

RESOLUTION NO. 2023-02 OVERDUE BILL COLLECTION

RESOLUTION ADOPTING DELINQUENT ACCOUNTS POLICY AND COLLECTION PROCEDURES FOR WATER AND SEWER SERVICES PROVIDED TO PERSONS AND PROPERTY WITHIN THE AUBURN VALLEY COMMUNITY SERVICES DISTRICT

WHEREAS the Auburn Valley Community Services District (District) was formed in accordance with Government Code 61000 et seq. for the purpose, among others, to provide water to residential and commercial properties and to collect, treat or dispose of sewage, waste, and storm water of the District and its inhabitants.

WHEREAS, Government Code 61115 provides that the Board of Directors may, by resolution or ordinance, establish rates or other charges for services and facilities that the District provides and provide for the collection and enforcement of those rates or other charges.

WHEREAS, Government Code 61115 provides that the charges for any of the services and facilities provided by the District may be collected with the rates or charges for any other service or facility provided by the District, and that all charges may be billed on the same bill and collected as one item; that if all or part of a bill is not paid, the District may discontinue any or all services and to access a basic penalty for the nonpayment of charges of not more than 10% of the total amount owed, plus an additional penalty of not more than 2% per month for the nonpayment of the charges, and that the Board of Directors may provide for the collection of these penalties.

WHEREAS, the District, by and through official action of its duly constituted Board of Directors in 2008 adopted District Ordinance 2008-1, An Ordinance of The Auburn Valley Community Services District thereby implementing the provisions and authority provided to the District by and through Government code section 61115.

WHEREAS, This Board of Directors has determined that District Ordinance 2008-1 is consistent with the current language and provisions set forth in Government Code 61115 and that the Ordinance shall, and hereby does, remain in full force and effect without modification.

WHEREAS, This Board of Directors has determined that it is in the best interest of, and related to the health, safety and welfare of the persons charged and all inhabitants of the District to collect promptly and fully all delinquent accounts to provide sufficient ongoing funding to ensure the availability of comprehensive water and sewer services for the property and inhabitants of the District.

WHEREAS, this Board of Directors has determined that a clear and concise collection policy shall be established, published by way of this resolution, implemented and consistently enforced to preserve the health, safety and welfare of all inhabitants of the District dependent upon District provided water and sewer services.

WHEREAS, this Resolution and the subject matter thereof was considered at a duly noticed and open public meeting at which oral or written presentations could be made.

NOW THEREFORE BE IT RESOLVED that the Auburn Valley Community Services District Board of Directors hereby establishes the districts delinquent accounts collection policy as follows:

District services shall be billed on a quarterly basis with water operations and maintenance (O&M) and sewer O&M billed in advance for the quarter, water usage billed in arrears based on the prior meter reading.

All invoices are delinquent if payment is not received by AVCS D by the 15th day of the month after the date of the invoice (January 1, April 1, July 1 or October 1).

All delinquent accounts will accrue a ten percent (10%) penalty of the total bill beginning the 15th day of the month after the date of the invoice until paid in full, plus an additional penalty of two percent (2%) per month until the account is paid in full. See Attachment A for additional details.

If any invoice remains unpaid for two months from the date of the original invoice (e.g. unpaid on March 1 for a January 1 invoice) the District may, upon 30 days prior written notice served by regular or certified mail, or by posting notice at the service location, discontinue any or all services.

All unpaid charges and penalties shall be collected on the tax roll in the same manner as property taxes, in accordance with the procedure set forth in Government Code 61115 and 6066.

The District may recover any charges and penalties by recording in the office of the County Recorder a certificate declaring the amount of the charges and penalties due, the name and last known address of the person liable for those charges and penalties. From the time of recordation of the certificate, the amount of the charges and penalties constitutes a lien against all real property of the delinquent property owner in Placer County. This lien shall have the force, effect, and priority of a judgment lien. Within 30 days of receipt of payment for all amounts due, including the recordation fees paid by the District, the District shall record a release of the lien. A certificate and notice of lien, in a form adopted by the Board and as may be modified from time to time, shall be recorded with the County Recorder, and served on the delinquent property owner by regular or certified mail and/or by posting the certificate and notice of lien at the service location.

BE IT FURTHER RESOLVED that the District reserves the right to exercise any lawful remedy it may have to collect unpaid accounts, including discontinuation of services in accordance with District policy and regulations, recordation of a certificate with the county recorder in any amounts delinquent and unpaid, including interest and penalty which shall constitute a lien upon the real property, election to have any or all charges or delinquencies collected on the tax rolls in subsequent fiscal years, by referral to a collection agency, by direct collection action in a court of competent jurisdiction or by any other lawful action available to the District to collect delinquent accounts.

PASSED and ADOPTED this _____ day of _____ 2023.

AYES:

NOES:

ABSENT:

ABSTAIN:

President, Auburn Valley Community Services District

Secretary of the Board of Directors, AVCS D

ATTACHMENT A

The following table lists some of the steps in the overdue bill collection and service termination process (other steps include any lawful remedy as stated above in this resolution):

| Billing Date | 10% Late Fee Owed for Payment Received After This Date | 30 Day Notice of Overdue Bill and to Discontinue Service | 10 Day Notice to Discontinue Service | Service Discontinued |
|---------------------|---|---|---|-----------------------------|
| Jan. 1 | Feb. 15 | March 1 | March 20 | April 1 |
| April 1 | May 15 | June 1 | June 20 | July 1 |
| July 1 | Aug. 15 | Sept. 1 | Sept. 20 | October 1 |
| Oct. 1 | Nov. 15 | Dec. 1 | Dec. 20 | January 1 |

AVCSD charges the following additional fees in addition to the above fees/charges:

| | |
|----------|--|
| \$25.00 | Returned Checks |
| \$25.00 | Each Bill/Notice After Original Billing |
| \$50.00 | Filing a Lien |
| \$50.00 | Lien Redemption (removal from County Records) + any fees paid to County by AVCSD |
| \$125.00 | Terminating Water Service (shut off) |
| \$125.00 | Reconnecting Water Service |

Note: AVCSD will forgive one time the 10% late fee owed if requested by the owner; this does not include any other fees that may be owed (e.g. overdue bill notice, etc.)