

**CITY OF ATWATER, CA**  
**WATER DISCONTINUATION POLICY**

This policy enumerates the City of Atwater's administrative actions for the collection of delinquent accounts, including notifications, charges, and discontinuation of water service. This policy will be made available to the public on the City's website. The City Finance Department can be contacted by phone at (209) 357-6310 to discuss options for preventing termination of water service for nonpayment under the terms of this policy.

As an urban or community water system that supplies water to more than 200 service connections, the City is governed by Senate Bill No. 998, Water Shutoff Protection Act.

**Delinquent Account**

Customer water accounts are deemed delinquent if not paid by the fifth (5<sup>th</sup>) day of the month following the service period (billing month). The following rules apply to the collection of delinquent accounts:

**1. *Small Balance Accounts:***

Any balance on an account 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.

**2. *Delinquent Notice:***

If payment on an account is not received by close of business on the fifth (5<sup>th</sup>) day of the month following the billing month, a \$2 late fee will be assessed. The due date and late fee will be displayed on the bill. Upon a bill becoming delinquent, the Finance Department shall give the person or entity responsible for payment of the bill (hereinafter referred to as "customer") a notice of delinquency stating that water service will be discontinued 60 days after the original bill became delinquent. The delinquent notice will be mailed to the mailing address designated on the customer account. The City assumes no responsibility for contact information that has not been kept up-to-date by the customer.

**3. *Waiver of Late Fee:***

At the request of the customer, the City Finance Department will waive the late fee if there are qualifying circumstances and if the late fee has not been previously waived.

**4. *Payment Arrangements:***

The City Finance Department Customer Service staff will consider requests for payment arrangement from customers, who are unable to pay for water service, within the normal payment period and prior to water disconnection. The arrangements may include installment payments with the first installment payment of at least 50% of the past due balance. The arrangement will be no longer than six (6) months.

The City will consider all circumstances surrounding the request for payment arrangement and make a determination as to whether a payment arrangement is warranted to accommodate customers experiencing financial hardship as defined in SB 998, Section 116910. Proof of financial hardship may be required. See Appendix A.

The City Finance Department shall not discontinue water service for non-payment if a customer has requested and entered into payment arrangement or alternative payment arrangement. Payment arrangements that extend into the next billing period are considered an amortization plan, which must be in writing and signed by the customer. A first installment of 50% of the customer's past due balance will be due at the time of signing. An amortization plan will amortize the remaining unpaid balance over a period not to exceed six (6) months from the original date of the bill. The amortized payments will be in addition to, and subject to the due date of, the customer's regular bill. The customer must comply with the terms of the amortization plan and remain current as charges accrue in each subsequent billing period. The customer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan.

#### **5. *Disconnection Notice:***

The City Finance Department shall not discontinue water service for nonpayment until payment by the customer has been delinquent for at least 60 days. The Finance Department shall give the customer a notice of disconnection no less than seven (7) business days before termination of service for nonpayment. The written disconnection notice will be mailed to the billing address designated on the account. If the billing address and the address of the property to which water service is provided are different, a notice will be mailed to both the billing address and service address.

The disconnection notice will include:

- ❖ Customer's name and address
- ❖ Amount of delinquency
- ❖ Date by which payment or payment arrangement is required to avoid disconnection of water service
- ❖ Description of the process to apply for an alternative payment plan
- ❖ Description of the process to dispute or appeal a bill
- ❖ City Finance Department phone number and a website link to the Water Discontinuation Policy

#### **a) *Notice to Non-Customer Residential Tenants/Occupants in a Single-Family Residence***

The City Finance Department will make a reasonable, good faith effort to inform the occupants that are not City customers, by means of written notice, when the water service account is in arrears and subject to disconnection at least 10 days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of the City of Atwater without being required to pay the amount due on the delinquent account, if they are willing to assume financial responsibility for subsequent charges for water service at that

address. For the amount due on the delinquent account to be waived, the tenant/occupant must provide verification of tenancy in the form of a rental agreement.

b) ***Notice to Tenants/Occupants in a Multi-Unit Complex***

The City Finance Department will make a reasonable, good faith effort to inform the occupants, by means of written notice to each residence, when the water service account is in arrears and subject to disconnection at least 10 days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of the City without being required to pay the amount due on the delinquent account, if they are willing to assume financial responsibility for subsequent charges for water service at the address(es) served by the master meter. If one or more of the occupants are willing and able to assume responsibility for the subsequent charges for water service to the satisfaction of the City Finance Department, or if there is a physical means, legally available to the City Finance Department, of selectively terminating service to those occupants who have not met the requirements for service, the City Finance Department will make service available to the occupants who have met those requirements.

