

COUNCIL/ADMINISTRATIVE POLICY

Subject: Residential Water Service Discontinuation for Nonpayment of a Delinquent Account	Policy No: 10-24	Date: November 12, 2019
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1. **PURPOSE**

The purpose of this policy is to establish guidelines for residential water discontinuation for non-payment of a delinquent account.

2. **POLICY**

2.1 **Applicability**

This Policy provides for the adherence to Senate Bill No. 998 (“SB998”), Discontinuation of residential water service. SB998 was approved September 28, 2018, becomes effective February 1, 2020 and outlines the requirements for discontinuation of residential water service for nonpayment of a delinquent account.

3. **REQUIREMENTS**

3.1 **Policy**

City will have a written policy on discontinuation of residential service for nonpayment available in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in its service area. The Policy will be made available on City’s internet website. The Policy will include all of the following:

3.1.1 A plan for deferred or reduced payments

3.1.1.1 The Director of Finance and Information Systems may offer to extend payment due date for customer with verbal promise to pay. The payment extension cannot go past the current billing statement due date. (See also Brentwood Municipal Code (“BMC”) section 3.26.310.

3.1.2 Alternative payment schedules

3.1.2.1 The Director of Finance and Information Systems may offer an alternative schedule or amortized payment arrangement (See also BMC 3.26.130 and 3.26.310).

3.1.3 A formal mechanism for a customer to contest or appeal a bill

3.1.3.1 Customer may dispute a bill by following the procedures located in BMC section 3.26.170.

3.1.4 A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment

3.1.4.1 A Utility Billing phone number is printed on billing statement, courtesy notice, disconnect notice, text message and door hanger. If Utility Billing contact is made via phone message to customer, the Utility Billing phone number will be provided.

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3.2 Discontinuation Time Frame and Notification

3.2.1 City will not discontinue residential water service for nonpayment until a payment by a customer has been delinquent for at least 60 days of the bill date.

3.2.2 Following no less than seven business days before discontinuation of residential water service for nonpayment, City will contact the customer on the account by telephone or written notice.

3.2.2.1 If contact to the customer named on the account is made by telephone, City will offer to provide in writing to the customer the Policy on discontinuation of residential service for nonpayment. City will also offer to discuss with customer options to avert discontinuation as further described in section 3.1 of this Policy.

3.2.2.2 If contact to the customer named on the account is made by written notice, the written notice of payment delinquency and impending discontinuation will be mailed to the customer of the residence to which the service is provided. If the customer's address is not the address of the service property, the notice will also be sent to the address of the property, addressed to "Occupant". The notice will include the following:

- customer's name and address
- the amount of the delinquency
- the date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service
- a description of the process to apply for an extension of time to pay the delinquent charges
- a description of the procedure to petition for bill review and appeal
- a description of the procedure by which the customer may request a deferred, reduced, alternative or amortized payment schedule

3.2.2.3 If City is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, City will make a good faith effort to visit the residence and leave a notice, in a conspicuous place, of imminent discontinuation of residential water service for nonpayment and the Policy.

3.2.2.4 If an adult at the residence appeals the water bill to City, then City will not discontinue residential service while the appeal is pending. (See also BMC section 3.26.170).

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3.2.3 City will not discontinue residential service for nonpayment if all of the following conditions are met:

3.2.3.1 The customer or tenant of the customer submits to City the certification of a “primary care provider”, as that term is defined by Welfare and Institutions Code 14088 (1) (A), that discontinuation of residential water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.

3.2.3.2 The customer demonstrates that he or she is financially unable to pay for residential service within City’s normal billing cycle. To qualify as being financially unable to pay for residential service City’s normal billing cycle, the customer or any member of customer’s household, must be a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household’s annual income is less than 200 percent of the federal poverty level.

3.2.3.3 The customer is willing to enter into a plan for deferred or reduced payment (see Policy section 3.1.1) or an alternative or amortized payment schedule (see Policy section 3.1.2).

