

Administrative Policy

Title: Disconnection of Water Service for Non-Payment				
Administered By: Utilities Department				
Policy No.	Issue Date	Revision Date	Department Head Approved	City Manager Approved
03620.003	06/01/20	10/28/21	Docusigned by: Tom Moody Paragraphy and the state of th	Jacob Ellis RB

ARTICLE I - PURPOSE

Section 1.1 General Purpose

The purpose of this Policy is to establish a policy and procedure for disconnection of water service for non-payment in compliance with the Water Shutoff Protection Act (California Health & Safety Code §§ 116900 *et seq.*), to establish a policy and procedure for alternative payment arrangements and to establish a procedure for contesting a water service bill. The Utilities Department may be contacted by phone at 951-736-2321 for assistance concerning payment of bills and to discuss options for avoiding termination of water service due to non-payment.

This Policy and the number of Water Service accounts that have been disconnected each year shall be posted on the City's Internet website at www.CoronaCA.gov.

Section 1.2 Superseded Policies

This Policy supersedes and replaces Policy No. 03600.005 Customer Care – Multi-Unit Disconnection which is hereby eliminated in its entirety and is of no further force and effect.

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ARTICLE II - DEFINITIONS AND SCOPE

Section 2.1 Definitions

For the purposes of this Policy, the following definitions shall apply:

- A. <u>Account Holder</u>. The term "Account Holder" means the person or entity responsible for payment of the bill for Water Service who is listed as the customer of record by the UD.
- B. <u>After-Hours Service Fee</u>. The term "After-Hours Service Fee" means a fee in the amount of seventy dollars (\$70), or such other amount as set forth in UD's latest fee schedule established by ordinance or resolution of the City Council, that is imposed in the event that an Account Holder requests that Water Service be restored or re-established after regular business hours as indicated on the City's website contact/hours section.
- C. <u>Delinquent Fee</u>. The term "Delinquent Fee" means a fee that is ten percent (10%) imposed upon Water Service bills that are not paid by the Due Date as provided in Section 3.2(A) of this Policy.
- D. <u>Disconnection Fee</u>. The term "Disconnection Fee" means a fee in the amount of forty dollars (\$40), or such other amount as set forth in UD's latest fee schedule established by ordinance or resolution of the City Council, that is imposed in the event that UD dispatches personnel to disconnect Water Service during normal business hours.
- E. <u>Due Date</u>. The term "Due Date" means the close of business on the date that is twenty (20) calendar days after the date that the bill for Water Service is generated and mailed to the Account Holder.
- F. <u>UD</u>. The term "UD" means the City of Corona's Utility Department.
- G. <u>Final Notice Processing Fee</u>. The term "Final Notice Processing Fee" means a fee in the amount of twenty-five dollars (\$25), or such other amount as set forth in UD's latest fee schedule established by ordinance or resolution of the City Council, that is imposed at such time that a final notice prior to disconnection is given to the Account Holder pursuant to Section 3.3 of this Policy.
- H. <u>Tenant(s)</u>. The term "Tenant" or "Tenants" means the tenant(s) or occupant(s) of a property to which Water Service is provided who is not the Account Holder.

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I. <u>Water Service</u>. The term "Water Service" means the services provided by UD connecting the City water system to any premises in UD's service area.

Section 2.2 General Scope

Unless otherwise stipulated herein, this Policy applies to all UD employees. All such employees shall comply with the provisions outlined in this Policy. It is the responsibility of all supervision to ensure that the provisions outlined in this Policy are enforced for those UD employees under their authority.

Section 2.3 Exemptions from Scope

None.

ARTICLE III - DISCONNECTION OF WATER SERVICE FOR NONPAYMENT

Section 3.1 General Provisions

- A. <u>Application</u>. This Policy applies to the disconnection of Water Service for residential and non-residential premises as a result of nonpayment.
- B. <u>Account Holder Responsibility</u>. Bills for Water Service are generated and mailed to Account Holders on a monthly basis and are due and payable upon presentation. It is the Account Holder's responsibility to ensure that payments are received at the UD office in a timely manner.
- C. <u>Availability of Policy</u>. This Policy and the final notice provided under this Policy shall be in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the customers in UD's service area.
- D. <u>Account Holder Contact Information</u>. It is the Account Holder's responsibility to ensure that the contact information for the Account Holder on file with UD is accurate. The City of Corona assumes no responsibility for contact information that has not been kept up-to-date by the Account Holder.

Section 3.2 Delinquent Accounts

A. <u>Date of Delinquency; Delinquent Fee.</u> If payment for a Water Service bill is not received on the Due Date, the bill is delinquent and a Delinquent Fee will be assessed.

