



July 6, 2010

Gerri Silva, Director of Environmental Management  
El Dorado County  
2850 Fairlane Ct.  
Placerville CA 95667

RE: South Tahoe Refuse bill collection practices

Dear Gerri:

As requested, following is a brief summary of the various collection procedures followed by South Tahoe Refuse Co. throughout the year.

Fortunately, most of our customers pay their bills promptly each quarter. However, for those customers who have not paid their bills by the due date, they will receive several courtesy letters (see copy attached) reminding them that their account is past due. Our policy is to send between two and three courtesy letters that are spread over the period of October to March.

In addition to the courtesy letters, a customer may also receive several courtesy calls provided they have a phone number on file with the office. Courtesy calls are helpful to be sure that the customer received their bill and provides an opportunity to answer any questions they may have.

A third aspect of our collection efforts focuses on returned mail (a customer statement that is returned by the post office because the address is not current). Each month, we attempt to call the customer in order to get a current mailing address. If we can not reach the customer, then we will contact South Tahoe Public Utility District to see if they have a current mailing address.

Over the course of a year, these collection efforts are effective since almost all of our 5,800 residential customers have paid for their service. There is a group of about 40 customers who refuse to provide current mailing addresses to us, or to South Tahoe Public Utility District, and refuse to pay for their service. These 40 or so customers are part of a small group of approximately 75 customers that refuse to pay despite our collection efforts. For this group, the lien process serves as the collection method of last resort.

Sincerely,

A handwritten signature in cursive script that reads 'Terry Trease'.

Terry Trease  
Controller