

POLICY STATEMENT

Policy Statement No: 313
Category: Financial Management
Subject: Residential Disconnection Policy

Adopted: January 21, 2020
Revised:

Purpose

The purpose of this policy (the “Residential Disconnection Policy”) is to establish guidelines for discontinuation of residential water service for non-payment, pursuant to Senate Bill No. 998 (codified as Health & Safety Code Sections 116900 et seq) effective February 1, 2020.

The policy does not apply to

1. termination of water service at the request of the residential water customer or to termination by the City due to unauthorized actions of a residential customer; or
2. non-residential, such as commercial, accounts.

The Residential Disconnection Policy will be available to the public on the City’s Internet Website and shall be provided in writing, upon request.

This policy shall be available in English, Spanish, Chinese, Tagalog, Vietnamese and Korean and any other language spoken by at least ten (10) percent of the people residing in the City

Residential customers are to contact the City of El Centro Customer Service Division at (760) 337-4510 to discuss options for avoiding discontinuation of residential water service for non-payment under the terms and conditions of this policy.

Procedures

1. **Requirements for Discontinuing Residential Water Service:** The City may not discontinue residential water service under the following circumstances:
 - 1.1 If customer has been delinquent in any amount fewer than sixty (60) consecutive calendar days.
 - 1.2 During the timely appeal process of a utility bill as provided in Section 3 below
 - 1.3 If the conditions of 4.1(a) or (b) below (Primary Care Provider or Low Income Household Declaration) have been met and the customer complies with the requirements of an alternative payment arrangements including payment of the current bill when due.

2. City Contact with Customer:

2.1 A City Finance Department representative shall contact the customer named on the account by telephone or written notice, no less than seven (7) business days before discontinuation of service for non-payment.

2.2 The written notice of delinquency and impending discontinuation, "Delinquency Notice", will be mailed to the customer(s) named on the account. If the customer's mailing address is not the address of the property to which service is provided, the Delinquency Notice shall also be sent to the address of the property to which service is provided, addressed to "Occupant." (See Exhibit "A" for the Delinquency Notice).

2.3 If the City contacts the customer named on account by telephone, it shall offer to provide the City's Residential Disconnection Policy to the customer and also offer to discuss options to avoid discontinuation of service for non-payment.

2.4 If the City is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned as undeliverable, a City representative shall make a good faith effort to visit the residence and post this Residential Disconnection Policy and the Delinquency Notice (in a language used by the customer, if known) in a prominent and conspicuous location by placing it in a door hanger.

3. Formal Process to Appeal or Contest Payment on an Existing Account

3.1 Any adult residential customer contesting payment of a utility bill due to alleged incorrect consumption and or service charges amounts may appeal the utility bill. The appeal may be filed even if the account is delinquent. The customer filing the appeal shall use the "Appeal Application Form" to initiate the appeals process. The form is available on the City website or at the Finance Department. There is no fee for the appeal. (See Exhibit "B" for the Appeal Application Form). All bills or other evidence should be attached to the form and it must be signed by the adult responsible for payment of the account.

3.2 The Appeal Application Form must be submitted no later than fifteen (15) calendar days after the date of Delinquent Notice or of receipt of the bill, whichever is applicable.

3.3 The appeal request shall be reviewed by the Finance Director or his/her designee. The Finance Director will grant or deny the appeal and may set payment terms within 10 calendar days of receipt of a complete Appeal Application Form. The decision of the Finance Director shall be final.

3.4 The City shall not discontinue residential service for non-payment while an appeal is pending. Filing of an appeal does not stop collection of water bills that have not been appealed.

3.5 If the appeal is denied and no payment terms are set, payment is due within thirty (30) calendar days of the written decision of the Finance Director.

4. Postponing Discontinuance of Residential Service for Non-payment:

4.1 The City will not discontinue residential service if all of the following conditions are met:

a. Primary Care Provider Certification:

The customer, or a tenant of the customer, submits to the City the certification of a primary care provider (as defined in Section 14088 of the Welfare and Institutions Code) that discontinuation of residential 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.

b. Low Income Household Declaration:

The customer shall be deemed financially unable to pay for residential service if 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 the customer declares that the household's annual income is less than 200 percent of the federal poverty level. (See also Section 7 below).

c. Alternate or other Repayment Arrangement:

The customer is willing to enter into an amortization agreement, alternative payment schedule or a plan for deferred or reduced payment, consistent with this policy and provides a signed Alternative Payment Arrangement Request form (as set forth in Exhibit "C").

4.2 Where all of the conditions in Section 4.1 are met, the Finance Director will select and offer the customer one or more of the following options: amortization of the unpaid balance, participation in an alternative payment schedule, a partial or full reduction of the unpaid balance or a temporary deferral of payment.

4.3 The City may discontinue residential water service five (5) business days after the City posts the "Final Notice of Disconnection"(Exhibit "D") in a prominent and conspicuous place at the property using a door hanger where

a. The customer fails to comply with the payment option for sixty (60) consecutive calendar days or more.

b. While undertaking the payment option, the customer does not pay his or her current residential service charges for sixty (60) calendar days or more.

