

Olivehurst Public Utility District



Agenda Item Staff Report

Meeting Date: April 20, 2023

Item description/summary:

Charge for special turn-off/on request of resident/customer : Per resolution 2104 charges for special turn off/on after regular hours or on weekends and holidays are currently \$75.00 .

Customer Deposit Change Request: Per resolution 2104 charges for delinquent accounts Include a deposit requirement for service restoration. The amount of the deposit are two (2) months of the customer's 6- month average bill. The deposits are calculated monthly and added to the shutoff notices. The District's accounting system is not designed to 1) calculate these amounts; and 2) keep track of the collected deposits. Staff requests to charge a deposit of \$150.00 for all customers to facilitate collection and accounting.

Fiscal Analysis:

The \$75.00 reflected the minimum call-out time under the District's labor agreement – 2 hours @ overtime rates in 2011. This amount does not cover current costs. The current minimum hourly rate for staff eligible for after hour turn off/on is \$25.84 and the maximum is \$35.49. At overtime rates and incremental cost the total amount for after hour turn on/off is between \$87.60 and \$119.76 (calculations attached). In addition are business office charges. Staff recommends a minimum after hour charge of \$100.00 per call.

Deposits are eventually refunded to the customer and are a liability to the District when undisbursed.

Employee Feedback

Sample Motion:

Approve /do not approve updated Exhibit A changes to Resolution 2104

Prepared by:

Karin Helvey, Financial Manager

	Minimum Rate		Maximum Rate	
	1 Hour	2 Hour	1 Hour	2 Hour
Regular rate/hour	25.84	51.68	35.49	70.98
Overtime/hour	38.76	77.52	53.24	106.48
Employer Payroll Taxes (7.6%)	2.95	5.90	4.05	8.1
Workers Compensation @ \$5.19/\$10	1.34	2.68	1.84	3.68
Telsec patch to OPUD Staff (\$.75/call	0.75	1.50	0.75	1.50
	\$ 43.80	\$ 87.60	\$ 59.88	\$ 119.76

OLIVEHURST PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2104

**RESOLUTION OF THE BOARD OF DIRECTORS OF
OLIVEHURST PUBLIC UTILITY DISTRICT
ESTABLISHING CHARGES FOR SPECIAL SERVICES
OF THE DISTRICT, INCLUDING TURN-OFF/TURN-ON OF SERVICE**

WHEREAS, Olivehurst Public Utility District is a special district formed and existing in accordance with Division 7 of the Public Utilities Code of the State of California; and

WHEREAS, the District has established, under its outstanding ordinances and resolutions, rates for the provision of special services by the District, including the following:

1. Turn-on and turn-off of service at the request of landowners/contractors outside of regular business hours.
2. Turn-off and turn-on of delinquent accounts for non-payment.
3. Other special services of the District provided to landowners/contractors; and

WHEREAS, the rates and charges for the District for the foregoing described service have been in force and effect for a substantial period and no longer accurately reflect the cost to the District; and

WHEREAS, the Board of Directors has the power to establish reasonable charges for the provision of special services by the District, including those set forth above; and

WHEREAS, the Board of Directors wishes to amend the rates and charges established by the District for said services, as they may exist in the applicable rates ordinances of the District.

NOW, THEREFORE, BE IT RESOLVED that the Board does hereby find that the current schedule of rates and charges established in the District ordinances for special services of the District set forth above are not compensatory and do not reflect the District's actual cost of providing said services.

BE IT FURTHER RESOLVED that the District does hereby authorize the establishment, effective as of the first day of January, 2006, (with the exception of Exhibit A Item (1) turn-on fee, which becomes effective November 18, 2005) the schedule of rates and charges for special services set forth in the Exhibit A to this Resolution which is incorporated

herewith.

BE IT FURTHER RESOLVED that the special charges established by the Board of Directors for the District are required in order for the District to recover the cost of providing said services and, therefore, in accordance with law, the provisions of the California Environmental Quality Act do not apply to said change.

BE IT FURTHER RESOLVED that the cost for a turn-off and turn-on of a delinquent bill will be due and payable at the same time and under the same terms and conditions as the payment of the delinquency.

BE IT FURTHER RESOLVED that the charges levied for the provision of special services at the request of the landowner, who is not delinquent either during or after normal business hours, will be included with the regular monthly billing for services and shall be collected in accordance with the terms and conditions applicable to said billing and if routine service connection has not yet been established, said bills will be due and payable, in full, thirty (30) days after billing.

PASSED AND ADOPTED THIS 17th DAY OF NOVEMBER 2005.

