

**EASTON AREA JOINT SEWER AUTHORITY
RESOLUTION NO. 2006-08-21**

Industrial Pretreatment Fees and Charges– Cost Recovery Policy

RESOLVED, that this Resolution replaces Resolution 2006-07-19, which addressed cost recovery for surcharges only.

RESOLVED, that the Easton Area Joint Sewer Authority hereby approves a cost recovery policy regarding non-payment of Industrial Pretreatment Program ("IPP") fees and charges, as follows:

The Industrial Pretreatment Cost Recovery fees and charges covered by this policy shall include, without limitation, industrial user fees, permit application fees, routine sampling fees, resampling fees, laboratory analysis charges, surcharges, and fines and penalties.

Surcharge Formula

In order to determine the additional charge for industrial wastes with strength greater than that of domestic sewage, the surcharge formula as adopted by the Authority from time to time shall be used.

Billing Frequency

The industrial waste surcharge, industrial user fees, routine sampling fees, resampling fees, laboratory analysis charges shall be billed quarterly.

Permit application fees and fines and penalties imposed for violations of the Authority's Rules and Regulations shall be billed as they become due.

Calculation of Cost Recovery Amounts Owed by Industrial Users

The Easton Area Joint Sewer Authority shall cause the water meter of each industrial user where the waste water flow determination is based upon metered water consumption, and the waste water meter where the waste water flow determination is based upon waste water

flow measurement, to be read on a quarterly basis, and the Authority shall cause industrial waste surcharge bills to be mailed to the industrial users following each reading:

1. The Authority shall cause periodic sampling of the waste water discharge by each industrial user in accordance with the Authority's Rules and Regulations.

2. Bills for industrial waste surcharge and all other Industrial Pretreatment Program fees and charges shall be mailed to the user's address specified on the Industrial Waste Permit. Failure to receive a bill as a result of incorrect address or otherwise shall not excuse nonpayment of charges or extend the time for payment.

3. Payment shall be due net thirty (30) days. A penalty of five (5%) percent shall be added to bills not paid within thirty (30) days of the date of bill. If the bill is not paid within sixty (60) days, a second penalty of five (5%) percent shall be added to the amount of the bill.

4. Commencing with the sixty-first (61st) day of the unpaid bill, there shall be a carrying charge of one and one-half (1-1/2%) percent per month or fraction of a month of the outstanding balance, added to the amount of the bill. If a bill is not paid within ninety (90) days of the date of the bill, it shall be considered delinquent, and further action, including, without limitation, filing of a municipal lien, collection litigation, and permit revocation, may be taken. In addition, failure to pay within ninety (90) days from the date of the bill shall constitute a violation of the Authority's Rules and Regulations.

Revocation of IPP Permit for Non-Payment of Surcharge Bill

1. If an industrial user holding a Discharge Permit fails to pay a cost recovery invoice within sixty (60) days from date of issuance of such bill, the Authority shall cause to be sent to such user, by certified mail, a written notice of intent to revoke the user's pretreatment Discharge Permit after thirty (30) days from the date of intent to revoke notice.

2. Within thirty (30) days from the date of the notice, the industrial user must either: (a) pay the invoice in full, including all applicable penalties and interest, or (b) appeal the administrative determination as to the validity of the bill and/or the amount to the invoice owed.

3. All appeals will be heard under the rules of evidence and procedures applicable under the Local Agency Law.

4. All appeals will be heard by a hearing board consisting of three Authority Board members designated by the Authority Chairman.

5. The Hearing Board shall prepare a proposed adjudication for adoption by the Authority Board.

6. If the Industrial User is found to be in violation of the Authority's Rules and Regulations for failure to pay cost recovery invoices within the time allowed by this Resolution, the Authority shall immediately, subject to the appeal rights set forth in Paragraph 7, revoke the User's Discharge Permit.

7. An Industrial User shall have thirty (30) days from the date of the Authority Board's Adjudication to appeal the Authority's decision to the Court of Common Pleas of Northampton County. In order to perfect such appeal, the Industrial User must deposit 120% of the cost recovery fees and charges due, as determined by the Authority, with the Authority Secretary, in escrow, to perfect the appeal.

8. If no appeal is timely perfected, the Industrial User permit shall be immediately revoked.