

RULE NO. 5

RENDERING AND PAYMENT OF BILLS

I. RENDERING OF BILLS

Bills for service will be rendered to each Customer on a monthly basis. The bill will include all charges for District services. If, for reasons beyond its control, the District is unable to read a Customer's meter on the scheduled date, the District will bill Customer for estimated consumption during the billing period, subject to adjustment at the time the meter is next read. Customers are responsible for payment of all water recorded as having passed through a meter regardless of whether the water was put to beneficial use.

A. METERED SERVICE:

Bills for metered service will show at least the reading of the meter at the end of the period for which bill was rendered, the number of gallons, and the date of the current reading.

B. PRORATION OF BILLS:

The charges, where appropriate, applicable to opening periods, closing bills and bills rendered for periods corresponding to less than twenty-seven (27) days or more than thirty-three (33) days for monthly billing periods will be computed as follows:

The amount of minimum charge will be prorated on the basis of the ratio of the number of days in the period to the number of days in an average billing period.

II. PAYMENT OF BILLS AND PENALTY FOR NON-PAYMENT

Bills for service are due and payable upon the due date and payment may be made at the office of the District or by any alternative method authorized by the District. Failure to receive a bill does not relieve the Customer of the obligation to pay for services received. Checks presented in payment of bills which are returned by a bank, or debit/credit card payment of bills which are disputed by a merchant company, shall be treated as though no payment had been made, and subject to fee as referenced in Rule 23 "Additional Charges". If a customer has two returned checks within one year the District may require the customer to pay in cash, money order or credit/debit card for

services received. If a customer has two disputed debit/credit card payments within one year the District may require the customer to pay in cash, check or money order for services rendered. Payment of closing bills shall be made at the time of presentation. In the event bills for services due are not received at the District office by the due date, the account will be past due. At this time, a service termination notice stating the date service will be discontinued will be mailed to the customer. The customer shall also owe, in addition to the amount for services unpaid, a penalty for such non-payment, which penalty shall be a handling charge in an amount equal to 5.0% of each month's charges unpaid. If said charges are still unpaid on the next billing date, the termination date will be restated on the new bill. If payment of full past due balance is not received by the shut off date stated service will be discontinued.

These provisions for penalty and interest on unpaid bills do not apply to any portion of the unpaid bill which is the subject of a bona fide dispute between the District and the Customer, as allowed in these Rules and/or Regulations.

The filing of and or enforcement of any liens for District services shall comply with the requirements of NRS Chapter 318.

III. APPLICATION OF PAYMENTS

A. ANNUAL NOTICE:

Each Customer will be notified at least annually, in conjunction with a regular bill, of the rate for water, sewer and recreation services and of the portion of such sewer bill, which is attributable to the User Charge Rate and Capitalization Charge.

B. BIENNIAL REVIEW OF OPERATION AND MAINTENANCE CHARGES:

The District shall review, not less than every two (2) years, the wastewater contribution of customers, the total costs of operation and maintenance of the District's sewer system and its method of charging for the use thereof and shall, if necessary, revise the charges to accomplish the following:

1. Maintain the proportionate distribution of operation and maintenance costs among Customers;
2. Generate sufficient revenue to pay the total operation and maintenance and replacement cost of the water and sewer systems, including transmission and associated facilities.