

RESOLUTION NO. 2023-05 OVERDUE BILL COLLECTION AND LATE FEE FORGIVENESS

RESOLUTION ADOPTING DELINQUENT ACCOUNTS POLICY, A ONE TIME LATE FEE FORGIVENESS 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 (AVCSD or 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 assess a late fee and other penalties for the nonpayment of 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 Auburn Valley Community Services District thereby implementing the provisions and authority provided to the District by and through Government code section 61115. This resolution specifically rescinds Ordinance 2008-01, also rescinds Resolution 2023-02 (passed September 26, 2023) and all other prior Resolutions, Ordinances or policies regarding overdue bill collection, delinquent accounts or late fee forgiveness.

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

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 AVCSD delinquent accounts collection policy and one time late fee forgiveness 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 meter reading. The

property owner must provide the mailing address to AVCSD where they receive bills or other notices from AVCSD. Bills are mailed each quarter (January 1, April 1, July 1, October 1). If the property owner does not receive their bill by the third week after the quarterly billing it is the responsibility of the property owner to notify AVCSD. Address correspondence to AVCSD, P.O. Box 8138, Auburn, CA, 95604.

An account becomes delinquent if payment is not received by AVCSD by the 15th day of the month after the date of the quarterly invoice (must be received by February 15, May 15, August 15 or November 15). A ten percent (10%) late fee will be added to the account for payments received after these dates (invoiced on the subsequent quarterly billing). The District charges additional fees, including a returned check fee (each occurrence), filing a lien, any notice fee and additional other fees. See Attachment A for an example of the overbill collection process and the list of all penalty fees.

Forgiveness of a late fee is possible if the property owner, upon receiving a bill that includes a late fee, pays the bill in full, including the late fee. The property owner must request in writing forgiveness of the 10% late fee (mail to AVCSD at the address listed above). The District, at a regularly scheduled Board meeting, will vote and forgive the late fee owed, for any reason – one time only. Forgiving the 10% late fee does not include waiving any other fees that may be owed (e.g. returned check fee, overdue bill notice fee, etc.). Note that this is a one time only late fee forgiveness – if the same owner is assessed a late fee in the future and requests forgiveness of the late fee it will not be forgiven.

When any quarterly invoice is delinquent 60 days a notice of the overdue bill will be mailed to the property owner – this is referred to as a 30 day notice to pay the overdue bill. If the quarterly invoice remains unpaid the District will then issue a 10 day notice, served by regular or certified mail, or by posting a notice at the main service location, to discontinue any and all services.

See Attachment A for a summary of the unpaid bill collection process and for all the other penalty fees that will be assessed for unpaid bills.

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 late and other fees, 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.

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.

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,


PASSED and ADOPTED this 6 day of December, 2023

AYES:

NOES:

ABSENT:

ABSTAIN:



Gerald Sherburne, President, AVCS D



Diane Peterson, Secretary of the Board of Directors, AVCS D

ATTACHMENT A

SUMMARY OF BILL COLLECTION PROCESS AND PENALTY FEES

The following table lists the steps to collect an overdue bill and service and termination process if the overdue bill is not paid. The process is the same for each quarterly invoice that is not paid.

Invoice Date	10% Late Fee Owed for Payments Not Received by Date	30 Day Notice of Overdue Bill Mailed to Owner	10 Day Notice to Discontinue Service Mailed to Owner	Service Discontinued, Other Actions
Jan. 1	Feb. 15	March 1	April 1	April 10
April 1	May 15	June 1	July 1	July 10
July 1	Aug. 15	Sept. 1	October 1	October 10
Oct. 1	Nov. 15	Dec. 1	January 1	January 10

Note that the 10% late fee and other applicable fees will be billed on the subsequent quarterly invoice. Bills not paid in full (including the late and other fees assessed) are subject to the actions listed above and any other lawful remedy available to the AVCSD to collect unpaid accounts.

Summary of the AVCSD penalty fees:

10%	Late fee – the late fee is assessed (10% of the invoiced amount) on the date listed in the table above and billed on the subsequent quarterly invoice
\$25.00	Returned checks (each occurrence)
\$25.00	Each notice of overdue bill after original invoice
\$50.00	Filing a lien + any fees paid to County by AVCSD
\$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
Other \$	Any other fee that may be required to be paid by AVCSD for bill collection (e.g., to a collection agency, small claims court, etc.)