OLIVEHURST PUBLIC UTILITY DISTRICT

President, Board of Directors
Olivehurst Public Utility District

ATTEST:

Deputy District Clerk & ex-officio Secretary

APPROVE AS TO FORM AND LEGAL
SUFFICIENCY

Legal Counsel

* * * * *

I hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 17th day of November 2005, by the following vote:

AYES, AND IN FAVOR THEREOF:

NOES :

ABSTAIN :

ABSENT :

Deputy District Clerk and ex-officio Secretary

CURRENT EXHIBIT A

- 1) Charge for turn-on of a service for a new resident/customer. Cost of administration and one (1) field personnel plus vehicle with a time allocation of one hour: Total \$25.00. To establish credit with the District resident/customer will also be charged the first month's bill in lieu of credit check/deposit.

- 2) Charge for delinquent account(s):
 - a) Charge for turn-off of a service (\$25.00), including subsequent turn-on (\$25.00) upon payment, for nonpayment of a delinquent account: Cost of administration of delinquency, plus cost of a two-man crew, plus vehicle with a time allocation of 2 hours: Total \$50.00. The foregoing charge will be added to the delinquent account and must be paid prior to the reestablishment of service. A deposit (2 months bill) will also be required to re-establish credit with the District and will be refunded in one (1) year from the date received so long as there are no further interruptions in service.

 - b) Charge for vandalized service connection (for example: lock cut off, vehicle blocking). The District reserves the right to notify the District Attorney's office in accordance with Penal Code 498. Cost of administration (filing fees and court costs), four-man crew, plus vehicle and equipment with a time allocation of 4 hours: Total \$200.00. The foregoing charge will be added to the delinquent account and must be paid prior to the reestablishment of service.

- 3) Charge for special turn-off/on at request of resident/customer who is not delinquent for maintenance/repairs:
 - a) If during normal business hours (8:30 a.m. to 4:30 p.m., Monday thru Friday), no fee will be charged.

 - b) If after regular hours or on weekends and holidays, the rate shall be adjusted to reflect minimum call-out time under District's labor agreement – Two hours – for a total cost of \$75.00.

EXHIBIT “A”
Effective 06-16-11

A person who applies for and establishes services with the District shall be responsible for all charges which accrue on the account until the account is closed. The customer is responsible for notifying the District in writing of the date the water service should be activated or discontinued in their name as defined in the “current” Water and Sewer Service FAQs.

4) Charge to Account for Activation of Service

- a) To establish an account with the District, any property owner of the service address desiring water service shall apply for service through the District office and pay a nonrefundable turn-on processing charge in the amount of \$25.00. This charge will be applied to the first month’s bill in lieu of a credit check/deposit.
- b) Accounts with a temporary power of attorney name addition, legal name change (such as marriage) or name addition are excluded from this charge. In the event there is a change in the name through the Grant Deed, the \$25.00 charge applies and a new account ID will be established on said account.
- c) The General Manager has the authority to waive the Service Activation Fee where circumstances justify such waiver.

5) Charge to Account for Discontinuance of Service

For those delinquent accounts of which a 10-Day Reminder Notice and 48-Hour Notice have been processed that have not paid by the specified date on the 48-Hour Notice, services will be discontinued for non-payment and a delinquency charge will be assessed on the account.

- a) A \$50.00 delinquency charge will be assessed to the account to cover the administration costs. The charge is incurred even if services have not been physically turned off. If it becomes necessary to discontinue service, the entire account balance must be paid before water service is restored.
 - a. This charge covers reactivation of services during normal business hours (9:00 AM to 4:30 PM, Monday – Friday, excludes Holidays). If reactivation is requested after normal business hours a \$75.00 After Hours charge will apply and be charged to the account.
- b) In addition to the delinquency charge, in order to restore service after discontinuance for non-payment, a deposit equal to two (2) average monthly payments will be required to reestablish credit with the District if one is not on record. The deposit will be refundable after 12 months continuous ‘payment as agreed’ activity. When eligible for refund, the deposit may be applied to the account if requested.
- c) Failure to make payment to bring the account current may result in a lien upon the property or transference to the County Tax Rolls.

6) Charge to Account for Vandalized Service Connection, Includes Unauthorized Turn-On and/or Unpermitted Water Use

It is unlawful for any person except duly authorized employees of the District to turn-on or turn-off services for any reason or to obtain water through an unpermitted connection. The District reserves the right to notify the District Attorney’s office in accordance with California Penal Code, Section 498 of a violation (for example but not limited to: lock cut-off; blocking off service access; using water from another service address through such use as a hose between properties, turning on of services following discontinuance due to non-payment).

