
Home Garden Community Services District

WATER SHUT-OFF POLICY

Except where otherwise indicated, this Policy consists of the following guidelines ("**Policy**") which shall apply to all non-wholesale residential water services provided by the Home Garden Community Services District ("**HGCSD**" or "**District**"). The District's general manager ("**General Manager**") may in her/his discretion utilize the same or a similar policy as a guideline for all other water services provided by the District. The English language version of this Policy shall be controlling over any actual or potentially inconsistent non-English translation.

One free hardcopy of this Policy shall be provided upon request to each customer named on the account ("**customer-of-record**") or, if the HGCSD establishes an Internet website, this Policy and each translation thereof must be made available to the public on the HGCSD's website. Public inspection of this Policy at the District's headquarters shall always be free of charge to all members of the public.

A customer may contact the District at the telephone number above to discuss potential options for averting discontinuation of service for non-payment. [HSC § 116906(a)(4).]

The following Policy was adopted by resolution of the Board of Directors ("**Board**") of the District at a Board meeting held on July 17, 2025.

1. **Deadline for Bill Payment; Delinquency; Grace Period and Waiver:**

(a) **Bill Due Date:** All monthly bills must be paid no later than the **10th** day of the calendar month in which they are issued, unless such day is a weekend or holiday observed by the District in which case the deadline shall be extended to the first business day thereafter. All payments received for account with a delinquent balance shall first be applied to the delinquent balance (in accordance with the terms of any alternative payment arrangement, if any, approved by the District under this Policy), then to any incurred late fees, charges, interest and penalties, and then finally to newly billed service charges.

(b) **Delinquency:** When a bill is not timely paid, the associated account shall be deemed delinquent as of 12:00 A.M. local time on the next calendar day after the deadline for payment, and at that time, and each day thereafter, such account shall incur all applicable late fees, penalties and interest on the principal amount which is unpaid and overdue. Cured

delinquencies which did not exist for longer than thirty (30) days shall not be reported to any credit bureau.

(d) **Monthly Grace Period:** All applicable late fees, penalties and interest shall be waived for each account which was not already delinquent on the bill due date if the principal account balance is paid in-full and actually received by the District on or before the last business day of the calendar month in which such bill was issued. The period of time between the initial delinquency and the final date covered by this waiver shall be known as the “**grace period**”. [HSC § 116914(a)(2).]

(e) **Annual Waiver:** On the first day of each calendar month, all applicable late fees, penalties and interest already incurred shall be waived for each delinquent account which was not already delinquent on the bill due date of the preceding month (regardless of whether or not the account existed or was billed in the preceding month). Such waiver shall only apply to an account which has not received any waiver whatsoever at any time during the preceding twelve (12)-month period. [HSC § 116914(a)(2).]

2. Late Fees, Interest and Penalties; Further Waivers:

(a) **Late Fee:** An initial late fee, in an amount set by resolution of the District’s governing Board of Directors, shall be assessed immediately upon expiration of the deadline for timely payment. Such deadline date and the amount of the initial late fee must be displayed prominently on each monthly bill.

(b) **Penalties:** The District’s governing Board of Directors may from time to time prescribe, by resolution, additional penalties which shall thereafter be applicable to all or specified classes of accounts but shall not prescribe any targeted penalty which would be applicable to particular accounts or persons only. When prescribed by resolution, a penalty shall be assessed on a delinquent balance on the first business day of each subsequent month after an initial late fee is assessed upon a delinquent balance.

(c) **Interest:** Interest shall only accrue on the overdue principal balance owing on each delinquent account whenever an interest rate is actually set by a duly adopted resolution of the District’s governing Board of Directors. Such rate shall not exceed ten percent (10%) per year and may be set as low as zero percent (0%). When applicable, interest shall accrue daily, including on weekends and holidays.

(d) **Waivers:** Notwithstanding any other provision within this Policy, a majority of the full Board of Directors then in office shall have the absolute discretion to exercise the Board’s authority to waive already accrued late fees, interest and penalties when it appears that the nonpayment delinquency may have resulted from economic and/or medical hardship. The Board may delegate such authority to the General Manager on a case-by-case basis.