3.2.3.4 If Policy sections 3.2.3.1 through 3.2.3.3 are met, City will offer alternative pay plan consistent with Policy sections 3.1.1 or 3.1.2, or partial reduction (late fee waiver) of the unpaid balance financed without additional charges to other rate payers. The City may choose best payment option that the customer will undertake, and set parameters of that payment option.

3.2.4 Residential service may be discontinued no sooner than 5 business days after City posts a final notice of intent to disconnect service in a prominent and conspicuous location at the customer’s property under either of the following conditions:

3.2.4.1 The customer fails to comply with an amortization agreement, alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.

3.2.4.2 The customer, while undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, does not pay current residential service charges for 60 days or more.

3.3 Restoration of Water Service after Discontinuation

3.3.1 When service has been discontinued due to nonpayment, City will provide information on how to restore that service. The service will not be restored until

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all required delinquent charges and fees to re-establish service have been paid. Customer will be required to make payment only by cash, cashier's check or money order (See also BMC section 3.26.290)

3.3.1.1 Pursuant to State Health and Safety Code (H&S Code) section 116914 (a) (1), the fee to reconnect during normal operating hours (7:30 AM -2:30 PM) will be the lesser of \$50 (as may be adjusted annually pursuant to H&S Code section 116914 (a) (1)) or the actual cost of reconnection as set forth in City's cost allocation plan.

- a. Reconnection fees are subject to annual adjustment beginning January 1, 2021. Adjustment rate is based upon the Consumer Price Index for the San Francisco-Oakland-Hayward, CA region.

3.3.1.2 Pursuant to H&S Code section 116914 (1) the fee to reconnect during City nonoperation hours (before 7:30 AM and after 2:30 PM), will be the lesser of \$150 (as may be adjusted annually pursuant to H&S Code section 116914 (a) (1)) or the actual cost of reconnection as set forth in City's cost allocation plan.

- a. Reconnection fees are subject to annual adjustment beginning January 1, 2021. Adjustment rate is based upon Consumer Price Index for the San Francisco-Oakland-Hayward, CA region.

3.4 **Discontinuation of Water Services Landlord-Tenant Relationship**

3.4.1 If the owner, manager, or operator of a dwelling structure specified in H&S Code section 116916 (a) is the customer of record, City will make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears and that service will be terminated at least 10 days prior to the termination. The written notice will further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount that may be due on the delinquent account.

3.4.2 City is not required to make service available to the residential occupants of the dwelling structures specified in H&S Code section 116916 (a), unless each residential occupant agrees to City's terms and conditions of service, and meets the requirements of law and City rules and tariffs. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of City, or if there is a physical means legally available to City of selectively terminating service to those residential occupants who have not met the requirements of City rules and tariffs, City will make service available to those residential occupants who have met those requirements.

3.4.3 If prior service for a period of time is a condition for establishing credit with City,

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residence and proof of prompt payment of rent or other credit obligation acceptable to City for that period of time is a satisfactory equivalent.

3.4.4 H&S Code section 116916 (e) permits any residential occupant who becomes a customer of City pursuant to this section whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, to deduct from the periodic payment each payment period all reasonable charges paid to City for those services during the preceding payment period. City is not responsible for such deductions and such deductions remain a matter between the residential occupant and the person to whom the underlying payments are being made.

3.4.5 In the case of a detached single-family dwelling, in order for the amount due on the delinquent account to be waived, City may require an occupant who becomes a customer to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to section 1962 of the Civil Code.

3.5 **Annual Reporting**

3.5.1 City will annually report on City's Internet Web site and to the State Water Resources Control Board, the number of residential service discontinuations for an inability to pay

3.6 **Severability**

3.6.1 The titles, sections, subsections, paragraphs, sentences, clauses and phrases of this policy are severable. If any is declared unconstitutional, invalid or unenforceable by a court, that determination will not affect the remaining provisions.

3.7 **Unauthorized Action**

3.7.1 This Policy does not apply to City's termination of a service connection due to an unauthorized action of a customer. (See also BMC section 3.26.230).