

POLICY TITLE: Disconnection of Residential Water Service for Nonpayment
POLICY NUMBER: 2165

2165.1 General Provisions

A. Application

This Policy applies only to disconnections of residential water service for nonpayment. The District's Existing ordinances, resolutions, policies, and procedures shall continue to apply to any non-residential water service accounts and to disconnection of residential water service for other reasons, including the termination of a service connection by the District due to a customer violation of any ordinance, rule, regulation or policy of the District. In the event of any conflict between this Policy and any other ordinance, rule regulation or policy of the District, this Policy shall prevail.

B. Customer Responsibility

Under applicable District ordinances, bills for water service are rendered to each customer on a monthly basis, and are due and payable on the 20th of each month. Water service bills become delinquent if not paid within 60 days from the date on the bill. It is the customer's responsibility to ensure that payments are received at the District office in a timely manner. Payments may be made at the District office, online or the address for remittance of mailed payments.

C. Availability of Policy

The District shall provide this policy and all written notices given under this Policy in English, in the languages listed in Section 1632 of the Civil Code, and in any other language spoken by at least 10 percent of the people residing in the District's service area. This Policy shall be posted and maintained on the District's website at www.burneywaterdistrict.org.

D. Telephone Number

The District's Customer Service Department can be reached at (530) 335-3582 for assistance concerning payment of water bills and to discuss options for avoiding disconnection for nonpayment.

2165.2 Disconnection of Residential Water Service for Nonpayment.

A. 60-day Delinquency Period

The District shall not disconnect residential water service for nonpayment of a service bill until a Customer's payment has been delinquent for 60 days.

B. 7-Day Notice

Not less than 7 business days before disconnection of residential service for nonpayment, the District shall contact the customer named on the account by telephone or written notice.

- i. When the District contacts the customer named on the account by written notice under this section, the written notice of payment delinquency and impending disconnection shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant."

- ii. The written notice shall include all of the following information in a clear and legible format:
 - 1. The customer's name and address.
 - 2. The amount of the delinquency, including and itemization of any late payment penalties and interest to be applied to the delinquent charges.
 - 3. The date and time by which payment or arrangement for payment must be made in order to avoid disconnection of water service.
 - 4. A description of the process to apply for an extension of time to pay the delinquent charges.
 - 5. A description of the procedure to petition for bill review and appeal.
 - 6. A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with this Policy.
 - 7. The District's telephone number, business address, website and hours of operation of the customer service desk.
- iii. The District may alternatively provide notice to the customer of the impending disconnection of service by telephone. If notice is provided by telephone, the District shall offer to provide a copy of this Policy and also to discuss with the customer the options for alternative payments and the procedures for review and appeal of the customer's bill.
- iv. If the District 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, the District shall make a good faith effort to visit the residence and leave in a conspicuous place a notice of imminent disconnection of service for nonpayment and a copy of this Policy.

2165.3 Restrictions on Disconnection of Water Service

- A. The District shall not disconnect residential water service in any of the following situations:
 - i. During the time that the District is investigating a customer dispute or complaint under section 8 of this policy.
 - ii. When a customer has been granted an extension of the period for payment of a bill.
- B. In addition to the situations described in subsection (a) above, the District shall not disconnect residential service if ALL of the following conditions are met:
 - i. The customer, or tenant of the customer, submits to the District a certification from a primary care provider, as defined in section 14088(b)(A)(1) of the Welfare and Institutions code, that disconnection of residential service will be life threatening to or pose a serious threat to the health and safety of a resident of the property receiving service;
 - ii. The customer demonstrates that he or she is financially unable to pay for residential service within the District's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the urban and community water

system's normal billing cycle if (1) any member of the customers' household is a current recipient of CalWORKs, Cal Fresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, WIC or (2) the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

- iii. The customer is willing to enter an alternative payment arrangement, consistent with the provisions of Section 4 of this Policy.

- C. The District is prohibited from terminating water service to any customer or tenant of a customer on any Saturday, Sunday, legal holiday, or outside of its normal operating hours.

2165.4 Alternative Payment Arrangements

A. Options

If a customer meets the three conditions listed in Section 3(b), the District shall offer the customer one or more of the following options:

- i. Amortization of the unpaid balance;
- ii. Participation in an alternative payment schedule;
- iii. A partial or full reduction of the unpaid balance, financed without additional charges to other ratepayers; and/or
- iv. Temporary deferral of payment.

B. District Administration

The District Manager, or his or her designee, may choose which of the payment options described in section 4(a), may be available to the customer and may set the parameters of that payment option. Ordinarily, the repayment option(s) offered should result in repayment of any remaining outstanding balance within 12 months. The District may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case. The District may charge an administrative fee for the cost of administering alternative payment under this provision.

C. Customer Obligations

The customer shall remain current on any new water service charges as they are billed in each subsequent billing period. The customer may not request further amortization or reduction of any unpaid charges on subsequent bills while paying delinquent charges under an alternative payment arrangement.

- D. Commencing on the date the first payment arrangement is entered into, customers who fail to comply with an agreed payment arrangement will not be eligible to establish future payment arrangements for a period of 12 months, except as otherwise prohibited by law.

2165.5 Disconnection after Failure to Comply with Alternative Payment Arrangements

- A. The District may disconnect service no sooner than five business days after the District posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances.
 - i. The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.
 - ii. While undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, the customer does not pay his or her current residential service charges for 60 days or more.

