

CARMICHAEL WATER DISTRICT
Disconnection of Residential Water Service for Nonpayment Policy

1. General Provisions

- a. Application – This Policy applies only to disconnection of residential water service for nonpayment. The District's existing ordinances, resolutions, policies, and procedures shall continue to apply to 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 other 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. In the event of any conflict between this Policy and state law, state law shall prevail.
- b. Customer Responsibility – The District renders bills for water service on a monthly basis, and are due and payable upon presentation. 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. Payment may be made at the District office, online, or to 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, Spanish, Chinese, Tagalog, Vietnamese, and Korean, and in any other language spoken by at least 10 percent of the people residing in the District's service area or required by Civil Code section 1632. This Policy shall be posted and maintained on the District's Internet website.
- d. Contact Telephone Number – For assistance concerning the payment of water bills and to discuss options for stopping disconnection of residential service for nonpayment, District staff may be reached at 916-483-2452. Normal business hours are Monday through Friday. 8:00 a.m. to 4:30 p.m., except on District holidays. The holiday schedule can be found on the District website at: www.carmichaelwd.org.

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. Reminder Notice – As a courtesy, the District will print a reminder notice to customers with delinquent payments on the following month's water bill.
- c. 10-Day Notice – Not less than 10 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.
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 by which the customer may petition for bill review and appeal or initiate a complaint or request an investigation concerning the service or charges.
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. A description of the procedure for the customer to obtain information on the availability of financial assistance, including private, local, state, or federal sources, if applicable.
8. The District's telephone number, business address, and hours of operation of a customer service representative who can provide additional information or institute arrangements for payment.

- iii. If the written notice is returned through the mail as undeliverable, the District shall make a good faith effort to visit the residence and leave or place in a conspicuous place a notice of imminent disconnection of residential service for nonpayment and a copy of this Policy.

- d. 48-hour Posting Notice – The District shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person at least 48 hours prior to any termination of service except that whenever telephone or personal contact cannot be accomplished, the District shall give, by mail or by posting in a conspicuous location at the premises, a notice of termination of service, at least 48 hours prior to termination. This notice of termination of service shall include all of the following information:

- i. The customer's name and address.
- ii. The amount of the delinquency.

- iii. The date and time by which payment or arrangements for payment is required in order to avoid termination.
 - iv. The procedure for the customer to obtain information on the availability of financial assistance, including private, local, state, or federal sources, if applicable.
 - v. The District's telephone number, business address, and hours of operation of a customer service representative who can provide additional information or institute arrangements for payment.
- e. Service Restoration Information – Upon disconnection, the District shall provide the customer with information on how to restore residential service.

3. Restrictions on Disconnection of Water Service

- a. 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. The District shall not disconnect residential 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.
- c. The District shall not disconnect residential service if all of the following conditions are met:
 - i. The customer, or a tenant of the customer, submits to the District the certification of a primary care provider, as defined in section 14088(b)(1)(A) 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 District's normal billing cycle if (1) 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 (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 into an alternative payment schedule arrangement, consistent with the provisions of Section 4 of this Policy.

If a customer meets the three conditions listed in this subsection (c), the District shall offer the customer a payment option as described in Section 4. Any customer meeting these requirements shall, upon request, be permitted to amortize, over a period not to exceed 12 months, the unpaid balance of any bill asserted to be beyond the means of the customer to pay within the normal period for payment.

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.

4. Alternative Payment Arrangements

- a. Options. Upon request, the District will consider the following options with a delinquent customer to avert discontinuation of residential service for nonpayment:
 - i. Amortization of the unpaid balance or;
 - ii. Participation in an alternative payment schedule;

(Collectively “Payment Arrangements.”)

- b. District Administration – The District General Manager, or his or her designee, may choose which of the Payment Arrangements described in Section 4(a), above, may be available to the customer and may set the parameters of that payment option. The Payment Arrangement offered should result in payment of any remaining outstanding balance within 12 months. The District may grant a longer payment 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 Payment Arrangements under this provision. The General Manager, or his or her designee, is authorized to prepare and approve a Payment Arrangement agreement with a customer consistent with this Section 4.
- c. Customer Obligations – If the District and customer enter into a Payment Arrangement under this Section 4, the customer shall comply with the agreement or other arrangement and 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. Commencing on the date the first payment arrangement is entered into, customers who fail to comply with any agreed payment arrangement will not be eligible to establish future payment arrangements for a period of 24 months, except as otherwise prohibited by law.

5. Disconnection After Failure to Comply with Alternative Payment Arrangements

- a. If the District and customer enter into any Payment Arrangement under Section 4, 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 the Payment Arrangement for 60 days or more.
 - ii. While undertaking a Payment Arrangement, the customer does not pay his or her current residential service charges for 60 days or more.
- b. The notice of termination under this Section 5 shall include all of the following information:

- i. The customer's name and address.
- ii. Notice of the customer's noncompliance with the Payment Arrangement.
- iii. The Payment Arrangement or other conditions the customer must satisfy in order to avoid termination.
- iv. The District's telephone number, business address, and hours of operation of a customer service a representative of the District who can provide additional information.

This notice does not entitle the customer to further investigation or provision of alternative payment arrangements by the District.

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, by means of written notice, when the account is in arrears that service will be terminated 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 which may then be 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 agrees to the terms and conditions of District water service and meets the requirements of law and the District's ordinances, rules, regulations, and policies. 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 District, or if there is a physical means legally available to the District of selectively terminating service to those residential occupants who have not met the requirements of the District's ordinances, rules, regulations, and policies, the District shall make service available to those residential occupants who have met those requirements.
- 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 seven 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.

7. Additional Considerations 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 for reconnection during normal operating hours at \$50 and for reconnection during nonoperational hours at \$150. 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, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or
 - ii. The customer declares that the household's annual income is less than 200 percent of the federal poverty level.

8. Procedure to Contest or Appeal a Bill

A customer may appeal or contest the amount set forth in any bill for residential water service pursuant to the following procedure:

- 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 is 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 2(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 is 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's General Manager, or his or her designee, shall evaluate the request for review and supporting material provided by the customer and the information on file

with the District concerning the water charges in question. Within 10 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 2(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 water charges are due and payable within three business days after receipt of the General Manager's, or his or her designee's, decision. At the time the decision is rendered, the customer will be advised of the right to further appeal before the District's Board of Directors. Any such appeal must be filed in writing within three business days after receipt of the General Manager's, or his or her designee's, decision. 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 water 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 customer with the 10-Day Notice in accordance with Section 2(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 supporting material 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 General Manager's/designee's decision) and any staff presentation, and render a decision as to the accuracy of the 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 after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that period. The District shall provide the customer with the 10-Day Notice in accordance with Section 2(c), above.
- 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 date of the decision of the Board. In the event the charges are not paid in full within 45 calendar days after the original billing

date, then the District shall proceed with the 10-Day Notice in accordance with Section 2(c), above, and may 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 General Manager or the Board of Directors is pending.