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B. <u>Notification of Delinquency</u>. Upon a Water Service bill becoming delinquent, UD shall notify the Account Holder of the delinquency on the Account Holder's next bill for Water Service. The bill will identify the total past due amount, which may include the Delinquent Fee and any other fees or charges that are past due.

Section 3.3 Final Notice

- A. <u>Timing and Contents of Notice</u>. The UD shall not disconnect Water Service for nonpayment until payment by the Account Holder has been delinquent for at least sixty (60) calendar days. Approximately fifteen (15) business days, but in no event less than seven (7) business days, prior to disconnection of Water Service for nonpayment, UD shall give the Account Holder a written final notice prior to disconnection. The final notice for disconnection will be mailed to the mailing address designated on the account. If the mailing address for residential accounts is different than the address of the property to which Water Service is provided, a duplicate notice addressed to "Occupant" will be mailed to the service address. The final notice shall include the following:
 - The Account Holder's name and address.
 - The amount of the delinquency and the minimum payment required to prevent disconnection of Water Service, which shall be the amount that is 60-days past due plus the Delinquent Fee and any other fees or charges that are past due.
 - The date by which payment, or arrangement for payment, is required to avoid disconnection of Water Service.
 - A description of the process to apply for an extension of time to pay the delinquent charges.
 - A description of the procedure to petition for bill review and appeal.
 - A description of the procedure by which the Account Holder may request a deferred or alternative payment schedule, including an amortization of the delinquent service charges.
 - UD's telephone number, business address and hours of operation of the customer service desk.
 - The Final Notice Processing Fee.

B. <u>Separate Notice to Certain Tenants with Individually Metered Water Service</u>

1. Notice to Residential Tenants in an Individually Metered Residence

At least ten (10) calendar day before Water Service is disconnected, UD will make a reasonable, good faith effort to inform, by means of a written notice, any Tenants residing in an individually metered detached single-family

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dwelling, a multiunit residential structure or a mobile home park. The written notice will advise the Tenant that they have the right to become customers of the UD without being required to pay the amount due on the delinquent account, as long as they provide verification of tenancy in the form of a rental agreement or proof of rent payment and are willing to assume financial responsibility for subsequent charges for Water Service at that address.

2. Notice to Tenants in a Multi-Unit Residential Complex served through a Master Meter

At least ten (10) calendar days before Water Service is disconnected, UD will make a reasonable, good faith effort to inform, by means of written notice hung on the door of each unit, the Tenants of a master metered multiunit residential structure. The written notice will advise the Tenants that they have the right to become customers of the UD without being required to pay the amount due on the delinquent account, as long as one or more of the Tenants is willing to assume financial responsibility for subsequent charges for Water Service for all of the units served by the master meter.

C. <u>Notice Returned as Undeliverable</u>. If the final notice described in Section 3.3(A) above is returned as undeliverable, UD shall make a good faith effort to visit the property to which Water Service is provided and leave in a conspicuous place, the final notice and a copy of this Policy.

Section 3.4 Disconnection Deadline

If the amount of the delinquency and the minimum payment required to prevent disconnection of Water Service, which shall be the amount that is 60-days past due plus the Delinquent Fee, Final Notice Processing Fee and any other fees or charges that are past due, are not received by UD by close of business on the date specified in the written final notice provided pursuant to Section 3.3(A) of this Policy, the Water Service will be disconnected. In the event that UD dispatches personnel to disconnect Water Service during normal business hours, a Disconnection Fee will be imposed and will be the responsibility of the Account Holder to pay. Upon disconnection of Water Service, UD shall, by means of the written notice hung on the door of the property to which Water Service is provided, provide the Account Holder or Tenant with information on how to restore Water Service, as provided in section 3.9 of this Policy.

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Section 3.5 Restrictions on Disconnection of Water Service

- A. Water Service shall not be disconnected in any of the following situations:
 - 1. During the time that UD is investigating an Account Holder's request for review or appeal of a Water Service bill under Section 3.11 of this Policy.
 - 2. When an Account Holder has been granted an extension of the deadline for payment of a Water Service bill.
 - 3. For residential accounts if all of the following conditions are met:
 - (a) The Account Holder, or Tenant, as applicable, provides certification from a primary care provider that disconnection of Water Service will be life threatening or pose a serious threat to the health and safety of a resident of the property where Water Service is provided.
 - (b) The Account Holder demonstrates that he or she is financially unable to pay within the normal billing cycle. The Account Holder shall be deemed financially unable to pay within the normal billing cycle if any member of the Account Holder'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 the Account Holder declares that the household's annual income is less than 200 percent of the federal poverty line.
 - (c) The Account Holder enters into an alternative payment arrangement described in Section 3.6 of this Policy and complies with all terms and conditions of such alternative payment arrangement.
 - 4. As determined to be necessary by the UD Utilities Director or his or her designee during the existence of a declared local emergency or other exigent circumstances.

