

Discontinuation of Residential Water Service for Nonpayment Policy

Resolution: 2020-09
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Effective Date: February 1, 2020
Responsible Department: Administrative Services
707-665-3631

PURPOSE

To establish a Policy if a water utility bill becomes delinquent. If a water utility bill becomes delinquent, the following Discontinuation of Residential Water Service for Nonpayment Policy (Policy) will be applied. This Policy enumerates the City's administrative actions for the collection of delinquent accounts, including notifications, fee assignments and disconnection of water service. Discontinuation of water service for nonpayment is considered the final phase of the collection procedure and will be instituted only after enough notification, and when all other reasonable alternatives have been exhausted.

POLICY

This Policy will be made available in English, the languages listed in Section 1632 of Civil Code, and any other language spoken by at least ten percent (10%) of the people residing in the City's service area and published on the City's website at www.cotaticity.org. This Policy will apply to all residential City water service users.

GERERAL PROVISION

- A. All water utility bills are due upon presentation. Presentation is defined as when the bills are put into the mail and/or processed electronically.
- B. Bills that remain unpaid after 30 days are assessed a late fee, as set forth in the Master Fee Schedule, if the customer has not requested and been granted an extension plan or payment arrangement.
- C. The City will attempt to contact the occupant of the service location and provide notice of delinquency and pending disconnection of water service as provided in this Policy.
- D. The City will disconnect water service for charges that have become delinquent for a period of no less than sixty (60) days. An administrative fee, as set forth in the Master Fee Schedule, will be applied to the account for any water service disconnected for nonpayment of delinquent charges. The City will leave notice of the disconnection with information on how to restore water service.
- E. Customers whose water service has been discontinued may contact the City by telephone or in person regarding reconnection of service. Reconnection will be subject to payment of the delinquent charges, administrative fee, and any other applicable charges.

DELINQUENT ACCOUNT

A. Small Balance Account:

A balance on a bill of \$20 or less may be carried over, and added to, the next billing period without being assessed a late fee or incurring further collection action.

B. Past Due Notice

1. If payment for a water utility bill is not received by close of business on the thirtieth (30) day after issuance of the water utility bill, a late fee, as set forth in the Master Fee Schedule, will be assessed.
2. A past due notice will be sent to the account holder of record stating the amount of the late fee and outstanding balance.
3. The past due notice will provide the last date an account holder of record is able to make full payment or make a payment arrangement to avoid subsequent fees and potential water service disconnection.

C. Waiver of Late Fee

1. At the request of the account holder of record, the City will waive one late fee per twelve (12) month period.

D. Extension of Payment of Bill:

To avoid late fees, the customer of record may request a short-term arrangement to pay the bill. The customer of record may apply for one of the options listed below.

1. The customer of record must apply for an extension to pay the amount of the bill before a late fee is assessed. The extension may be granted through the 60th day after bill presentation.
2. If additional time is needed to pay the amount of the bill, the customer of record may apply for an alternative payment arrangement as described below.
3. If payment is not made within the extension period and no alternative payment arrangement has been granted, a disconnection notice will be issued as outlined below.

E. Alternative Payment Arrangements

1. Any account holder of record who is unable to pay for a water utility bill on or before the scheduled due date may request an Alternative Payment Arrangement to avoid late fees or discontinuation of water service.
2. In compliance with SB 998, the City will consider all circumstances surrounding the request and decide as to whether the Alternative Payment Arrangement is warranted.
 - a. Certification by Primary Care Provider
Certification by a Primary Care Provider who certifies that the discontinuation of water service will be life-threatening or pose a serious threat to the health and safety of any resident of the premise where water service is provided
 - b. Financially Unable to Pay
The account holder of record demonstrates they are financially unable to pay for water service within the normal billing cycle. The account holder of record or member of the household, must be a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplementary Nutrition Program for Women, Infants and Children, or the account holder of record declares that the household's annual income is less than two hundred (200) percent of the federal poverty level.

F. Amortization Plans

1. Payment arrangements that extend into the next billing period are considered an amortization plan, which must be in writing and signed by the account holder.
2. An amortization plan will amortize the unpaid balance over a period defined by the account holder, approved by the City, and not to exceed twelve (12) months from the date of the approved amortization plan.
3. The account holder of record must comply with the terms of the amortization plan and remain current as charges accrue in each subsequent billing period.
4. The account holder of record may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan.
5. Failure to comply with the terms of an amortization plan will result in the issuance of a written disconnection notice. The disconnection notice will be in the form of a letter issued to the service location no less than seven (7) businesses days in advance of discontinuance of water service.

ADDITIONAL NOTIFICATIONS

A. Disconnection Notice

1. The City shall not disconnect water service for non-payment until payment by the account holder of record has been delinquent for at least sixty (60) days.
2. The City will make a reasonable, good faith effort to contact the account holder of record at least seven (7) business days before discontinuation of water service for non-payment.
3. A written disconnection notice will be mailed to the mailing address designated by the account holder of record. If the mailing address and the address of the service location to which water service is provided are different, a second notice will be mailed to the service location and addressed to "Occupant". The written disconnection notice will include:
 - Account holder's name and address
 - Amount past due
 - Date by which payment or payment arrangements are required to avoid discontinuation of water service
 - Description of the process to apply for an amortization plan
 - Description of the process to dispute or appeal a bill
 - City phone number and a web link to the City's written policy
4. If the City is unable to contact the customer (i.e. returned mail) prior to service interruption, the City would visit the residence and leave a door hanger notifying the resident of imminent discontinuation of service and information on where to obtain a copy of the City's Policy.