- a) A minimum \$200.00 vandalism charge will be assessed to the account to cover the administration costs. This charge must be paid prior to the reestablishment of services.

7) Charge to Account for Special Turn-off/on (e.g. facilitate repairs) at Request of Customer Who is Not Delinquent

- a) No charge will be incurred during normal business hours (9:00 AM to 4:30 PM, Monday – Friday, excludes Holidays) when a customer contacts the District to request the turn-off/on to facilitate maintenance/repairs.
- b) A \$75.00 charge will be incurred after normal business hours or on Holidays or weekends when a customer contacts the District to request the turn-off/on to facilitate maintenance/repairs.

8) Charge for Account for Turn-on/off Services for Activation of New Account or Termination of Account

Activation of new services, termination of services or reactivation of services due to a delinquency discontinuation are done during normal business hours. Service activations and terminations should be requested 24 hours in advance and during normal business hours.

- a) A \$75.00 charge will be assessed to the account to cover the administration costs when service is turned-on/off after hours.

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EXHIBIT "A"

Effective April 20, 2023

A person who applies for and establishes services with the District shall be responsible for all charges which accrue on the account until the account is closed. The customer is responsible for notifying the District in writing of the date the water service should be activated or discontinued in their name as defined in the "current" Water and Sewer Service FAQs.

1) Charge to Account for Activation of Service

- a) To establish an account with the District, any property owner of the service address desiring water service shall apply for service through the District office and pay a nonrefundable turn-on processing charge in the amount of \$25.00. This charge will be applied to the first month's bill in lieu of a credit check/deposit.
- b) Accounts with a temporary power of attorney name addition, legal name change (such as marriage) or name addition are excluded from this charge. In the event there is a change in the name through the Grant Deed, the \$25.00 charge applies, and a new account ID will be established on said account.
- c) The General Manager has the authority to waive the Service Activation Fee where circumstances justify such waiver.

2) Charge to Account for Discontinuance of Service

For those delinquent accounts of which a 10-Day Reminder Notice and 48-Hour Notice have been processed that have not paid by the specified date on the 48-Hour Notice, services will be discontinued for non-payment and a delinquency charge will be assessed on the account.

- a) A \$50.00 delinquency charge will be assessed to the account to cover the administration costs. The charge is incurred even if services have not been physically turned off. If it becomes necessary to discontinue service, the entire account balance must be paid before water service is restored.
 - a. This charge covers reactivation of services during normal business hours (7:30 AM to 3:45 PM, closed from 12:00 PM to 1:00, PM Monday – Friday, excludes Holidays). If reactivation is requested after normal business hours a \$100.00 After Hours charge will apply and be charged to the account.
- b) In addition to the delinquency charge, in order to restore service after discontinuance for non-payment, a deposit in the amount of \$150.00 will be required to reestablish credit with the District if one is not on record. The deposit will be refundable after 12 months continuous 'payment as agreed' activity. When eligible for refund, the deposit may be applied to the account if requested.
- c) Failure to make payment to bring the account current may result in a lien upon the property or transference to the County Tax Rolls.

3) Charge to Account for Vandalized Service Connection, Includes Unauthorized Turn-On and/or Unpermitted Water Use

It is unlawful for any person except duly authorized employees of the District to turn-on or turn-off services for any reason or to obtain water through an unpermitted connection. The District reserves the right to notify the District Attorney's office in accordance with California Penal Code, Section 498 of a violation (for example but not limited to: lock cut-off; blocking off service access; using water from another service address through such use as a hose between properties, turning on of services following discontinuance due to non-payment).

- a) A minimum \$200.00 vandalism charge will be assessed to the account to cover the administration costs. This charge must be paid prior to the reestablishment of services.
- 4) Charge to Account for Special Turn-off/on (e.g. facilitate repairs) at Request of Customer Who is Not Delinquent
- a) No charge will be incurred during normal business hours (7:30 AM to 3:45 PM, closed from 12:00 PM to 1:00 PM, Monday – Friday, excludes Holidays) when a customer contacts the District to request the turn-off/on to facilitate maintenance/repairs.
 - b) A \$100.00 charge will be incurred after normal business hours or on Holidays or weekends when a customer contacts the District to request the turn-off/on to facilitate maintenance/repairs.
- 5) Charge for Account for Turn-on/off Services for Activation of New Account or Termination of Account
- Activation of new services, termination of services or reactivation of services due to a delinquency discontinuation are done during normal business hours. Service activations and terminations should be requested 24 hours in advance and during normal business hours.
- a) A \$100.00 charge will be assessed to the account to cover the administration costs when service is turned-on/off after hours.

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District Clerk and ex-officio Secretary