

City of Seaside Water Department Shut-off Policy

Purpose/Background:

This policy enumerates the City of Seaside Water Department's (hereinafter referred to as "City Water Department") administrative actions for the collection of delinquent accounts, including notifications, fee assignments and discontinuation of service. This policy will be made available to the public on the City Water Department's website. The City Water Department can be contacted by phone at (831) 899-6715 to discuss options for averting termination 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 Water Department is governed by Senate Bill No. 998.

Delinquent Account:

The City Council of the City of Seaside has set the water billing period to be the twentieth (20th) day of the month following the month of service delivery and deems water bills delinquent if not paid by the due date displayed on the service bill. The following rules shall apply to the collection of delinquent accounts:

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

2. **Delinquent Notice:** If payment for a bill is not received by close of business on the next billing cycle, a late fee may be assessed. The due date and late fee will be displayed prominently on the bill. The City Water Department representative will make a good faith effort to contact the person or entity responsible for the payment (hereinafter referred to as "customer") prior to assessing the late fee. Contact will be made based on the customer designated preferred contact method. If no method is designated, available contact information will be utilized. Upon a bill becoming delinquent, the Water Department shall give customer a notice of delinquency stating that water service will be discontinued after sixty (60) days. The delinquent notice will be mailed to the mailing address designated on the account. 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 City Water Department 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 Water Department will waive the late fee if there are extenuating circumstances and the customer has been assessed a late fee for delinquent payment no more than once in the preceding six (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 to avoid late fees or disruption of service. The City Water Department shall not discontinue water service for non-payment if a customer has requested and entered into an alternative payment arrangement and payments under the arrangement are being made. 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 down payment of twenty (20) percent of the customer's outstanding balance will be due at the time of signing. An amortization plan will amortize the remaining unpaid balance over a period not to exceed twelve (12) months from the original date of the bill. 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.

5. First Disconnection Notice: The City Water Department shall not discontinue water service for nonpayment until payment by the customer has been delinquent for at least sixty (60) days. The Water Department shall give the customer a first notice of disconnection at least seven (7) business days before termination of service for nonpayment. The written first disconnection notice will be mailed to the mailing address designated on the account. 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 first 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 termination of service
 - Description of the process to apply for an amortization plan
 - Description of the process to dispute or appeal a bill
 - City Water Department phone number and a web link to the City Water Department's written collection policy
- a) Notice to Residential Tenants/Occupants in an Individually Metered Residence: The City Water Department 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) 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 Water Department 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 address. In order 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 or proof of rent payments.

- b) Notice to Tenants/Occupants in a Multi-Unit Complex Served through a Master Meter: The City Water Department will make a reasonable, good faith effort to inform the occupants, by means of written notice hung on the door of each residence, when the water service account is in arrears and subject to disconnection at least ten (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 Water Department 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 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 Water Department, or if there is a physical means, legally available to the City Water Department, of selectively terminating service to those occupants who have not met the requirements for service, the City Water Department will make service available to the occupants who have met those requirements.

If the written first disconnection notice is returned through the mail as undeliverable, the City Water Department will make a reasonable, good faith effort to visit the residence and leave a notice of discontinuance for nonpayment. In addition, a good faith effort will be made to contact the customer through a preferred contact method if available (phone or email).

6. Final Disconnection Notice: Failure to comply with the terms of an amortization plan for sixty (60) days or more or failure to pay current residential service charges for sixty (60) days or more will result in the issuance of a final disconnection notice. The final disconnection notice will be in the form of a door hanger delivered to the premises at least five (5) business days in advance of discontinuance of service.

7. Twenty Four (24) Hour Courtesy Call: The City Water Department will make a reasonable, good faith effort to notify the customer 24 hours in advance of disconnection of water service for nonpayment. The means of notification will be by the preferred contact method (phone or email). The twenty-four (24) hour courtesy call is meant entirely as a courtesy and failure of the Water Department to send the notice or failure by the customer to receive the notice shall not constitute an acceptable reason for non-payment or delay of disconnection.

8. Disconnection Deadline: All delinquent water service charges and associated fees must be received by the City Water Department by 5:00p.m. on the day

specified in the written disconnection notice. A postmark on a mailed payment will not constitute meeting the cutoff date and time.

