

RESOLUTION 2008 - 36

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALAVERAS COUNTY WATER DISTRICT
AMENDING THE DISTRICT RULES AND REGULATIONS
GOVERNING THE FURNISHING OF WATER AND/OR WASTEWATER
SERVICES - ARTICLE III, SECTIONS 21D, E AND F**

WHEREAS, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT adopted the Rules and Regulations Governing the Furnishing of Water and/or Wastewater Service to Consumers on December 7, 1954; and

WHEREAS, the Board added Section 21D - Suspension of Services, and Section 21E - Termination of Services, to Article III by Resolution No. 99-56 on October 13, 1999; and

WHEREAS, the Board of Directors held a "Suspension of Service Due to Foreclosure" Workshop on April 23, 2008, and was presented with data and analysis regarding the rate of foreclosures, the District's collection rates for delinquent accounts, and the lost revenue/cost to the District of abating service for customers in foreclosure;

WHEREAS, the Board of Directors determined that the lost revenue and costs to the District are minimal, and overshadowed by the collection cost and decreased return once an account has become delinquent;

WHEREAS, based on the data and analysis, and after carefully weighing the relevant factors, the Board of Directors determined that it is in the best interest of the District's ratepayers to offer a one-time abatement option for customers for whom foreclosure is pending; and

WHEREAS, the Board of Directors directed staff to submit amendments to Article III, it is desired to replace Sections 21D and 21E with the proposed Suspension, Termination and Foreclosure Abatement policies; attached hereto and made a part hereof.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors does hereby rescind in its entirety Sections 21D and 21E of Article III of the Rules and Regulations Governing the Furnishing of Water and/or Wastewater Service to Consumers, adopted by Resolution No. 99-56 on October 13, 1999, and any subsequent resolutions or amendments thereto.

BE IT FURTHER RESOLVED, that Sections 21D, 21E and 21F of Article III of the Rules and Regulations Governing the Furnishing of Water and/or Wastewater Service to Consumers, attached hereto and made a part hereof, is hereby approved by the Board of Directors and shall become effective immediately.

BE IT FURTHER RESOLVED, that the Board of Directors authorizes the General Manager to enter into and execute customer Foreclosure Abatement agreements.

BE IT FURTHER RESOLVED, that the remainder of the Rules and Regulations Governing the Furnishing of Water and/or Wastewater Service to Consumers adopted December 7, 1954, and thereafter amended shall remain in full force and effect.

PASSED AND ADOPTED this 21st day of May 2008, by the following vote:

AYES: Directors Rich, Underhill, McCartney, Rich, and Dean

NOES: None

ABSTAIN: None

ABSENT: None

CALAVERAS COUNTY WATER DISTRICT



Robert T. Dean
Board President

ATTEST:



Mona Walker
Clerk to the Board

**CALAVERAS COUNTY WATER DISTRICT
RULES AND REGULATIONS GOVERNING THE FURNISHING OF WATER
AND/OR WASTEWATER SERVICES
ARTICLE III, SECTIONS 21D, 21E AND 21F**

Section 21 Distribution of Service Revenues

D. **Suspension of Services.** The District will not allow suspension of monthly water and/or wastewater charges under normal circumstances unless one of the following has occurred to a residential property owner:

- Damage to 75% or more of the structure that renders the structure uninhabitable.
- Issuance by a government agency of a “non-occupancy” order for a structure.
- Other circumstances beyond personal control of an owner that prevents habitation of a structure or use of the District water and/or wastewater systems for at least six (6) months.

Disconnection of water and wastewater services as a result of non-payment of fees by owner does not cause suspension of monthly service fees covered by this policy. The suspension period shall be a minimum of six (6) months but may not exceed two (2) years. Such suspension shall require the approval of the District’s General Manager. The suspension shall cover all services provided by the District, both water and wastewater, for the same duration.

The owner must notify the District at least forty-eight (48) hours (excluding weekends and Holidays) prior to the reconnection of the services. If an owner does not establish a reconnection within two (2) years, automatic termination of the suspension will occur and monthly service and consumption charges will be reinstated.

If any District facilities are found to be in use during such time as service has been suspended, owner will immediately become liable for the monthly water and wastewater service and consumption charges that would have been billed during the suspension period.

E. **Termination of Services.** The District will terminate all water and wastewater services to a property during regularly established business hours of the District, provided that a request is received from the deeded owner at least forty-eight (48) hours (excluding weekends and holidays) in advance. Owner will be required to sign a District letter that outlines the termination process and guidelines. The owner will be responsible for all charges for services provided by the District through the date of termination.

Restoration of service to the property which has been terminated under this provision requires a new permanent service application and payment of all fees and charges just as if service had never before been tendered to a property.

If any District facilities are found to be in use illegally during such time as service has been terminated, owner may, at the District's discretion, be subject to prosecution for tampering with District equipment and systems. [Res. 93-41, May 13, 1993] (Water Code Sec. 31029)

F. **Foreclosure Abatement.** The District will allow a legally deeded residential property owner, as evidenced through the Calaveras County Recorders Office, to have their meter locked off at customer request as a result of pending foreclosure. This request must be submitted in writing to the District and would be a one time courtesy per legally deeded residential property owner. The owner would be required to bring account current and pay the current lock off fee. Owner will also be responsible for signing a District agreement that would detail the parameters of the Foreclosure Abatement process and consequences of breaching said agreement. The District will require documentation from the owner's lending institution of a default notice or legal notice of foreclosure on customer's property. After the above criteria have been met, all charges (including base rate, fees and all penalties) would immediately stop as of the date the water service is locked off.

The meter will be locked off for a minimum of two (2) months and a maximum of six (6) months. If, during that period, the property is transferred to a new legally deeded owner that is recorded through the County Recorders Office, automatic termination of the Foreclosure Abatement agreement will occur and monthly service and consumption charges will be reinstated, making the legally deeded owner immediately responsible for all normal fees and charges associated with District service, except for those past fees and charges waived by virtue of the Abatement Program. If an owner participates in the Foreclosure Abatement program and still owns the property after six (6) months, automatic termination of the Foreclosure Abatement agreement will occur and monthly service and consumption charges will be reinstated, making the legally deeded owner immediately responsible for all current fees associated with receipt of service from the District, including but not limited to a restoration fee.

If any District facilities are found to be in use by any means (including by a cut lock), during such time as service has been in Foreclosure Abatement, owner will immediately become liable for the monthly water and wastewater services and consumption charges that would have been billed during the Foreclosure Abatement agreement period and the agreement, with the District, for Foreclosure Abatement will be null and void.

If an owner wishes to opt out of the Foreclosure Abatement agreement before the two (2) month minimum period, the owner will immediately become liable for the monthly water and wastewater services and consumption charges that would have been billed during the Foreclosure Abatement period and the agreement, with the District, for Foreclosure Abatement will be null and void.

The General Manager may provide written authorization for exceptions to this policy where equitable under all of the circumstances, provided that any foregone revenue to the District is at or below \$300.00.

Adopted May 21, 2008
Resolution No. 2008-36