

City of Petaluma Policy for Collection and Discontinuation of Residential Water Service for Nonpayment

This Policy for Collection and Discontinuation of Residential Water Service for Nonpayment (Policy) provides information regarding the City of Petaluma's (City) collection of delinquent account actions, including notifications, fee assessments and discontinuation of service for residences. This Policy is intended to comply with SB 998, the Water Shutoff Protection Act, codified in California Health and Safety Code Section 116900 and following. This Policy is available to the public at the City Finance Department located in City Hall at 11 English Street in Petaluma, California, or on the City website at www.cityofpetaluma.org within the Public Works and Utilities City Department. A reference to this Policy will be included on all City water bills, late fee notices, written disconnection notices, and notices of termination. The City's Commercial Services Department staff can be contacted by phone at (707) 778-4350 or in person at 11 English Street, Petaluma, California to discuss options for averting discontinuation of water service for non-payment under the terms of this Policy.

1. Payment for Residential Water Service: All charges shall become due and payable at the office of the Finance Department upon presentation of the utility bill and shall become delinquent thirty (30) days after the date of the bill. A late fee, as established in the Rate and Fee Schedule, will be applied to delinquent charges.

At the request of the customer, the City will waive one late fee penalty per current calendar year. If the balance on a bill is less than \$30, it may be carried over and added to the next billing period without being assessed a late fee or incurring further collection action.

2. Discontinuation Time Frame and Notifications: The City will not discontinue residential water service for nonpayment until the account is delinquent for 60 days. No less than seven business days before discontinuation of residential water service for nonpayment, the City will contact the customer on the account by written notice. A written Notice of Payment Delinquency and Impending Discontinuation will be mailed to the customer of the residence to which the service is provided.

If the customer's address is not the address of the property to which residential service is provided, the notice will also be sent to the address of the property to which residential service is provided, addressed to "Occupant." If the written Notice of Payment Delinquency and Impending Discontinuation is returned through the mail as undeliverable, and the City is unable to make contact with the customer or an adult occupying the residence by telephone, the City will post the Notice of Payment Delinquency and Impending Discontinuation and this Policy at the delinquent address in a conspicuous place.

The written Notice of Payment Delinquency and Impending Discontinuation will include:

- Customer's name and address
- Amount that is past due
- Date by which payment or payment arrangements are required to avoid interruption of service
- Description of the process to apply for an alternative payment arrangement
- Description of the process to dispute or appeal a bill
- Information on how to request a deferred payment or amortization
- Description of the process to have service restored
- City phone number and access to written collection Policy

The notice will provide the following information to residential occupants in an individually-metered residence and to occupants in a multi-unit complex served through a master meter:

- Residential Tenants/Occupants in an Individually Metered Residence – That they have the right to become customers 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. In order for the amount due on the delinquent account to remain the responsibility of the prior account holder, the tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of rent payments.
- Tenants/Occupants in a Multi-Unit Complex Served through a Master Meter – That they have the right to become customers 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 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 City, or if there is a physical means, legally available to the City, of selectively terminating service to those occupants who have not met the requirements for service, the City will make service available to the occupants who have met those requirements.

3. Alternate Payment Arrangements: The City will not discontinue residential service for nonpayment if the customer is willing to enter into a Payment Plan. Any water customer who is unable to pay their bill by the due date may request an alternative or amortized payment schedule plan from the Finance Department by phone or at the counter of the City’s Commercial Services Department. A specific reason is not required in order to request a payment plan, and Customer Services staff will not request a doctor’s note or income verification. The customer may not request further alternative payment arrangements of any subsequent unpaid charges while paying pursuant to a Payment Plan.

While agreement and adherence to the payments in a Payment Plan averts shutoff, the account will remain in a delinquent status (calculated by the original payment due date) until all payments including current charges have been satisfied.

Payment Plan terms are offered at the discretion of the Finance department but generally require a partial down payment with the balance due in 60 days. Late fee penalties will be suspended during the Payment Plan.

4. Final Notice of Intent to Disconnect Service: Residential service may be discontinued no sooner than 5 business days after City posts a final notice of intent to disconnect service in a prominent and conspicuous location at the customer’s property under either of the two following circumstances: 1)The customer fails to comply with the terms of a Payment Plan for delinquent charges for 60 days or more; or 2) The customer, while subject to a Payment Plan for delinquent charges, does not pay current residential service charges for 60 days or more. Customers that received a Final Notice of Intent to Disconnect Service will not be entitled to any investigation, payment arrangement, or review by the City. The City will not discontinue water service due to nonpayment on a Saturday, Sunday, or legal holiday.