9. Disconnection of Water Service for Non-Payment: The City Water Department will disconnect water service by turning off, and in some cases locking off, the meter. Before service is disconnected, the customer will be notified by a delinquent notice, a first disconnection notice, a final disconnection notice and a twenty-four (24) hour courtesy call. The customer will be charged a fee to re-establish service in the billing system regardless of whether the meter has physically been turned off. The meter will be locked in the off position if payment is not received within 7 days of initial disconnection.

10. Notification of Returned Payment: Upon receipt of a returned check taken as payment of water service or other charges, the City Water Department will consider the account not paid. The City Water Department will make a reasonable, good faith effort to provide a 48-hour courtesy notice of termination of service due to a returned check. The means of notification will be by phone. If the customer can't be reached, a good faith effort will be made to leave a notice at the service address. 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 termination. 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. 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 Water Department restores service, the City Water Department may promptly disconnect service without providing further notice. No 48-hour notice of termination will be given in the case of a non-negotiable check tendered for payment of water charges that were subject to discontinuance. 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 future service disconnections for a period of 12 months from the date of the returned payment.

12. Re-establishment of Service: In order to resume or continue service that has been disconnected for nonpayment, the customer must pay a re-establishment fee of \$50.00. The City Water Department 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 delinquent fees attributable to the termination of service. Water service that is turned on by any person other than City Water Department personnel or without City Water 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.

13. Re-establishment of Service After Business Hours: Service restored after 5:00 pm Monday through Friday, weekends, or holidays will be charged an after-hours re-establishment fee not to exceed \$150.00. Service will not be restored after regular business hours unless the customer has been informed of the after-hours re-establishment fee and has signed an agreement acknowledging the fee and agreeing to contact the City Water Department billing office no later than noon the following business day to pay the subject fee. The after-hours re-establishment fee is in addition to the regular re-establishment fee and the late fee for a past due account. City Water Department staff responding to service calls are not permitted to collect payment but will instruct the customer to contact the billing department before noon the following business day.

14. Disputed Bills: If a customer disputes a bill, they must submit an appeal to the City Water Department, Attn: City Manager, 440 Harcourt Avenue, Seaside, California, 93955. Appeals must be in writing and must be filed no later than fifteen (15) days after a delinquency notice has been issued. If a customer disputes the water bill and exercises their right to appeal to the City Manager, the City Water Department will not disconnect water service for nonpayment while the appeal is pending.

Conditions Prohibiting Discontinuation of Service: The City shall not discontinue residential water service if ALL of the following conditions are met:

1. Health Conditions: The customer or tenant of the customer submits certification of a primary care provider that discontinuation of water service would be (i) life threatening, or (ii) pose a serious threat to the health and safety of a person residing at the property;

2. Financial Inability: The customer demonstrates a financial inability to pay for water service within the water system's normal billing cycle. The customer is deemed "financially unable to pay" if any member of the customer's household is (i) a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (ii) the customer declares the household's annual income is less than 200% of the federal poverty level (see this link for the federal poverty levels applicable in California: <https://www.healthforcalifornia.com/covered-california/income-limits>); and

3. Alternative Payment Arrangements: The customer is willing to enter into an amortization agreement or alternative payment schedule as noted under Process for Determination of Conditions Prohibiting Discontinuation of Service.

Process for Determining Conditions Prohibiting Discontinuation of Service: The process of proving compliance with the conditions described above is on the customer. In order to allow the City sufficient time to process any request for assistance by a

customer, the customer is encouraged to provide the City with the necessary documentation demonstrating the medical issue, financial inability, and willingness to enter into payment arrangements. Upon receipt of documentation, the City Finance Director, or his/her designee, shall review the documentation and respond to the customer within seven (7) calendar days to either request additional information, including information relating to the feasibility of the available alternative payment arrangements, or to notify the customer of the alternative payment arrangement, and terms thereof, in which the City will allow the customer to participate. If the City requests additional information, the customer shall provide the requested information within five (5) calendar days of receipt of the City's request. Within five (5) calendar days of receipt of the additional information, the City will notify the customer in writing that the customer does not meet the conditions to prohibiting discontinuation of service or notify the customer in writing of the alternative payment arrangement approved. If the customer does not meet the conditions prohibiting discontinuation of service, payment for all delinquent amounts is due within two (2) business days after the date of notification of the City's determination or the date of the impending service discontinuation, whichever is later.