
City of Calistoga

PP 15 - SHUT OFF POLICY FOR NONPAYMENT

I. POLICY PURPOSE

This policy issued pursuant to the Water Shutoff Protection Act (Senate Bill No. 998 (2019)) discusses the City of Calistoga's ("City") practices and procedures for the discontinuation of residential water service.

This policy also enumerates the City's administrative procedure for the collection of delinquent accounts for residential services, including notifications, fee assignments and discontinuation of service. This policy will be made available to the public on the City's website.

Please contact the City of Calistoga **Finance Department** by telephone at **(707) 942-2754** to discuss options to prevent discontinuation of water service for nonpayment under the terms of this policy.

II. GOVERNING LAW

Government Code §60370 through §60375.5 govern the Finance Department's collection of delinquent accounts. Furthermore, as an urban or community water system that supplies water to more than 200 service connections, the City of Calistoga Finance Department is further governed by SB 998.

The Finance Department shall ensure that this Policy is posted on its internet website in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by 10 percent or more of the customers in the water service area. The Finance Department shall also post annually on its website the number of discontinuations of residential service for inability to pay.

III. DELINQUENT ACCOUNTS

A water bill is delinquent if not paid by the close of business on the 25th day of the month following the billing period. Any balance on a bill of \$10 or less shall be carried over and added to the next billing period without being assessed any late fees. For all other delinquent accounts, the following rules shall apply to the collection of delinquent accounts.

Late Fees

If full payment for a bill is not received by close of business on the 25th day of the month following the billing period, and the balance due exceeds \$10, an interest charge of 5% will be assessed on the unpaid bill. The due date and the amount of the late fee will be displayed prominently on the bill.

Notice of Delinquency

All written notices required under this Policy shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by 10 percent or more of the customers in the water service area.

The Finance Department shall not discontinue water service for non-payment until payment by the customer has been delinquent for at least 60 days. The Finance Department shall give the customer a first notice of disconnection approximately 30 days in advance but in no event less than seven business days before termination of service for non-payment. The first disconnection notice will be provided in writing and 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, a second notice will be mailed to the service address and addressed to "Occupant." The first written disconnection notice will include:

- Customer's name and address
- Amount that is past due
- Date by which payment of payment arrangements are required to avoid termination of service
- Description of the process to apply for an amortization plan
- Description of the process to dispute or appeal a bill
- Finance Department phone number and a web link to the Finance Department's written collection policy

Notice to Residential Tenants/Occupants in an Individually Metered Detached Single-Family Residence

The Finance Department in conjunction with Public Works will make a reasonable, good faith effort to inform the occupants, by means of written notice, when the water service account is in arrears and subject to disconnection at least ten (10) days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become a customer of the City without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charges for water service at that address.

For the amount due on the delinquent account to be waived, the tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of rent payments.

Notice to Tenants/Occupants in a Multi-Unit Complex served through a Master Meter

The Finance Department in conjunction with Public Works will make a reasonable, good faith effort to inform the occupants, by means of written notice hung on the door of each residence, when the water service account is in arrears and subject to disconnection at least ten (10) days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become a customer of the City without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charge for water service at the addresses

served by the master meter. If one or more of the occupants are willing and able to assume responsibility for the subsequent charges for water service to the satisfaction of the Finance Department, or if there is a physical means, legally available to the Finance Department, of selectively terminating service to those occupants who have not met the requirements for service, the Finance Department will make service available to the occupants who have met those requirements.

If the written first disconnection notice is returned through the mail as undeliverable, the Finance Department will make a reasonable, good faith effort to visit the residence and leave a notice of discontinuance for non-payment.

If a customer enters into a deferred payment or alternative payment arrangement, the Finance Department or Public Works Department shall not disconnect service until the person fails to comply with the terms of the payment arrangement.

In addition to the notice set forth above, the Finance Department will make a reasonable, good faith final effort to notify the customer 48 hours in advance of disconnection of water service for non-payment. The means of notification will be by phone or in written notification. The 48-hour courtesy call/ written notice is meant entirely as a courtesy and the failure of the Finance Department to send the notice or failure by the customer to receive the notice shall not constitute an acceptable reason for non-payment or delay of disconnection.