3. Disconnection of Water Service for Non-Payment:

In accordance with the terms of this Policy, for any account balance which is delinquent for **sixty (60)** or more days, the District may discontinue water service by turning off and/or locking the meter. The customer-of-record on the delinquent account may incur various fees and/or charges, discussed elsewhere within this Policy, for associated notices and to re-establish service.

4. Plan for Extension of Time for Deferred Payment, Amortization Agreement, Alternative Schedule or Payment Reduction:

In order to avoid a disconnection of service, when an account with no existing delinquent balance initially becomes delinquent for non-payment of all or any portion of the account balance, any customer-of-record thereon shall be authorized to, no later than the next bill due date (established in Section 1 above), apply for and, if approved by the District, utilize one or more of the payment options specified within this Section ("**alternative payment arrangements**") as to the delinquent account balance.

(a) **Plan for Extension of Time for Deferred Payment:** In order to temporarily avoid an impending discontinuation of service, the Board may exercise its discretion to approve a customer-proposed plan for an extension of time to make a deferred payment of the entire balance of all delinquent charges. All of the following shall apply to each extension granted under this Policy, unless a majority of the Board expressly approves otherwise:

(i) **Maximum Initial Extension:** The written application of the customer-of-record must propose to the Board a plan for an extension of time which would not defer full payment beyond **six (6) weeks**, as measured from the date when the balance initially became delinquent;

(ii) **Board Discretion:** At the sole and absolute discretion of the Board, the proposed plan for a deferred payment may be approved as proposed by the customer-of-record, approved with a different period of deferment than requested or denied if the Board for any reason does not believe an extension is in the best interest of the District and the requested extension is not otherwise required by applicable law;

(iii) **Further Extension by General Manager:** Prior to the expiration of the initial extension granted by the Board, the General Manager shall have the discretion to grant, only in a signed writing, one additional extension which must not exceed an additional **two (2) weeks**. The General Manager shall determine, in her/his discretion, the length of such additional extension. Any unauthorized portion of an extension apparently granted by the General Manager shall be deemed void;

(iv) **Notice of Deadline for Making Deferred Payment:** Each extended payment date will be set forth within a writing which shall be mailed to the customer-of-record at their most recent mailing address on file with the District;

(v) **Actual Receipt of Balance by Deadline:** The full delinquent balance must be actually received by the District no later than the extended payment due date in effect; and

(vi) **Extension Applies Only to Delinquent Balance:** All new and non-delinquent service charges on the account, which appear on each District service bill issued after the initial delinquency began, must be timely and fully paid (at least within the applicable grace period for such subsequent bill) and, until the full delinquent balance is actually received by the District, the account must remain current as to all post-delinquency District bills for service.

(b) **Amortization Agreement:** In order to temporarily avoid an impending discontinuation of service, the District may approve an amortization agreement allowing for payment of the entire balance of all delinquent charges in periodic installment payments equally spread over a mutually agreed upon period of time, not exceeding **twelve (12) months**, which shall be measured from and include the date when the balance initially became delinquent. All of the following shall apply to each amortization agreement and, to the extent they are relevant, shall constitute implied terms and conditions of an approved amortization agreement, unless a majority of the Board expressly decides otherwise:

(i) **Maximum Allowable Term:** The written application of the customer-of-record must propose to an amortization agreement which would result in the District's actual receipt of the entire delinquent balance within no later than **twelve (12) months**, as measured from the date when the balance initially became delinquent;

(ii) **Proposed Agreement Signed by Applicant:** The application of the customer-of-record must be submitted to the General Manager (or designee) and must be accompanied by a proposed amortization agreement, on a form approved by the District, which must be signed and dated by the customer-of-record;

(iii) **Amortization Agreements Up To 60 Days:** Upon receipt of twenty-five percent (25%) of the delinquent balance, the General Manager shall have the authority and discretion to sign a written amortization agreement, in a form previously approved by the District's legal counsel, for any remaining delinquency balance which does not exceed three hundred U.S. dollars (**\$300.00 USD**), provided that such agreement requires payment to the District of the entire delinquent balance in no later than **sixty (60) days**, as measured from the date when the balance initially became delinquent;

(iv) **Amortization Agreements Exceeding 60 Days, Without Initial Payment:** The General Manager shall have the authority and discretion approve a written

amortization agreement, in a form previously approved by the District's legal counsel, which requires full repayment of the remaining delinquency balance on or before a deadline which is no earlier than **sixty (60) days** but does not exceed **twelve (12) months**, as measured from the date when the balance initially became delinquent. In order to be binding upon the District, such agreement must first be confirmed at the sole and absolute discretion of the of the Board, which may instead approve the signing of an amortization agreement containing terms which differ from those proposed by the customer-of-record or initially approved by the General Manager, with or without any initial payment; [GC § 60372(c).]

