

RESOLUTION NO. 2019-4

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE  
ARMONA COMMUNITY SERVICES DISTRICT  
ESTABLISHING  
BILLING AND COLLECTION PROCEDURES  
AND  
PROCEDURES  
FOR  
DISCONNECTING AND RE-CONNECTING SERVICE  
FOR NON-PAYMENT OF CHARGES  
AND FOR ACCOUNT DEPOSITS AND REFUND OF DEPOSITS

The Board of Directors of the Armona Community Services District does hereby find:

A. WHEREAS, the Armona Community Services District (“District”) is a California community services district existing under the provisions of the California Community Services District Law, set out in California Government Code Sections 61000 through 61226.5, inclusive; and

B. WHEREAS, the District is not a public utility and is not subject to the provisions of the California Public Utilities Code; and

C. WHEREAS, the District is not subject to the jurisdiction of the California Public Utilities Commission; and

D. WHEREAS, the District is not a “municipal corporation,” as the term “municipal corporation” is used in California Public Utilities Code Section 10009.6; and

E. WHEREAS, the District is not subject to the provisions of California Public Utilities Code Section 10009.6; and

F. WHEREAS, the Community Services District Law provides, at Government Code Section 61115, that the District may provide for the collection of charges and that the remedies for the collection and enforcement of charges are cumulative and may be pursued alternatively or consecutively by the District; and

G. WHEREAS, the District has heretofore established procedures for the enforcement and collection of unpaid charges, most recently in Ordinance No. 2001-1 adopted on September 12, 2005; and

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H. WHEREAS, in 2018, the Legislature passed, and the Governor signed, Senate Bill No. 998 (“SB 998”), which enacted Chapter 6 (commencing with Section 116900) of Part 12 of Division 104 of the Health and Safety Code, setting forth procedures to be followed by municipal water providers in collecting unpaid, late or delinquent water charges and in shutting off and reconnecting water service; and

I. WHEREAS, the procedures set out in SB 998 are mandatory for municipal water providers who must conform to SB 998 no later than February 1, 2020, the municipal water provider being subject to a penalty of \$1,000.00 per day if the provider is not in compliance with SB 998 by February 1, 2020; and

J. WHEREAS, SB 998 renders District Ordinance No. 2001-1 void by operation of law no later than February 1, 2020; and

K. WHEREAS, it is necessary for the District to comply with SB 998 in order to enforce and collect unpaid water charges.

NOW, THEREFORE, the Board of Directors of the Armona Community Services District does hereby enact as follows:

**Section 1. Repeals.** Ordinance No. 2001-1 is hereby declared repealed by operation of law in the form of SB 998. Ordinance No. 2001-1 provided that the following Ordinances and designated portions or sections of Ordinances were repealed in their entirety: Section 5 of Ordinance No. 1981-2, Ordinance No. 1986-1 (Amended), Section 10 of Ordinance No. 1986-4, Ordinance No. 1990-1, and Ordinance No. 1999-1. The foregoing repeals remain in effect, such that this Resolution contains the District’s rules and regulations for enforcing non-payment of District charges for water, sewer, solid waste collection and disposal, and any other District services.

**Section 2. Definitions.** As used in this Resolution, the following terms shall have the following definitions:

- (a) “Patron” shall mean the account holder in whose name the property is furnished water, sewer and other services by the District.
- (b) “Day” shall mean calendar day.
- (c) “Billing Month” means the period elapsed between consecutive final monthly meter readings and, when referred to in terms of a calendar month, shall mean that calendar month in which the majority of the Billing Month occurs.

**Section 3. Procedure for Imposition of Late Charges.** The billings for water, sewer, solid waste, street lighting and other services of the District shall be mailed monthly on or before the first day of each month and shall be due and payable upon receipt and in no event later than the 18th day of the billing month, on which date the Patron is delinquent if the bill is not paid in full. (If the 18th falls on a weekend or holiday, the bill becomes delinquent on the next business day the office is open.) A late charge and/or interest charge will be assessed if a bill remains unpaid when the following month's bill is sent. If the Patron's income is under 200% of the Federal Poverty Level, interest charges will be waived. After a bill is 60 days delinquent, a notice stating the District's policy on discontinuance of residential service for non-payment and an explanation of the procedure that is required to restore service will be mailed. On the 62nd day of delinquency, water service will be discontinued. Notwithstanding any other provision herein, shutoff is allowed if the Patron, while undertaking an alternative payment plan, does not pay current residential charges for 60 days or more; in such a case, the final notice of the shutoff must be posted at least 5 days before the shutoff.

