



Grizzly Lake Community Services District
119 Delleker Drive
Portola, CA 96122

RESOLUTION: 2024-01 Adopted 09-03-2024

POLICY TITLE: DELINQUENT CHARGES AND DISCONTINUATION OF SERVICE FOR NONPAYMENT

SECTION 1: OVERVIEW

- A. All charges for water/sewer are due and payable when billed, and become delinquent if not paid within twenty (20) days of the date of the bill. Unpaid charges are subject to a basic penalty for the nonpayment of charges of not more than 10 percent, plus an additional penalty of not more than 1 percent per month for the nonpayment of the charges and the basic penalty. Failure to receive the bill does not waive the charges or the penalty.
- B. Bills for water/sewer service will be rendered to each customer on a monthly basis unless otherwise provided for in the rate schedule. Payment may be made in person at the District office, or via US Mail. It is the customer's responsibility to assure that payments are received at the specified location in a timely manner. Partial payments are not authorized unless prior approval has been received.
- C. Those customers who have entered into payment arrangements prior to the next billing will not be assessed a delinquent fee on amounts subsequently paid according to the arrangement terms.
- D. Other exceptions deemed worthy and appropriate may be granted on a case-by-case basis by the Board of Directors.

SECTION 2: DISCONTINUATION OF RESIDENTIAL WATER SERVICE FOR NONPAYMENT

- A. The Grizzly Lake Community Services District ("District") is required to comply with the Water Shutoff Protection Act (Cal. Health and Safety Code §§ 116900 – 116926) and the District Utility Services Law (Cal. Gov. Code §§ 60370 – 60375.5). The Water Shutoff Protection Act requires adoption of a written policy containing certain procedures before the discontinuation of residential water service for nonpayment. In addition, a residential water service is not eligible for disconnection until it has been delinquent for at least sixty (60) days.
- B. When a residential water service account is delinquent for 60 days or more, the District will discontinue water service after complying with the Water Shutoff Protection Act and District Utility Services Law, as applicable. This policy will serve as a guide to inform District customers of options to bring delinquent accounts current and avoid discontinuation of residential water service for nonpayment. To the extent that this policy conflicts with any other District rules, regulations, or policies, this policy will prevail. This policy does not apply to any accounts for non-residential service, which are instead handled in accordance with Section 3 of this policy, "Discontinuation of Non-Residential Water Service for Nonpayment."
- C. Before discontinuing water service in any circumstance, the District will take the following actions:
 - 1. If payment for a bill rendered is not made on or before the forty-fifth (45th) day following the due date, a notice of overdue payment (Overdue Notice) will be mailed to the water service customer at least fifteen (15) business days prior to the possible discontinuation of service date identified in the Overdue Notice. If the customer's address is not the address of the property to which the service is

provided, the Overdue Notice must also be sent to the address of the property served, addressed to “Occupant.” The Overdue Notice must contain the following:

- i. Customer’s name and address;
 - ii. Amount of delinquency;
 - iii. Date by which payment or arrangement for payment must be made in order to avoid discontinuation of service;
 - iv. Description of the process to apply for an extension of time to pay the amount owing (see Section 2(F), below);
 - v. Description of the process to petition for review and appeal of the bill giving rise to the delinquency (see Section 4, below);
 - vi. Description of the process by which the customer can request a deferred, amortized, reduced, or alternative payment schedule (see Section 2(G), below);
 - vii. Description of the process for the customer to obtain information on financial assistance, if applicable; and
 - viii. The telephone number where the customer may request a payment arrangement or receive additional information from the District.
2. The District will also make a good faith, reasonable effort to provide notice to the customer or an adult living with the customer of the impending discontinuation of service by telephone. If contact is made by telephone, the District will offer to provide the customer with a copy of this policy and offer to discuss the options for alternative payments as described in this policy, and the process for review and appeal of the customer’s bill.
- D. The District will post a final notice to discontinue service in a prominent and conspicuous location at the service address at least seven (7) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District under Section 4 of this policy, “Procedure to Contest or Dispute a Bill.”
- E. If the property at which service is to be discontinued is a master-metered residential property or individually metered multi-unit residential structure or mobile home park, the final notice must also inform the tenants/occupants that they have the right to avoid discontinuation of service by becoming customers to whom the service will be directly billed, without having to pay any of the then-delinquent amounts.
1. The District will not be required to make service available to such tenants/occupants unless each such tenant/occupant agrees to the District’s terms and conditions for service, and meets the District’s applicable rules and requirements.
 2. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the District’s satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the District’s requirements, then the District may make service available only to those tenants/occupants who have met the requirements.
 3. If prior service for a particular length of time is a condition to establish credit with the District, then residence at the property and proof of prompt payment of rent for that length of time, to the District’s satisfaction, is a satisfactory equivalent.
 4. If a tenant/occupant becomes a customer of the District and the tenant’s/occupant’s rent payments include charges for residential water service where those charges are not separately stated, the tenant/occupant may deduct from future rent payments all reasonable charges paid to the District during the prior payment period.
- F. A customer may request an extension on a payment due on their account only after an Overdue Notice has been delivered. The District may grant an extension, in its sole discretion. Any such extension may not exceed seven (7) days after the final due date on the Overdue Notice. Accounts with four (4) or more bills outstanding will not be granted an extension.