(v) **Deadline to Sign Agreement:** Notwithstanding any provision in this Policy to the contrary, whenever the District has approved the signing of any amortization agreement, including one which contains terms which differ from those requested by the customer-of-record, the customer-of-record must, if it is acceptable to her/him, promptly sign, date and provide such signed agreement to the General Manager (or designee) within **five (5) business days** after learning that is ready for the signature of the customer-of-record;

(vi) **Payments Under Amortization Agreement:** The delinquent balance must be divided by the number of months in the amortization period and each month that amount shall be added into the customer-of-record's monthly bill. All payments received for the account with the amortization agreement shall first be applied to the delinquent balance, then to any incurred late fees, charges, interest and penalties, and finally to newly billed service charges; and

(vii) **Amortization Applies Only to Delinquent Balance:** All new and non-delinquent service charges on the account, which appear on each District service bill issued after the initial delinquency began, must be timely and fully paid (at least within the applicable grace period for such subsequent bill) and, until the full delinquent balance is actually received by the District, the account must remain current as to all post-delinquency District bills for service.

(c) **Alternative Payment Schedule:** In order to temporarily avoid an impending discontinuation of service, the Board may approve an alternative payment schedule, which differs from its normal bill due date, for the payment of the entire delinquent balance within a period not to exceed **six (6) months**, which shall be measured from and include the date when the balance initially became delinquent. All of the following shall apply to each alternative payment schedule approved under this Policy, unless a majority of the Board expressly decides otherwise:

(i) The customer-of-record must demonstrate to the satisfaction of the Board that they are financially unable to pay their bill during the District's normal billing cycle, despite the monthly grace period;

(ii) The District will consider all circumstances specified by the customer to support their request and make a determination as to whether or not an alternative payment schedule will be approved;

(iii) If approved by the Board, a customer must pay the delinquent balance in accordance with an alternative payment schedule. The approved alternative payment schedule may provide for periodic payments which do not coincide with the District's regular payment cycle (as prescribed within this Policy), or may provide for payments made more or less frequently than the District's regular payment cycle;

(iv) During the period of the alternative payment schedule, the customer's account must remain current on all subsequently billed service charges; and

(v) The alternative payments schedule approved by the Board shall be in writing and shall include each amount due and each corresponding deadline. A copy of the alternative payments schedule will be provided to the customer by U.S. mail or in person.

(d) **Reduced Payment:** Reduction of delinquent account balance owed to the District shall be disfavored, but not prohibited, under this Policy during such times when State law includes restrictions on the gifting of public funds and Proposition 218 (1996) which prohibits the District from increasing rates to a level which would exceed the cost of actual service provided to ratepayers. Only the Board shall have authority to grant a partial or full reduction of the unpaid delinquent balance when it is clear that such reduction can be fully financed without being subsidized from service charges on other ratepayers. All of the following shall apply to each request for a reduction in payment under this Policy:

(i) The Board will consider all circumstances specified by the customer to support a request and make a determination as to whether or not a reduction will be approved; and

(ii) **Board Discretion:** At the sole and absolute discretion of the Board, a requested reduction proposed by a customer-of-record may only be approved by unanimous vote of the entire the Board, and only when the Board believes that the reduction clearly would not conflict to any degree with applicable laws.
[HSC § 116910(b)(1)(C).]

