

Residential Water Billing and Shutoff Policy

Purpose/Background:

The City of Lindsay is governed by Senate Bill No. 998. This policy shall apply to all City of Lindsay accounts for residential water service but shall not apply to any accounts for non-residential service. This policy enumerates the City of Lindsay's administrative actions for the collection of delinquent water accounts. The intent of this policy is to:

- a.) Establish a comprehensive policy for City water billing practices and provide customers notice of their payment duties and obligations;
- b.) Facilitate timely payment from City customers to meet the City's financial obligations;
- c.) Establish a timeline for notifications, fee assignments, and discontinuation of service;
- d.) Ensure that customers that meet their obligation of timely payments do not bear the additional cost of those who do not; and
- e.) Establish procedures for City customers to dispute the accuracy of any utility bill, late fee, or other enforcement mechanism used by the City for the collection of utility charges.

Contact information: For questions or assistance regarding your water bill, and to discuss options for averting termination of water service for nonpayment under the terms of this policy, the City of Lindsay's Finance Department staff can be contacted by phone at (559) 562-7102. Customers may also visit the Finance Department in person Monday through Friday, from 8:30 a.m. to 12:00 p.m. and 1:00 p.m. to 4:30 p.m., except on holidays.

An electronic copy of this policy is available to the public on the City's website: <https://www.lindsay.ca.us>.

Billing Procedures: Payment for services shall be due and payable on or before the 25th day following each applicable billing month. If the 25th day falls on a weekend or holiday, the due date will be the first business day after the 25th day.

Late fees: Payments received after the due date will be assessed a \$10 penalty on any unpaid balance.

Delinquent Bills: All bills that remain unpaid by 11:59 p.m. on the 25th of said month shall be deemed delinquent (Ordinance 329).

Discontinuation of Water Service for Nonpayment: If a bill is delinquent for at least sixty (60) days, the City of Lindsay may discontinue water service to the service address. The City of Lindsay shall not discontinue water service for nonpayment until payment by the customer has been delinquent for at least sixty (60) days and following written notice to the consumer as required below.

Payment Methods: Payments can be made in person via cash, credit card, check, or certified funds during regular business hours at our City Hall offices located at 251 E. Hermosa, Lindsay CA 93247. Payments can also be made 24 hours, 7 days per week via phone call to 1-855-664-7353. For more information on how to pay online please visit <http://lindsay.ca.us/>. Merchant fees may apply.

Small Balance Accounts: Any balance on a bill of \$15 or less may be carried over, and added to, the next billing period without being assessed a late fee or incurring further collection action.

Waiver of Late Fee: At the request of the customer, the City Water Department will waive the late fee if there are extenuating circumstances, and the customer has been assessed a late fee for delinquent payment no more than once in the proceeding twelve months.

Written Notice to Customer: The City of Lindsay will provide a mailed notice to the customer of record at least ten (10) business days before discontinuation of water service. The City of Lindsay Finance Department assumes no responsibility for contact information that has not been kept up to date by the customer. The notice will include:

- Customer's name and address
- Amount of the delinquency
- Date by which payment or payment arrangements are required to avoid discontinuation of service
- Description of the process to apply for an amortization plan
- Description of the process to dispute or appeal a bill
- Telephone number where the customer may request a payment arrangement or receive additional information from the City of Lindsay
- Web link to the City's written collection policy

If the written disconnection notice is returned through the mail as undeliverable, the City will make a reasonable, good faith effort to contact the customer via telephone for notice of discontinuance for nonpayment. The courtesy call is meant entirely as a courtesy and failure of the City 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.

Notice to Residential Tenants/Occupants in an Individually Metered Residence: The City of Lindsay 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 customers of the City of Lindsay 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. In order 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 City of Lindsay 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 customers of the City of Lindsay 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 the address(es) 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 City of Lindsay, or if there is a physical means, legally available to the City of Lindsay, of selectively terminating service to those occupants who have not met the requirements for service, the City of Lindsay will make service available to the occupants who have met those requirements

Posting of Notice at Service Address: The City will make a reasonable, good faith effort to contact the account holder or other responsible party via written notice regarding outstanding delinquent charges. If the City is unable to make contact with the customer, the City will leave a notice of imminent discontinuation of residential service. The notice will be in the form of a door hanger delivered to the premises no less than forty-eight (48) hours in advance of discontinuance of service and shutoff shall occur no sooner than 60 days after the bill's original due date. The notice shall include:

- the name and address of the customer;
- the amount of the delinquency;
- the date by which payment or payment arrangements must be made to avoid discontinuation of service;
- the procedure to petition for bill review and appeal;
- the procedure for the customer to obtain information on financial assistance, if applicable; and
- the telephone number where the customer may request a payment arrangement or receive additional information from the District.

