

This brief is being provided to inform the Board, staff and public of the details of an agenda item that requires action from the Board. The President of the Board will provide board members, staff, and the public the opportunity to ask questions about this topic when this agenda item is announced.

**Date:** September 13, 2022

**Originator:** Cary Curtis and Kim Seney

**Purpose:** Propose Amendments to Policy #5005 – Billing Policy

**Desired Action by the Board:** First reading by the board of proposed amendments to Policy #5005 – Billing Policy. The board may choose to waive the second reading and adopt recommendation as presented. Requires a 3/5<sup>th</sup> majority affirmative vote of the entire membership of the board to adopt this policy.

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1. **Description:** The Policy Committee and Staff amended Policy #5005, to include additional specificity for added clarity. We ask that the Board review, discuss and potentially approve the updated version.
2. **Reason for Recommended Board Action - (*Consider compliance, cost savings, fixing a problem*):** The current version of Policy #5005 - Billing Policy was adopted in June, 2022 to support the newly approved Rate Case. The proposed modifications to the policy focus primarily on:
  - Definitions for connected and unconnected accounts;
  - Details relating to Owners and Tenants
  - Information about Temporary Water Meters
  - Additional details regarding water, sewer and fire billing
3. **Anticipated Impacts to the District (negative and/or positive) - (*Consider financial impact, change in procedures, customer and staff communication and effect if recommendations are not adopted*):** The proposed modifications clarify the District's Billing Policy for both customers and staff and should only serve to have a positive affect for all.
4. **Anticipated Impacts to the Customer – *Standby, Residential, Commercial*:** The proposed modifications clarify the District's Billing Policy for both customers and staff and should only serve to have a positive affect for all.
5. **Recommendation (s):** The Policy Review Working Committee recommends that the Board review, discuss, waive 2<sup>nd</sup> reading and adopt the amended Policy #5005 Billing Policy. In addition to the proposed modified policy below, the current Policy as it was approved is included on pages 5 and 6 of this document.

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# Gold Mountain Community Services District

## POLICY HANDBOOK

**POLICY TITLE:** Billing Policy **(Draft of Recommended Modifications)**

**POLICY NUMBER:** 5005

### 5005.1 Overview

Gold Mountain Community Services District (GMCS D) is responsible for water delivery; wastewater collection and disposal (sewer); fire prevention and suppression; and emergency medical response service (EMS) to properties within the District boundaries. GMCS D provides quarterly statements for water and sewer services, and additionally collects the fire tax included on the Plumas County property tax roll for fire prevention, fire suppression and EMS response services.

**5005.2 Definitions.** In accordance with the 2022 Rate Schedules, passed and adopted under the Proposition 218 process, the District assesses service rates for all parcels under two categories:

1. **Connected Customers** – customers connect to and who use water and sewer services
2. **Unconnected Customers** – customers that have not installed a water meter and/or septic system for the handling of wastewater

**5005.3 Owner/Tenants.** California law allows tenants to apply for a utility account in their own name. The CSD requires a copy of the signed lease to apply for such account. The property owner remains ultimately responsible for utility payments and late fees. In the event of any delinquency, as detailed in the following sections, all notices of delinquency will be sent to both the tenant and the owner of record. Delinquency proceedings will be conducted with the owner of record.

The Special Fire Tax is always invoiced to the owner of record and recorded in the County Assessor's office.

**5005.4 Water and Sewer Billing:** In accordance with California Government Code Section 61115, the following policy and procedures are in effect on the date of the adoption of this policy regarding the collection of water and sewer service revenue for services rendered for all customers. Parcel Accounts are considered "Connected" when the property has an installed water meter and passes Plumas County's Final Sewer Activation Inspection.

**5005.3.1 Temporary Water Meters.** Customers that have a temporary water meter installed for any use including construction, irrigation, or other temporary services, are charged for all water usage in addition to their respective service charge.