2165.6 Disconnection in Master Meter Landlord-Tenant Situations

- A. **Applicability**

This section applies to District service through an individual meter to a detached single-family dwelling, a multi-unit residential structure, mobile home park, or permanent residential structure in a labor camp, only if the owner manager or operator is the customer of record and there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the building.
- B. **Notice**

The District shall make every good faith effort to inform the residential occupants of impending termination when the account is in arrears, by means of written notice at least 10 days prior to the termination. This notice shall further inform the residential occupants that they have the right to become District customers, to whom the service will then be billed, without being required to pay any amount due on the delinquent account.
- C. **Service to Occupants**

The District is not required to make service available to the residential occupants unless each residential occupant meets the requirements of law, agrees to the District's ordinances, rules, regulations, policies, terms and conditions.
- D. **Proof of Credit**

If prior service for a period of time is a condition for establishing credit with the District, residence and proof of prompt payment of rent or other credit obligation acceptable to the District for that period of time is a satisfactory equivalent.
- E. **Detached Single-Family Dwellings**

In the case of a detached single-family dwelling, the District may do any of the following:

 - i. Give notice of termination at least ten days prior to the proposed termination.
 - ii. In order for the amount due on the delinquent account to be waived, 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.

2165.7 Additional Consideration for Financial Hardship

- A. If a customer who demonstrates to the District household income below 200 percent of the federal poverty line, the District shall both:
 - i. Set a reconnection of service fees during normal operating hours at \$50.00 and \$100.00 during nonoperational hours. These fees shall not exceed the actual cost of reconnection if those costs are less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.
 - ii. Waive interest charges on delinquent bills once every 12 months.
- B. The District shall deem a residential customer to have a household income below 200 percent of the federal poverty line if:
 - i. Any member of the household is a current recipient of CalWORKs, Cal Fresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or WIC; or
 - ii. The customer declares that the household's annual income is less than 200 percent of the federal poverty level.

2165.8 Procedure to Contest or Appeal a Bill

The procedure to be used to appeal the amount set forth in any bill for residential water service is as follows:

- A. General Appeal
Within five days of receipt of the bill for water service, a customer has a right to request an appeal or review of any bill or charge rendered by the District. The request must be made in writing and be delivered to the District's office. For so long as the Customer's appeal and any resulting investigation are pending, the District cannot disconnect water service to the customer.
- B. 10-Day Notice Appeal
In addition to the appeal rights under subsection (a), above, a customer who receives a 10-Day Notice described in Section 3 (c) of this Policy may request an appeal or review of the bill to which the notice relates within five business days of the date of the notice. However, no such appeal or review rights shall apply to any bill for which an appeal or request for review under subsection (a) above, has been made. Any appeal or request for review under this subsection must be in writing and must include documentation supporting the appeal or the reason for the review. The request for an appeal must be delivered to the District's office within the five day period. For so long as the customer's appeal and any resulting investigation are pending, the District cannot disconnect water service to the customer.
- C. Appeal Process
 - i. Following receipt of a request for an appeal or review under subsections (a) or (b), above, the District Manager, or his or her designee shall evaluate the request for review and evidence provided by the customer and the information on file with the District concerning the water charges in question. Within 10 business days after

receipt of the customer's request for review, the General Manager, or his or her designee, shall render a decision as to the accuracy of the water charges set forth on the bill and shall provide the appealing customer with a brief written summary of the decision.

- ii. If water charges are determined to be incorrect, the District will provide a corrected invoice and payment of the revised charges will be due within 10 calendar days of the invoice date for revised charges. If the revised charges remain unpaid for more than 60 calendar days after the corrected invoice is provided, water service will be disconnected. Prior to disconnection, the District shall provide the customer with the 10-Day Notice in accordance with Section 3(c) above. Water service will only be restored upon full payment of all outstanding water charges, penalties, interest, and any applicable reconnection charges.
- iii. If the water charges in question are determined to be correct, the charges are due and payable within three business days after the General Manager's or his or her designee's decision is rendered and mailed to the customer. At the time the decision is rendered, the customer will be advised of the right to further appeal before District's Board of Directors. Any such appeal must be filed in writing within five calendar days after the General Manager's or his or her designee's decision is rendered. The appeal hearing will occur at the next regular meeting of the District's Board of Directors unless the customer and General Manager, or his or her designee, agree to a later date.
- iv. If the customer does not timely appeal to the District's Board of Directors, the charges in question shall be immediately due and payable. In the event the charges are not paid in full within 60 calendar days after the original billing date, then the District shall provide the customer with the 10-Day Notice in accordance with Section 3(c) above and may disconnect water service to the customer's property if the outstanding bill is not timely paid.
- v. When a hearing before the Board of Directors is requested, the customer will be required to personally appear before the Board and present evidence and reasons as to why the water charges on the bill in question are not accurate. The Board shall evaluate the evidence presented by the customer, as well as the information on file with the District concerning the water charges in question (including the District Manager's/designee's decision) and any staff presentation, and render a decision as to the accuracy of said charges. The Board's decision shall be final and binding.
- vi. If the Board finds that the water service charges in question are incorrect, the customer will be invoiced for the revised charges. If the revised charges remain unpaid for more than 60 calendar days, water service will be disconnected on the next regular working day after the expiration of that period.
- vii. If the water service charges in question are determined to be correct, they shall be due and payable within three business days after the decision of the Board is rendered and mailed to the customer. In the event the charges are not paid in full within 45 calendar

days after the original billing date, then the District shall provide with the 10 Day Notice in accordance with Section 3 (c) above and disconnect water service to the customer's property if the outstanding bill is not timely paid.

- D. Any overcharges due from the District will be reflected as a credit on the next regular bill to the customer or refunded directly to the customer at the sole discretion of the general manager or Board of Directors.
- E. Water service to any customer shall not be disconnected at any time during which the customer's appeal to the District Manager or the Board of Directors is pending.