

# HOME GARDENS COUNTY WATER DISTRICT

## POLICY

### DISCONTINUING WATER SERVICE FOR NON-PAYMENT OF WATER BILL

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In compliance of Senate Bill 998, the Water Shutoff Protection Act, the District is updating its guidelines and procedures relating to discontinuing water service for non-payment. These procedures will be effective February 1, 2020. In accordance with Senate Bill 998, the District's updated policies are as follows:

#### I. Application

This policy shall apply to all water service accounts. Further assistance concerning the payment of water bills and the potential establishment of the alternative payments set forth in this policy to avoid discontinuation of service can be obtained by calling 951-737-4741.

#### II. District Water Customer Defined

A "District water customer" or "customer" is a person who owns or is in possession of a lot or parcel of real property for which there is a separate service connection to the District's water distribution system.

#### III. Procedures for Discontinuing Water Service

- A. Water Bills are due and payable upon their deposit in the United States mail by the District. The customer has 25 calendar days from the billing date to make a payment. If payment for a bill rendered is not made by the 26<sup>th</sup> calendar day from the billing date, the bill is delinquent, and a delinquent fee in an amount established by resolution shall be assessed. All regular bills will be mailed on the last working day of the month.
- B. The District shall mail a notice to all water customers that have not paid the water bill within 25 calendar days, and a delinquent fee of \$15.00 shall be added to the water bill as of 4:30 p.m. on the date due as shown on the water bill.
- C. Delinquent payments must be received in the District Office or in the drop box by 8:00 am on the due date as shown on the delinquent notice (referred to as "lock off day") to avoid lock off and/or turn on fees. The delinquent bill must be paid in full to avoid disconnection of water service after the account becomes delinquent. Partial payments will not be accepted.
- D. Water bills are subject to discontinuation of service if not paid within 60 calendar days from the date of delinquency.

- E. The District must notify the customer no less than 7 business days prior to shutting off water service, by written notice (“Overdue Notice”).
1. The District will send a written notice to the service address and will include all of the following:
    - a. The customer’s name and address.
    - b. The amount of the delinquency.
    - c. The date the payment or arrangement of payment is needed to avoid the water being turned off.
    - d. A written plan to apply for an extension.
    - e. A written procedure to petition for bill review and appeal.
    - f. A written procedure by which the customer can request a deferred, reduced or alternative payment schedule.
  2. If the District is unable to make contact with customer or an adult occupying the residence (e.g., a mailed notice is returned as undeliverable), then the District will make a good faith effort to visit the residence and leave a notice of discontinuation of water service for nonpayment, along with a copy of the District’s policy. This notice will be in Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least 10% of the District’s customers.
- F. The District shall mail a second notice to the account holder at least 48-hours before disconnection. This second mailed notice shall include all of the following:
1. Consumer’s name and address.
  2. Amount of delinquency.
  3. The procedure for the consumer to obtain information on the availability of financial assistance, including private, local state, or federal sources, if applicable.
  4. The telephone number of the District representative who can provide additional information or institute arrangements for payment.

#### IV. Water Shut-Off Conditions

- A. The District shall not shut off a customer’s residential water service if all the following conditions are met:
1. The customer submits documentation from a “primary care provider,” as defined in Welfare and Institutions Code Section 14088(b)(1)(A), to the District that discontinuing water service will (i) be life threatening or (ii) pose a serious threat to the health and safety to the customer;
  2. The customer demonstrates that they are “financially unable” to pay for water service within the normal billing cycle. A customer is

deemed financially unable to pay if any member of the customer's household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplement Security Income/State Supplemental Payment Program, or California Special 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; and

3. The customer enters into one of the following alternative payment arrangements: (i) an amortization agreement, (ii) alternative payment schedule, (iii) partial or full reduction of unpaid balance, (iv) or a plan for temporary deferred of payment. The District shall offer the customer one or more of the above mentioned arrangements, to be selected at the District's sole discretion. The selected alternative payment arrangement shall be set forth in writing and be provided to the customer.

- a. Amortization Agreement

The customer will pay a fixed amount each month until the account is current. The fixed amount will be calculated by dividing the balance by an agreed upon number of months – not to exceed 12 months. This amount will be added to the customer's monthly water bill.