Circumstances Under Which Service Will Not Be Discontinued: The City will not discontinue services in the following instances:

- If the customer disputes the bill and during the pendency of an investigation into the customer's dispute or complaint as detailed below;
- When the customer has been granted an extension of the period to pay the bill (termination may be applicable if the extension period expires);
- If the customer is compliant with an amortization agreement and the customer also keeps the account current as charges accrue in each subsequent billing period; and

Special Medical and Financial Circumstances Under Which Services Will Not Be Discontinued: The City will not discontinue water service if all of the following conditions detailed below are met:

- A licensed physician or surgeon has certified that termination of services will be life-threatening to the customer;
- The customer certifies they are financially unable to pay for service in the 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, MediCal, Supplemental Security Income/State Supplementary Payment Program, 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 200 percent of the federal poverty level and;
- The customer is willing to enter into an alternative payment arrangement, including an extension, amortization agreement, or alternative payment schedule, with respect to the delinquent charges.

For any customers who meet all of the above conditions, the District shall offer the customer one of the following options, to be selected by the District in its discretion: (1) an extension of the payment period; or (2) an alternative payment schedule or amortization of the unpaid balance not to exceed twelve (12)

months. The Finance Manager or designee will select the most appropriate payment arrangement, taking into consideration the information and documentation provided by the customer, as well as the District's payment needs.

The customer is responsible for demonstrating that the conditions under which services will not be discontinued have been met. Upon receipt of documentation from the customer, which must be provided to the City at least 48 hours prior to the disconnection date, the City will review the documentation within seven (7) days and: (1) notify the customer of the alternative payment arrangement selected by the City and request the customer's signed assent to participate in that alternative arrangement; (2) request additional information from the customer; or (3) notify the customer that he or she does not meet the conditions under which services will not be discontinued. The City reserves the right to extend the customer documentation submission period at the City's discretion.

Time of Discontinuation of Service: The City of Lindsay will not discontinue water service due to nonpayment on a Saturday, Sunday, legal holiday, or at any time during which business offices of the City's Finance Department are not open to the public.

Disconnection Deadline: All delinquent water service charges and associated fees must be received by the Finance Department by 11:59p.m. on the day specified in the written disconnection notice. The City will disconnect water service by turning off, and in some cases locking off, the meter. Before service is disconnected, the customer will be notified by a delinquent notice, a first disconnection notice, a final disconnection notice, and a forty-eight (48) hour courtesy call.

Re-establishment of Service: In order to resume or continue service that has been disconnected for nonpayment, the customer must pay a re-establishment fee as set by council resolution, if applicable, and a security deposit, if required by the City. The customer will be charged a fee to re-establish service in the billing system regardless of whether the meter has physically been turned off. The City will endeavor to reconnect service as soon as practicable but, at a minimum, will restore service before the end of the next regular working day following payment of any past due amount, including any applicable interest, penalties, and delinquent fees attributable to the termination of service. Water service that is turned on by any person other than City of Lindsay personnel or without City authorization may be subject to fines or additional charges or fees. Any damages that occur as a result of unauthorized restoration of service are the responsibility of the customer.

Re-establishment of Service After Business Hours: Service restored after 2:00 pm Monday through Friday, weekends, or holidays will be charged an after-hours re-establishment fee. Service will not be restored after regular business hours unless the customer has been informed of the after-hours re-establishment fee. The after-hours re-establishment fee is in addition to the regular re-establishment fee and the late fee for a past due account. City personnel responding to service calls are not permitted to collect payment but will instruct the customer to contact the finance department.

Notification of Disposition of Returned Check: Upon receipt of a returned check taken as payment of water service or other related water charges, the City will consider the account not paid. The City will make a reasonable, good faith effort to provide a 48 - hour courtesy notice of termination of service due to a returned check via written notice. The written notice will be in the form of a door hanger delivered to the premises on the same day receipt of returned check is received and shutoff shall occur no sooner than 60 days after the bill's original due date.

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

Returned Checks for Previously Disconnected Service: In the event a customer tenders a non-negotiable check as payment to restore water service previously disconnected for non-payment and the City restores service, the City may promptly disconnect service without providing further notice. No 48-hour notice of termination will be given in the case of a non-negotiable check tendered for payment of water charges that were subject to discontinuance.

