

City of Lompoc

Policy on the Procedure for the Discontinuance of Residential Water Service for Delinquent Accounts or Other Circumstances

Purpose

As an urban water supplier, the City of Lompoc (City) is governed by Senate Bill No. 998, codified in Health and Safety Code sections 116900 *et seq.*, and Public Utilities Code sections 10009–10011, which establish specific requirements for the disconnection of residential water service for non-payment.

This policy is designed to comply with the requirements of Senate Bill 998 by enumerating the City's administrative procedures for disconnection of water service for non-payment, including notifications and alternative payment arrangements.

City Contact Information

The City's Utility Billing Division can be contacted by phone at (805) 736-1261 to discuss options for averting termination of water service for nonpayment under the terms of this policy.

Policy and Notices Available in Multiple Languages and On City Website

This policy and all notices issued to customers under this policy shall be provided in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least 10% of Lompoc residents.

This policy shall also be made available on the City's website.

Definitions

Financially Unable to Pay – A customer is financially unable to pay if any member of the customer's household (i.e. someone who demonstrates they reside at the account's address) is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplemental Payment Program, or California Social Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares the household's income is less than 200% of the federal poverty level.

Procedures for Notification and Shutoff for Delinquent Accounts

Water bills become delinquent if they are not paid by 5:00 p.m. on the 21st day after issuance of the utility bill, as determined by the issuance date stated on the bill, and when the bill is not subject to an alternative payment schedule. If a water bill is delinquent for 60 days, then the City will discontinue the water service, subject to the requirements below. The following rules and procedures apply to delinquent bills and termination of water service:

1. Carryover of Small Balances:

Any balance on a bill in the amount 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. Delinquency Notice:

If a utility bill becomes delinquent, then a late fee will be assessed. The due date and late fee will be displayed prominently on the bill. Upon a bill becoming delinquent, the City will give the person or entity responsible for payment of the bill (customer) a notice of delinquency

stating utility 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, then a second notice will be mailed to the service address and addressed to "Occupant." 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 will waive the late fee if there are extenuating circumstances, or if the customer has demonstrated that they are financially unable to pay as defined in this policy and the customer has been assessed a late fee for delinquent payment no more than once in the preceding twelve (12) 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. City will not discontinue water service for non-payment if a customer has requested, and entered into, an 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 down payment of twenty percent (20%) 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:

At least 15 days prior to disconnection for non-payment, the City will give the customer a first notice of impending disconnection of services by mailing a notice 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, then a second notice will be mailed to the service address and addressed to "Occupant." If the mailed notice is returned to the City as undeliverable, then the City will post the notice at the residence where service is provided. The disconnection notice will include the following:

- a. Customer's name and address.
- b. Amount that is past due.
- c. Date by which payment or payment arrangements are required to avoid disconnection of service.
- d. Description of the process to apply for an alternative payment arrangement.
- e. Description of the process to dispute or appeal a bill.
- f. The procedure for the customer to obtain information on the availability of financial assistance, including private, local, state, or federal sources, if applicable.
- g. City's phone number and a web link to the City's Policy on Disconnection of Residential Water Service for Non-Payment.

6. 48-Hour Notice:

The City will give the customer a final notice of termination at least 48 hours prior to disconnecting water service, containing the same information as in the first disconnection notice. The 48-hour notice will be posted at the residence receiving service. The Utility Billing Division will also make a reasonable attempt to contact an adult residing at the customer's residence by phone at least 24 hours prior to disconnecting water service.

7. Third-Party Notification Service:

Customers who are 65 years of age or older, or who are dependent adults as defined in Welfare and Institutions Code section 15610.23, may designate a third party to receive notice of delinquency and pending termination on behalf of the customer by filing a Third-Party Notice form with the City, which shall be signed by both the customer and the third party. The designation will be for purposes of notification only and will not obligate the third party to pay delinquent charges. Third-Party Notice forms are available at City's Utility Billing Division and a customer may obtain more information by calling (805) 736-1261.

