McKinleyville Community Services District Policy Governing the Disconnection of Residential Water Service for Nonpayment of Water Rates and Charges

In accordance with California law, this policy is also available Spanish, Chinese, Tagalog, Vietnamese, and Korean. Please contact the District to obtain a copy in a desired language.

I. Scope and Purpose.

Under existing law, the District reserves the right to discontinue (shut-off) water service to residential and commercial properties in the event of nonpayment for water service. The purpose of this Policy is to (i) provide regulations for the manner in which residential water service may be disconnected in the event of nonpayment; (ii) to provide adequate safeguards to ensure residential customers and occupants are provided adequate notice and a fair opportunity to contest the water bill before water service is disconnected; and (iii) to provide potential alternative payment arrangements for residential customers who qualify.

This Policy does not apply or otherwise affect the District's ability to discontinue water service to nonresidential customers or to discontinue water service to residential customers for reasons other than nonpayment of rates and charges.

The District reserves the right to amend this Policy by resolution at a properly noticed meeting. Other than as may be required by the Ralph M. Brown Act, no further notice, including but not limited to individual written notice to customers, is required to amend this Policy.

This Policy is intended to be consistent with California law governing the disconnection of residential water service. To the extent there is any inconsistency between this Policy and California law, California law will control.

II. <u>Discontinuation of Water Service to Residential Units.</u>

The District reserves the right to discontinue water service to residential units, including, but not limited to, single-family dwellings, multi-unit residential structures, and mobile home parks, in the event a water bill remains unpaid for a period of sixty (60) calendar days after it becomes delinquent. A water bill becomes delinquent if it is not paid, in full, within 30 days of the date printed on the water bill.

Before water service is actually discontinued, the District will attempt to contact customers and occupants by mail at least fifteen (15) calendar days before the date water service is discontinued to provide notice of the intended date water service will be discontinued, among other important information. If the mailing is returned as undeliverable, the District will make a good faith effort to post the notice in a conspicuous place on the property where service is provided. It is the customer's obligation to ensure the District has a current mailing address on file.

The written notice will provide customers and, if applicable, occupants with the following information (among other information):

- The name and address of the customer whose account is delinquent;
- The amount of the delinquency;
- The date by which payment or other arrangement for payment is required to avoid discontinuation of service;
- The date service will be discontinued if payment or other arrangement for payment is not in place;
- 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 customer may request a deferred, reduced, or alternative payment schedule including an amortization of the delinquent charges;
- The procedure for the customer to obtain information on the availability of financial assistance, including private, local, state, or federal sources, if applicable.
- The telephone number of a representative of the district who can provide additional information or institute arrangements for payment;
- Information on how to restore water service after discontinuation; and
- For certain tenant occupied units in which the landlord is the customer, that the tenants' have the option to avoid service disconnection without being required to pay the amount due on the delinquent account by becoming a direct customer of the District.

In addition to the written notice provided for above, the District shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person at least 48 hours prior to any discontinuance of service. If telephone or personal contact cannot be accomplished, the District shall give, by mail or by posting in a conspicuous location at the premises, a notice of discontinuance of service, at least 48 hours prior to discontinuance.

No water service shall be discontinued to any residential customer by reason of delinquency in payment on any Saturday, Sunday, legal holiday or at any time during which the business office of the District is not open to the public.

III. Right to Appeal the Delinquent Water Bill.

Residential customers who dispute their water bill have the right to appeal (contest) the amount due. An appeal must be submitted in writing and received by the District no later than the fourth (4th) day before the date described in the notice as the intended water disconnection date, unless the fourth day falls on a weekend or federal holiday, in which case the written notice of appeal must be received on the next business day following the weekend or holiday.

To be valid, a notice of appeal must, at minimum, provide the following information: (i) name of customer, (ii) phone number, (iii) address where notices can be mailed, (iv) the particular water bill(s) appealed, (v) a brief statement of the ground for the appeal.

The District will contact you at the phone number provided on the notice of appeal to provide notice of the date, time, and location for the appeal hearing. The hearing will normally take place within three to five business days, subject to the General Manager's availability, following receipt of the notice of appeal. Customers may request one continuance for a period not to exceed three business days upon a showing of good cause.

