

**BOARD POLICY**  
**Lake Oroville Area Public Utility District**

**TITLE: SEWER SERVICE CHARGE DELINQUENCIES**

**NUMBER: 7080**

**ADOPTION DATE: April 11, 1984**

**AMENDMENT DATE: September 8, 2015**

- 7080.1**      BILLING; COLLECTION; AND TERMINATION AND RE-ESTABLISHMENT OF SERVICE
- 7080.2**      QUARTERLY BILLING. Charges for sewer services will be billed on a quarterly basis.
- 7080.3**      BILLING DATE; CUSTOMER; MAILING DIRECTIVE. Bills will be mailed to the owner of the land being served (the “customer”), at his or her or its address on file with the district, on the last day of the quarter (the “billing date”). At the customer’s direction, and upon the customer’s execution and delivery of a mailing directive, the district will, instead, mail bills and notices of delinquency and termination of service to the customer in care of another person designated by the customer. The Mailing Directive shall remain in effect until revoked by the customer in writing.
- 7080.4**      DUE DATE. Payment of charges is due 30 days after the billing date (the “due date”).
- 7080.5**      LATE FEE. If payment of the balance due for current and prior unpaid charges for services is not received on or before the due date, a late fee equal to 4.22% of all delinquent charges will be added to the customer’s account. Charges delinquent more than one quarter will incur a late fee for each additional quarter of delinquency.
- 7080.6**      NOTICE OF DELINQUENCY AND IMPENDING TERMINATION OF SERVICE. If payment of service charges, in full, is not received on or before the 15<sup>th</sup> day following the due date, a Notice of Delinquency and Impending Termination of Service will be mailed to the customer at his, her, or its address on file with the district and, if a mailing directive is on file with the district, to the customer in care of the designee.

Except as provided below, if payment or acceptable arrangement for payment is not received within fifteen days after the mailing of the Notice of Delinquency and Impending Termination of Service, service will be terminated. Service laterals will be cut and capped, and the district’s actual costs for disconnection will be added to the customer’s account.

The Notice of Delinquency and Impending Termination of Service shall include all of the following information:

- 7080.6.1** The name and address of the customer whose account is delinquent.
  - 7080.6.2** The amount of the delinquency.
  - 7080.6.3** The date by which payment or arrangement for payment is required in order to avoid termination.
  - 7080.6.4** The procedure by which the customer may initiate a complaint or request an investigation concerning service or charges.
  - 7080.6.5** The procedure by which the customer may request amortization of the unpaid charges.
  - 7080.6.6** The procedure for the customer to obtain information on the availability of financial assistance, including private, local, state, or federal sources, if applicable.
  - 7080.6.7** The telephone number of a representative of the district who can provide additional information or institute arrangements for payment.
- 7080.7** NOTICE OF TERMINATION OF SERVICES. At least 48 hours prior to a termination of service, the district will (1) make a reasonable, good faith effort to contact an adult person occupying the land being served, either by telephone or in person and (2) post in a conspicuous location on the land being served a Notice of Termination of Service. The posted Notice of Termination of Service shall include all of the following information:
- 7080.7.1** The name and address of the customer whose account is delinquent.
  - 7080.7.2** The amount of the delinquency.
  - 7080.7.3** The date by which payment or arrangements for payment is required in order to avoid termination.
  - 7080.7.4** The procedure for the customer to obtain information on the availability of financial assistance, including private, local, state, or federal sources, if applicable.
  - 7080.7.5** The telephone number of a representative of the district who can provide additional information or institute arrangements for payment.
- 7080.8** When the land being served contains multiple residential or commercial units, a good faith effort will be made to give the 48-hour notice to an adult occupant. However, it shall be the customer's responsibility to give or arrange for notice to other occupants.
- 7080.9** The district's actual costs incurred in providing the 48-hour notice will be added to the customer's account.
- 7080.10** REQUEST FOR THIRD-PARTY NOTIFICATION. The district will, upon written request, make available to customers who are 65 years of age or older or who are dependent adults a third-party notification service, whereby the district

will attempt to notify a person designated by the customer to receive notification when the customer's account is past due and subject to termination, that is, when a Notice of Delinquency and Impending Termination of Service issues. The notification shall include information on what is required to prevent termination of service. The notification will be in addition to, and not in lieu of, the customer notification. A request form is available at the district office and shall contain a provision for the written consent of the designated third-party.