Section 3.6 Alternative Payment Arrangements for Residential Accounts

A. <u>Alternative Payment Options</u>. Any Account Holder who self-attests to the conditions set forth in Section 3.5(A)(3) above may request an alternative payment arrangement to avoid disconnection of Water Service. At any time, the UD may request documentation to certify the self-attestation. Notwithstanding the foregoing, as determined to be necessary by the UD Utilities Director or his or her

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designee, any Account Holder may request an alternative payment arrangement authorized by this Section 3.6(A) to avoid disconnection of Water Service during a declared local emergency or other exigent circumstances as determined by the UD's Utilities Director The Account Holder will be required to enter an agreement accepting the terms and conditions of the alternative payment arrangement. The following alternative payment arrangements are available, subject to the determination of the UD Utilities Director, as provided in (B) below:

1. Amortization Agreement – Account Holder agrees to pay a fixed amount each month until the account is current. The fixed amount shall be calculated by dividing the delinquent balance by an agreed upon number of months, not to exceed 24 months, and adding that amount to the amount of the Account Holder's average monthly bill. The average monthly bill is calculated by determining the average of the last 12 bills, or fewer, if the Account Holder has less than 12 bills on the account. At the end of the term of the amortization agreement, the actual amount of the Account Holder's monthly bill for Water Service will be reconciled with the total average monthly bill amount paid under the amortization agreement. If the actual amount exceeds the average amount, the difference will be added to the Account Holder's next bill. If the actual amount is less than the average amount, the difference will be credited on the Account Holder's next bill.

Example:

If the delinquent balance equals \$600, the agreed upon number of months equals six, and the average monthly bill equals \$150, then the fixed monthly payment would be \$250 (\$600/6=\$100; \$100+\$150=\$250).

If, at the end of the six-month term, the Account Holder's actual monthly bill total is \$800 and the average total bill amount equals \$900 (\$150 x 6=\$900), the difference between the total average amount paid by the Account Holder under the amortization agreement (\$900) and the total actual bill amount (\$800) will be credited on their next bill. The credit amount issued to the Account Holder's account will be \$100. (\$900-\$800=\$100)

2. Alternative Payment Schedule Agreement –Account Holder agrees to pay a fixed amount each month, in addition to their regular monthly bill, until the account is current. The fixed amount shall be calculated by dividing the delinquent balance by an agreed upon number of months, not to exceed 24

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months, and adding that amount to the amount of the Account Holder's regular monthly bill.

- B. <u>Administration</u>. The UD Utilities Director, or his or her designee, shall, in his or her sole discretion, determine which of the alternative payment arrangements described in this Section 3.6 may be available to an Account Holder and shall determine the terms and conditions of that payment arrangement.
- C. <u>Account Holder Obligations</u>. While subject to an alternative payment arrangement, an Account Holder shall remain current on any new Water Service charges as they are billed in each subsequent billing period. The Account Holder will not be permitted to enter into another alternative payment arrangement while paying delinquent charges under an alternative payment arrangement. Entering into one of the alternative payment arrangements described in this Section 3.6 does not prevent additional delinquent and other fees from being added to an account. Account Holders who fail to comply with terms and conditions of the agreed upon alternative payment arrangement will not be permitted to enter into alternative payment arrangements for a period of six (6) months.

Section 3.7 Extensions

Any Account Holder may request an extension of the date by which payment of the total past due amount, which may include the Delinquent Fee, the Final Notice Processing Fee and any other fees or charges that are past due, must be made to avoid disconnection of Water Service.

A UD Customer Care Representative may grant a two (2) week extension for any Account Holder to pay a past due amount. If the Account Holder fails to pay the past due amount within the one-week extension period two (2) times in a 12-month period, the Account Holder will not be eligible to receive further extensions for a 6-month period.

<u>Section 3.8 Residential Accounts - Disconnection after Failure to Comply with</u> Alternative Payment Arrangement

- A. <u>Conditions for Disconnection</u>. UD may disconnect Water Service for residential accounts no sooner than five (5) business days after DWP posts a final notice in a prominent and conspicuous location at the property to which Water Service is provided under either of the following circumstances:
 - 1. The Account Holder fails to comply with the terms and conditions of the alternative payment arrangement entered into by Account Holder pursuant to Section 3.6 of this Policy for sixty (60) calendar days or more.