5. Alternative Payment Arrangements:

5.1 Amortization Agreement:

a. Payment arrangements that extend into the next billing period are also considered an amortization plan, which must be in writing and signed by the customer.

b. The repayment option should result of repayment of the outstanding balance within 12 months from the original date of the bill. The Finance Director may grant a longer repayment period if he/she finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

c. In general, amortized or other repayments will be combined with, and subject to the due date of the customer's regular bill.

5.2 The customer must comply with the terms of the repayment option as well as pay his or her current water bill.

a. The customer may not request further amortization of any additional unpaid charges while paying delinquent charges pursuant to an amortization plan.

b. The customer is in default if he/she does not pay his or her current residential service charges for sixty (60) calendar days or more and the notice provisions of Section 2 above shall not apply before disconnection.

c. Payment with a dishonored check is considered failure to pay as of the date of the check.

5.3 Alternative Payment Schedule

Any customer who is unable to pay for water service within the normal payment period may request a temporary "Alternative Payment Schedule" to avoid late fees or disruption of service. The Finance Director will review the request and make a determination as to whether the payment arrangement is warranted within 10 calendar days of receipt of a complete request. The decision of the Finance Director is final.

5.4 Plan for deferred or reduced payments

Any residential customer may apply for an extension of time to pay delinquent charges or address charges that may become delinquent because of inability to pay. A payment extension form may be requested from the Customer Service Representative at the Customer Service Division counter. That form should be completed and submitted to the Finance Director before the date of delinquency. Any extension granted will be valid through the 15th of the

month following the month in which delinquent notice was generated or on the specified date approved by the Finance Director. The delinquent charge of \$10.00 dollars is applicable. The entire account balance plus the \$10.00 dollars charge shall be paid in full on or before the date granted for extension to avoid interruption of service.

5.5 Delinquency Charges: The Finance Director may waive the delinquency charge when the person presents good and sufficient reason that the failure to pay any water bill by the delinquency date was caused by reason beyond his or her control.

6. Landlord-Tenant Water Payment

The following guidelines apply where there is a landlord-tenant relationship between the residential tenants and the owner, manager, or operator of the dwelling and the owner, manager or operator is the water service customer and has not or cannot pay for that water service.

6.1 If the City furnishes individually metered residential service to the landlord, the City shall make every good faith effort to inform the tenants when the landlord's account is in arrears that service will be terminated at least ten (10) calendar days prior to the termination. The notice shall further inform the tenants that they have the right to become customers and the details of such service agreement such as to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account. (See Exhibit "E"). The notice shall be delivered by door hanger.

6.2 The City is not required to make service available to the residential tenants unless each occupant agrees to the terms and conditions of service and meets the requirements of law and the City's rules and tariffs. However, if one or more of the residential tenants is willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the City, or if there is a physical means legally available to the City of selectively terminating service to those tenants who have not met the requirements of the City's rules and tariffs, the City shall make service available to those tenants who have met those requirements.

a. If prior service for a period of time is a condition for establishing credit with the City, residence and proof of prompt payment of rent or other credit obligation acceptable to the City for that period of time is a satisfactory equivalent.

b. Any residential tenant who becomes a customer of the City whose lease or rent payments, include charges for residential water service, where those charges are not separately stated, may deduct from the lease or rent payment each payment of all reasonable charges paid to the City for those services.

6.3 In the case of a detached single-family dwelling where the owner is the water customer, the City may do any of the following as to the tenants:

a. Give notice of termination at least seven (7) calendar days prior to termination for failure to pay for water service.

b. In order to avoid payment of the delinquent amount by the tenant, the Finance Department shall require an tenant who becomes a customer to verify that the delinquent account customer of record is or was the property owner, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, or a government document indicating that the occupant is renting the property. If tenant satisfies this requirement, the occupant will avoid responsibility to pay the amount due on the delinquent account.

7. Re-establishment of residential water service:

7.1 In order to restore or continue water service that has been disconnected for non-payment, the customer must pay a reconnection fee plus all delinquent charges or have an approved payment arrangement on file. The City shall reconnect service as soon as practicable.

7.2 Water service that is turned on by any person other than the City personnel 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.

7.3 Low Income Customers: Where the customer demonstrates to the Finance Director that household income is below 200 percent of the federal poverty line, the City shall do the following:

a. Set a reconnection of service fee for turn on between the business hours of the Utility Field Representative at twenty-five dollars (\$25) not to exceed fifty dollars (\$50) and during nonoperational hours of the Utility Field Representative, the fee shall be set at one hundred dollars (\$100), but not to exceed one hundred fifty dollars (\$150). Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index (San Diego index, all Urban Consumers) beginning January 1, 2021.

b. Waive interest charges on delinquent bills once every 12 months.

c. Low Income Household Customers – additional provisions. The residential customer shall be deemed to have a household income below 200 percent of the federal poverty line if any member of 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 the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

8. Reporting: The City shall report the number of annual discontinuations of residential service for non-payment on the City's Internet Website and to the State Water Resources Control Board.