

CITY OF RIPON

DISCONTINUATION OF RESIDENTIAL WATER SERVICE FOR NONPAYMENT POLICY

Purpose:

This Policy establishes the City of Ripon's administrative actions for the collection of delinquent accounts, including notifications, fee assignments and discontinuation of service for nonpayment. This Policy will be made available to the public on the City's website. The City can be contacted by phone at (209) 599-2108 to discuss options for averting discontinuation of water service for nonpayment under the terms of this policy.

Text of policy:

As an urban or community water system that supplies water to more than 200 service connections, the City is governed, effective by law February 1, 2020, by Senate Bill No. 998.

Delinquent Account:

Delinquent accounts are hereafter identified as any account that remains unpaid (and without having made payment arrangements or established an alternative payment schedule) by close of business 10 days after issuance of the water bill. The following rules apply to the collection of delinquent accounts:

1. Small Balance Accounts:

Any balance of \$15 or more may be considered delinquent, if not paid timely. Any balance under that amount may be carried over and added to the next billing period without incurring further collection action.

2. Late Fee:

If payment for a bill is not received by close of business on the 20th day after the bill is issued, a late fee will be assessed. The due date and late fee will be displayed prominently on the bill.

3. Waiver of Late Fee:

At the request of the customer, the City will waive the late fee once every 12 months if there are extenuating circumstances and the customer has not been assessed a late fee for delinquent payment in the preceding 6 months.

4. Alternative Payment Arrangements:

Any customer who is unable to pay for water service within the normal payment period may request an alternative payment arrangement, including but not limited to an amortization plan or deferred payments to avoid late fees or disruption of service. The customer must contact the City at least one week before services are scheduled to be disconnected. The City will consider all circumstances surrounding the request and approve or deny the request(s) at its discretion.

a. Deferred Payments:

Customers may contact the Finance Department to request an extension of time to pay. The City, at its discretion, will only allow customers a courtesy extension of time a maximum of two times within a calendar year. An extension of time will only be granted if the customer is currently not on an amortization plan of a previous balance.

Extensions will continue to be at the discretion of the Finance Director or his/her designee and will not be longer than to the Thursday of the same week as shut-off day.

b. Amortization Plan:

Payment arrangements that allow payment of past due amounts over a period defined by the customer, not to exceed 12 months, are considered amortization plans for purposes of this policy. An amortization plan must be in writing and signed by the customer. The amortized payments will be combined with, 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.

c. Failure to Comply With Alternative Payment Arrangements:

Failure to comply with the terms of an alternative payment schedule will result in the issuance of a final notice of intent to disconnect service. The final notice of intent to disconnect service will be posted in a prominent and conspicuous location at the property no less than 5 business days in advance of discontinuance of service. In order for services to be reconnected, the customer will need to pay the entire past due balance of the alternative payment arrangement and the past due balance of their services.

5. Written Disconnection Notice:

The City shall not discontinue water service for non-payment until payment by the customer has been delinquent for at least 60 days. The written disconnection notice will be mailed to the mailing address designated on the account. This written disconnection notice will be a monthly bill with a watermark stating DISCONNECTION NOTICE. If the mailing address and the address of the property to which water service is provided are different, a second notice will be mailed to the service address and addressed to "Occupant". The written disconnection notice will include:

- Customer's name and address
- Amount that is past due
- Date by which payment or payment arrangements are required to avoid discontinuation of service
- Description of the process to apply for an extension of time to pay past due charges
- Description of the process to apply for an alternative payment arrangement
- Description of the process to dispute or appeal a bill
- City phone number and a website link to the City's written collection policy

If the written disconnection notice is returned through the mail as undeliverable, the City will make a reasonable, good faith effort to visit the residence and leave a notice of discontinuance for non-payment in a conspicuous place.

6. Disconnection Deadline:

All delinquent water service charges and associated fees must be received by the City by 8:00 a.m. on the day specified in the written disconnection notice.

7. Disconnection of Water Service for Non-Payment:

The City will disconnect water service by turning off, and in some cases locking off, the connection. Before service is disconnected, the customer will be notified by a written disconnection notice no less than 5 business days prior to termination. The customer will be charged a fee to reconnect service in the billing system regardless of whether the connection

has physically been turned off. The connection will be locked in the off position if payment is not received within 24 hours of initial termination. The City will also provide the customer with information on how to restore residential service in the event of discontinuation of service.

8. Reconnection of Service:

In order to resume or continue service that has been disconnected for non-payment, the customer must pay a reconnection fee (\$27.50) and the past due balance. The City will endeavor to reconnect service as soon as practicable but, at a minimum, will restore service before the end of the next regular working day following payment of any past due amount and reconnection fees attributable to the termination of service. Water service that is turned on by any person other than City personnel or without City 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 4:00 pm Monday through Friday, weekends, or holidays will be charged an additional after-hours reconnection fee. The current after-hour reconnection fee is \$145.00. Service will not be restored after regular business hours unless the customer has been informed of the after-hours reconnection fee and has paid the fee along with their past due balance. These payments must be received and verified during business hours of City Hall before staff will be notified to reconnect the water after-hours. City staff responding to service calls are not permitted to collect payment.