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- 2. While subject to an alternative payment arrangement entered into by Account Holder pursuant to Section 3.6 of this Policy, the Account Holder does not pay his or her current Water Service charges for 60 calendar days or more.
- B. <u>Additional Contents of Notice</u>. The notice posted pursuant to this Section 3.8 shall also provide notice to the Account Holder or Tenant, if applicable, of the conditions required to avoid disconnection; except that the Account Holder will not be permitted to enter into another alternative payment arrangement.

Section 3.9 Re-establishment of Water Service

In order to restore or re-establish Water Service that has been disconnected for non-payment, the Account Holder must bring the account current by paying the entire past due amount, which may include a Delinquent Fee, a Final Notice Processing Fee and a Disconnection Fee, any other fees or charges that are past due, including fees for Water Service that may not be 60-days past due. Additionally, the Account Holder may be required to submit a cash deposit equal to three (3) times the average of the Account Holder's Water Service bills for the twelve (12) month period prior to disconnection of Water Service. UD will endeavor to reconnect service as soon as practicable but, at a minimum, will restore service before the end of the next regular business day following payment of such past due amounts. Checks are not accepted to re-establish Water Service on disconnected accounts.

Section 3.10 Re-establishment of Water Service After Business Hours

Requests to restore or re-establish Water Service that are received after regular business hours will be charged an After-Hours Service Fee. The Account Holder will be required to bring the account current by paying the entire past due amount as described in Section 3.9 of this Policy. Water Service will not be restored after regular business hours unless the Account Holder has been informed of the After-Hours Service Fee and has signed an agreement acknowledging the fee. UD personnel who are dispatched to restore Water Service are not permitted to collect payment but will instruct the Account Holder to contact the billing department before noon the following business day.

Section 3.11 Request for Review or Appeal of a Water Service Bill

A. Request for Review: An Account Holder may request review of the bill or dispute the amount of water used. The request must be made prior to the bill's due date. Upon the timely receipt of such a request, UD personnel shall read the Account Holder's meter and shall examine the meter to determine if there are any leaks. If no leaks are found, the meter may then be tested at variable rates of flow

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upon the request of the Account Holder. As an alternative, an on-site meter accuracy test may be conducted by UD personnel. The Account Holder may be present to witness such tests. If the average amount of water registered by said meter is more than two percent (2%) in excess of the actual quantity of water passing through the meter, the City shall refund to the Account Holder the amount overcharged for that billing period. If the test shows that the average amount of water registered by said meter is less than two percent (2%) in excess of the actual quantity of water passing through the meter, the Account Holder shall pay a fee in the amount of fifty dollars (\$50), or such other amount as set forth in UD's latest fee schedule established by ordinance or resolution of the City Council, to cover the cost of such tests.

- B. Appeals for Delinquent Accounts: Within seven (7) calendar days of the date of the final notice described in Section 3.3 of this Policy is mailed, an Account Holder may appeal the Water Service bill to which the notice relates. However, no such appeal rights shall apply to any Water Service bill for which a request for review under subsection (A) above has been made. An appeal under this subsection (B) must be in writing and must include documentation supporting the appeal. The appeal may be mailed to City of Corona Utility Billing Division, P.O. Box 950. 92878-0950 or may be sent via Corona electronic mail CustomerCare@CoronaCA.gov but the appeal must be received within seven (7) calendar days of the date of the final notice. Appeals shall be decided by Customer Care Representatives III or higher position within seven (7) calendar days of receipt of the appeal.
- C. <u>Tolling Period</u>: For so long as an Account Holder's request for review pursuant to subsection (A) or appeal pursuant to subsection (B) is pending, UD will not disconnect the Water Service.

Section 3.12 Fee Waivers

- A. <u>Erroneous Fee</u>: Any fee added to an Account Holder's bill that is determined to be an error shall be waived. Whether a fee was added erroneously shall be determined by a Customer Care Representative III or a higher position.
- B. <u>New Account Set Up Fees</u>: New account set up fees can be waived if a Continuous Service Agreement is in place for Account Holders who have already paid account set up fees for the service address.
- C. <u>Delinquent and Final Notice Processing Fees</u>: Delinquent Fees and Final Notice Processing Fees can be waived by a UD Customer Care Representative a maximum of two (2) times per calendar year for an Account Holder. The UD Utilities Director or his or her designee may approve additional waivers.

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- D. <u>Non-Waivable Fees</u>: The following fees cannot be waived, except as otherwise approved by the UD Utilities Director or his or her designee:
 - Disconnection Fee
 - After-Hours Service Fee
 - Damages-Lock
 - Damages-Pull/Re-install Meter
 - Hydrant Meter Relocation
 - Returned Check Fee
- E. <u>Local Emergency or Other Exigent Circumstances</u>: During times that a local emergency has been declared, or other exigent circumstances, the UD Utilities Director, or his or her designee, may suspend the assessment of all fees that may be imposed on an account for Water Service.