

RESOLUTION NO. 749

RESOLUTION OF THE BOARD OF DIRECTORS OF  
CRESTLINE-LAKE ARROWHEAD WATER AGENCY  
PROVIDING FOR THE COLLECTION OF A FEE FOR  
CHECKS RETURNED TO THE AGENCY

WHEREAS, this Agency normally accepts checks which are drafts upon personal or business bank accounts in payment for water service and other services provided by the Agency; and

WHEREAS, upon receipt, such checks are delivered to the Agency's bank for deposit into the Agency's own account; and

WHEREAS, when a check is returned to the Agency due to insufficient funds in the payor's account to cover the amount of the check, the Agency must pay a fee to its bank for the processing of a check that could not be negotiated; and

WHEREAS, in addition to the fee that the Agency must pay for the return of such a check, the Agency also incurs additional expenses in the form of staff time required to correct a customer's account information and to notify the payor that the Agency's bill remains unpaid; and

WHEREAS, in order to defray such additional costs incurred by the Agency as a result of checks returned to the Agency, it is necessary to impose a charge so that the expense may be recovered from the party who caused the expense, rather than from other customers of the Agency who did not cause the expense;

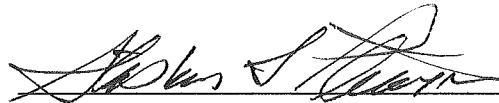
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Crestline-Lake Arrowhead Water Agency as follows:

1. This Board does hereby approve and direct the imposition of a charge upon the payor for each check submitted by the payor to the Agency in payment for an obligation due the Agency, which is returned by the Agency's depository to the Agency due to insufficiency of funds or for any other reason whatsoever.


2. As of the date of this resolution, the amount of the charge shall be \$50 per returned check. However, said amount may be revised by this Board from time to time by simple motion, as the Board deems necessary or appropriate, to cover costs incurred by the Agency as a result of the returned check and resulting delinquency.

3. In the case of an Agency customer for water service, the charge may be added to the charge for water service, nonpayment of which shall result in termination of water service, in addition to all other remedies available to the Agency to obtain collection of the amount due.

ADOPTED this 2nd day of February, 2012.

  
\_\_\_\_\_  
President, Board of Directors  
CRESTLINE-LAKE ARROWHEAD  
WATER AGENCY


ATTEST:

  
\_\_\_\_\_  
Secretary, Board of Directors  
CRESTLINE-LAKE ARROWHEAD  
WATER AGENCY

CERTIFICATION

I, Jennifer Spindler, Secretary of the Board of Directors of the Crestline-Lake Arrowhead Water Agency, hereby certify that the foregoing is a full, true and correct copy of the Resolution adopted by the Board of Directors of said Agency at the regular meeting of said Board held on the 2nd day of February, 2012, by the following vote:

AYES: Directors Pleasant, Risher, Meek & Sutton  
NOES:  
ABSENT: Director Eaton  
ABSTAIN:

  
\_\_\_\_\_  
Jennifer Spindler, Secretary