

City of Tracy
Policy on Discontinuation of Residential Water Service for Nonpayment

1. Purpose/Background:

This Policy has been established pursuant to Senate Bill 998, known as the “Water Shutoff Protection Act” (California Health and Safety Code §§ 116900-116926).

2. Application:

This Policy applies only to the discontinuation of residential water service for nonpayment. The City of Tracy’s existing ordinances, resolutions, policies and procedures shall continue to apply to any non-residential water service accounts and to discontinuation of residential water service for other reasons, including, the termination of a service connection by the City of Tracy (“City”) due to a customer violation of any other ordinance, regulation or policy of the City.

3. Availability of Policy:

The City shall provide this Policy in English, and in the languages listed in Civil Code Section 1632, which includes Spanish, Chinese, Tagalog, Vietnamese, and Korean, and any other language spoken by at least 10 percent (10%) of the people residing in the City’s service area. This Policy will be made available to the public on the City’s website.

4. Telephone Number:

The City’s Finance Department can be contacted by phone at (209) 831-6800 for assistance concerning the payment of water bills and to discuss options for preventing discontinuation of residential water service for nonpayment under the terms of this Policy.

5. Requirements Preceding Discontinuation of Residential Water Service for Nonpayment:

a. 60-day Delinquency Period

The City shall not discontinue residential water service for nonpayment until payment by the customer has been delinquent for at least 60 days.

b. Notice

The City will contact the customer by written notice at least 7 business days before discontinuation of residential water service for nonpayment. The written notice shall be provided in English, the languages listed in Civil Code Section 1632, and any other language spoken by at least 10 percent (10%) of the people residing in the City’s service area.

- i. The written notice of payment delinquency and impending discontinuation of residential water service shall be sent to the mailing address designated on the account. If the mailing address and the address of the property to which residential water service is provided are different, the written notice will also be mailed to the service address and addressed to “Occupant”.

- ii. The written disconnection notice will include:
 - A. The customer's name and address.
 - B. The amount of the delinquency.
 - C. The date by which payment or payment arrangements are required to avoid discontinuation of residential water service.
 - D. A description of the process to apply for an extension of time to pay the delinquent charges.
 - E. A description of the process to petition for bill review and appeal.
 - F. A description of the procedure by which the customer may requested a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential water service charges, consistent with this Policy.
 - G. The City's phone number, business address, and hours of operation of the Finance Department customer service desk.
- iii. The City may alternatively provide notice to the customer of the impending discontinuation of residential water service by telephone. If notice is provided by telephone, the City shall offer to provide the customer with a copy of this Policy and also offer to discuss with the customer options for alternative payments and the procedures for review and appeal of the customer's bill.
- iv. If the City is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the City shall make a good faith effort to visit the residence and leave, or place in a conspicuous place, a notice of imminent discontinuation of residential water service for nonpayment and a copy of this Policy.

c. 48-Hour Notice of Termination

The City will make a reasonable, good faith effort to notify the customer 48 hours in advance of discontinuation of residential water service for nonpayment. The means of notification will be based upon the notification preference (text, phone, or email) selected by the customer. Customers who have not selected a means of notification will be notified by phone. If the City is unable to make contact by text, phone, or email, the City will make a good faith effort to visit the residence and leave a notice of termination of residential water service in a conspicuous location.

6. Service Restoration Information:

Upon discontinuation of residential water service for nonpayment, the City shall provide the customer with information on how to restore residential water service.

7. Restrictions on Discontinuation of Residential Water Service:

- a. The City shall not discontinue residential water service for nonpayment if **all** of the following conditions are met:
 - i. The customer, or a tenant of the customer, provides certification of a primary care provider, as defined in Welfare and Institutions Code Section 14088(b)(A)(1), that discontinuation of residential 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 water service is provided.

