

Ordinance No. 20-01
Weaverville Community Services District
Delinquent Accounts Shut-off Policy

Pursuant to SB 998 (Dodd)

Adopted: February 26, 2020

Purpose/Background: This policy enumerates the Weaverville Community Services District. (Hereinafter referred to as “The District”) administrative actions for the collection of delinquent accounts, including notifications, fee assignments and discontinuation of service. This policy will be made available to the public on The District’s website. The District can be contacted by phone at (530) 623-5051 to discuss options for averting disconnection of water service for non-payment under the terms of this policy.

Text of policy: As an urban or community water system that supplies water to more than 200 service connections, The District is subject to Senate Bill No. 998 (Dodd) 2018.

Delinquent Account: The District has established if no payment has been made by the initial statement due date it will be considered delinquent thereafter. The following rules shall apply to the collection of delinquent accounts:

1. Small Balance Accounts: Any balance on a bill of \$10.00 or less may be carried over, and added to the next billing period without a late fee or incurring further collection action.

2. First Disconnect Notice: If there is a remaining balance on the account that is 60 days aging and has a balance greater than \$10.00, The District will send a pink bill. On the pink bill the delinquent balance and disconnection date will be displayed prominently on the bill. The District assumes no responsibility for contact information that has not been kept up-to-date by the customer. If the notice is returned through the mail as undeliverable, The District will make a reasonable, good faith effort to visit the residence and leave a notice of discontinuance for non-payment.

3. Second Disconnection Notice: Ninety-six (96) hour courtesy contact. The District will make a reasonable, good faith effort to notify the Customer 96 hours in advance of disconnection of water service for non-payment through means of a phone call, text, or email. Customer accounts may be designated to receive notification by e-mail or text message if requested by the Customer. The 96-hour contact is meant entirely as a courtesy and failure by the Customer to receive the notice shall not constitute an acceptable reason for non-payment or delay of disconnection. The District will make a reasonable, good faith effort to contact the Customer and leave a notice of discontinuance for non-payment.

4. Third Disconnection Notice: The District shall give the Customer a third disconnection notice (door hanger) 48 hours before termination of service for non-payment. There will be a fee of \$10 applied to the account. The disconnection notice will be placed at the property where the service is being provided.

5. Disconnection Deadline: All delinquent water service charges and associated fees must be received by The District by 5:00 p.m. on or before the day specified in the first, second, and third disconnect notice.

6. Disconnection of Water Service for Non-payment: The District will disconnect water service by turning off, and in most cases locking off, the meter. Before service is disconnected, the customer will be notified by a pink bill; this is the first disconnect notice (pink bill), and a ninety-six (96) hour courtesy call text or email. Then a third disconnection notice, a forty-eight (48) hour door hanger will be placed at the physical address. After water has been disconnected The District will hang a final disconnect door hanger notifying the customer that the water has been disconnected for nonpayment.

7. Final Disconnect Door Hanger: At the time of serving this notice the account will be charged a \$50 disconnect fee. The meter will be shut off and locked. No additional notice or payment arrangements will be given.

8. Re-establishment of Service: In order to resume or continue service that has been disconnected for non-payment, the Customer must pay the entire past due account balance in full. In addition, a security deposit may be required. The District will endeavor to reconnect service as soon as is practicable; however, at a minimum The District will restore service before the end of regular business day following payment of any past due amount and delinquent fees attributable to the termination of service. Water service that is turned on by any person other than District personnel will be subject to fines or additional charges or fees. Any damages that occur as a result of unauthorized restoration of service are the responsibility of the Customer.

9. Re-establishment of Service after Business Hours: Service restored after 5:00 pm Monday through Friday, weekends, or holidays will be charged an after-hours re-connection fee of \$150.00.

District staff responding to service calls are not permitted to collect payments.

10. Notification of Disposition of Returned Check: Upon receipt of a returned check taken as payment of water service or other charges, The District will consider the account not paid. The District will make a reasonable, good faith effort to provide a 48-hour courtesy call of termination of service due to a returned check. The means of notification will be by phone.

11. Returned check or credit card non acceptance rejection: Water service will be disconnected if the amount of the returned check or rejected credit card are not paid on or before the date specified in the door hanger notice of termination. All amounts paid to redeem a returned check and to pay the returned check charge must be in cash, credit card or certified funds.

