

**Administrative Policies
And Procedures Handbook**

Subject: Discontinuation of Water Service for Nonpayment Policy

1.0 GENERAL POLICY AND AUTHORIZATION

- 1.1 Governing Authority. Monte Vista Water District, as an agency of the state, formed as a special district pursuant to the County Water District Act (Water Code § 30000 et seq.) (“District”), is governed in the execution of the collection of delinquent accounts by California Government Code Sections 60370 – 60375.5. As an urban or community water system that supplies water to more than 200 service connections, the District is also governed, effective February 1, 2020, by Sections 116900 - 116926 of the California Health & Safety Code, which is known as the Water Shutoff Protection Act.
- 1.2 Discontinuation Policy. The Monte Vista Water District Discontinuation of Water Service for Nonpayment Policy (“Policy”) establishes policies and procedures when a water bill becomes delinquent. Discontinuance of water service for nonpayment is considered the final phase of the collection procedure and will be instituted only after both sufficient notification and all other reasonable payment alternatives have been exhausted. To the extent if this Policy conflicts with any other District rules, regulations, or policies, this Policy shall control.
- 1.3 General Manager Authority. By adoption of this Policy, the Board of Directors is authorizing the General Manager and their designee to exercise certain duties and responsibilities under this Policy that are essential for the operation of the District.
- 1.4 Contact Information. For questions or assistance regarding one’s water bill, including options to avoid discontinuation of service for nonpayment, the District’s Customer Service staff can be reached at 909-624-0035. Customers may also visit the District’s Customer Service desk in person Monday through Thursday, from 7:30 a.m. to 5:30 p.m. and Friday from 8:00 a.m. to 5:00 p.m., except on District holidays.

2.0 DISCONTINUATION OF SERVICE FOR NONPAYMENT OF DELINQUENT ACCOUNTS

- 2.1 Delinquent Accounts. Bills are mailed out bi-monthly and are due upon issuance. This Policy applies to the collection of delinquent accounts.

- 2.2 Small Balance Accounts. Any balance on a bill of \$20 or less may be carried over, and added to, the next billing period without being assessed a late fee or incurring further collection action.
- 2.3 Time Period to Discontinue Service. The District will discontinue water service for water service charges that have become delinquent for at least sixty (60) days.

3.0. NOTICES TO CUSTOMER

3.1. Reminder Notice. The District will provide a mailed notice to the customer of record if payment is not received within thirty (30) days after bill issuance. The notice will advise customer of outstanding balance and to contact Customer Service for further information.

3.2. Shut-Off Notice. The District will provide a mailed notice to the customer of record if payment is not received within forty-five (45) days after bill issuance. A late fee (based on current District's schedule of fees) will be assessed at that time. If the customer's mailing address is not the water service address, the District will also send notice to the address of the property to which residential service is provided and will be addressed to "Occupant/Water Consumer."

3.2.a. The notice required in Section 3.2 above will contain:

- i. the name and address of the customer, where applicable;
- ii. the amount of the delinquency;
- iii. the date by which payment or payment arrangements must be made to avoid discontinuation of service;
- iv. the procedure by which the customer may request an extension or alternative payment arrangement described in Section 4;
- v. the procedure by which the customer may contest a water bill and appeal as described in Section 12;
- vi. information regarding the availability of financial assistance, including private, local, state, or federal sources, if applicable; and
- vii. the telephone number where the customer may request a payment arrangement or receive additional information from the District.

3.2.b. If the notice is returned through the mail as undeliverable or the customer has not paid their delinquent account at least ten (10) days before discontinuation of service, the District will also make a reasonable, good faith effort to contact the customer of record, or an adult person living at the premises of the customer, by telephone. The District will offer to provide a copy of this Policy and to discuss options to avert discontinuation of water service for nonpayment, including the possibility of an extension or other payment arrangement listed in Section 4 below.

- 3.3. Telephonic Notice. The District will generate an automated voice message five (5) days prior to discontinuation of water service. The message will provide a call back number for customers to call to make a payment and/or arrangement in order to avoid discontinuation of water service. It is the customer's responsibility to ensure that current contact information is on record with the District.