Payment Deadline

In order to avoid disconnection, all delinquent water service charges and associated fees must be received by the Finance Department located at 1232 Washington Street in Calistoga by 4:30pm on the day specified in the written disconnection notice, or the customer must have contacted the Finance Department and entered into a deferred or alternative payment arrangement.

IV. DEFERRED PAYMENTS, REDUCED PAYMENTS, AND ALTERNATIVE PAYMENT ARRANGEMENTS, AND FEE WAIVERS

Waiver of Late Fees

Upon a customer's request, the City has the discretion to waive an assessed late fee if the customer demonstrates an unusual circumstance or hardship to the City Manager and Administrative Services Director. The City Manager and Administrative Services Director may consider additional forgiveness of late payment penalties under the following circumstances:

- Reliance on erroneous written document or advice. The City will forgive penalties and interest charges due on a transaction if an erroneous document or written advice from the City caused confusion regarding the transaction, resulting in a late payment penalty.
- Reasonable cause. The City may forgive late payment penalties if it is found that one's failure to pay was due to reasonable cause and circumstances beyond their control and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect.
- Demonstrated extraordinary circumstance. It is common for extraordinary circumstances

to occur which reduce one's ability to pay on time. For example -

- Loss of internet connection disallows an Electronic Funds Transfer (ETF) to make a scheduled payment
- Unexpected personal emergency occurs and the person normally responsible for finance/accounting is unable to process payment to the City.

Additionally, the Finance Department shall waive all accrued late fees once every 12 months upon request for any residential customer who demonstrates that they have a household income below 200 percent of the federal poverty line. A customer shall be entitled to this waiver if they can show that 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 the customer provides a declaration that the household's annual income is less than 200 percent of the federal poverty level.

The waiver may be obtained by getting in contact with the City via email at utilitybilling@ci.calistoga.ca.us, or via phone at (707) 942-2754, or by coming in person to the Finance Department at 1232 Washington Street in Calistoga.

Deferred Payments, Reduced Payments and Alternative Payment Plans

Any customer who either (1) anticipates that they may be unable to pay for water service within the normal payment period, or (2) has already received a delinquency notice, may request a deferred or alternative payment arrangement to avoid getting late fees or disruption of service. An Alternative Payment Arrangement may be obtained by getting in contact with the City via email at utilitybilling@ci.calistoga.ca.us, or via phone at (707) 942-2754, or by coming in person to the Finance Department at 1232 Washington Street in Calistoga.

The City shall not discontinue water service for non-payment if a customer has requested and entered a deferred payment or alternative payment plan. A minimum payment of twenty (20) percent of the customer's outstanding balance will be due at the time of signing a payment plan, unless the customer demonstrates that such amount will result in an unusual hardship. A payment plan will amortize the remaining unpaid balance over a period not to exceed twelve (12) months from the original date of the bill, although the Finance Department may grant a longer period in order to avoid unusual hardship on a case-by-case basis.

Any payments due under a payment plan 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 payment 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.

Any customer who either (1) anticipates that they may be unable to pay for water service within the normal payment period, or (2) has already received a delinquency notice, may request a deferred payment schedule by getting in contact with the City via email at utilitybilling@ci.calistoga.ca.us, or via phone at (707) 942-2754, or by coming in person to the Finance Department at 1232 Washington Street in Calistoga.

Disconnection for Failure to Comply with Payment Plan

Failure to comply with the terms of any payment plan for delinquencies offered by the Finance Department for 60 days or more or failure to pay current residential service charges for 60 days or more will result in the issuance of a final disconnection notice. The Finance Department will provide a notice of delinquency under Section III if delinquencies occur for any customers under a payment plan. Additionally, a final disconnection notice will be provided in the form of a door hanger delivered to the premises no less than five business days in advance of discontinuance of service.

The Finance Department will also make a reasonable, good faith final effort to notify the customer 48 hours in advance of disconnection of water service for non-payment. The means of notification will be by phone or in written notification. The 48-hour courtesy call/ written notice is meant entirely as a courtesy and the failure of the Finance Department to send the notice or failure by the customer to receive the notice shall not constitute an acceptable reason for non-payment or delay of disconnection.