(e) **Serious Health Threat and Financial Inability to Pay:** A residential service customer whose account balance initially becomes delinquent may submit an application, under this Section, which demonstrates to the District that they are financially unable to pay, as defined within Health and Safety Code § 116910(a)(2), and that the customer or a tenant thereof has submitted to the District a valid certification from a primary care provider, certifying that discontinuation of residential service will be life threatening to or pose a serious threat to the health or safety of a resident of the premises with a delinquent account

balance. Upon satisfaction of both of such conditions, and if the account at issue is not presently utilizing one or more of the various alternative payment arrangements provided for within this Section, then all of the following shall apply:

(i) The customer-of-record shall be offered either an amortization agreement, alternative payment schedule or a plan for deferred or reduced payment under this Section, if the customer-of-record timely submits an application to the District indicating a willingness to enter into one or more of them; and

(ii) After providing each required notice, the District shall be authorized to proceed with disconnection of service under this Policy if, for sixty (60) days either:

(A) the customer fails to remain current on subsequently billed services; or

(B) fails to comply with the terms of the amortization agreement, alternative payment schedule or plan for deferred or reduced payments approved by the District.

[HSC § 116910; GC 60372(b)(3).]

(f) **Form of Application and Grounds for Denial:** Each application submitted under this Section must be in writing, on a form provided by the District (along with any additional sheet(s) and/or document(s) attached by the applicant). Grounds for immediate or later denial of an application shall include, without limitation, each of the following:

(i) The applicant failed to sign the application under penalty of perjury;

(ii) The application contains incomplete, insufficient, false or otherwise inaccurate information;

(iii) The applicant failed to provide all required information;

(iv) One or more of the applicable requirements under this Policy are not satisfied or the application is not authorized under this Policy;

(v) The applicant or the account at issue does not qualify for the requested or proposed payment option;

(vi) The application was not timely submitted;

(vii) The account at issue is presently under one or more alternative payment arrangements approved by the District or, within the previous **twelve (12) months**, such account was under one or more alternative payment arrangements which was ultimately unsuccessful because of customer non-compliance with any of the terms and conditions thereof; and/or

(viii) Any other valid grounds which are not prohibited by applicable law.

(g) **Selection of Payment Option(s):** The Board shall have the sole and absolute discretion to choose which, if any, alternative payment arrangement(s) and related parameters shall be approved, regardless of a customer-of-record's specific request or proposal made in connection with any particular application submitted to the District under this Policy. [HSC § 116910(b)(2).]

5. Translation of Written Notices:

Each written notice, except courtesy notices, provided to a customer-of-record or other person entitled to receive a written notice under this Policy shall satisfy the translation requirements of California Health and Safety Code § 116922. Whenever the General Manager believes it is necessary, she/he is hereby authorized to cause to be procured the translation of each notice specified in this Policy from a qualified service provider. The associated cost of each such translation service(s) may be assessed and added, as a service fee, to the principal balance owing on the associated delinquent account. [HSC § 116922.]

6. Limitations on Timing of Discontinuation of Service:

(a) **Disconnections Only During Public Office Hours:** The District will not cause a cessation of service under this Policy, arising from a delinquency in payment for services, to commence at any time other than when the business office of the District is open to the public, including any Saturday, Sunday or District holiday. [Gov. Code § 60374.]

(b) **Minimum Length of Non-Payment Delinquency:** The District will not discontinue service for any non-payment delinquency which has not existed for sixty (60) or more days. [HSC § 116908(a)(1)(A).]

(c) **No Disconnection While Timely Appeal Is Pending:** The District will not discontinue service for a non-payment delinquency while a timely written customer dispute, complaint or appeal is actually pending. [HSC § 116908(b); GC § 60372(b)(1).]

7. Notice of Delinquency and Impending Discontinuation of Service:

(a) On or after the first business day following the expiration of the grace period, for each account remaining delinquent, District staff shall be authorized issue a written notice of non-payment delinquency and impending discontinuation of service ("**notice of impending discontinuation**"). Such notice shall be mailed to the customer named on the account ("**customer-of-record**"). If such customer's mailing address is different from the address

where the residential service is provided, or if such address where residential service is provided is known to be occupied by a tenant(s) other than the customer-of-record and is individually metered by the District, then a copy of said notice shall also be mailed to the address where residential service is provided and shall be addressed to the “**Occupant**”. [HSC § 116908(a)(1)(C).]