4.0 EXTENSIONS AND OTHER ALTERNATIVE PAYMENT ARRANGEMENTS

- 4.1 Time to Request an Extension or Other Alternative Payment Arrangement. If a customer is unable to pay a bill within sixty (60) days of bill issuance, the customer may request an extension or other alternative payment arrangement described in this Section 4. If a customer makes a request prior to discontinuation of service by the District, the request will be reviewed by the General Manager or its designee.
- 4.2 Extension. If approved by the District, a customer's payment of their unpaid balance may be temporarily extended. The General Manager or its designee shall determine, in their discretion, whether to provide an extension, and how long an extension shall be provided, to the customer. The customer shall pay the full unpaid balance by the date set by the District and must remain current on all water service charges accruing during any subsequent billing periods. The extended payment date will be set forth in writing and provided to the customer.
- 4.3 Alternative Payment Schedule. As determined by the General Manager or its designee in their discretion, a customer may pay their unpaid balance pursuant to an alternative payment schedule that will not exceed three (3) months. If approved, the alternative payment schedule may allow periodic lump-sum payments that do not coincide with the District's established payment date or may provide for payments made more or less frequently than the District's regular payment date. During the period of the alternative payment schedule, the customer must remain current on all water service charges accruing during any subsequent billing periods. The alternative payment schedule and amounts due will be set forth in writing and provided to the customer.
- 4.4 Failure to Comply. If a customer has been granted a payment arrangement under this Section 4 and (a) the original bill amount is delinquent by at least sixty (60) days and (b) the customer fails to: (i) pay the unpaid charges by the extension date; or (ii) pay an amount due under an alternative payment schedule by its due date, then the District may discontinue water service and customer forfeits the right to any payment arrangement under this section for six (6) months from the date that payment under an extension or alternative payment schedule was due. Customer may appeal this forfeited right to the General Manager or its designee, who in their sole discretion may reinstate that right.

5.0 RECONNECTION OF SERVICE

- 5.1 Reconnection Requirements. Customers whose water service has been discontinued may contact the District regarding requirements to reconnect service.
- 5.2 Reconnection Fees. Reconnection will be subject to (a) payment of a reconnection fee based on current schedule of fees, (b) the amount of the delinquent account, including applicable interest or penalties, and (c) a security deposit, if required by the District. All payments must be made by cash, credit card, or certified funds. Requests to reconnect after 5:30 pm Monday through Thursday and 5:00pm on Friday, or any time on Saturday through Sunday, or holidays will be charged an after-hours reconnection fee and any applicable fees listed as (a)-(c) in this paragraph.

6.0 WHEN SERVICE WILL NOT BE DISCONTINUED

- 6.1 General. The District will not discontinue water service for delinquent accounts (a) on a Friday, Saturday, Sunday, legal holiday, or at any time during which the District's office is not open to the public; (b) during the District's investigation of a timely customer complaint or request for investigation, or appeal of the District's decision, under Section 12; or (c) during a District review of, or time period for, an approved extension or alternative payment arrangement under Section 4, if the customer remains in compliance with one of those payment arrangements.
- 6.2. Special Medical and Financial Circumstances with Alternative Payment Arrangement Agreement. In addition to Section 6.1, the District will not discontinue water service if all of the following are met:
- i. The customer, or a tenant of the customer, submits to the District the certification of a licensed primary care provider that discontinuation of water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided;
 - ii. The customer demonstrates, as described below under Section 6.2.a., that they are financially unable to pay for residential service within the District's normal billing cycle. The customer is deemed financially unable to pay during the normal billing cycle if: (a) any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, California SSI/SSP, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than two hundred percent (200%) of the federal poverty level; and

iii. The customer is willing to enter into a written agreement with the District regarding an extension or other alternative payment arrangement under Section 4 above for the delinquent charges. The District will select terms and conditions of the payment plan that will be set forth in a written agreement.

6.2.a. Customer Demonstration, and District Review, of Qualifications. The customer is responsible for demonstrating that the qualifications in Section 6.2 above have been met. Upon receipt of documentation from the customer, the District will review the documentation within seven (7) calendar days and either: (a) notify the customer of the terms and conditions selected by the District and require the customer's signature on the payment plan agreement; (b) request additional information from the customer; or (c) notify the customer that they do not meet the qualifications.

6.2.b. Failure to Comply. The District may discontinue water service if a customer, who has been granted an alternate payment arrangement under this Section 6, (a) is delinquent for sixty (60) days or more and (b) fails to do either of the following: (i) pay any amount due under the payment plan; or (ii) pay their current charges for water service. The District will post a final notice of intent to discontinue service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District under Section 12.

7.0 SPECIFIC PROGRAM FOR LOW-INCOME CUSTOMERS

7.1 Fee Waiver and Reconnection Fees. For residential customers who demonstrate household income below two hundred percent (200%) of the federal poverty level, the District will:

7.1.a Upon request by the customer, waive interest charges or penalties on delinquent bills once every twelve (12) months.

7.1.b. Limit a reconnection of service fee during normal operating hours at an amount not to exceed fifty dollars (\$50) and during nonoperational hours at an amount not to exceed one hundred fifty dollars (\$150), but neither reconnection fee is to exceed the actual cost of reconnection if it is less. Both reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

7.2 How to Qualify as a Low-Income Customer. The customer is deemed to have an income below two hundred percent (200%) of the federal poverty level if: (a) any member of the customer's household is a current recipient of CalWORKs,

CalFresh, general assistance, Medi-Cal, California SSI/SSP, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than two hundred percent (200%) of the federal poverty level.