**7080.11**

COMPLAINTS; REQUESTS FOR BILLING REVIEW; REQUESTS FOR EXTENSION OF PAYMENT PERIOD. If the customer does not believe that the amount billed is due, the customer shall, within 10 days of the billing date of a contested bill, initiate a complaint or request an investigation. This must be done in a writing setting forth the reasons for the complaint or request, delivered to the district. The General Manager may, for good cause shown, extend the complaint period for up to an additional 10 days.

The customer may, within 13 days of the mailing of the Notice of Delinquency and Impending Termination of Service request an extension of the payment period of a bill asserted to be beyond the means of the customer to pay in full during the normal period for payment. Approval of the request for an amortization agreement is discretionary with the district. Late Fees will continue to accrue during the term of the amortization agreement. An amortization agreement administration fee in the amount of \$10.00 will be added to the customer's account balance.

The customer will be given an opportunity for review of a complaint, request for investigation, or request to extend the payment period by the General Manager of the district. A Complaint, Request for Billing Review, and Request for Extension forms are available at the district office. The General Manager shall give written notification of his ruling. The customer may appeal an adverse determination to the Board of Directors of the district, in which case, the customer must provide written notice of the reasons for the appeal not later than 10 days after the General Manager's ruling being appealed. A Notice of Appeal form is available at the district office.

Service will not be terminated prior to determination by the General Manager of a timely complaint, request for investigation, or request to extend the payment period or, if appealed, prior to a determination by the board of directors.

Service will not be terminated so long as a customer is in compliance with an approved amortization agreement. If the customer fails to comply with the amortization agreement, the district will give notice to the customer at least 48

hours prior to termination of the conditions the customer is required to meet to avoid termination, including payment in full of outstanding balances.

**7080.12**      TERMINATION OF SERVICE – LIFE THREATENING MEDICAL CONDITION. Service will not be terminated on the certification of a licensed physician or surgeon that to do so will be life threatening to the customer and the customer is financially unable to pay for service within the normal payment period and is willing to enter into an amortization agreement with the district, providing for payment over a period not to exceed 12 months. Late Fees will continue to accrue during the term of the amortization agreement. An amortization agreement administration fee in the amount of \$10.00 will be added to the customer's account balance.

**7080.13**      TERMINATION OF SERVICE – WEEKENDS, HOLIDAYS, OFF-HOURS. Service will not be terminated for delinquency in payment on any Saturday, Sunday, or legal holiday, or at any time during which the business offices of the district are not open to the public.

**7080.14**      ADDITION OF DELINQUENT CHARGES AND FEES TO ANNUAL ASSESSMENT; LIENS; NOTICE. Delinquent charges and unpaid fees may be added to and become part of the annual assessment levied upon the land for which service was provided. The assessment will be submitted to the Butte County Auditor-Controller's office for placement on the tax roll and collection in the same manner as county taxes. Charges and fees added to the assessment are a lien on the land for which service was provided or upon all land in the Butte County owned by the customer, as provided in Public Utilities Code section 16470. Notice of the district's intent to add unpaid charges and fees to the annual assessment shall be mailed to the customer, not less than 45 days prior to transmittal of delinquency information to the county for collection. An assessment administration fee in the amount of \$10.00 will be added to the customer's account balance. The customer shall also reimburse the district for compensation paid to the county for its services. The customer shall be given an opportunity for review by the district's Board of Directors of the determination to add the delinquent charges and unpaid fees to the assessment. A Request for Review of Charges and Fees to Assessment form is available at the district office.

**7080.15**      TRIBAL LANDS. In the case of Tribal Lands, the [occupant of the property being served] shall be deemed the customer. Notice of Delinquency and Impending Termination of Service shall be mailed to the customer and to the Housing Authority and Tribal Council.

**7080.16**      APPLICATION TO RE-ESTABLISH SERVICE. Service terminated under these provisions can be re-established on the customer's satisfaction in full of each of the following requirements: 1) payment of any outstanding balance for charges and fees imposed on the customer's account; 2) payment of the district's actual cost of physically reconnecting the customer's land to the district's sewage collection system; 3) payment of any and all charges imposed by SC-OR for the re-establishment of service; and 4) payment in advance of service charges for the balance of the quarter in which the request for re-establishment is made. An application form is available at the district office.

**7080.17**      RESERVATION OF DISTRICT RIGHTS AND REMEDIES. Nothing in this policy is intended as a waiver of any right or remedy otherwise available to the district, as a matter of law.