(b) **Contents of Written Notice:** At a minimum, the notice of impending discontinuation must include:

(i) Customer’s name and address;

(ii) Amount of delinquency;

(iii) Date by which the customer must tender payment or enter into an arrangement for payment in order to avoid discontinuation of service;

(iv) A description of the process to apply for an extension of time to pay the delinquent charges;

(v) A description of the procedure to petition for bill review and appeal;

(vi) A description of the procedure by which a customer may request a deferred, reduced or alternative payment schedule, including amortization of the delinquent charges;

(vii) A statement that, upon qualifying, the residential occupants have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account; [HSC § 116916(b).]

(viii) The procedure for the customer to obtain information on the availability of financial assistance, including private, local, state or federal sources, if applicable;

(viii) The date when the discontinuation of service will be authorized to occur, which must be a date with no less than sixty (60) days of non-payment delinquency;

(x) Information on how to restore service if it is actually disconnected;

(xi) A warning that tampering to achieve an unauthorized reconnection to the water distribution system is a criminal offense and the customer will be responsible for any damage to District facilities and potential exposure to criminal liability;

(xii) Disclosure that if the existing meter or service lateral is not equipped with a lockable valve or mechanism for disconnection of service, one will be installed and such cost will be billed to the customer in addition to all associated reconnection fees

and delinquency charges; and

(xiii) Such other contents as may otherwise be required by applicable laws or the General Manager.

[HSC § 116908(a)(1)(C).]

(c) **Telephonic Notice:** If a mailed notice of impending discontinuation is returned as undeliverable, District staff may attempt to cause notice to be provided to the customer-of-record by telephone. In so doing, the customer should be offered both a hardcopy of this Policy and the opportunity to discuss options to avert discontinuation of residential service for non-payment, which generally include:

(i) Alternative payment schedules;

(ii) Deferred payments;

(iii) Minimum payments;

(iv) Procedures for requesting an amortization agreement to repay the delinquent balance;

(v) Petition for bill review and appeal; and

(vi) All other information which required by applicable laws.

(d) **Mailed Notice Returned As Undeliverable:** When a mailed notice of impending discontinuation is returned as undeliverable and the District unsuccessfully attempted to contact the customer by telephone to provide telephonic notice of impending discontinuation, the District shall thereafter make a good faith effort to visit the address where residential service is provided and to leave in a conspicuous place thereon a copy of the notice of impending discontinuation and a copy of this Policy, or the District must otherwise cause the same to occur. [HSC § 116908(a)(2).]

8. Minimum Amount of Required Notice; Substantial Compliance:

(a) A notice of impending discontinuation of service (whether provided by mail, telephonically or in-person during a visit to the address where service is provided) must be provided no less than **seven (7) business days** before service is actually discontinued. District staff will normally issue this notice on the first business day following the expiration of the grace period for the relevant bill which remains delinquent. The District shall not discontinue service for non-payment until payment by the customer has been delinquent for at least **sixty (60) days**. [HSC § 116908.]

(b) **Special Posted Notice:** For each account where an amortization agreement, alternative payment(s) schedule or a plan for deferred or reduced payment(s) is in effect based upon financial inability to pay and a certified threat to life or health, the District must cause a final notice of the District's intent to discontinue service ("**final notice of intent to disconnect**") to be posted in a prominent and conspicuous location at the address where service shall be discontinued, no later than **five (5) business days** before service is actually discontinued. [HSC § 116910(b)(3).]

(c) **Final Forty-Eight (48) Hour Telephonic or In-Person Notice:** The General Manager shall cause to be made a reasonable and good faith effort to contact, by either telephone or in-person, an adult residing at the premises where service will be discontinued, at least 48 hours prior to termination of service. If the District's attempt at telephone or personal contact is unsuccessful, then the District shall thereafter cause a final written notice to be mailed to or posted in a conspicuous location at the address where service will be discontinued, at least 48 hours before service is actually discontinued. A duly provided final notice of intent to disconnect, as prescribed in the preceding subsection, shall satisfy the requirements of this subsection whenever telephone or personal contact hereunder is attempted unsuccessfully. [PUC § 10010.1(b).]