8.0 PROCEDURES FOR OCCUPANTS OR TENANTS TO BECOME CUSTOMERS OF THE DISTRICT

- 8.1 Applicability. This section only applies when a property owner, landlord, manager, or operator of a residential service address is listed as the customer of record and has been issued a notice of intent to discontinue water service under Section 3.
- 8.2. Agreement to District Terms and Conditions of Service. The District shall make 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 ten (10) days prior to the termination. The written notice shall indicate the District will make service available to the actual residential occupants if occupant agrees to both the District's terms and conditions of service and the District's Rules and Regulations for Water Service, which are available at www.mvwd.org/billing or upon request.
- 8.2.b. If one or more of the occupants are willing and able to assume responsibility for the subsequent non-delinquent charges to the account to the satisfaction of the District, the District will make service available to the occupants who have met those requirements.
- 8.3 Verification of Tenancy. In order for the occupant not to be responsible for the amount due on the delinquent account, an occupant who becomes a customer will verify that the delinquent account customer of record is, or was, the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.
- 8.4 Deductions from Rental Payment. Pursuant to Government Code Sections 60371(d) and 116916(e), any occupant who becomes a customer of the District pursuant to this Section 8 and whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic rental payment each payment period all reasonable charges paid to the District for those services during the preceding payment period. The District has no authority to enforce Section 60371(d) or 116916(e) and any such decision by the occupant to deduct charges is made by the occupant and not authorized by the District.

9.0 OTHER REMEDIES

9.1 In addition to discontinuation of water service, the District may pursue any other remedies available in law or equity for nonpayment of water service charges, including, but not limited to: (a) securing delinquent amounts by filing liens on real property, (b) filing a claim or legal action, or (c) referring the unpaid amount to collections. In the event a legal action is decided in favor of the District, the District will be entitled to the payment of all costs and expenses, including attorneys' fees and accumulated fees.

10.0 DISCONTINUATION OF WATER SERVICE FOR OTHER CUSTOMER VIOLATIONS

10.1 The District reserves the right to discontinue water service for any violations of District ordinances, rules, or regulations other than for nonpayment of a delinquent account.

11.0 FEES AND CHARGES INCURRED

11.1 Except as otherwise expressly stated in this Policy, any fees and charges incurred by a customer under any other District rules, regulations, or policies will be due and payable as established in said rules, regulations, or policies.

12.0 PROCEDURES TO CONTEST A WATER BILL

12.1 Time to Initiate a Complaint or Request an Investigation. Any customer may initiate a written complaint to, or request an investigation by, the General Manager or its designee into the charges on their bill within twenty one (21) days of the "bill date" on the contested bill. The District may, in its discretion, review untimely complaints or requests for investigation; however, such untimely complaints or requests are not appealable to the District Board of Directors.

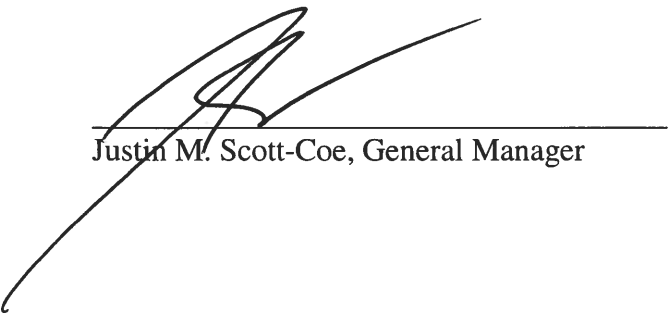
12.2 Review by District. Upon receipt of written complaint or request, the General Manager or its designee shall review the complaint and/or conduct an investigation determined to be appropriate in their sole discretion. The General Manager or its designee's review will include consideration of whether the customer may receive an extension or alternative payment schedule under Section 4. During the review and/or investigation, the customer will be provided an extension in order to avoid late fees if the fees have not already been assessed as stated in Section 3.2, but the customer will not be provided an extension of the sixty (60) day time period provided under Section 2.3. The investigation shall be completed within ten (10) days from receipt of the written complaint or request, where the customer shall be notified of the decision.

- 12.3 Outcomes of the Decision. If the review and/or investigation results in favor of the customer, where the billing is incorrect due to a misread, an adjustment shall be applied to the customer account. This is separate from a variance adjustment provided for in the District's Water Budget Variance Policy (e.g. leak variance), which takes one to two billing cycles to process, and the customer may be placed on a payment arrangement if needed. If the billing is correct, the bill balance shall be paid within forty-five (45) days of bill issuance to avoid any further collection activity. If before completion of the investigation additional bill(s) become due, the customer is required to make payment of the entire amount due by the specified due date. Failure to do so may result in assessed late fees or discontinuation of service, due to non-payment, in accordance with this Policy.
- 12.4 Appeal of Initial Review. Any customer whose timely complaint or request for an investigation under this Section 12 resulted in a decision unsatisfactory to the customer may appeal the decision to the District's Senior Management by filing a written notice of appeal with the District Secretary at 10575 Central Avenue, Montclair, CA 91763 within ten (10) days of the District's mailing of its determination. The decision of this second review is final.

13. PUBLICATION ON THE DISTRICT WEBSITE AND TRANSLATED VERSIONS

- 13.1 This Policy is available on the District's website at www.mvwd.org/billing. This Policy and all written notices issued under this Policy are provided in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least ten percent (10%) of the population within the District's service area.

APPROVED:


Justin M. Scott-Coe, General Manager

Date: 1/8/2020