

**AMENDED RESOLUTION NO. 2020-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE  
LATON COMMUNITY SERVICES DISTRICT  
ESTABLISHING  
BILLING AND COLLECTION PROCEDURES  
AND  
PROCEDURES  
FOR  
DISCONNECTING AND RE-CONNECTING SERVICE  
FOR NON-PAYMENT OF CHARGES**

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

WHEREAS, Laton 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

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

WHEREAS, the District has previously established procedures for the enforcement and collection of unpaid charges; and

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

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, with municipal water providers being subject to a penalty of \$1,000.00 per day if a provider is not in compliance with SB 998 by February 1, 2020; and

WHEREAS, District Ordinance No. 2008-1, as amended, allows the Board of Directors to establish procedures to collect delinquent water service charges and to discontinue water services to a customer for failure to pay water service charges in a timely manner; and

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

NOW, THEREFORE, the Board of Directors of the Laton Community Services District

does hereby enact as follows:

**Section A. Delinquencies & Discontinuance of Service.**

1. Late Fees and Interest. In the event any customer fails to pay the water service charges, connection fees, and other required charges and fees identified in this section by 3:00 p.m. on the final business day of the month during which the applicable District utility bill was issued, the unpaid amount shall be deemed delinquent, and the District may, except as otherwise provided herein: (i) assess a fee for late payment in the amount of ten percent (10%) of the delinquent water related charges and fees which amount shall be added to the delinquent charges and fees, and the General Manager shall collect the late fee along with the delinquent charges and fees; and (ii) assess interest at the rate of one and one-half percent (1.5%) per month for nonpayment of the delinquent charges and fees and nonpayment of basic penalties.

2. Discontinuance of Service – Residential Customers.

a. This Resolution shall serve as the District's written policy for the discontinuation of residential water service for nonpayment of service charges. Such policy will be available in English and the languages listed in Section 1632 of the California Civil Code, and any other language spoken by at least ten percent (10%) of the people residing within the area served by the District.

b. In the event a residential customer fails to pay any water service fees in full, including any late fee and interest, by 3:00 p.m. on the sixtieth (60<sup>th</sup>) calendar day following the date on which a payment becomes delinquent pursuant to subsection 1 above, the District, in addition to all other remedies it may have, may discontinue furnishing water service and all other services identified on the applicable District utility bill and shall not resume the same until all outstanding charges and fees, together with any late fees, interest, service charges and/or connection fees necessitated by the resumption of service, have been paid in full or a payment plan is approved.

c. A customer may call the District's office prior to the expiration of the sixty (60) calendar day period described in subsection b. above and request a plan for deferred or reduced payments or alternative payment schedule. The District office's phone number is: **(559) 923-4802**. The District will have the sole authority to determine the payment plan terms that a residential customer is offered. The District may, in accordance with the provisions of this Resolution, discontinue water services provided to a customer if: (i) a customer refuses the payment plan terms offered by the District; or (ii) a customer accepts the payment plan terms offered by the District and fails to comply with such terms.

d. Prior to discontinuing utility services, the District shall contact the residential customer in writing advising the customer that all District-provided utilities identified on a customer's bill will be discontinued if payment of the total amount identified in said written notice is not paid to the District or a payment plan is approved within seven (7) business of such notice. Payment plan terms shall be consistent with the terms identified in subsection h. below. Unauthorized reconnection of water service by a customer constitutes theft and will result in civil



and/or criminal penalties, and the incident will be reported to the proper authorities. Unauthorized reconnection may also result in the severance of a property's connection to the District's water system. Any check or other payment not honored by a financial institution that is used to make payment on a customer's utility account will result in additional fees and will be a basis for the discontinuance of service.

e. When the District contacts a residential customer by written notice, the written notice of payment delinquency and impending discontinuation will be mailed to the customer of the residence to which the water service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice shall also be sent to the address of the property to which the residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, the following information:

- (i) Customer's name and address;
- (ii) Amount of the delinquency;
- (iii) Date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service;
- (iv) Description of the process to apply for an extension of time to pay the delinquent charges;
- (v) Description of the procedure to petition for bill review and appeal;
- (vi) Description of the procedure by which the customer may request a payment plan for the delinquent residential service charges; and
- (vii) Statement that tampering with the District's water system, including, without limitation, tampering with a water meter, that results in an unauthorized reestablishment of water service is a criminal offense, and, if any damage is done to District facilities, the user will be required to pay for any such damages, as well as being exposed to possible criminal liability. The customer shall be advised that if their service lateral is not equipped with a lockable valve that is needed to discontinue water service, one will be installed at their expense, which must be paid in addition to the reconnection fee before service is resumed.

f. If a written notice sent to a customer is returned as undeliverable, the District shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment and the District's policy for discontinuation of residential service for nonpayment. Such notice shall be given or posted at least forty-eight (48) hours prior to the discontinuance of water services.

g. If an adult accountholder at the residence appeals the utility bill, the District shall not discontinue residential service while the appeal is pending.

h. A customer requesting a payment plan shall be offered the following terms, which will be set forth in a written Payment Agreement signed by the customer:

(1) Payment of one-third ( $1/3^{\text{rd}}$ ) of all outstanding balances upon the customer's signature of the Payment Agreement; and

(2) The remainder of the outstanding balances will be paid in six (6) equal monthly installments, beginning on the first ( $1^{\text{st}}$ ) day of the calendar month immediately following the customer's execution of a Payment Agreement. The unpaid amount shall accrue interest at the rate of one and one-half percent (1.5%) per month, which shall be payable with each monthly installment.

A Payment Agreement containing these terms shall be signed by the customer and returned to the District within three (3) business days of the customer's receipt of the Agreement from the District.

The District may, without providing further written notice, discontinue all services provided to a customer under either of the following circumstances:

(i) The customer fails to comply with his or her Payment Agreement.

(ii) While making payments under a Payment Agreement, the customer fails to pay his or her then-current residential service charges before they become delinquent.

A customer making payments pursuant to a Payment Agreement must remain current on all District-issued utility service bills issued during the payment plan period and will not be eligible for payment plan terms if he or she becomes delinquent on an utility service bill issued before the pending Payment Agreement is paid in full.

Except as otherwise provided herein, a customer will be eligible for one (1) Payment Agreement during a twelve (12) month period, which will be measured from the effective date of a customer's prior Payment Agreement.

i. The District will not discontinue residential service for nonpayment if **all** of the following conditions exist:

(1) The customer, or a tenant of the customer, submits to the District 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 District's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the District'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 two hundred percent (200%) of the federal poverty level; and

(3) The customer enters into a Payment Agreement described in subsection h. above. with respect to all outstanding charges; provided however, customers suffering a financial hardship described in subsection (2) above shall not be subject to the once-every-twelve-month limit for payment plans described in subsection h. above.

Residential service may be discontinued under this subsection i. no sooner than five (5) business days after the District posts a final notice of intent to discontinue service in a prominent and conspicuous location at the property under either of the following circumstances:

(i) The customer fails to comply with his or her Payment Agreement for sixty (60) calendar days or more.

(ii) While making payments under a Payment Agreement, the customer fails to pay his or her current residential service charges for sixty (60) calendar days or more.

j. If the District discontinues water service to a residential customer, the District will provide the customer with information on how to restore service.

k. For a residential customer who demonstrates to the District that the customer's household income is below two hundred percent (200%) of the federal poverty line, the District shall:

(i) Charge a service fee for reconnection during normal operating hours of fifty dollars (\$50) or the District's actual cost for reconnection, whichever is less. For the reconnection of residential service during nonoperational hours, if such service is offered, the service fee shall be one hundred fifty dollars (\$150) or the District's actual cost for reconnection, whichever is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

(ii) Waive interest charges on delinquent bills once every twelve (12) months.

A residential customer shall be deemed to have a household income below two hundred percent (200%) 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 customer declares that the household's annual income is less than two hundred percent (200%) of the federal poverty level.

1. This subsection 1. shall apply if there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the dwelling:

(1) If the District furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobile home park, or permanent residential structure in a labor camp as defined in California Health & Safety Code Section 17008, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the District shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least ten (10) calendar days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

(2) The District is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the District's rules and requirements. However, if one (1) or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the District, or if there is a physical means legally available to the District of selectively terminating service to those residential occupants who have not met the requirements of the District's rules and requirements, the District shall make service available to those residential occupants who have met those requirements.