The General Manager will hear the appeal and render a final decision at the conclusion of the hearing in writing. At the hearing, customers have the right, but not the obligation, to present documents, call witnesses, and have counsel. For purposes of the appeal, the water bill is presumed valid and the burden of proof rests with the customer to demonstrate otherwise. Except as may be expressly provided by law, the decision of the General Manager shall be final and there shall be no right to appeal to the District Board of Directors.

Water service will not be discontinued while the appeal is pending. In the event the appeal is denied, water service may be discontinued, without further written notice, no sooner than three days after the hearing if payment is not made in full.

IV. Alternative Payment Arrangements for Qualifying Customers.

Under certain qualifying conditions, customers who are facing a residential water service disconnection may be eligible to participate in alternative payment arrangements.

--Who may qualify?

Customers who are able to demonstrate <u>each</u> of the following are eligible to participate in an alternative payment arrangement:

First requirement: the customer, or a tenant of the customer, must submit to the District a certification of a primary care provider, licensed physician or surgeon that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where service is provided. For purposes of this requirement, a "primary care provider" means either of the following: (i) any internist, general practitioner, obstetrician-gynecologist, pediatrician, family practice physician, nonphysician medical practitioner, or any primary care clinic, rural health clinic, community clinic or hospital outpatient clinic currently enrolled in the Medi-Cal program, which agrees to provide case management to Medi-Cal beneficiaries.

Second requirement: the customer demonstrates to the satisfaction of the District a financial inability to pay for water service within the normal billing cycle. A customer is deemed financially unable to pay if 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 Woman, Infants, and Children, <u>or</u> the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

Third requirement: the customer agrees in writing on a form provided by the District to comply with the alternative payment arrangement proposed by the District.

--How to request an alternative payment plan?

If a customer believes he or she qualifies to participate in an alternative payment plan, the customer must contact the District as soon as possible at the phone number below, but in no event after the time to appeal the water bill has expired, to inform the District that the customer intends to submit information to establish eligibility to participate in an alternative payment arrangement. After such notice is provided, the customer must submit documentation demonstrating he or she meets the first two requirements described above no later than five (5) calendar days after the date set for the intended service disconnection.

It is the customer's obligation to ensure the timely submission of complete and satisfactory documentation demonstrating eligibility. If the information is not submitted in a timely manner or if the information is incomplete, the District will provide notice of a new intended disconnection date no earlier than five (5) calendar days after mailing. In such a circumstance, the only way to avoid the disconnection of service is the payment, in full, of all delinquent charges.

Customers who are approved for an alternative payment plan for a delinquent amount must still keep current with ongoing water service billing or water service may be disconnected.

-- What alternative payment options are available?

Alternative payment plans. At its election, District may offer you one of three alternative payment plans for the delinquent amount.

Temporary deferral of payment. For delinquencies less than \$300, the District may offer customers the opportunity to temporarily defer payment of the delinquent amount to a certain date in the future. The deferment applies only to the delinquent amount and customers must still pay, when due, all current charges for water service.

Amortization of unpaid amount. The District may offer customers the opportunity to amortize the delinquent amount over a period not to exceed twelve (12) months at the District's election.

--What happens if a customer does not comply with the alternative payment plan, amortization agreement or deferral or reduction payment plan?

In the event a customer either (i) fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction payment plan for delinquent charges for 60 days or more; or (ii) fails to pay his or her current residential service charges for 60 days or more while undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan the residential service may be discontinued no sooner than 5 business days after the District posts a final notice of intent to disconnect service containing the conditions the customer is required to meet to avoid termination in a prominent and conspicuous location at the property.

V. <u>Contacting the District and Additional Information.</u>

If you have questions or to provide notice to the District under this Policy, please direct your inquiry or notice to:

McKinleyville Community Services District 1656 Sutter Road P.O. Box 2037 McKinleyville, CA 95519

(707) 839-3251 mcsd@mckinleyvillecsd.com

For more information, please visit the District's website at https://mckinleyvillecsd.com/.