

CARMICHAEL WATER DISTRICT
Regulations Manual

REGULATION TITLE: **Billing & Collections**

REGULATION NUMBER: **5000**

Any Water User of the Carmichael Water District (District/CWD), who is furnished with water service, as provided in these regulations, becomes liable for payment under the appropriate rate schedule for all water service furnished by the District. All charges for water service will be levied as set forth in the rate schedules as established by the Board of Directors. The District's rates will be adjusted as part of the annual budget process, however, CWD reserves the right to modify its Water Rates Schedule, and Fee Schedule as needed. Current schedules are available for inspection at the District office, or on the District's website.

5000.10 Billing for Water Service: All charges made for individual parcels are the responsibility of the Owner of record with the County of Sacramento. Water charges attach directly to the land, and are not merely a personal obligation of the resident. Charges for water service are billed on a monthly basis for water used the previous month. Under normal circumstances statements will include a service charge, usage charge, any fees or charges, and surcharges that may have been incurred against the account/parcel.

5000.11 Service charge is a flat charge based on the size of the meter which recovers the fixed costs of the District's operations, billed at the rate stated on the District's current rate schedule. This charge is billed whether the water is actually used or not, pursuant to the California Water Code §22280.

5000.12 Usage charges are based on actual water used and charged at a per unit rate, measured in CCF units; one CCF unit is equal to 100 cubic feet or 748 gallons; billed at the rate stated on the District's current rate schedule.

5000.13 Fees/Charges can be incurred for activities/work completed by the District on behalf or because of the customer's request/actions.

5000.14 Water Shortages Surcharges assessed in the case of water shortages and can be applied during Water Warning, Water Crisis, and Water Emergency conditions declared by the Board of Directors.

5000.15 Other Charges including any penalties and interest, which may be assessed as authorized by law.

5000.20 Final Billing upon Ownership Transfer: Under normal operations, statements for water service are billed in arrears and are not prorated. A Landowner who acquires a property in the District is responsible for paying any balances owing on the acquired property regardless of the time or manner those charges were incurred. The District will provide final amounts owing when requested by seller or representing selling agents, the charges applicable to final bills will be manually computed as follows:

Service charges will be prorated on the basis of the number of days used in the billing period.

Usage charges are measured on an estimated or actual meter read. An estimated read will be used if the most recent actual meter read was acquired within fourteen days of the final billing date. An actual meter read will need to be acquired if the most recent meter read is outside of the fourteen days from the final billing date; a read fee will be charged at the rate listed in the current fee schedule.

5000.30 Non-Owner Occupied Residences: Any Owner may designate a third party as an authorized agent for purpose of account management and bill payment. Nevertheless, all charges made for an individual parcel is the responsibility of the Owner of record for each parcel.

5000.31 Direct billing to the Tenant/Property Manager (Agent) can be made upon receipt of written authorization, by way of the District's Owner Tenant/Management form, from the Owner that the Tenant/Property Manager has been designated as the Agent of the Owner. The Owner remains liable for all water charges and penalties despite the designation, and the District shall have no duty to attempt to collect the charges from the Agent prior to collecting the amounts from the Owner. Processing fees for this transaction can be found in the current fee schedule.

5000.40 Billing of Separate Meters: Each meter serving a Customer's parcel will be billed separately, with the exception of meters designed to capture multiple flows.

5000.50 Back Billing/Adjustments: For any reading issues as described in 5000.51, the District will determine an average bill using the billings for the previous twelve (12) billing periods prior to no bills being issued. This amount, not to be less than the service charge if no billing history is available, will be billed to the Customer based on the number of months the Customer has been occupying or in possession of the premises without paying bills.

5000.51 Reading issues: If a meter fails to register correctly or cannot be read, the District will estimate and bill for the usage based on the Customer's previous year's average for that same billing time frame, taking into consideration seasonal water demand and any other factors that are material and reasonable in determining a fair charge.

5000.60 Disputed Bills: Any requests for investigation of a disputed bill must be made in writing (Billing Dispute Appeal Form), and be received within thirty (30) days of the disputed bills due date. The Appeal Form will be reviewed by the District, and the account-holder shall be notified in writing of the decision rendered within ten (10) business days of receiving the Appeal Form. If the District determines a customer has been erroneously overcharged for service, the District may refund overage paid by the customer, up to a maximum period of one year. At no time shall the adjustment period, regardless of culpability, be greater than one year. All decisions made by the District are final.

5000.70 Payments: Bills are due and payable upon receipt. Payment can be made via the District's web site, by phone, mail, or at the District office, either by utilizing the convenience of the payment drop box in the customer parking lot, or in the office lobby in person. Accepted forms of payments are: cash, check, e-check, all major credit cards, or bankcards with the Visa/MasterCard

logo on it. CWD also offers Autopay and Electronic Funds Transfer, where payments can be deducted automatically from a designated payment option; registration can be processed through the District's website or contact the office for an application.