12. Disputed Bills: If you believe that your bill is incorrect, within five (5) days of receiving a disputed bill, please contact a Customer Service Representative during regular business hours, either in person at 716 Main Street, or by telephone at (530) 623-5051 for an explanation. If, after such explanation, you still believe this bill is wrong, within ten (10) days of such explanation, you may request a hearing with the General Manager of The District. Any customer, whose request for a hearing by the General Manager has resulted in an adverse determination, may further appeal to the Board of Directors within thirty (30) days. The Board of Directors determination is final.

13. Waiver of Late Fee: At the request of the Customer, The District may waive the late fee if there are extenuating circumstances on delinquent bills, not more than once every twelve (12) months.

14. Alternative Payment Arrangements: Any customer who is unable to pay for water service within the normal payment period may request an alternative payment arrangement to avoid late fees or disruption of

service. The District shall not discontinue water service for non-payment if a Customer has requested and entered into an alternative payment arrangement. Payment arrangements that extend into the next billing period are considered an amortization plan, which must be in writing and signed by the customer. A down payment of twenty (20) percent of the Customer's outstanding balance will be due at the time of signing. An amortization plan will amortize the remaining unpaid balance over a period not to exceed six (6) months from the original date of the bill. The amortized payments will be combined with, and subject to the due date of, the Customer's regular bill. The Customer must comply with the terms of the amortization plan and remain current as charges accrue in each subsequent billing period. The Customer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan.

Example of Billing Structure:

In January, on the first business day of the month, meters are read (December water). Bills will be mailed within 2 business days of reading meters. The bills are now due. They are past due on the last business day of the month.

First business day in February, meters are read, (January Water) bills are mailed within two business days a 10% late fee is applied to the account if there is a past due balance greater than \$10.00 (December water).

First business day in March meters are read (February water) bills are mailed within 2 business days. A 10% late fee is applied to all accounts that have a remaining balance for January water and a ½% late fee will be added if there is a balance from (December water). The 1st disconnection notice will be sent in the form of a pink bill for any account with a balance greater than \$10.00 from December water. The account is now considered delinquent. The 2nd disconnection notice will be five days (5) after pink bill has been sent The District will reach out to the Customer via phone call, text, or email. The 3rd disconnection notice will be on the tenth day after the account is delinquent a \$10.00 fee will be applied to the account and a door tag will be placed at the address where service is being provided. This is the 48-hour notice of disconnection. (The notice will contain the final due date and amount to avoid a disconnection) If no payment or arrangements have been made by the disconnection date the account will be charged a \$50.00 disconnection fee and the meter will be shut off and locked. We will place a notice (door hanger) stating that the service is disconnected for nonpayment.

No negotiations at the door on the day of disconnect period.

A) Notice to Residential Tenants/Occupants in an Individually Metered Residence where the Owner of the property pays the water: The District will make a reasonable, good faith effort to inform the occupants, by means of written notice, when the water service account is in arrears and subject to disconnection at least ten (10) before then water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of The District without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charges for water service at that address. In order for the amount due on the delinquent account to be waived, the tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of rent payments.

B) Notice to Tenants/Occupants in a Multi-Unit Complex Served through a Master Meter: The District will make a reasonable, good faith effort to inform the tenants/occupants, by means of written notice hung on the door of each residence, when the water service account is in arrears and subject to termination at least ten (10) days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of The District without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charges for water service at the address served by the master meter. If one or more of the occupants are willing and able to assume responsibility for the subsequent charges for water service to the satisfaction of The District, pay the appropriate deposit, have the physical means, legally available to The District, of selectively terminating service to those occupants who have not met the requirements for service, The District will make service available to the occupants who have met those requirements.

C) The District shall not discontinue residential service for nonpayment if all of the following conditions are met:

(1) The customer, or a tenant of the customer, submits to the urban and community water system the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.

(2) The customer demonstrates that he or she is financially unable to pay for residential service within the urban and community water system's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the urban and community water system's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

(3) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to subdivision (a) of Section 116906, with respect to all delinquent charges.

(b) (1) If the conditions listed in subdivision (c) are met, the urban and community water system shall offer the customer one or more of the following options:

(A) Amortization of the unpaid balance.

(B) Participation in an alternative payment schedule.

(C) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.

(D) Temporary deferral of payment.