5. Service Interruption Deadline: All delinquent service charges and associated fees must be received by the City by close of business on the day specified in the written Notice of Payment Delinquency and Impending Discontinuation. A customer who cannot pay the charges by the date specified may request an

alternative payment arrangement as described in Section 3 of this Policy. Requests for alternative payment arrangements must be received and resolved before the shut off date specified in the interruption notice.

6. Disconnection of Water Service: The City will disconnect water service by locking or turning off the meter. The customer will be charged a fee to re-establish service regardless of whether the meter has physically been turned off, as established in the Rate and Fee Schedule. The discontinuation notice will provide the customer with information on how to restore residential service. Neither the City of Petaluma, nor its officers, officials, employees, or representatives shall be liable or responsible for any injury or damage that may result from the interruption of water service due to nonpayment of the bill for the service provided. The City will report the number of annual discontinuations of residential service for inability to pay on the City's Web site and to the State Water Resources Control Board.

7. Re-establishment of Service: All delinquent charges and associated fees must be paid in full, prior to service being restored. The City will reconnect service as soon as practicable upon receiving payment of all charges attributable to the termination of service. For same day restoration of service during normal working hours (8:00 am – 4:30 pm), the payment must be received by 2:00 pm. Restoration of service after 4:30 pm on business days will be charged an after-hours fee as set forth in the City's applicable Rate and Fee Schedule. Service will not be restored after regular business hours unless the customer has been informed of the after-hours fee and paid all delinquent charges and fees owed by close of business the day service is to be restored. Water service that is turned on by any person other than City personnel may be subject to fines or additional charges or fees as established in the City's applicable Rate and Fee Schedule. Any damages that occur as a result of unauthorized restoration of service are the responsibility of the customer.

8. Notification of Disposition of Returned Payments: A returned payment for water service or other charges shall be assessed a fee as specified in the City's applicable Rate and Fee Schedule. Further, when there is a returned payment on an account, the account shall be returned to the City's delinquency process as though no attempt was made to pay the balance due. The City will make a reasonable, good faith effort to notify the customer by door notice, phone, mail, or e-mail of the returned item and the account's delinquency status. The City may require all future payments on an account with a returned payment within the past 12 months to be made in cash or with certified funds.

9. Returned Payment for Previously Disconnected Service: In the event a customer tenders a non-negotiable check or a disputed credit card 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 notice of termination will be given in the case of a non-negotiable check or fraudulent credit card tendered for payment of water charges due to disconnected service. Any customer issuing a non-negotiable check or disputed credit card as payment to restore service turned off for non-payment will be required to pay cash or certified funds to restore future service disconnections for a period of 12 months from the date of the returned payment.

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

11. Discontinuation of Water Service for Other Customer Violations: The City reserves the right to discontinue water service for any violations of City ordinances, rules, or regulations other than nonpayment for water services provided to the extent such violations are subject to discontinuation of water service..

12. Requesting a Bill Review or Appeal: If customer disputes the customer's water bill and exercises the right to appeal the decision of the Director of Public Works or his or her designee to discontinue the customer's water service, the City will not interrupt water service for non-payment while the appeal is pending.

To initiate an appeal, a customer must notify the City in a writing sent to the Petaluma City Clerk's Office, located at 11 English Street, Petaluma, California 94952 that the customer disputes the correctness of a bill or other City action under this Policy and request that the City Finance Director or her designee review or investigate within fifteen (15) days from the date of disputed bill or any initial notice of service interruption. If a customer believes a payment has been made but not recorded on their account, the customer will be required to present a receipt, cancelled check or other satisfactory evidence to substantiate the payment and enable the City to research the receipt of the payment. If the customer's dispute is not resolved by the Director of Finance, the customer will be notified within 60 days of the customer's notice of appeal of the date of an appeal hearing before a hearing officer in accordance with Section 1.14.090(B) of the Petaluma Municipal Code.

13. Translations: Translations of this Policy in the languages listed in Section 1632 of the California Civil Code are available at the Finance Department or City website.

Please visit our office or website for a translation of this Policy.

Visite nuestra oficina o sitio web para obtener una traducción de este política.

请访问我们的办公室或网站，了解本政策的翻译。

Mangyaring bisitahin ang aming opisina o website para sa isang pagsasalín ng patakarang ito.

Vui lòng truy cập văn phòng hoặc trang web của chúng tôi để dịch bản chính sách này.

이 정책에 대한 번역은 저희 사무실이나 웹 사이트를 방문하십시오.

All written notices issued under this Policy will be available at the City Finance Department at 11 English Street, Petaluma, California, 94952 or on the City website in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by ten percent (10%) or more of the residents in the service area.