount of the bill. After a account has a delinquency for more than two calendar months additional interest of 1.5% per month will be charged to the account based on the largest amount due at any time during the month until such time as the account is brought current.

Section 3: Notice to Delinquent Customer

Following the expiration of the first calendar month from the rendering of the bill, the Authority shall notify the customer in writing of the imposition of the 10% late charge, interest to be charged and the possibility of future termination of service. Notice shall be sent to the customer listed on the application for service at the address shown thereon by regular mail. Receipt of notice by the customer is not intended to be required for imposition of late charge, interest or termination hereunder.

Section 4: Termination of Service

Following expiration of the second calendar month from the rendering of the bill the manager shall cause the water service to the delinquent account to be terminated, unless the customer has entered into a payment agreement hereunder. Accounts which have been terminated

for non payment shall have assessed such fees for turning the water off and on as may be set by the Board of the Authority from time to time.

Section 5: Payment Agreements

A customer may cure a delinquent account by any time by either paying the entire amount due, plus turn on and off fees if applicable, or by entering into a payment agreement. The Authority staff may accept a payment agreement from a customer upon presentation of some proof of financial hardship, and payment according to the following schedule;

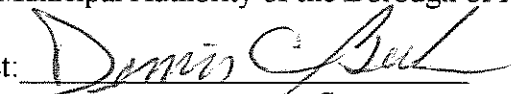
- 50% upon signing of the agreement,
- 25% within two weeks
- 25% within two weeks.

Only the Board may approve lesser payments. Customers on payment schedules must pay their current bills. Failure to make any payment under the payment plan shall be grounds for immediate termination of water service.

Adopted by the Board on the day and date first set out above.

By: Municipal Authority of the Borough of Portage

Attest:


Secretary


Chairman