

CITY OF SANTA CRUZ
WATER DEPARTMENT

SUBJECT:

Discontinuation of residential water service for nonpayment

REFERENCE:

This policy is established under the authority extended to the City of Santa Cruz by the California Health and Safety Code, Division 104, Part 12, Chapter 6, "Discontinuation of Residential Water Service."

PURPOSE:

The purpose of this policy is to define the conditions and procedures for discontinuing residential water service due to an account holder's nonpayment of water charges, including how account holders and/or occupants are notified of this policy, how they may obtain a payment arrangement or alternative payment schedule, how they may contest or appeal water charges, and how they may restore service after it has been discontinued for nonpayment.

Pursuant to California Health & Safety Code section 116904, the City of Santa Cruz must provide a "Discontinuation of Residential Water Service" policy on or before February 1, 2020.

POLICY:

It is the Water Department's (SCMU) policy to notify residential customers of an impending discontinuation of residential water service due to nonpayment of water charges. Residential water service shall not be discontinued for nonpayment until the following three conditions are met:

- (1) water charges are delinquent for at least 60 days;
- (2) the account holder and/or occupants have been notified of this policy in writing no less than 7 business days before discontinuation of service; and
- (3) the account holder has:
 - (a) failed to obtain or maintain a payment arrangement or alternative payment schedule with SCMU for 60 days or more; or
 - (b) not timely contested or appealed the water charges to SCMU; or
 - (c) not paid current water charges for 60 days or more.

These three conditions are further described as follows:

Condition (1) – delinquent water charges

For the purposes of this policy, water charges will be considered delinquent if all or part of the water charge has not been paid for at least 60 days after the due date indicated on the SCMU utility bill.

SCMU shall provide written notification to an account holder and/or occupant of the delinquent charges no less than seven business days before discontinuation of residential service for nonpayment.

Condition (2) – notification of this policy

For the purposes of this policy, notification of this policy will be made in writing. Notification shall include the following:

- (a) The account holder's name and service address;
- (b) The amount of the delinquency;
- (c) The date by which payment or an arrangement for payment is required in order to avoid discontinuation of service;
- (d) Instructions on how to apply for a payment arrangement or alternative payment schedule;
- (e) Instructions on how to contest or appeal water charges; and
- (f) Instructions on how residential occupants who are not account holders may become account holders in order to retain water service.

Written Notice: a written notification shall be delivered either by U.S. mail, electronic mail, or by SCMU personal delivery. Notice may be made on the monthly utility bill. For those account holders who receive a paper utility bill, notice will be sent to the account holder's postal address and the service address, if the two addresses are not the same. For those account holders who receive a paperless utility bill, notice will be sent electronically to the account holder's email address and via U.S. mail to the service address, if the account holder's postal address and service address are not the same. When U.S. mail or electronic mail is not possible, SCMU personal delivery will be to the service address, and the notice will be left in a conspicuous place or wherever field personnel can safely post the notice.

Condition (3)

(a) – obtaining payment arrangements or alternative payment schedules

SCMU shall offer a payment arrangement or alternative payment schedule once the account holder submits the following information by the date indicated on the notice (See Condition (2)):

- (a) Certification of Primary Care Provider – this form (**Form 998-A**) certifies that discontinuation of water service poses a serious threat to the health and safety of residents living at the service address.
- (b) Certification of Financial Hardship – this form (**Form 998-B**) certifies that the residents living at the service address are unable to pay for water within SCMU's normal billing cycle.
- (c) Declaration of Household Income – this form (**Form 998-B2**) provides supporting documentation for the Certification of Financial Hardship and is used to declare that the household's annual income is less than 200% of the federal poverty level.

The account holder shall submit the aforementioned forms to SCMU's offices, located at 212 Locust Street, Suite D, Santa Cruz; or via facsimile at (831) 420-5221; or via email at scmu@cityofsantacruz.com. Upon receipt of the aforementioned forms, SCMU will contact the account holder within 15 business days and offer one of the following options:

- (a) Amortization of the unpaid balance.
- (b) Participation in an alternative payment schedule.
- (c) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
- (d) Temporary deferral of payment.

The account holder's agreement to one of the above options shall be made in writing on an SCMU-provided form (**Form 998-C**). Payment arrangements or alternative payment schedules may only be made between SCMU and the account holder. An account holder may only have one payment arrangement or alternative payment schedule at a time, and on only one bill. Once agreed upon, a payment arrangement or alternative payment schedule may not be extended or modified. A payment arrangement or alternative payment schedule shall be considered null and void if any part of it is not kept for 60 days or more, or if water charges contained in subsequent bills are not paid for 60 days or more (see Condition (3)(c) current water charges).

(b) – contesting or appealing water charges

An account holder may contest or appeal the accuracy of the charges or the customer's liability for payment. Water charges may be contested or appealed according to Water Department policy C-1978.4, Bill Disputes. Matters such as the quality of service, rates of service, or the terms and conditions of a payment arrangement or alternative payment schedule may not be contested or appealed to SCMU.

(c) – current water charges

For the purposes of this policy, current water charges shall mean any charges billed after those that have been addressed by a payment arrangement or alternative payment schedule. Current water charges not paid for 60 days or more shall cause the water service to be shut off for nonpayment. Current water charges shall be ineligible for a payment arrangement or alternative payment schedule if a payment arrangement or alternative payment schedule for a previous bill is already in effect.

Shutoff for Nonpayment

If the above-three conditions are met, SCMU will post a final notice of impending water shutoff at the service address no sooner than 5 business days before shutoff.

Restoral of Service

After service has been shutoff for nonpayment, SCMU shall provide information to the account holder on how to restore residential water service. Beginning February 2020, restoral fees shall be \$71 during business hours and \$214 after business hours for all customers, or \$50 during business hours and \$150 after business hours for those customers who submit a complete and verifiable Certification of Financial Hardship form (**Form 998-B**). Restoral fees shall be subject to annual adjustment for changes in the Consumer Price Index starting January 2021.

Miscellaneous Policy Provisions

Languages. This policy, and all written notices required under this policy, will be available in English, the languages listed in section 1632 of the California Civil Code, and any other language spoken by at least 10 percent of the people residing in the City of Santa Cruz.

Contact. A SCMU representative is available to speak with account holders during regular business hours at (831) 420-5220 to discuss this policy as well as options for averting discontinuation of residential service for nonpayment.

Posting of Policy. SCMU will post this policy on the SCMU website. In the event the website does not exist, SCMU will provide the policy to customers in writing, upon request.

Systems to Report Discontinuations. SCMU shall report the number of annual discontinuations of residential service for inability to pay on SCMU's website and report to the State Water Resources Control Board.

Applicability of Policy. This policy does not apply to the termination by SCMU of a service connection for any other purpose.