Any customer issuing a non-negotiable check as payment to restore service turned off for non-payment 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.

Request for Relief: Any customer of the City may file a written request with the Finance Department disputing any fee or charge assessed by the City for water service disconnection within five (5) days of the fee(s) becoming due or water service becoming disconnected. Time limitations prescribed by this subsection shall not apply within the first ninety (90) days of this policy's adoption.

Time to Initiate Complaint or Request an Investigation: If a customer disputes a bill, they must file an appeal. Appeals must be in writing and must be filed no later than (15) days after a delinquency notice has been issued. If a customer disputes a bill and exercises their right to appeal, the City will not disconnect water service for nonpayment while the appeal is pending.

Within fifteen (15) days of submitting the request in writing, the customer may make a request for an extension of the payment period of a bill asserted to be beyond the means of the customer to pay in full during the normal period for payment.

Review by City of Lindsay Staff: The Finance Department shall review all written requests for relief and either deny the request or grant the relief requested or a portion thereof. Factors for consideration shall include: billing errors, faulty meter or misread meter, a water leak was present necessitating a leak adjustment, consideration of whether the customer shall be permitted to amortize the unpaid balance of the account over a reasonable period of time, any other factor deemed relevant by the Finance Department.

Appeal to the City Council:

Any recipient of a delinquent bill may contest that there was a violation of this policy, municipal code, or state codes specifically adopted by reference in the applicable chapters of this policy or each respective code, and that they are the responsible person by completing a request for hearing form and returning it to the City within fifteen (15) working days of a billing dispute denied by the Finance Department of the City of Lindsay.

The appeal shall go to the hearing panel. The employment, preperformance evaluation, compensation, and benefits of the hearing panel, if any, shall not be directly or indirectly conditioned upon the amount of outstanding charges upheld by the hearing panel.

No hearing to contest delinquent charges before a hearing panel shall be held unless and until a request for hearing form has been completed and submitted.

A hearing before the hearing panel shall be set for a date that is not less than fifteen (15) working days and not more than sixty (60) working days from the date that the request for hearing is filed. The customer requesting the hearing shall be notified of the time and place set for the hearing at least ten (10) working days prior to the date of the hearing.

The hearing panel shall only consider evidence that is relevant to whether the charges occurred and whether the responsible person has caused or maintained the charges in violation of this policy, municipal and/or state codes specifically adopted, on the date(s) specified in the delinquency notice.

The customer contesting the delinquent charges shall be given the opportunity to testify and present witnesses and evidence concerning the delinquent billing.

Failure to appear at the hearing shall constitute a failure to exhaust a customer's administrative remedies.

The delinquency notice and any additional documents submitted to the hearing panel shall constitute prima facie evidence of the respective facts contained in those documents.

If the hearing panel submits an additional written report concerning the delinquent billing, then a copy of this report also shall be served by mail on the person requesting the hearing at least five (5) working days prior to the date of the hearing. At least ten (10) working days prior to the hearing, the customer shall be provided with copies of billings, reports, and other documents submitted or relied upon by the hearing panel. No other discovery is permitted. Formal rules of evidence shall not apply.

The hearing panel may continue the hearing and request additional information from the Finance Department or the customer prior to issuing a written decision.

After considering all of the testimony and evidence submitted at the hearing, the hearing panel shall issue a written decision within ten (10) working days of the close of the hearing to uphold or deny the delinquent charges and shall list in the decision the reasons for that decision. The decision of the hearing panel shall be final, subject to judicial review.

If the hearing panel determines that the delinquent charges should be upheld, then the customer will be notified via written notice five (5) business days in advance of the discontinuance of service and shutoff shall occur no sooner than sixty (60) days after the bill's original due date.

If the hearing panel determines that the disputed charges should be dismissed, the panel will provide direction to the Finance Department that shall include instructions for the reversal or correction of delinquent charges, payment amortization schedule, and payment date for remaining charges, if any.

The customer shall be served with a copy of the hearing panel's decision in the manner prescribed above.

The failure of any persons to pay the delinquent charges assessed within the time specified shall be subject to discontinuance of service.

The failure of any person to pay delinquent charges assessed within the time specified shall be subject to the City of Lindsay's policies and procedures on collections, including the right of the Finance Department of the City of Lindsay to file a claim with the small claims court, and pursue any other legal remedy to collect. The City may also recover all of its collection costs, including attorney fees.

Any person aggrieved by a decision of hearing may obtain review of the decision by filing a petition for review with the Lindsay City Council.

Failure to receive any notice specified does not affect the validity of proceedings conducted hereunder.