- B. Notice to Residential Tenants/Occupants in an Individually Metered Residence
1. The City will make a reasonable, good faith effort to inform the occupants, by means of written notice, when the water service account is in arrears and subject to disconnection at least ten (10) business days before water service is scheduled for disconnection.
 2. The written notice will advise the tenant/occupant that they have the right to become an account holder of record of the City without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charges for water service at that said service location.
 3. The tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of rental payments.
- C. Notice to Tenants/Occupants in a Multi-Unit Complex Served through a Master Meter
1. The City will make a reasonable, good faith effort to inform the occupants, by means of written notice posted conspicuously on or in front of the property, when the water service account is in arrears and subject to disconnection at least ten (10) days before water service is scheduled for disconnection.
 2. The written notice will advise the tenant/occupant that they have the right to become an account holder of record of the City without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charges for water service at the said service location, and including address(es) served by the master meter.
 3. The tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of rental payments.

RECONNECTION OF WATER SERVICE

- A. Reconnection During Business Hours
1. In order to reconnect water service that has been disconnected for non-payment, the account holder of record must pay all delinquent charges and fees owed.
 2. To reconnect water service the same day without an after-hours fee, as set forth in the Master Fee Schedule, the payment must be received prior to 5:30 p.m., Monday – Thursday, otherwise an after-hours fee will be applied.
 3. Water service that is reconnected by any person other than City personnel or without City authorization may be subject to fines or additional fees, as set forth in the Master Fee Schedule.
 4. Any damages that occur as a result of unauthorized reconnection of water service are the responsibility of the account holder.
- B. Reconnection of Water Service After Business Hours
1. Reconnection of water service requested after 5:30 p.m. Monday – Thursday, Friday, Closures, Holidays, or Weekends, the account holder of record will be charged an after- hours fee, as set forth in the Master Fee Schedule.
 2. Water Service will not be reconnected until the account holder of record or designee has paid all delinquent charges and applicable fees.
 3. If water service is being reconnected after regular business hours for any reason other than non-payment, the account holder of record must contact the Administrative Services Department the following business day to discuss reason for reconnection and possible waiver of after-hours fee.

RETURNED CHECKS

A. Notification of Disposition of Returned Check/Ach Transaction

In the event the City receives notification of a returned payment, the customer's account will be considered unpaid and the following steps will be followed:

1. The City will assess a returned payment fee as set forth in the Master Fee Schedule.
2. The customer of record will be sent a notification of the returned payment.
 - If at the time of the returned payment the account is less than 60 days delinquent, the notice will state the date the returned payment and fee must be paid to avoid additional notifications and fees.
 - If at the time of the returned payment, the customer's account is more than 60 days delinquent, a late payment fee will be assessed and a seven (7) day notice of possible service disconnection will be issued to the customer of record.

B. Returned Checks for Disconnected Services

1. In the event a customer makes payment to restore water service due to non-payment and the City receives notification that said payment was returned, the City may promptly issue a 48-hour notice of service disconnection.
2. Any customer issuing two or more returned payments in a twelve-month period or one returned payment made to restore service, may be required to pay cash, credit card, or certified funds for a period of 12 months from the date of the most recent returned payment.

DISPUTED BILLS

A. Right to Appeal

1. If an account holder of record disputes the water utility bill and exercises their right to appeal to the Administrative Services Director or his/her designee, the City will not disconnect water service for non-payment while the appeal is pending.
2. All appeals must be presented in writing by the account holder of record and must specify the specific dispute and request a review or investigation. Appeals must be received at least five (5) business days in advance of discontinuation of services. Though service will not be disconnected accounts in appeals are still subject to fees based on the timing of appeals as outlined below:
 - An appeal made less than two (2) business days in advance of the Past Due Notice will still be subject to the late payment fee.
 - Appeals must be made five (5) business days before disconnection date to avoid possible disconnection and associated fees.
3. If an account holder of record believes a payment has been made but not recorded on their account, the account holder of record will be required to present a receipt, cancelled item or other satisfactory evidence to substantiate the payment and enable the City to research the receipt of the payment.

TRANSLATION

A. Policy

1. Translation of this Policy in the languages listed in Section 1632 of the Civil Code are available at City Hall, City Police Department or online at cotaticity.org.
 - a. Please visit our office or website for a translation of this Policy.
 - b. Visite nuestra oficina o sitio web para obtener una traducción de este política.
 - c. 请访问我们的办公室或网站，了解本政策的翻译
 - d. Mangyaring bisitahin ang aming opisina o website para sa isang pagsasalin ng patakarang ito.
 - e. Vui lòng truy cập văn phòng hoặc trang web của chúng tôi để dịch bản chính sách này.
 - f. 이 정책에 대한 번역은 저희 사무실이나 웹 사이트를 방문하십시오.

B. Notices

1. All written notices issued under this Policy will be available at City Hall, City Police Department or online at cotaticity.org in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by ten percent (10%) or more people within the City.