- G. A customer may also request an installment payment plan after a disconnection notice has been delivered. To avoid undue hardship to the customer, the District may grant an installment payment plan, in its sole discretion. Any such payment plan shall provide for full payment of past-due amounts within a period no longer than twelve (12) months. For any approved installment payment plan, the customer may be charged an administrative fee, in the amount established by the District from time to time, representing the cost of initiating and administering the plan. At the discretion of the General Manager or designee, interest at an annual rate not to exceed eight percent (8%) shall be applied to any amounts to be paid in installments under this subsection.
- H. The District may discontinue water service if a customer who has been granted an extension or payment plan fails to pay by the extended due date or a due date under the payment plan. The District will post a final notice to discontinue service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District under Section 4 of this policy, "Procedure to Contest or Dispute a Bill."
- I. With respect to special medical and financial circumstances that may be present, the District will not discontinue residential water service if all of the following three (3) conditions are met:
1. The customer, or tenant of the customer, submits to the District the certification of a licensed primary care provider that discontinuation of water 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 is unable to pay for residential service within the District's normal billing cycle (note that a customer is "unable to pay" within the meaning of this section if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, California SSI/SSP or California Special Supplemental Nutrition Program for Women, Infants, and children, or the customer declares under penalty of perjury that the household's income is less than two hundred percent (200%) of the federal poverty level).
 3. The customer is willing to enter into a written agreement with the District regarding an extension or other payment plan for delinquent charges. The District will select terms and conditions of the payment plan that will be set forth in a written agreement. Under no circumstances will the written agreement extend beyond twelve (12) months.
- J. The customer is responsible for demonstrating that all of the qualifications in Section 2(F)(1)-(3) have been met. Upon receipt of documentation from the customer, the District will review the documentation within seven (7) calendar days and either: (a) notify the customer of the terms and conditions selected by the District and require the customer's signature on the payment plan agreement; (b) request additional information from the customer; or (c) notify the customer they do not meet the qualifications.
- K. The District may discontinue water service if a customer who has been granted an payment arrangement under this Section 2 fails to do either the following for sixty (60) days or more: (i) pay any amount due under the payment plan; or (ii) pay their current charges for water service while the payment plan is in effect.
- L. A late charge, as specified in the District's schedule of fees and charges, may be assessed and added to the outstanding balance on the customer's account if the amount owing on that account is not paid before the Overdue Notice is generated.
- M. If service has been discontinued and is to be reconnected, then any reconnection fees during the District's normal operating hours cannot exceed fifty dollars (\$50), and reconnection fees during non-operating hours cannot exceed one hundred and fifty dollars (\$150). These fees cannot exceed the actual cost of reconnection, if that cost is less than the statutory caps. The statutory caps may be adjusted annually for changes in the Consumer Price Index for the
- N. Customers with questions about their bill or this policy may contact the District at any time by telephone at (530) 832-5225 or emailing the General Manager at gicsddelleker@gmail.com.

