

NORTH MARIN WATER DISTRICT
REGULATION 51
SECURITY DEPOSITS

a. When Security Required

When the District determines that the credit of an Applicant for service or a customer is unsatisfactory, service shall not be provided or continue unless the Applicant or the customer makes a security deposit with the District. The deposit shall be in cash, but if the amount exceeds \$250 it may be in the form of an irrevocable letter of credit or certificate of deposit payable to the District in form acceptable to the District.

b. Amount of Deposit

The amount of the deposit shall be as follows:

- (1) initial establishment of service to a single-family dwelling: \$20 or two times the estimated bimonthly water bill, whichever is less;
- (2) re-establishment of service to a single-family dwelling: two times the estimated bimonthly water bill;
- (3) for service to a multi-family dwelling or non residential service: two times the estimated bimonthly water bill.

c. Application of Deposit

The District may apply the security deposit to any account owing to the District which is delinquent for more than 30 days. Service may be disconnected if the account is not fully paid up and the security deposit restored within 15 days after notice to the customer that the account is delinquent.

d. Refund of Deposit

The security deposit will be returned to the customer upon termination of the service and payment of all rates and charges owed to the District by the customer, or at such earlier time as the District may determine that the credit of the customer is satisfactory.

e. Determination of Satisfactory Credit

For the purposes of this regulation, determination of whether the credit of an Applicant or a customer is satisfactory shall be made solely by the District. The credit of a customer who has promptly paid all applicable rates and charges without default or delay for one year last past shall be deemed to be satisfactory.

f. Interest on Cash Security Deposits

If during the period the District holds a cash security deposit a customer pays all charges imposed by the District prior to their becoming delinquent the District shall upon refund of such deposit pay to the customer simple interest thereon at the rate of one-half of one percent for each full calendar month the deposit was held by the District.