

**SAN LORENZO VALLEY WATER DISTRICT  
RESOLUTION NO. 25 (20-21)**

SUBJECT: ADOPTION OF REVISED INTERIM UTILITY BILLING POLICY

WHEREAS, the San Lorenzo Valley Water District ("District") has prepared the attached proposed revision to the interim utility billing policy, to reflect no longer doing turn off of water service for non-payment, updates to the methods of collection of past-due charges utilized by the District, and to only allow owner accounts only and end the use of tenant accounts; and

WHEREAS, the District intends to update its Rules and Regulations to conform with these new policies, as soon as practicable.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the Interim Utility Billing Policy attached hereto as Exhibit 1, is hereby approved and adopted.

BE IT FURTHER RESOLVED that, notwithstanding any existing provision of the District's Rules and Regulations or Policies to the contrary, the District is hereby authorized and directed to implement this Interim Utility Billing Policy to the maximum extent permitted by law, until and unless it is revised or superseded by another action of the Board of Directors.

BE IT FURTHER RESOLVED that District staff is hereby authorized and directed to take any and all actions necessary to fully implement this Interim Utility Billing Policy, to the maximum extent permitted by law, and shall work diligently to prepare formal revisions to the District's Rules and Regulations and Policy documents consistent with this Board action and the Interim Utility Billing Policy.

\*\*\*\*\*

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 17th day of June 2021, by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Holly B. Hossack,  
District Secretary

**San Lorenzo Valley Water District**  
**Interim Utility Billing Policy**  
*Adopted by Resolution No. 25 (20-21)*

**1. Purpose**

- a. These sections are to provide guidance on application for utility billing accounts, billing procedures, past due procedures, and other utility billing policies.

**2. Application for Established Water Service**

- a. Utility billing accounts may only be held in the owner's name.
  - i. In any instance in which the owner of the premises does not occupy the premises as a use or is not the primary user, the owner of the premises shall, nevertheless, be primarily responsible for service to the property.
- b. Owners will be required to submit a service application form provided by the District. Applications will include the following:
  - i. Date of application
  - ii. Address of property to be served
  - iii. Date to begin service
    - 1. Escrow closing date
      - a. If one is not provided, the County record date will be used.
  - iv. Applicants full name
  - v. Billing address, if different than service address
  - vi. Contact information: phone number and e-mail address
  - vii. Physical signature, or electronic signature, acknowledging application request and adherence to District rules and regulations.
- c. A non-refundable account establishment fee will be charged to any water service application. Based on current rates and charges established by the Board.
- d. Surplus Water accounts allow for bulk water fill-up at the District's designated sites. Based on current rates and charges established by the Board.
  - i. Security deposits remain on the account, until the account is closed. There are two types of surplus accounts:
    - 1. Private surplus water applicants must identify the use is for their personal property only and cannot exceed 10 units per month.
      - a. Upon two consecutive months of 10 or more units will require increased deposit to the Commercial rate.
    - 2. Commercial surplus applicants are for any use in excess of 10 units per month, commercial, or construction use.
- e. Completed application for service will constitute customer's willingness and intention to comply with District rules, regulations, policies, and ordinances.

**3. Transfer to New Account**

- a. In any instance an owner closes an account with a remaining balance owed to the District and attempts to establish another water service account, the remaining balance owed will transfer to the new account.

**4. Billing Procedures**

- a. Billing period is monthly. There are two billing cycles, sent out on the 5<sup>th</sup> or 20<sup>th</sup> of each month, or following business day if a weekend, based on location within the District.
  - i. Billing and due dates are not able to be modified.
- b. Bills are due upon receipt and are deemed past due 21 days after the bill date.
- c. Bills are made up of a Basic Fee and Consumption Fee. Based on current rates and charges established by the Board.
  - i. Basic Fee
    - 1. Water Service: Based on a calendar month and upon the billing water meter size.
      - a. All customers pay the Basic Fee whether the property is vacant or occupied or water is used or not.
    - 2. Sewer Service: Based on a calendar month.
      - a. All customers pay the Basic Fee whether the property is vacant or occupied.
  - ii. Consumption Fee: Meters are read as near as possible to a 30 day cycle. Consumption charge is based upon the amount of water that has passed through the meter. *This typically does not coincide with the actual calendar month.*
- d. Opening and Closing Bills
  - i. Opening and closing bills for less than the normal billing period will be pro-rated for both the basic and consumption charges.