8. Prohibition of Water Service Shutoff:

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

- a. The customer, or a tenant of the customer, submits to the City the certification of a primary care provider stating that the disconnection of residential service will be life threatening or pose a serious threat to the health and safety of a resident of the premises where the service is provided;
- b. The customer demonstrates he or she is financially unable to pay for residential service within the normal billing cycle; and
- c. The customer is willing to enter into an alternative payment arrangement.

9. Disconnection for Failure to Comply with Alternative Payment Arrangement:

If a customer who has entered into an alternative payment arrangement is (a) delinquent on the payment arrangement for 60 days, or (b) delinquent on the current water bill for 60 days, then the City may disconnect the water service without offering any further alternative payment arrangements, after posting a final notice of intent to disconnect service on the property receiving service at least five (5) business days prior to disconnection.

10. Procedure for Disconnection:

The City will disconnect water service by turning off, and in some cases locking off, the meter. The customer will be charged a fee to reestablish 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.

Water service will not be shut off on a weekend, legal holiday, or any other day on which the City's offices are closed.

11. Reestablishment of Service:

A customer may reestablish the account by contacting City Hall at City's water department billing department. Customers will be charged a reconnection fee as adopted by resolution of the City Council. However, for customers who demonstrate they are Financially Unable to Pay, the fee is capped at \$50 for reconnection during normal operation hours and \$150 for reconnection during non-operation hours, but not to exceed the actual cost of the

reconnection fee. Service will not be restored after regular business hours unless the customer has been informed of the after-hours reconnection fee and has signed an agreement acknowledging the fee and agreeing to contact the City's Water Department billing department no later than noon the following business day to pay the subject fee. Normal operation hours are 9:00 a.m. to 4:00 p.m., Monday through Friday, except for holidays.

The customer must also pay any past due amount and all late fees in full prior to reconnection of water service.

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 all fees and past-due amounts. Water service that is turned on by any person other than City personnel or without proper 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.

12. Returned Checks:

- a. Notification of Disposition of Returned Check: Upon receipt of a returned check taken as payment for water service or other charges, the City will consider the account not paid, and will notify the customer. All amounts paid to redeem a returned check and to pay the returned check charge must be made in cash or certified funds.
- b. 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 restores service, the City 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 with cash or certified funds to restore future service disconnections for a period of 12 months from the date of the returned payment.

13. Disputed Bills:

If a customer wishes to dispute a bill, then they must contact the Utility Billing Division by telephone at (805) 736-1261, in writing, or in person within five (5) days of receiving the bill and initiate a request for account review. Appeals must be made to the Utility Billing Supervisor by phone or in writing and must be filed no later than ten (10) days after receiving the explanation from the Utility Billing Division. Appeals may be mailed to: City of Lompoc, Utility Billing Supervisor, Utility Billing Division, 100 Civic Center Plaza, Lompoc, CA 93436. Further appeals may be made to the Financial Services Manager in accordance with the Utility Billing Rules and Regulations, Section 18. Utility services will not be discontinued for non-payment while the appeal is pending.

14. Special Rules for Service Recipients Who Are Not Customers:

- a. If the City furnishes individually metered service or master-metered service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the City will make a good faith effort to provide a written notice of delinquency and pending termination to each occupant by posting a notice on the door of each residential unit at least 15 days prior to termination of services.

- b. The notice will include the following information:
 - i. The residential occupants 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.
 - ii. Requirements for preventing termination of service and for reestablishing service.
 - iii. The title, address, and telephone number of a City representative who can assist the residential occupants in continuing service.
 - iv. The address and telephone number of a qualified legal services project, as defined in Section 6213 of the Business and Professions Code, which has been recommended by the local county bar association.
- c. 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. However, if one or more of the residential occupants are 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 residential occupants who have not met the requirements of the City's rules and tariffs, the City shall make service available to those residential occupants who have met those requirements.
- d. If prior service for a period of time is a condition for establishing credit with the City, then 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.
- e. Any residential occupant who becomes a customer of the City pursuant to this section whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the City for those services during the preceding payment period.