**Section 4. Content of Notice of Intent to Disconnect.**

- (a) The name and address of the Patron whose account is delinquent.
- (b) The amount of the delinquency, including unpaid charges, late fees and penalties, if any.
- (c) The date by which payment or arrangements for payments are required in order to avoid disconnection. The notice must provide the Patron with information on how to restore service after a shutoff occurs.
- (d) A statement that if the Patron chooses to question the delinquent bill, he or she may request a hearing, in accordance with sub-Sections 4(f) and 4(g) of this Resolution, no later than the date set for the disconnection.
- (e) In the case of tenants of a single-family residence, at least seven days' notice shall be provided before service shutoff. In order for the amount due on the delinquent account to be waived as to the occupant, an occupant who becomes a customer shall be required to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.
- (f) The Notice shall also state that the Board is willing to consider requests for amortizing a delinquency over some reasonable period of time in cases of extreme hardship other than those which might be life threatening.

Anyone seeking to question a bill or requesting an opportunity to amortize it may serve written notice on the District requesting an appearance before the Board at the next regularly scheduled monthly Board meeting, the date of which shall be set forth in the Notice.

Partial or full reduction of the unpaid balance may be made through a program that does not impose additional charges on other ratepayers, if such a program is established by the District and if such a program is in compliance with Proposition 218.

- (g) The Notice shall provide that the request for a hearing before the Board must be actually delivered in writing to, and a receipt of such delivery obtained from, the District office not later than the date of intended disconnection specified in the Notice, and that if such a request is presented, no disconnection shall take place until 5 days after the next regularly scheduled meeting of the Board of Directors of the District.
- (h) The Notice shall contain the telephone number of the District and the name of the District official authorized to provide additional information concerning the delinquency.
- (i) The Notice shall inform the Patron that after the disconnection of service, there will be a re-connection charge of \$50.00 to re-connect for water service between 8:00 a.m. and 5:00 p.m., and that if the re-connection is requested at a time of day other than between 8:00 a.m. and 5:00 p.m., the re-connection charge will be \$150.00. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.
- (j) The Notice shall contain a warning that tampering with the service connection to effect unauthorized re-connection, including breaking locking tabs on water valves, is a criminal offense, and that if any damage is done to District facilities, the Patron will be required to pay for any such damages prior to the re-connection of service, and may be subject to possible criminal liability.
- (k) The Notice shall also advise the Patron that if the service lateral is not equipped with a lockable valve in order to effect the disconnection of service, one will be installed at the Patron's expense and that the minimum charge for this installation will be \$50.00 plus cost of materials, which must be paid in addition to the re-connection fee, before service will be resumed.

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- (1) The District shall post the number of annual disconnections of residential service for non-payment on the District's website at [armonacsd.org](http://armonacsd.org).

**Section 5. Exceptions to Disconnection.** Disconnection will not occur if all of the following circumstances exist:

- (1) The Patron submits a certification of a primary care provider that disconnection of service would present a life-threatening circumstance to the Patron or pose a serious threat to the health and safety of another person residing at the premises.

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

- (3) The Patron is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment.

**Section 6. Disconnection Procedure.** If the Patron fails to pay the delinquent account balance by the date specified in the Notice or fails to file a written request for a hearing pursuant to the terms of this Resolution before the Board prior to said date specified in the Notice, service may thereafter be disconnected on the eighth business day after contact from the District to the delinquent customer by written notice, telephone or email to a responsible adult at the service location. If contact with a responsible adult cannot be achieved within 48 hours of the intended disconnection, a Notice containing the information provided for in the aforesaid Notice of Intent to Disconnect shall be posted in a prominent place at the location where the service is to be disconnected, and such Notice shall be posted for not less than 48 hours prior to the actual disconnection of service.

**Section 7. Re-connection Charge.** There shall be a re-connection charge of \$50.00 for water and/or sewer service to any Patron after a disconnection pursuant to this Resolution, which said charge shall be in addition to the payment of any then delinquent charges for water and/or sewer services rendered prior to the date of the disconnection and any charge for the installation of a lockable valve or other device required to effect the disconnection. If the re-connection of service is requested to be accomplished earlier than 8:00 a.m. or later than 5:00 p.m. in any day, the re-connection charge shall be \$150.00. In addition to payment of the aforesaid amounts, a Patron requesting re-connection after a disconnect pursuant to this Resolution shall be required to post a deposit in accordance with Section 7 hereof governing deposits for new accounts. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price

Index beginning January 1, 2021.

The following provisions shall apply to a Patron whose household income is below 200 percent of the federal poverty level:

(1) The reconnection fee during normal operating hours shall be fifty dollars (\$50), but shall not exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021. For the reconnection of residential service during nonoperational hours, the reconnection of service fee shall be one hundred fifty dollars (\$150), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

(2) The District shall waive interest charges on delinquent bills once every 12 months.

(3) The District shall deem the Patron to have a household income below 200 percent of the federal poverty line if any member of the 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 Patron declares that the household's annual income is less than 200 percent of the federal poverty level.