#### **5. Delinquent Account – Late Fees and Payment Plans**

- a. Delinquent accounts are hereinafter identified as any account that remains unpaid, and without having an active alternative payment arrangement, by close of business 21 days after the bill date.
- b. Small Balance Accounts
  - i. Any balance on a bill of \$20 or less may be carried over, and added to, the next billing period without being assessed a late fee or incurring further collection action.
- c. Late Fee
  - i. If payment for a bill is not received by the close of business 21 days after the bill date, the District will make a reasonable, good faith effort to notify the customer of an impending late fee. If payment is not received prior to the following bills processing, a late fee will be assessed. The late fee is based on current rates and charges established by the Board.
    - 1. The means of notification will be based upon the notification preference provided by the customer (text, phone or email). Customers who have not selected a means of notification will be notified by the e-mail on file. The District assumes no responsibility for phone or email contact information that has not been kept up-to-date by the customer.
  - ii. At the request of the customer, the District will waive the late fee if there are extenuating circumstances and the customer has not been assessed a late fee for delinquent payment in the preceding twelve (12) months.
- d. Alternative Payment Arrangements (payment plans)

- i. Any customer who is unable to pay for water service within the normal payment period may request an alternative payment arrangement to avoid late fees. The District will consider all circumstances surrounding the request and make a determination as to whether the payment arrangement is warranted.
  - ii. Payment arrangements 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 12 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(s). 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 further collections processes.
- e. Customers may request this policy to be translated by writing to the District:
  - i. By mail: Attention Customer Service, 13060 Hwy 9, Boulder Creek CA 95006
  - ii. By e-mail: CustomerService@slvwd.com

#### **6. Security Deposits**

- a. Security deposits are billed for surplus water accounts.
- b. The District may apply, without notice, the amount of any deposit toward the payment of any water bill or other indebtedness owed to the District.
- c. Deposits are held on the account until the account is closed.
- d. Security deposits bear no interest.

#### **7. Returned Check or Other Failed Payments**

- a. Upon receipt of a returned payment method taken as payment of water service or other charges, the District will consider the account not paid. The District will make a reasonable, good faith effort to notify the customer by phone or email of the returned payment. The means of notification will be based upon the notification preference (text, phone, or email) selected by the customer. Customers who have not selected a means of notification will be notified by the e-mail on file.
- b. It is the customers responsibility to make payment or contact the District for further payment plans to avoid additional late fees.

#### **8. Complaints and Disputed Bills – Appeals Process**

- a. If a customer has a complaint regarding water service or disputes the water bill, they may exercise their right to appeal to the District Manager. The following procedures will be followed:
  - i. Customer's written request disputing any fees or charges must be received within five (5) days of the fee becoming due.
  - ii. The District Manager will review all written requests of the disputed amounts and either deny the request or grant the request, or a portion thereof, within fourteen (14) days.

- iii. Any customer of the District who disputes the District Manager's final decisions, may appeal by filing a "Notice to Appeal" to the Board of Directors within fifteen (15) days of the District Managers determination.
- iv. The District will place the appeal on the next available Board of Directors agenda, and notify the appellant no later than fourteen (14) days prior to the hearing.
- v. The Board of Directors' decision will be final, and any outstanding balances will be due immediately, unless otherwise extended by the Board.

## **9. Collection Process**

- a. The District utilizes multiple forms of collection based on the account situation. Lawful methods of collection include but are not limited to referring the past due balance to the County for collection through the County tax rolls, establishing a non-tax lien on real property, and/or sending balances to a collection agency.
- b. Any amounts that remain outstanding ninety (90) days after the past due bill date may be subject to one or more of these collection processes.
- c. County Tax Rolls:
  - i. The primary collection method shall be referring past due balances for collection through the County tax rolls.
  - ii. Water Code Sections 31701 et seq. allow the District to collect delinquent and unpaid charges for water and other services by referring them for collection through the County tax rolls and thereby establishing a lien on real property, as set forth herein.
  - iii. The charges must have been requested in writing by the owner of the real property. Such a request may be made, without limitation, by opening a water or sewer service account with the District, or by authorizing a tenant or another person to open such an account for the property.
  - iv. The District shall notify the holder of title to land whenever delinquent and unpaid charges for water or other services which could become a lien on such property remain delinquent and unpaid for (60) sixty days.
  - v. The District shall prepare a written statement of those charges that remain delinquent and unpaid for (60) sixty days or more as of July 1st of each year, and shall present the statement to the Board of Directors. The statement shall include, at a minimum:
    - 1. The amount of such charges.
    - 2. The name and address of the person liable therefor.
  - vi. The Board of Directors shall review the statement and determine which charges to include, and shall direct District staff to furnish the approved statement to the County on or before August 1 each year, or such other date as may be established by the County.
  - vii. Water Code Section 31701.5 provides that the amount of the charges included in said statement shall be added to and become part of the annual taxes next levied upon the property served and upon any other property subject to charges for other District services, and shall constitute a lien on that property as of the

same time and in the same manner as does the tax lien securing such annual taxes.

d. Establishing a Non-Tax Lien on Real Property:

- i. A secondary collection method shall be establishing a non-tax lien on real property. This collection method may be used, in the District's discretion, if collection through the County tax rolls is not viable.
- ii. Water Code Section 31701.7 allows the District to collect delinquent and unpaid charges for water and other services by filing a certificate with the County recording office that establishes a lien on real property, as set forth herein.
- iii. The District shall prepare a certificate specifying the amount of such charges and the name and address of the person liable therefore and shall file the certificate with the County recording office.
- iv. Water Code Section 31701.7 and Health and Safety Code Section 5473.11 provide that from the time of recording the certificate, the amount required to be paid together with interest and penalty constitutes a lien upon all real property in the County owned by the person or acquired before the lien expires. The lien has the force, priority, and effect of a judgment lien and continues in effect for 10 years unless sooner released or otherwise discharged.
- v. Charges for Sewer or Sanitation Services and Facilities:
  1. As an alternative to Water Code Section 31701.7, Health and Safety Code Section 5473.11 allows the District to collect delinquent and unpaid charges for sewer or sanitation services and facilities.
  2. This alternative procedure is not necessary for any sewer-related services billed on the same bill as water rates.
  3. If following this procedure, the only difference is that the District shall notify the assessee shown on the last equalized assessment roll whenever delinquent and unpaid charges which could become a lien on such property remain delinquent and unpaid for (60) sixty days.

e. Collection Agency:

- i. Another collection method involves referring the account to a collections agency. This collection method may be used, in the District's discretion, if collection through the County tax rolls is not viable. The District shall send the customer a final past due notice before referring the account to a collection agency.

10. Deducting Delinquencies and Other Debts from Disbursements

- a. Whenever a person has incurred any delinquency, debt, or other financial obligation to the District for any District services rendered or materials or equipment supplied, the amount of such obligation due the District may be deducted from any deposits, credits, refunds or other disbursement from the District to such person, at the discretion of the District Manager.

**11. Request for Relief – Leak Adjustment**

- a. Any customer of the District may submit for a leak adjustment in accordance with the District's current Leak Adjustment policy.

**12. Request for Relief – Waiver of Basic Monthly Charge Due to Natural Disasters**

- a. A property owner may file a statement with the District stating that their structure cannot be occupied due to damage resulting from storm events or other natural disasters. Said statement must be filed within 120 days of the cause of occurrence.
- b. Upon making findings and determinations that the customer's structure cannot be occupied as a result of a natural disaster, the Finance & Business Services Department may determine that the customer is exempt from the basic monthly charge. Exemption will be allowed for a period of up to 3 years from the date of determination or until the customer requests continuance of service, whichever occurs first.
- c. No customer shall at any time, in any manner, obtain water from the service connection while exempt from the liability of the basic monthly charge.
- d. The District may lock or remove the meter to protect the District against fraud or abuse. Should the customer not repair or replace the damaged structure or request continuance of service within the time allowed, the service will be considered vacated.

### **13. Request for Relief – Multiple User Variance**

- a. The owner of a parcel which is improved with two or more residential dwelling units may appeal the water meter size requirements on the grounds that: The additional unit or units is/are used or occupied fewer than forty days per year; and such use is limited to personal guests of the occupants of the main unit; and that such additional units are not let, leased or rented. An application for a variance must be filed pursuant to the appeal procedure set forth in this section. The Board of directors may grant such a variance, with conditions, including time limitations, and may also revoke such variance for good cause. The Board of Directors will set an annual review date of the first meeting in November of each year to consider expirations, new applications and applications for renewal of such meter size variances. This review date is not exclusive, and the Board may schedule additional hearings on variations as appropriate.

### **14. Available in Multiple Languages:**

- a. Spanish
  - i. La política del Distrito relativa a la discontinuación del servicio de agua para las cuentas morosas puede facilitarse en español, bajo solicitud por escrito a [customerservice@slvwd.com](mailto:customerservice@slvwd.com).
- b. Chinese
  - i. 在给[customerservice@slvwd.com](mailto:customerservice@slvwd.com)发出书面要求后，可用中文提供本区关于拖欠账户住户将被停止供水服务的政策。
- c. Vietnamese
  - i. Bản điều lệ của District về việc ngưng cấp nước vì các tài khoản bị trễ hạn sẽ có sẵn bằng tiếng Việt, khi quý gửi email đến [customerservice@slvwd.com](mailto:customerservice@slvwd.com) để yêu cầu.
- d. Korean
  - i. 연체 계정에 대한 수도 서비스 중단에 관한 수도 지구청의 정책은 [customerservice@slvwd.com](mailto:customerservice@slvwd.com)으로 서면 요청 시 한국어로 입수할 수 있습니다.
- e. Tagalog

- i. Ang patakaran ng District tungkol sa pagputol ng water service para sa mga delinkwenteng account ay maaaring makuha sa Tagalog; magpadala lamang ng nakasulat na request sa [customerservice@slvwd.com](mailto:customerservice@slvwd.com).