(d) **Third-Party Notice for Qualified Seniors and Dependent Adults:** On a form provided by the District, any residential customer-of-record who either is at least sixty-five (65) years of age, or qualifies as a dependent adult under California Welfare and Institutions Code § 15610.23, may elect to designate a third-party to be contacted by the District when such customer's account becomes subject to termination of service because of a non-payment delinquency. To be effective, the customer-of-record must sign the authorizing form and the third-party must also sign the form to consent to the receipt of the notification utilizing their contact information as shown on the form. The District's notification to the third-party may be oral or in writing and may be accomplished by telephone, facsimile transmission, e-mail, mail or in-person and will include information on what is required to prevent termination of service. The District may satisfy this requirement either by:

(i) by mailing a copy of the notice of impending discontinuation of service to the third-party no less than **seven (7) business days** before service is actually discontinued; or

(ii) by providing the third-party with the final 48-hour notice prescribed in this Section.

[PUC § 10010.1(c).]

(e) **Substantial Compliance:** Whenever a person actually and timely receives, whether orally, in-writing, electronically or telephonically, any notice specified within this Policy, substantial compliance with the notice requirements of this Policy shall be deemed to be satisfied, regardless of any actual, apparent or potential defect in the manner or delivery of said notice.

9. **Service Fees Assessed for Each Notice Provided to Customer Due to Delinquency:**

Each notification provided by the District as a result of a delinquent account balance shall be billable as a service fee which may be added to the delinquent account balance. The amount of each type of service fee shall be set by Board resolution.

10. **Re-establishment of Service:**

(a) **Restoration Fees Set By Board:** In order to restore service which was disconnected for non-payment, the customer must pay a reconnection fee set by resolution of the Board. Reconnection fees may not exceed the actual cost of restoring service.

(b) **After-Hours Restoration Fees:** Service which is restored before 8:30 A.M. or after 5:00 P.M. on a weekday (Monday through Friday), or during a weekend or District holiday, shall be charged a reconnection fee reflecting higher after-hours rates. Service will not be restored after regular business hours unless the customer is informed of the after-hours reconnection fee and has signed an acknowledgment of the applicable reconnection fee and all delinquent charges and fees.

(c) **Maximum Reconnection Fees for Low-Income Households:** The maximum reconnection fee for a low-income household shall be fifty U.S. dollars (\$50.00 USD) for reconnections occurring during the District's normal business hours and one hundred fifty U.S. dollars (\$150.00 USD) for reconnections occurring at any other time. These amounts shall be automatically adjusted each year, commencing on or about January 1, 2021, in accordance with the relevant consumer price index.

(i) **Low-Income Household:** A customer-of-record's household shall be considered to be low-income under this Policy if it is below two hundred percent (200%) of the federal poverty line or the household income otherwise satisfies the criteria set forth in Health and Safety Code § 116914(b), which includes receipt of specified public assistance benefits.

(d) District staff who respond to service calls at the address where service was disconnected are not permitted to collect payment and should normally instruct a customer to contact the District's billing personnel to arrange for payment of fees and charges required for reconnection of service.

(e) The District will utilize reasonable efforts to restore service as soon as practicable, usually restoring service before the end of the next business day after the District receives payment for all past due amounts and delinquent charges attributable to the nonpayment delinquency and resulting termination of service.

(f) Water service which is physically restored by any person other than District personnel or without authorization from the District may be subject to fines, penalties and/or additional charges or fees. Any damages which arise or result from unauthorized persons attempting or accomplishing a physical restoration of service shall the responsibility of the customer-of-record.

11. Procedures to Contest, Appeal or Review a Bill; Requests For Investigation:

(a) **Bill Review:** A written request for review of a bill ("**Bill Review**") may be submitted to the District no later than **ten (10) business days** after the date on which a bill was mailed or otherwise sent or provided to a customer-of-record, and all of the following shall apply as to each Bill Review:

(i) Upon timely receipt of a request for a Bill Review, the General Manager or her/his designee shall cause a general review to be undertaken for common or likely administrative errors, along with an investigation into any specific issues identified by the customer-of-record which can be reasonably handled by District staff without excessive time and resources;

(ii) The District shall provide either an oral, telephonic or mailed outcome within **five (5) business days**, or will inform the customer-of-record that extension of time is needed before the District can respond;

(iii) If the customer-of-record disagrees with outcome or does not receive a timely response from the District, the sole remedy of the customer-of-record shall be to timely:

(A) Submit complaint or request for investigation to the General Manager, as provided within this Section; and/or

(B) Contest or appeal the amount of bill to the Board, who may delegate the same to a Board Committee.

