

# SMITH RIVER COMMUNITY SERVICES DISTRICT

## DELINQUENT ACCOUNTS POLICY AND PROCEDURES

This policy details the Smith River Community Services District administration actions for the collection of delinquent accounts, including notifications, charges, and discontinuation of service. This policy will be made available to the public upon request. Any questions regarding this policy can be directed to Administration at 241 First Street, Smith River, CA 95567 or by calling 707-487-5381.

Delinquent accounts are hereafter identified as any account that remains unpaid and without having made payment arrangements or established an alternative payment schedule. The following rules apply to the collection of delinquent accounts:

**Late Charge:** If payment for a bill is not postmarked by the 20<sup>th</sup> of the month the payment is due, a late charge of 10% will be assessed. The due date and late charge will be displayed on the bill.

**Waiver of Late Charge:** At the request of the customer, SRCSD may waive the late charge if there are extenuating circumstances and the customer has not been assessed a late charge for delinquent payments in the preceding 6 months.

**Amortization Plan Arrangements:** Any customer who is unable to pay for water service within the normal payment period may request an amortization plan to avoid disruption of service, if more than 60 days past due. **If service has already been disrupted, customers will be required to pay 50% of the past due balance at the start of the amortization plan.** SRCSD will consider all circumstances surrounding the request to make a determination.

**To qualify for an alternative payment schedule, the customer must:**

1. Submit a primary care provider certification, as defined in Welfare and Institutions Code section 14088(A)(1)(b), such as that discontinuation of service would be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where the service is provided.
2. Demonstrate that he or she is financially unable to pay for service within the SRCSD's normal billing cycle. A customer may be deemed financially unable to pay if:
  - a. 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
  - b. The customer declares that the household's annual income is less than 200 percent of the federal poverty level.
3. Agree to enter into the alternative payment schedule offered by SRCSD, governed by the policies described herein.

Payment schedules that extend into the next billing period are considered an amortization plan, which must be in writing and signed by the customer. An amortization plan will amortize the unpaid balance over a period defined by the customer, not to exceed 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. Failure to comply with the terms of an amortization plan will result in the issuance of a written disconnection notice. The disconnection notice will be in the form of a door hanger delivered to the premises no less than 5 business days in advance of the discontinuance of service.

SRCSO may, in its discretion, offer any other payment schedule as authorized by Health and Safety Code sections 116900 et seq. to customers who meet the qualifications described above.

**Additional Notifications:** SRCSD will make a reasonable, good faith effort to notify the customer that the account remains past due and further collection action will be forthcoming approximately 60 days after bill due date. Customers will be notified by phone or mail. SRCSD assumes no responsibility for contact information that has not been kept up-to-date by the customer.

**Written Disconnection Notice:** SRCSD shall not discontinue water service for non-payment until payment by the customer has been delinquent for at least 60 days. SRCSD will make a reasonable, good faith effort to contact the customer in writing at least 15 days before discontinuation of water service for non-payment. The written disconnection notice will be mailed to the mailing address designated on the account. If the mailing address and the address of the property to which water service is provided are different, a second notice will be mailed to the service address. The written disconnection notice will include:

- Customer's name and address;
- Amount of the delinquency;
- Payment deadline to avoid termination of services;
- The date service will be discontinued if payment or other arrangement for payment is not in place;
- The process to apply for a payment extension;
- The process to petition for bill review and appeal;
- The process to apply for an amortization plan; and
- The telephone number of a SRCSD representative who can provide additional information or institute arrangements for payment.

*Notice to Residential Tenants/Occupants in an individually Metered Residence*

SRCSO 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 15 days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of SRCSD 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.

Notice to Tenants/Occupants in a Multi-Unit Complex served through a Master Meter

SRCSO will make a reasonable, good faith effort to inform the occupants, by means of written notice hung on the door of each residence, when the water service account is in arrears and subject to disconnection at least 15 days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of SRCSO 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(es) 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 SRCSO, or if there is a physical means, legally available to SRCSO, of selectively terminating service to those occupants who have not met the requirements for service, SRCSO will make service available to the occupants who have met those requirements.

If the written disconnection notice is returned through the mail as undeliverable, SRCSO will make a reasonable, good faith effort to visit the residence and leave a notice of discontinuance for non-payment.

**Forty-eight (48) Hour Notice of Termination:** SRCSO will make a reasonable, good faith effort to notify the customer 48 hours in advance of disconnection of water service for non-payment. The means of notification will be written notice hung on the door of the residence.

**Disconnection Deadline:** All delinquent water service charges and associated fees must be received by SRCSO by noon on the day specified in the written disconnection notice.

**Disconnection of Water Service for Non-Payment:** SRCSO will disconnect water service by turning off, and in some cases locking off, or removing the meter.

**Reconnection of Service:** In order to resume or continue service that has been disconnected for non-payment, the customer will be charged a reconnection fee in the billing system. SRCSO will endeavor to reconnect service as soon as practicable, but at minimum, will restore service before the end of the next regular working day following payment of any past due amount, reconnection fees, and delinquent fees attributable to the termination of service. Water service that is turned on by any person other than SRCSO personnel or without SRCSO authorization may 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.

**Reconnection of Service After Business Hours:** Service restored after 3 p.m. Monday through Friday, or on weekends or holidays will be charged an after-hours reconnection fee. Service will not be restored after regular business hours unless the customer has been informed of the after-hours reconnection fee and agreeing to contact SRCSO office no later than noon the following business day to pay the subject fee. SRCSO staff responding to service calls are not permitted to collect payment but will instruct the customer to contact the office before noon the following business day.

Sometimes water service is discontinued because the service is a new account and SRCSD has not received a request to establish service. If service is being restored after regular business hours because the customer has yet to establish service, the customer must agree to contact the billing department to establish service the next business day. If service is discontinued for any reason not identified above, the service should be restored as quickly as possible and the customer advised to contact the SRCSD office to resolve any issues associated.

**Notification of Disposition of Returned Check:** Upon receipt of a returned check taken as payment of water service or other charges, SRCSD will consider the account not paid. SRCSD will make a reasonable, good faith effort to notify the customer by phone and mail of the returned check. A returned check fee will be applied to the customer's account in the billing system. All amounts paid by customer to redeem a returned check and to pay the returned check fee must be in cash or certified funds.

**Returned Checks for Delinquent Accounts or Previously Disconnected Service:** In the event a customer tenders a non-negotiable check as payment to avoid water service disconnection or restore water service previously disconnected for non-payment, SRCSD may promptly disconnect service without providing further notice. No 48-hour notice of termination will be given in the case of a non-negotiable check tendered for payment of water charges that were subject to discontinuance. Any customer issuing a non-negotiable check as payment to restore service turned off for non-payment will be required to pay cash or certified funds to restore future service disconnections for a period of 12 months from the date of returned payment.

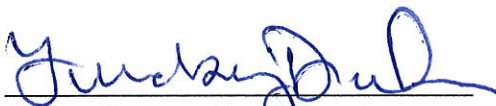
**Disputed Bills:** Any customer of the District may submit a written request to the SRCSD Board of Directors disputing any fee or charge assessed by the District or water service disconnection within 5 days of the fee becoming due or water service becoming disconnected. The customer shall be provided the date and time at which the Board will review the request and may address the Board at that time. The Board shall review all written requests and send the decision in writing no later than 5 days from date of review. SRCSD will not terminate water service while any disputes are pending. The decision of the Board shall be final.

Signed:

  
Robert Dytewski, Board President

5-6-2021  
Date

Attest:

  
Lindsey Dunham, Board Secretary

3-23-21  
Date