- b. Alternative Payment Schedule

The customer will pay an amount over a period not to exceed 12 months as solely determined by the District, along with their regular water bill until the account is current. The District shall develop an alternative payment schedule for the customer. That alternative schedule may provide for periodic lump sum payments that do not coincide with the established payment date, may provide for payments to be made more frequently than monthly, or may provide that payments be made less frequently than monthly, provided that in all cases the unpaid balance, including any applicable late charges, interest, or administrative fees, shall be paid in full over the period establishing by the District

- c. Partial or Full Reduction of Unpaid Balance

The customer will receive a reduction of the unpaid balance owed by the customer, not to exceed thirty percent (30%) of that balance without approval of and action by the Board of Directors. Any such reduction shall be funded from a source

that does not result in additional charges being imposed on other customers. The customer shall pay the reduced balance by the due date determined by the District.

d. Temporary Deferment of Payments

The District may extend the date that payment must be made to avoid disconnection of water service for a maximum of 3 weeks. Payment arrangements do not prevent fees and penalties from being added to an account. If any arrangement is not kept, no arrangements will be allowed on the account for the next 6 months.

- B. If customer fails to comply with the terms of the alternative payment arrangement, or the customer fails to pay their current service charges for 60 calendar days or more, the District may discontinue water service to the customer's property at least 5 business days after posting at the customer's residence a final notice of its intent to discontinue service. This notice will be in Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least 10% of the District's customers
- C. The burden of proving compliance with the conditions described in Section IV is on the residential customer. In order to allow the District sufficient time to process any request for assistance by a customer, the customer is encouraged to provide the District with the necessary documentation demonstrating the medical issues, financial inability and willingness to enter into any alternative payment arrangement as far in advance of any proposed date for discontinuation of service as possible. Upon receipt of such documentation, the District, shall review that documentation and respond to the customer within 7 calendar days to either request additional information, including information relating to the feasibility of the available alternative arrangements, or to notify the customer of the alternative payment arrangement, and terms thereof, in which the District will allow the customer to participate. If the District has requested additional information, the customer shall provide that requested information within 5 calendar days of receipt of the District's request. Within 5 calendar days of its receipt of that additional information, the District shall either notify the customer in writing that the customer does not meet the conditions, or notify the customer in writing of the alternative payment arrangement, and terms thereof, in which the District will allow the customer to participate.

V. Contesting or Appealing a Bill

- A. Within 7 business days of receipt of the bill for water services, a customer may contest a water bill. The meter will be re-read in a manner approved by the American Water Works Association, and the District will also check for any leaks. The type of test that will be administered is an on- site 7.5 gallon bucket test.

The customer may be present during this test. If the meter is found to register more than 2% of the actual amount of water passing through the meter, the District will refund the customer the overcharge for the billing period in question. If the meter is found to register less than 2% of the actual amount of water passing through the meter or the water charges are correct, the bill is deemed correct and is due and payable within 2 business days after the decision is rendered. If the revised charges remain unpaid for more than 60 calendar days after the corrected invoice is provided, water service will be disconnected; provided that the District shall provide the customer with any required notices. During the period that the customer is asserting that there is a billing error, the customer's water will not be shut off.

- B. A customer shall be limited to 2 unsuccessful appeals in any 12 month calendar period and if that limit has been reached, the District is not required to consider any subsequent appeals commenced by or on behalf of that customer.

#### VI. Restoration of Water Service and Limits on Fees

When the District discontinues water service, it will provide information to customers on how to restore water services.

#### VII. Special Rules for Low Income Customers

Customers are deemed to have a household income below 200% of the federal poverty line if: (i) any member of the customer's household is 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>). If a customer demonstrates either of those circumstances, then the following apply:

- A. If service has been discontinued and is to be reconnected, then any reconnection fees during the District's normal operating hours cannot exceed \$50, and reconnection fees during non-operational hours cannot exceed \$150. Those fees cannot exceed the actual cost of reconnection if that cost is less than the statutory caps. Those caps may be adjusted annually for changes in the Consumer Price Index for the Riverside - San Bernardino – Ontario area beginning January 1, 2021.
- B. The District shall waive interest charges on delinquent bills once every 12 months.

#### VIII. Landlord-Tenant Scenario

The below procedures apply to individually metered detached single-family dwellings, multi-unit residential structures and mobile home parks where the property owner or manager is the customer of record and is responsible for payment of the water bill.

A. Required Notice

1. At least 10 calendar days prior if the property is a multi-unit residential structure or mobile home park, or 7 calendar days prior if the property is a detached single-family dwelling, to the possible discontinuation of water service, the District must make a good faith effort to inform the tenants/occupants at the property by written notice that the water service will be discontinued. This notice will be in Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least 10% of the District's customers
2. The written notice must also inform the tenants/occupants that they have the right to become customers to whom the service will be billed, without having to pay any of the then delinquent amounts.

B. Tenants/Occupants Becoming Customers

1. The District is not required to make service available to the tenants/occupants unless each tenant/occupant agrees to the terms and conditions for service and meets the District's requirements and rules.
2. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the District's satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the District's requirements, then the District may make service available only to those tenants/occupants who have met the requirements.

IX. Reporting Requirement

The District must report, on its website, the number of annual discontinuation of residential water service for the inability to pay.