(3) If prior service for a period of time is a condition for establishing credit with the District, residence and proof of prompt payment of rent or other credit obligation acceptable to the District for that period of time is a satisfactory equivalent.

(4) In the case of a detached single-family dwelling, the District may do any of the following:

(i) Give notice of termination at least seven (7) business days prior to the proposed termination.

(ii) In order for the amount due on the delinquent account to be waived, require an occupant who becomes a customer 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.

m. The District shall report the number of annual discontinuations of residential service for inability to pay on the District's Internet Web site and to the State Water Resources Control Board.



n. All written notices to residential customers required under this Subsection 2 shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by ten percent (10%) or more of the customers in the District's service area.

o. This subsection 2 does not apply to the termination of service connections by the District due to an unauthorized action, including, without limitation, the theft of water and/or the unauthorized reestablishment of water services to a property.

## **Section B:     Appeal of Water Service Charges**

1. Any customer may appeal water service charges if a customer feels that charges reflected on a bill are inaccurate. To appeal the amount of a bill, a customer must, except as otherwise provided herein, submit the following items to the District Secretary within fifteen (15) calendar days of the date of the bill disputed bill: (i) a written notice of appeal; (ii) the amount payable under the disputed bill; and (iii) an appeal fee, which fee will be established by the District's Board of Directors. The notice of appeal shall set forth in detail all facts supporting the customer's objection to a bill. The failure to submit the required items during such time period shall result in a waiver of appeal rights and shall constitute a failure to exhaust administrative remedies.

2. A customer who is financially unable to deposit the amount of the disputed bill and pay the appeal fee may file a request for a waiver of all or a portion of the required deposit and appeal fee. A waiver request must be submitted to the District Secretary with the customer's notice of appeal. The request for waiver must include a sworn declaration and other supporting documents and materials showing the customer's actual financial inability to pay the appeal deposit and fee. The customer bears the burden of demonstrating to the satisfaction of the District's General Manager the customer's actual inability to deposit the amount of the disputed bill and pay the appeal fee. If the General Manager determines that a waiver is warranted, the deposit and appeal fee will be waived or partially waived. If the General Manager finds that a waiver is not warranted, the customer must, within three (3) business days of the customer's receipt of the General Manager's written decision, deposit the amount of the disputed bill and pay the appeal fee for the customer's appeal to be processed.

3. Upon the District Secretary's receipt of a notice of appeal, deposit of the amount of the disputed bill, and appeal fee, he or she shall set the matter for hearing before the hearing officer or hearing body designated by the District's Board of Directors. The hearing officer or hearing body shall hold a hearing on the customer's appeal on the date specified by the District Secretary and shall receive evidence presented by the appealing party and District staff. After the hearing, the hearing officer or hearing body may uphold or adjust the amount of the disputed bill. The hearing officer or hearing body shall cause to be issued a written determination on the customer's appeal within fifteen (15) calendar days of the date of appeal hearing. An aggrieved customer may seek judicial review of the hearing officer's or hearing body's decision by filing a complaint with the Superior Court of Fresno County, California during the period identified by California Code of Civil Procedure Section 1094.6.

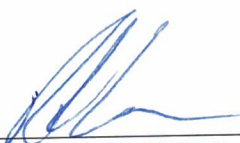
**Section C:**

This Resolution shall become effective upon adoption.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Laton Community Services District on February 19, 2020, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

LATON COMMUNITY SERVICES DISTRICT

By:   
PAUL GARCIA, President, Board of Directors

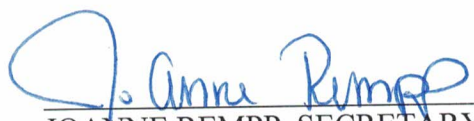
ATTEST:

  
JOANNE REMPP, SECRETARY

**CERTIFICATE OF SECRETARY**

I, JoAnne Rempp, the duly appointed and acting Secretary of the Board of Directors of Laton Community Services District, declare that the foregoing Resolution was passed and adopted at a Regular Meeting of the Board of Directors of the Laton Community Services District on February 19, 2020.

DATED: February 19, 2020.

  
JOANNE REMPP, SECRETARY