5000.71 Payment Returns/Chargebacks: When the District receives notice of any dishonored payments, the payment will be voided and the chargeback fees, as listed in the District's current Fee Schedule, will be applied to the customer's account. As a courtesy, the District will mail a notification to the customer. If the payment returned was applied to a past due delinquent balance, the property will receive a Notice of Intent to Disconnect, along with the fees associated with the process. For residential properties, if the Customer does not cure the delinquency by the deadline in the Notice, the District may proceed to terminate service as provided in the Disconnection of Residential Water Service for Nonpayment Policy. For non-residential properties, if a second return is received for the same payment, the service will be shut off without further notice and the full balance will be required to be paid for service to be restored. The District may terminate any payment arrangement made with a customer who fails to timely pay off delinquent water service charges.

5000.80 Overpayment Refunds on overpayments made on an account by the Customer must be requested in writing (Refund Claim Form), and submitted along with proof of payment for the overpayment amount. Refunds will be subject to processing fees as stated in the District's current year's Fee Schedule.

5000.90 Approval Limits of Refunds and Adjustments: Any adjustments and/or refunds must be approved in advance in the following order of authority:

Up to \$200	Billing Supervisor
Up to \$450	Finance Manager
More than \$450	General Manager

5000.100 Delinquency and Collections: All charges made for individual parcels are the responsibility of the Owner of record with the County of Sacramento Assessor, Recorder. Water charges attach directly to the land, and are not merely a personal obligation of the resident. As water charges survive changes in tenancy or ownership, purchasers of properties where water service has been interrupted will be required to pay all unpaid charges and fees before water service will be reinstated. Payment must be received at the District office on or before the District's bill due date to avoid penalties. In the event of delinquency, as defined in this section 5000.91.10, the District shall follow and apply penalties in accordance to the Collections fees listed in the District's current Fee Schedule.

5000.100.1 Collections: The District reserves the right to enforce payment of delinquent water charges on all non-residential Customers through any and all of the following methods: (a) disconnect water service; (b) place a lien pursuant to California Water Code §25806 on the subject real property of the delinquent account; and (c) require full payment in advance of future service. If the District incurs any collection costs, including staff time or other direct costs, those charges will be added to the billing and the Owner will be liable for those costs and charges. Collection of delinquent resident water service charges will be made in accordance with the District's Disconnection of Service for Nonpayment Policy posted on its website or available

upon request from the District.

5000.100.2 Delinquency: Bills for water service are generally billed at the beginning of the month and are due upon receipt. Accounts become delinquent if bills are not paid within 60 days of the due date listed on the bill.

5000.100.21 Reminder Notice: As a courtesy, the District will note the past due or delinquent balance along with the due date on the monthly statement.

Final Notice: Delinquent non-residential accounts will be mailed a Final Notice to both the mailing address listed on the account and the service address, if different, no less than 7 business days before disconnection of service. The account will be assessed a Final Notice Fee, in accordance to the Collections Processing Fees listed in the District's current Fee Schedule. If the written notice is returned through the mail as undeliverable, the District shall make a good faith effort to visit the property and leave, or make other arrangements for placement in a conspicuous place, the notice of impending disconnection for nonpayment, and a copy of the policy.

For services provided to residences or residential occupants in a landlord-tenant relationship of a detached single-family dwelling, or multiunit structure, the District shall provide a final notice as provided in the District's Disconnection of Service for Nonpayment Policy.

5000.100.22 Shut off: If the 60-day delinquent balance goes unpaid following the due date on the Final Notice, the District will lock off the meter and place the account into a collections status. The account's total balance, will be required to be paid in full prior to the water being restored. Refer to the District's Disconnection of Service for Nonpayment Policy for further information on the process.

County notification: During any period in which water service is discontinued, the dwelling shall be considered uninhabitable and habitation of the premise by human beings or continued operations of any commercial or industrial facility shall constitute a public health threat. The District shall notify the Sacramento County Department of Health and Safety Code Enforcement of any service that remains discontinued after three (3) days of the shut-off date.

5000.101 Liens: The District will record a Notice of Lien against a property in the Sacramento County Recorder's Office, and the account will be assessed the lien processing fees stated in the District's current Fee Schedule, when the following occurs:

- Customer's water bill becomes delinquent;
- When the District terminates water service for delinquency;

When the District has determined that, the recovery of the amount due may be uncertain due to abandonment of a premises and/or water service connection.

5000.101.1 Release of Lien: A Notice of Lien, filed with the Sacramento County Recorder's Office, shall be released only after all delinquent balances, penalties, interest and lien release fees, assessed as listed in the District's current Fee Schedule, have been paid in full to the District. If property found to be uninhabitable, the service may be disconnected from the main and fees associated with this process will be applied and due before service will be restored.