(iv) **Correction of Error(s):** If it is found that the District erred, the General Manager shall cause a correction of the error(s) to be undertaken and, when necessary, issuance of a corrected bill with a payment due date which is the greater of either **ten (10) business days** or the end of the initial grace period.
[HSC § 116908(a)(1)(C)(v).]

(b) **Complaint or Request For Investigation To General Manager:** No later than **ten (10) business days** after the date on which a bill was mailed or otherwise sent or provided to a customer-of-record, and on a form approved by the District, a customer-of-record may

submit to the General Manager a written complaint or request for investigation about service or charges on such bill. All other complaints or request for investigation about the billing process or billing staff must be submitted within the deadline set forth within Section 2-500 of Ordinance No. 07 (2023). The following shall apply as to each complaint or request for investigation submitted under this Section:

(i) **General Manager's Discretion:** The General Manager or her/his designee shall exercise discretion over the handling of each complaint or request for investigation pertaining to service or charges on a particular bill, the billing process and/or District staff and may provide oral or written notice of outcome.

(ii) **Correction of Error(s):** If the General Manager finds that the District erred, the General Manager shall cause a correction of the error(s) to be undertaken and, when necessary, issuance of a corrected bill with a payment due date which is the greater of either **ten (10) business days** or the end of the initial grace period.

(iii) **Appeal to the Board:** The General Manager's action or decision may be appealed to the Board in accordance with the requirements and procedures set forth in Section 2-500 of Ordinance No. 07 (2023), except that the Board may delegate its authority to a Board Committee to take final action. [GC § 60372(d).]

(iv) **Complaints or Investigations Concerning The General Manager:** Notwithstanding any other provision within this Section, if the General Manager appears to be, in whole or in part, the focus of a complaint or request for investigation, the General Manager will forward the same to Board or an authorized Board Committee and only the procedures for an appeal under Section 2-500 of Ordinance No. 07 (2023) shall apply thereto.
[GC § 60372(c)]

(c) **Contest or Appeal a Bill to Board:** A customer-of-record may contest or appeal the amount of charges appearing in a bill only in accordance with the requirements set forth in Section 2-500 of Ordinance No. 07 (2023), except that all of the following shall also apply and shall be controlling over any inconsistent or contrary provision therein:

(i) **Deadline to Appeal:** The customer-of-record must formally contest or appeal the charges in writing no later than five (5) business days after the General Manager's response to a timely requested Bill Review (or, if the General Manager failed to timely respond, within five (5) business days after the deadline for General Manager's response) or before expiration of the initial grace period for bill at issue, whichever is later;

(ii) **Decision by Board or Board Committee:** The Board may delegate its authority to a Board Committee to take final action.

(iii) **Correction of Error(s):** If the Board finds that the District erred, the General Manager shall cause a correction of the error(s) to be undertaken and, when necessary, issuance of a corrected bill with a payment due date which is the greater of either **ten (10) business days** or the end of the initial grace period.

[HSC § 116906(a)(3).]

(d) **No Disconnection During Pending Appeal:** If a customer disputes the bill and timely exercises their right to appeal to the Board of Directors, the District will not disconnect service for non-payment while the appeal is pending.

(e) **Certain Late Charges Waived Upon Successful Appeal:** If an appeal to the Board is ultimately successful, then any late fees and related charges assessed under this Policy during the period in which that appeal was pending shall be waived as to those fees and charges which were assessed solely as a result of error or fault of the District.

12. Annual Report on Disconnections For Non-Payment Delinquency:

The General Manager or designee is authorized and shall prepare a proposed report to the State Water Resources Control Board (“SWRCB”) which indicates the total number of actual disconnections of service, due to a nonpayment delinquency. Unless the SWRCB otherwise requires, the General Manager or designee shall prepare the proposed report on or about January of each year and it shall cover the prior calendar year. Upon the Board of Directors’ approval of the proposed report, the General Manager or designee shall cause it to be submitted in accordance with California Health and Safety Code § 116918 and/or such applicable laws which may be applicable.

13. Effect of Headings/Titles:

Section and subsection headings and titles are included in this Policy for organizational purposes only and must not be read to in any manner affect the scope, meaning or intent of the provisions associated with them.