SECTION 3. DISCONTINUATION OF NON-RESIDENTIAL WATER SERVICE FOR NONPAYMENT

- A. Whenever a non-residential water account becomes delinquent, prior to termination of water service, the District shall do all of the following:
 - 1. Mail a 10-Day Notice of Termination letter to the customer
 - 2. Attempt to personally deliver a 10-Day Notice of Termination letter to the actual user prior to the date of termination of service.
 - 3. Deliver a 48-Hour Notice of Termination to the premises whenever the District furnishes water through a master meter and the account becomes delinquent, prior to termination of water service.
 - i. Said notice shall further inform the actual users that, under certain circumstances, they have the right to become customers of the Community Services District without being required to pay the amount due on the delinquent account.
 - ii. The District shall make a reasonable attempt to contact the master-meter customer on record at least 48 hours prior to any termination of service.
- B. Upon failure to remit payment within the specified time on a 48-hour notice, service shall be terminated until payment in full is made, which includes payment of Notice of Termination charges and delinquent turn-on charge plus payment of a security deposit, if one is not already on file.

SECTION 4: PROCEDURE TO CONTEST OR DISPUTE A BILL; RIGHT TO APPEAL

- A. Whenever the accuracy of a bill for water service is questioned, the customer of record may initiate a written dispute or request an investigation regarding the amount of the bill within ten (10) calendar days of receiving the disputed bill. The written dispute must include supporting information or evidence.
 - 1. In the event of a disputed reading, the meter shall be reread. If the accuracy of the meter is questioned by a customer, the customer shall be given the option of placing a \$45.00 deposit with the District and requesting a meter registration accuracy test.
 - 2. The District will contract with a 3rd party to perform the testing process, which will take approximately 30 days. If the results of the test show that the meter is less than 98% accurate, the meter will be replaced, the \$45.00 deposit returned to the customer, and a pro-rated adjustment will be made on previous bills up to a maximum of six months. If the results of the test show that the meter is at least 98% accurate, the customer shall forfeit the \$45.00 deposit to cover the District's expense to perform the meter accuracy test.
- B. In addition to the appeal rights provided under subsection A, above, any customer who receives an Overdue Notice may request an appeal or review of the bill to which the Overdue Notice relates at least five (5) calendar days after the date of the Overdue Notice if the customer alleges the bill is in error with respect to the quantity of water consumption set forth on that bill; provided, however, that no such appeal or review rights shall apply to any bill for which an appeal or request for review under subsection A, above, has been made. Any appeal or request for review under this subsection B must be in writing and must include documentation supporting the appeal or the reason for the review. The request for an appeal or review must be delivered to the District's office within that five (5) business day period.
- C. The General Manager or his designee will review all timely disputes or requests for an investigation. The review will include consideration of whether the customer may receive a deferred payment or an installment payment plan for the unpaid balance. Water service will not be discontinued for nonpayment while the investigation is pending, or during any appeal. The District, in its sole discretion, may review untimely disputes or requests for investigation, but such disputes or requests are not subject to appeal.

- D. If the complainant is not satisfied with the decision of the General Manager or designee, he or she may file a written appeal with the Board of Directors within ten (10) calendar days of the General Manager or designee's decision. Upon receipt of a timely request, the matter shall be set for hearing before the Board of Directors as expeditiously as is possible, and the complainant shall receive written notice of the time and place of the hearing. The Board of Directors shall review the decision of the General Manager or designee regarding the complaint. At the time set for the hearing, the complainant shall be given a reasonable opportunity to be heard and to present any competent and relevant evidence supporting his or her complaint. After considering the evidence presented, the Board of Directors shall render a decision which shall be final.

SECTION 5: MISCELLANEOUS

Returned Check Charges

- A. If a check is received for payment of District fees, rates or charges and payment for the check is declined by the bank upon which it is drawn, for whatever reason, the customer will be charged the amount payable to cover the returned check, the actual NSF bank fees assessed to the District, and a Returned Check Charge of \$34.00 and there will be an additional administrative fee of \$10.00.
- B. Payment to cover these charges must be made in cash or with certified funds.