**5005.3.2 Quarterly Statements.** The District bills water and sewer fees on a quarterly basis with balances due and payable on 1 October, 1 January, 1 April, and 1 July. Fees received after the first of the following month, 1 November, 1 February, 1 May, and 1 August, are

considered late and the District will start delinquency procedures. Customers may choose to make payments in advance, quarterly, semi-annually, annually or a lump sum.

***Customers are reminded that they are responsible for quarterly water and sewer payments whether or not they receive an actual bill.***

**5005.3.3 Water and Sewer charges.** Definitions and additional details regarding utility charges can be found in the Water Rate Policy (#5010) and Sewer Rate Policy (#5020):

***Water Service Charge*** – flat quarterly fee for upcoming quarter as defined in Water Rate Policy (#5010)

***Sewer Service Charge*** – flat quarterly fee for upcoming quarter as defined in Sewer Rate Policy (#5020)

***Water Usage Charge*** – all customers with an installed water meter are billed for use based on Metered Consumption, on the following schedule:

- Statements Due January 1 include Sept, Oct, and Nov usage from prior year
- Statements Due April 1 include Dec, Jan, and Feb usage
- Statements Due July 1 include Mar, Apr, and May usage
- Statements Due Oct 1 include June, July, and Aug usage

**5005.3.4 Late Fees:** The District adds a penalty late fee of 10% to any account with a balance owed on the first day of the subsequent month after due date. These charges will appear on the next GM CSD account statement.

**5005.3.5 Interest Penalties:** The District charges ongoing monthly penalties of 1% per month to the previous month's unpaid water and sewer balance on the first day of each subsequent month for which there is an outstanding balance. These charges appear on the next GM CSD statement.

**5005.4 Fire Tax Billing:** Tax Measure A., confirmed by Plumas County BOS Resolution 2006-07-01, authorizes collection of a voter approved Special Fire tax on the Plumas County Tax Roll, and authorizes a 2% annual GMCSD Special Tax increase. The District Board of Directors adopted the special tax per GMCSD Resolution 2006-07-01 on July 18, 2006. The District direct bills the fire tax for certain combined parcels which are more efficiently collected in this manner.

**5005.4.1 Bi-Annual County Tax Statements:** Plumas County tax statements for property within the GMCSD boundaries include a specific line item under Voter Approved Taxes for the Gold Mountain Community Services District Special Fire Tax. Upon receipt of payment, Plumas County Tax Department remits payment to the GMCSD. Plumas County Tax Collector assesses a small processing fee for each parcel billed. The County assesses a penalty for late or unpaid fees and rolls the balance over to the next statement.

**5005.5 Direct Billed Fire Tax Fees:** The District invoices Fire Tax Fees for select community owned parcels and parcels with multiple ownership. The District invoices these fees on an annual basis and assesses a late fee of 10% for any late or unpaid fee each quarter until balance is paid.

**5005.6** Delinquency and Water Shutoff Procedures. Refer to Policy 5006 for the procedures the District follows in the event of delinquencies and possible water shutoff proceedings.

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# Gold Mountain Community Services District

## POLICY HANDBOOK

POLICY TITLE: Billing Policy (approved 6.15.22)  
POLICY NUMBER: 5005

### 5005.1 Overview

Gold Mountain Community Services District (GMCS D) is responsible for water delivery; wastewater collection and disposal; fire prevention and suppression; and emergency medical response service (EMS) to the Gold Mountain CSD District. The District provides quarterly statements for water and sewer services, and assesses a special fire tax included and collected on the Plumas County property tax roll for fire prevention, and fire suppression services and emergency medical response service.

**5005.2 Water and Sewer Billing:** In accordance with California Government Code Section 61115, the following policy and procedures are in effect as of the date of the adoption of this policy regarding the collection of water and sewer service revenue for services rendered, including during on-site construction, for all customers.