IV. DISCONNECTION AND RE-ESTABLISHMENT OF SERVICE**Information**

After residential service has been discontinued for nonpayment, the Finance Department will provide the customer with information on how to restore residential service via a phone call. The meter will be locked in the off position if payment is not received within 7 days of initial disconnection.

Re-Establishment of Service

A customer seeking to restore residential service will be charged a fee as set forth below to re-establish service in the billing system regardless of whether the meter has been physically turned off or locked off.

Re-establishment of Service During Regular Business Hours

In order to resume or continue service that has been disconnected for non-payment during regular business hours from 8:00am to 4:30pm, a fee of \$50.00 applies. The Finance Department adjust this fee annually for changes in the Consumer Price Index beginning January 1, 2021.

The Finance Department will endeavor to have Public Works reconnect the service as soon as possible, but at a minimum, will restore service before the end of the next regular working day following payment of any past due amount and delinquent fees attributable to the termination of service.

Re-establishment of Service After Business Hours

Service restored after 4:30pm Monday through Friday, weekends, or holidays will be charged an after-hours **re-establishment fee of \$150.00**. The Finance Department shall adjust this fee annually for changes in the Consumer Price Index beginning January 1, 2021. Service will not be restored after regular business hours unless the customer has been informed of the after-hours re-establishment fee and has signed an agreement or verbally acknowledges the fee and agrees to contact the City's billing department no later than noon the following business day to pay the subject fee.

Public Works Department staff responding to service calls are not permitted to collect payment but will instruct the customer to contact the Finance Department before noon the following business day. Customers can call the Police Department after 4:30pm Monday through Friday, weekends, or holidays at (707) 942-2810 to re-establish service. Procedures and fees remain the same as noted above.

Meter Tampering - Fees, Shutoff, and Damage

When directed by the Finance Department, the Public Works Department will disconnect water service by turning off, and in some cases locking off, the meter. Water service that is turned on by any person other than Public Works Department personnel or without Public Works Department authorization may be subject to fines of \$150.00 per incident for meter tampering and shall be subject to having their water service immediately shut off without further compliance any notice requirements under this Policy. Additionally, if any damage to water meters, water lines, or other utility property occurs, the customer causing such meter damage shall be liable for all costs of repair, which may include any costs billed to the City by a contractor and the City's actual costs related to overseeing the contractor, or the current hourly billing rate for staff and equipment if work is performed by City staff.

Notification of Disposition of Returned Checks

Upon receipt of a returned check taken as payment of water service or other charges, including for costs of reconnection, the Finance Department will consider the account unpaid and it shall remain subject to immediate disconnection. The Finance Department will make a reasonable, good faith effort to provide a last 48-hour courtesy notice of termination of service due to any returned check. Water service will be disconnected if the amount of the returned check and the returned check charge are not paid on or before the date specified in such notice. The means of notification will be by phone.

All amounts paid to redeem a returned check and to pay the returned check charge must be in cash, credit card or certified funds.

Any customer issuing a non-negotiable check as payment to restore service turned off for nonpayment will be required to pay cash, credit card or certified funds to restore future service disconnections for a period of 12 months from the date of the returned payment.

V. APPEALS

A customer disputing a bill must follow the procedure set forth in Chapter 13.10 of the Calistoga Municipal Code pertaining to Appeals. Chapter 13.10 provides that appeals must be filed with the City Clerk no later than (10) ten days after a delinquency notice has been issued to the customer. The appeal must be in writing, and can be transmitted via email at utilitybilling@ci.calistoga.ca.us or via fax at (707) 942-2831, or by coming in person to the Finance Department at 1232 Washington Street in Calistoga between the hours of 8:00am-4:30pm Monday through Friday. The appeal will be considered by the City Manager. A customer may appeal from the City Manager's decision to the City Council by providing a written notice of appeal to the City Clerk within 10 days of the City Manager's decision.

If a customer disputes the water bill and exercises their right to appeal, the Finance Department will not disconnect water service for non-payment while the appeal is pending.