Sometimes water service is discontinued because the service is a new account and the City has not received a request to establish service. If service is being restored after regular business hours because the customer has yet to establish service, the customer must have previously paid the reconnection fee of \$27.50 in addition to the after-hours reconnection fee.

10. Notification of Disposition of Non-negotiable Check:

Upon receipt of a non-negotiable check taken as payment of water service or other charges, the City will consider the account not paid. The City will make a reasonable, good faith effort to notify the customer of the 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. All amounts paid to redeem a returned check and to pay the returned check charge must be in cash, credit card or certified funds.

11. Non-negotiable 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 restores service, the City may promptly disconnect service without providing further notice. A letter regarding reason for termination will be posted in a conspicuous place on the property.

Any customer issuing 2 non-negotiable checks within a 6 months period will be required to pay cash, credit card or certified funds for the following 6 month period.

12. Discontinuation of Service for Low-Income Customers:

The City shall not discontinue residential service for nonpayment if **all** of the following conditions are met:

a. Low-Income Demonstration

The customer demonstrates that he or she is financially unable to pay for residential service within the City's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the City's normal billing cycle 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.

b. Certification by Primary Care Provider

The customer submits to the City a certification by a Primary Care Provider (General Practitioner, Obstetrician/Gynecologist, Pediatrician, Family Practice Physician, Primary Care Clinic, Hospital, or Outpatient Clinic) that the termination of service will be life-threatening or pose a serious threat to the health and safety of any resident of the premises where water service is provided.

c. Willingness to Enter into an Alternative Payment Arrangement

The customer is willing to enter into one of the alternative payment arrangements outlined in section 4 of this Policy.

Should a customer meet the requirements of this section, the City shall offer the customer one or more of the following option(s):

- a. A temporary deferral of payments pursuant to Section 4 (a) of this Policy
- b. Amortization of the unpaid balance pursuant to Section 4 (b) of this Policy.

For low-income customers (as defined in subsection (a) of this section, the City shall waive interest charges on delinquent bills once every 12 months, when requested.

Landlord-Tenant Relationship

1. Written Notice and Right of Tenants to Become Customers

For residential occupants of a detached single-family dwelling, multiunit residential structure mobile home park or permanent residential structure in a labor camp that receives individually metered service, and the owner is the customer of record, then the City shall make every good faith effort to inform the residential occupants, by written notice, when the account is in arrears that service will be terminated at least 10 calendar days prior to termination. The written notice shall further inform the residential occupant that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

2. Availability of Service to Occupants

a. The City is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law.

b. If one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the City's satisfaction, or if the City has a physical means legally available to selectively terminate service to occupants not meeting the City's requirements, the City shall make service available to occupants meeting the City's requirements.

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

3. Detached Single-Family Dwellings – Notice and Requirements to Waive Amount Due

In the case of a detached single-family dwelling, notice shall be given at least 7 calendar days prior to the proposed termination. In order to waive the amount due on the delinquent account, the City may require the 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 a lease or rental agreement, rent receipts, a government document indicating the occupant is renting the property, or information disclosed pursuant to Civil Code 1962.

Discontinuation of Water Service for Other Violations

The City reserves the right to discontinue residential water service for any violations of City ordinances, rules, or regulations other than nonpayment.

Reporting

The City shall report the number of annual discontinuations of residential service for inability to pay on the City's website and to the State Water Resources Control Board.

Availability of this Policy

This Policy shall be made 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 the City's service area. The Policy shall also be published on the City's website.

Contest or Appeal a Bill:

A customer can make a formal contest or request to appeal a utility bill to the Administrative Officer, or his or her designee. The contest or appeal must be made within 60 days of the billing date. Upon receipt, the Administrative Officer will review the request and respond to the customer within 10 business days. If a customer disputes the water bill and exercises their right to appeal to the Administrative Officer, or his or her designee, the City will not disconnect water service for non-payment while the appeal is pending.

Delivery of Bills/Notices

The City of Ripon makes every effort to mail and deliver monthly bills and notices. However the City of Ripon is not responsible for lost bills/notices or bills/notices not delivered due to postal issues. Prompt address updates are the responsibility of the account holder. The account holder is also responsible for insuring that payment is made by the due date regardless of whether a bill/notice has been received or not. Customers may also set up an account at www.cityofripon.org that will give them access to view current and past bills, as well as pay bills using a credit or debit card online. Time sensitive payments should be made in person inside City Hall prior to any deadline. Payments made online via a customer's banks' bill pay option can take up to 10 days to be received at the City and might not make the disconnect deadline in time.