

POLICY NO. 1.8 Credits and Adjustments Policy	DISTRICT CODE Chapter 3.14 Sections 3.14.010 – 3.10.050	APPROVAL DATE 05/10/2022 EFFECTIVE DATE 05/11/2022
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SECTION 1: POLICY STATEMENT

SECTION 2: GENERAL PROVISIONS

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SECTION 4: TERMS OF THIS POLICY

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SECTION 1: POLICY STATEMENT (3.14.010)

The Cucamonga Valley Water District (CVWD) collects rates, user fees, and charges from customers and developers. The purpose of this policy is to define the limits on the actions that staff may take regarding the occasional waiving of fees or issuance of credits to customers and/or developers. This policy does not apply to adjustments or reversals for customer deposits, refunds, billing corrections, meter misreads, or CVWD equipment errors. The extent to which such adjustments or reversals may be granted are set forth in other provisions of the District Code.

SECTION 2: GENERAL PROVISIONS (3.14.020)

User fees, rates and charges are adopted by the Board and incorporated in the District Code as follows:

Water (Portable)	Chapter 4.08
Recycled Water	Chapter 4.16
Wastewater	Chapter 5.08

A. Utility Rates

CVWD levies utility rates for water, wastewater, and recycled water services. Except in limited circumstances, these rates are not adjusted or reversed.

B. Customer Service Fees and Charges

CVWD collects customer utility user fees and charges which include a reconnection charge, refund charge, extension charge, delinquent charge, termination notice charge, meter replacement, water use efficiency penalties, and/or meter testing charge.

From time-to-time, on a case-by-case basis, when it is in the best interest of the District, user fees may be adjusted or reversed due to extraordinary or unique circumstances and/or to encourage goodwill with customers. Staff shall follow the authorization table (subsection F) for such adjustments. Staff's authority to grant an adjustment or reversal shall be limited as specifically set forth in this Policy and the attached table.

C. Engineering Fees and Charges

CVWD collects Engineering fees and charges. Examples of the types of charges which are currently in effect, and which relate to new or existing development, include charges for utility research, easements, photocopy, cross-connection, industrial waste, plan check, inspection, fire flow tests, and temporary water services. Under extraordinary or unique occurrences, these fees may be adjusted in accordance with the authorization table (subsection F).

Under no circumstances will CVWD water, wastewater, and/or recycled water capital capacity fees be adjusted. The adjustment or application of credits for Other Agency Fees is addressed in Section 3.

D. Related Party Adjustments

Under no circumstances may an employee authorize a payment extension, adjustment of utility user fee/charge, or adjustment/credit of an Engineering fee relating to the following: (1) their own account, (2) another employee's account, (3) an ex-employee's account, or (4) a related party's account. Customer Service and Accounting department staff should not process or tender their own payments.

A related party includes, but is not limited to family members, business associates, affiliates, neighbors and social acquaintances. Any related party adjustments, credits, and reversals must be approved in accordance with the authorization table (subsection F) by a manager or higher level employee who has no such relationship with the customer making the request.

E. Daily Review of Adjustments

The Customer Service Supervisor and/or the Accounting Supervisor will review the daily utility adjustment posting register to ensure compliance with this policy.

F. Authorization Table

The following table provides approval levels for adjustments and/or fee reversals. The adjustments, credits or reversals may not be split into separate transactions to circumvent these authorization levels.

All adjustments or fee reversals exceeding \$150 must be documented in writing on an Authorization Form showing justification for the credit with the corresponding approval in accordance with this authorization table. Approved Authorization Forms for utility fees and charges shall be scanned and attached to the customer's account database for future reference and documentation. Unless approved by the Customer Service Supervisor or Manager, no customer location number shall receive an adjustment/reversal under this Policy within twelve (12) months from the date of a previous adjustment/reversal granted to said customer.

Maximum Adjustment/ Reversal Amount	Approval Level
\$50	Customer Service Representative
\$150	Lead Customer Service Representative Lead Engineering Technician
\$200	Supervisor
\$250	Manager
\$750	Director
\$1,000	Assistant General Manager
\$10,000	General Manager/CEO
\$10,000+	Board of Directors

SECTION 3: OTHER AGENCY FEES (3.14.030)

In accordance with contractual obligations, CVWD collects certain development fees on behalf of other public agencies. In the event prior approval of such a public agency is required, any adjustment, credit or reversal of such a fee may not be granted without the prior written approval of the applicable public agency.

SECTION 4: TERMS OF THIS POLICY (3.14.040)

District staff is expected to use good judgement when initiating adjustments or fee reversals. If an employee is uncertain about the administration of this policy or the granting of specific credits, adjustments or reversals, they should seek further advice from their supervisor, manager, or department head. Employees who violate the terms of this policy are subject to disciplinary action, up to and including termination.

SECTION 5: ADOPTION OF POLICY (3.14.050)

This Policy shall be reviewed on a biennial basis and the Board must approve modifications, if any.

POLICY REVISION DATES

05/10/2022 (Resolution No. 2022-5-4)
07/28/2020 (Resolution No. 2020-7-3)
07/24/2018 (Resolution No. 2018-7-3)
08/23/2016 (Resolution No. 2016-8-3)