

NEW YORK CITY WATER BOARD

September 28, 2007

RESOLUTION

WHEREAS, the Board recognizes that delinquent water/sewer charges in the residential class of accounts in New York City are higher than is normal or common in the utility industry and in the area of real property taxation; and

WHEREAS, the Board also recognizes that a high rate of continuing delinquencies is unfair to those property owners who are not delinquent because a high rate of delinquency can lead to higher rates on customers who pay their charges in a timely manner; and

WHEREAS, the Board believes it reasonable and in the interest of all users of the water and wastewater system to develop a program that has a reasonable prospect of inducing delinquent property owners to become current with their water bills; and

WHEREAS, DEP has proposed a Payment Incentive Program the objective of which is to enhance system revenues by encouraging a larger proportion of owners with delinquent water and sewer charges to accept a concession on the amount due in exchange for payment in full of their resulting liability so as to return their account to current status; and

WHEREAS, the Board has reviewed a written description of a proposed Payment Incentive Program which is attached as Exhibit 1 hereof; and

WHEREAS, the Board finds that such a program has practical utility and is reasonable and prudent to the extent it can reduce the System's accounts receivable and enhance System revenues; it is therefore

RESOLVED, that the Board hereby approves the Payment Incentive Program as described in Exhibit 1 and directs DEP to begin implementation of said Program; and it is

RESOLVED further, that the Executive Director may prescribe appropriate Payment Incentive Program implementation guidelines so as to ensure prudent Program administration consistent with the intent of the Board.