**5005.2.1 Quarterly Statements.** Gold Mountain Community Services District (District) water and sewer service statements are sent to account holders by the 10<sup>th</sup> of the month prior to the end of each quarter. Balances are due and payable on the first day of each calendar quarter (January 1, April 1, July 1, and October 1).

**5005.2.2** Quarterly statements will include the following Water and Sewer charge. Definitions and additional details regarding utility charges can be found in the Water Rate Policy (#5010) and Sewer Rate Policy (#5020):

Water Service Charge – flat quarterly fee for upcoming quarter as defined in Water Rate Policy (#5010)

Water Usage Charge - based on Metered Consumption, on the following schedule:

Statements Due January 1 include Sept, Oct and Nov usage from prior year

Statements Due April 1 include Dec, Jan and Feb usage

Statements Due July 1 include Mar, Apr and May usage

Statements Due Oct 1 include June, July and Aug usage

Sewer Service Charge – flat quarterly fee for upcoming quarter as defined in Sewer Rate Policy (#5020)

**5005.2.3 Late Fees.** A penalty late fee of 10% is added to any account with a balance owed on the first day of the subsequent month after due date. These charges will appear on the next GM CSD account statement.

**5005.2.4 Interest Penalties.** Additionally, on-going monthly interest penalties of 1% per month are added to the previous month's unpaid water and sewer balance on the first day of each subsequent month for which there is an outstanding balance. These charges will appear on the next GM CSD statement.

**5005.2.5** The District may pursue collection of delinquent bills through the County tax roll or via a collection agency and may report the delinquency to any and all credit agencies. Liens require Board of Director approval.

**5005.2.6** Partial payments will be applied first to the accumulate late fees if any, then to the accumulated interest penalties if any, and last to outstanding water and sewer fees, oldest first.

**5005.2.7** Customers in arrears: In addition to the fees and procedures described above, the District will not issue a "Will Serve" letter to property owners who are in arrears until account balance has been paid in full and current.

### **5005.3 Fire Tax Billing:**

GMCSO Resolution 2006-15 dated March 11, 2006, requested the Plumas County Board of Supervisors (BOS) direct the Plumas County Clerk to authorize an All Mailed Ballot of Election for the purpose of approving a GMCSO Special Tax for Fire Protection and Prevention, Rescue Services, and Emergency Medical Services. District voters approved Tax Measure A., confirmed by Plumas County BOS Resolution 2006-07-01, which authorizes collection of the tax on the Plumas County Tax Roll and authorizes a 2% annual GMCSO Special Tax increase. The District Board of Directors adopted the special tax per GMCSO Resolution 2006-07-01 on July 18, 2006. The District direct bills the fire tax for certain combined parcels which are more efficiently collected in this manner.

**5005.3.1** Bi-Annual Tax Statements. Plumas County tax statements for property within the GMCSO boundaries includes a specific line item under Voter Approved Taxes for the Gold Mountain Community Services District (District) Fire Taxes. Upon receipt of payment, Plumas County Tax Department remits payment to the GMCSO. Plumas County Tax Collector assesses a \$2.50 processing fee for each parcel billed.

**5005.3.2** Uncollected Fire Tax Fees will incur a late fee of 10% for the unpaid fee in addition to County filing fees each quarter until balance is paid. These charges will appear on the next County tax bill for Fire Tax delinquencies.

**5005.3.3** Customers in arrears. In addition to the fees and procedures described above, the District will not issue a "Will Serve" letter to property owners who are in arrears until account balance has been paid in full and current.

### **5005.4 Account Transfer due to Change in Property Ownership**

When the Gold Mountain Community Services District is notified that a parcel is in escrow, District field staff will conduct a "final meter read" on the date of escrow. The District will use this data to prepare and distribute a final bill for water usage (consumption) to the existing Customer of Record.

It is the responsibility of the new owner to contact the GMCSO office to provide account information, including owner/s name, email address, mailing address and emergency contact information. Water and sewer and emergency fire response services begin the day following closing of escrow and costs will be prorated and billed in the subsequent regular billing cycle.