If the written disconnection notice is returned through the mail as undeliverable, the City Public Works Department will make a reasonable, good faith effort to visit the residence and leave a notice of discontinuance for nonpayment.

***6. Disconnection Deadline:***

Payment of all delinquent water service charges and associated fees must be received by the City Finance Department by 4:00 p.m. on the day specified in the written disconnection notice.

***7. Disconnection of Water Service for Non-Payment:***

If payment is not received by the disconnection deadline, the City Public Works Department will disconnect water service. The customer will be charged a service fee of \$20. The service fee shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021 (as stated in SB 998).

***8. Reconnection of Service:***

In order to resume or continue service that has been disconnected for nonpayment, the customer must pay the past due amount, delinquent fees and service fees. The City Public Works Department will restore service before the end of the next regular working day following payment.

City Public Works Department staff responding to service calls are not permitted to collect payment but will instruct the customer to contact the City Finance Department.

Water service that is turned on by any person other than City Public Works Department personnel or without City Public Works Department authorization may be subject to fines

or additional charges or fees. Any damages that occur as a result of unauthorized restoration of service are the responsibility of the customer.

**9. Reconnection of Service After Business Hours:**

Service restored after the City Public Works Department regularly scheduled work hours Monday through Friday, weekends, or holidays will be charged an after-hours reconnection fee not to exceed \$150 as established by SB 998. Service will be restored after regular business hours if the customer has been informed of the after-hours reconnection fee and has paid the fee. The after-hours reconnection fee is in addition to the service fee and the delinquent fee for a past due account. The after-hours reconnection fee shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021 (as stated in SB 998).

**10. Notification of Disposition of Returned Check:**

Upon receipt of a returned check taken as payment of water service or other charges, the City Finance Department will consider the account not paid. The City Finance Department will make a good faith effort to provide a five (5) day courtesy notice of disconnection of service due to a returned check.

Water service will be disconnected if the amount of the returned check and the returned check charge are not paid on or before the date specified in the notice of disconnection. All amounts paid to redeem a returned check and to pay the returned check charge must be in cash, credit card or certified funds.

Payment by check will not be allowed by a customer if a non-negotiable check has been presented twice in 12 months.

**11. Returned Checks for Previously Disconnected Service:**

In the event a customer tenders a non-negotiable check as payment to restore water service previously disconnected for non-payment and the City Public Works Department restores service, the City Public Works Department may promptly disconnect service without providing further notice. There will be no notice of termination given in the case of a non-negotiable check tendered for payment of water charges that were subject to disconnection.

Any customer issuing a non-negotiable check as payment to restore service turned off for non-payment will be required to pay cash, credit card or certified funds to restore service.

**12. Disputed Bills:**

Customers may call the City Finance Department at (209) 357-6310 and ask for an explanation of a billing, the City Finance Department will endeavor to answer questions within 10 working days of receipt. If it is impossible to obtain an answer within that time period, the customer will be notified of the delay.

If after this review, the customer still believes the bill is wrong, the customer may request a review of the bill by the City Finance Director. The Finance Director will issue a written decision within 10 working days of the request or notify customer of delay.

The customer may appeal the Finance Director's decision in writing to the City Manager, or designee, within 10 days of service or mailing of such decision. Such appeal shall be addressed to the City Manager at City of Atwater, 750 Bellevue Road, Atwater, California, 95301.

The City Manager or designee shall consider all evidence provided and shall provide written notice of his or her findings and decision within 30 working days.

The decision of the City Manager or designee shall be final.

## Appendix A

### **SB 998, Section 116910. Proof of financial hardship may be required for alternative payment schedule.**

To qualify for an alternative payment schedule, the following conditions must be met:

- ❖ Customer submits a primary care provider certification, as defined in Welfare and Institutions Code section 14088(A)(1)(b), that discontinuation of service would be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where the service is provided.
- ❖ Customer demonstrates that he or she is financially unable to pay for service within the City's normal billing cycle. A customer may be deemed financially unable to pay if:
  1. Any member of the customer's household is 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
  2. The customer declares that the household's annual income is less than 200% of the federal poverty level.
- ❖ Customer agrees to enter into the alternative payment schedule offered by the City, governed by the policies described herein.