**Section 8. Multi-Family Housing.** For multiple residential units serviced through a single meter, the District shall:

(1) Provide written notice to residential occupants at least 10 days prior to the shutoff date.

(2) Inform residents that they have the right to become customers of the District without paying the delinquent account.

(3) The District is not required to make service available to occupants unless each occupant agrees to terms and conditions of service and meets requirements for service.

(4) The District is required to provide service if there is an occupant who meets requirements and is willing and able to assume responsibility for payment of District charges.

(5) The District is required to provide service to occupants who meet requirements if there is a physical way legally available to selectively terminate service in event of default by an occupant.

(6) The District must accept residence and proof of prompt payment of rent or other credit obligation as sufficient to establish credit for service.

**Section 9. Deposits for New Accounts.**

- (a) Beginning on the effective date hereof, deposits for new accounts will be refunded to residential owner-occupiers after completion of one full year from the opening of the account, provided that the customer has not been issued a shut-off notice during the one-year period prior to submitting a written request for return of security deposit. Residential renters who purchase their rented premises are also eligible for a refund after one year has elapsed since taking title to the formerly rented premises.
- (b) Residential owner-occupiers with deposits on file on the effective date hereof will be eligible for refund beginning on the one-year anniversary of the effective date hereof. Any customer eligible for the refund shall request the refund in writing delivered to the District; thereafter, upon receipt thereof, eligibility for a refund shall be confirmed by the District and refunded after approval by the Board at the Board's next Regular Board Monthly Meeting following the submittal of the written request for a refund.
- (c) The owner-occupier has the option of receiving the refund as a credit to his/her account or a check issued in the name of the owner-occupier.
- (d) The amount of the residential deposit shall be determined as soon as practicable after January 1 of each year by computing the monthly average utility billing for the previous 12 months and dividing by six in order to arrive at two months of average utility billing. After review and approval by the Board, all security deposits after the Board approval shall be at the new rate.
- (e) Deposits for all accounts shall be \$250.00, subject to change by the Board.
- (f) Any customers whose deposits are refunded under the provisions hereof, who later are issued a shut-off notice, shall be required to provide a security deposit as if starting a new account. This security deposit shall be subject to all of the terms and conditions listed above.
- (g) No interest shall be payable by the District at any time on moneys on deposit with the District or on any moneys refunded by the District.

**Section 10. Procedure Not Exclusive.** This Resolution and the procedures herein contained shall be in addition to such other legal processes and procedures for the collection of delinquent accounts, including but not limited to, procedures for the collection of delinquent charges in the manner of an unpaid tax assessment.

**Section 11. Procedure not Applicable to Unauthorized Actions of Patron.** The disconnection procedures in this resolution do not apply to discontinuation as a result of unauthorized actions of a Patron.

**Section 12. Returned Checks.** Upon receipt of returned checks, the account of the Patron tendering the returned check shall be deemed delinquent, and the District shall forthwith implement the procedures established in this Resolution, with all time periods calculated as of the date the Notice provided for in Section 4 above was mailed or personally served on the Patron. In addition to all other applicable charges, \$25.00 shall be due and payable upon re-connection to service in order to pay the District's returned check charge.

**Section 13. Effective Date.** This Resolution shall become effective immediately upon adoption and the District will apply to its billings beginning with the January 2020 billings.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Armona Community Services District on December 10, 2019, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

ARMONA COMMUNITY SERVICES DISTRICT

By: \_\_\_\_\_  
JAMES MACIEL, President, Board of Directors

ATTEST:

\_\_\_\_\_  
DONNA CLEMONS, SECRETARY

**CERTIFICATE OF SECRETARY**

I, Donna Clemons, the duly appointed and acting Secretary of the Board of Directors of the Armona Community Services District, declare that the foregoing Resolution was passed and adopted at a Regular Meeting of the Board of Directors of the Armona Community Services District on December 10, 2019.

DATED: December \_\_\_\_, 2019.

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DONNA CLEMONS, SECRETARY





## OLD ORDINANCE

Timeline for collection of charges		Days after bill sent
1.	5th day of billing month--bill mailed	0
2.	20th day of billing month--payment due	20
3.	21st day of billing month--10% penalty imposed	21
4.	15th of second month--water and sewer subject to disconnection & serve Notice of disconnection	40
5.	18th of second month--disconnect if Notice served personally	43
6.	23rd of second month--disconnect if Notice mailed	45
7.	25th or 27th of second month--48 hr period after Notice and no hearing	45 or 47
8.	23/25th of second month--last day to request hearing	48 or 50
9.	8th through 15th of third month--hearing at next regular Board meeting	62 to 69
10.	13th through 18th of 3rd month--disconnect 5 days after hearing	67 to 74

Note: “second month” is the calendar month after the billing month; “third month” is the calendar month following the second month