- ii. The customer demonstrates that he or she is financially unable to pay for residential water service within the City's normal billing cycle.
 - A. The customer shall be deemed financially unable to pay for residential water service within the City's normal billing cycle if any member of the customer's household is a current recipient of:
 - 1) CalWORKs,
 - 2) CalFresh,
 - 3) General assistance,
 - 4) Medi-Cal,
 - 5) Supplemental Security Income/State Supplementary Payment Program, or
 - 6) California Special Supplemental Nutrition Program for Women, Infants and Children, or
 - 7) The customer declares that the household's annual income is less than 200 percent (200%) of the federal poverty level.
- iii. The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with Section 7.b. of this Policy.

b. Alternative Payment Arrangements

- i. If the customer meets all of the conditions listed in Section 7.a. above, the City shall offer the customer one or more 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 changes to other ratepayers.
 - D. Temporary deferral of payment.
- ii. The Finance Director, or designee, may choose which of the payment options described in Section 7.b.i. above, may be available to the customer and may set the parameters of that payment option. Ordinarily, the repayment option offered should result in repayment of any remaining outstanding balance within 12 months. The City may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

c. Customer Obligations

The customer must remain current on residential water service as charges accrue in each subsequent billing period. The customer may not request further amortization or reduction of any subsequent unpaid charges while paying delinquent charges pursuant to an alternative payment arrangement. Commencing on the date the first payment arrangement is entered into, customers who fail to comply with an agreed payment arrangement will not be eligible to establish future payment arrangements for a period of 12 months, except as otherwise prohibited by law.

d. Disconnection after Failure to Comply with Alternative Payment Arrangements

- i. The City may disconnect service no sooner than 5 business days after the City posts a final notice of intent to disconnect residential water service in a prominent and conspicuous location at the property under either of the following circumstances:

- A. The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.
- B. While undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, the customer does not pay his or her current residential water service charges for 60 days or more.

8. Services Involving Landlord-Tenant Relationships:

a. Notice to Residential Tenants/Occupants in Master Meter Landlord-Tenant Situations

If the City furnishes individually metered residential water service to residential tenants/occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp as defined in Health and Safety Code Section 17008, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the City will make a reasonable, good faith effort to inform the tenants/occupants, by means of written notice, when the residential water service account is in arrears and subject to disconnection at least 10 days before residential water service is shut off. The written notice will advise the tenants/occupants 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 residential water service at that address.

b. Service to Tenants/Occupants

The City shall not make service available to the residential tenants/occupants unless each residential tenant/occupant agrees to the City's terms and conditions for residential water service and meets the requirements of law and the City's ordinances, resolutions, regulations and/or policies. However, if one or more of the residential tenant/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 residential tenants/occupants who have not met the requirements for service, the City will make service available to those residential tenants/occupants who have met those requirements.

c. Detached Single-Family Dwellings

In the case of a detached single-family dwelling, the City may do any of the following:

- i. Give notice of termination of residential water service at least 7 days prior to the proposed termination.
- ii. In order for the amount due on the delinquent account to be waived, require a tenant/occupant who becomes a customer to verify tenancy in the form of a rental agreement.

9. Additional Service Restoration Considerations Based on Financial Hardship:

- a. If a residential water service customer demonstrates to the City household income below 200 percent (200%) of the federal poverty line, the City shall do both of the following:
 - i. Charge a fee for restoring residential water service as set forth in Tracy Municipal Code Section 11.12.060(a).
 - ii. Waive interest charges on delinquent bills once every 12 months.

- b. The City shall deem a residential water service customer to have a household income below 200 percent (200%) of the federal poverty line if:
 - i. Any member of the household is a current recipient of:
 - A. CalWORKs,
 - B. CalFresh,
 - C. General assistance,
 - D. Medi-Cal,
 - E. Supplemental Security Income/State Supplementary Payment Program, or
 - F. California Special Supplemental Nutrition Program for Women, Infants and Children, or
 - G. The customer declares that the household's annual income is less than 200 percent (200%) of the federal poverty level.

10. Procedure to Review or Appeal a Bill:

If a residential water service customer wishes to review or appeal any bill or charge rendered by the City, the customer may do any of the following:

- a. Review of bill:
 - i. Customer has the right to request a review of the bill by contacting the Finance Department.
 - ii. During the City's review of the bill, the City shall not disconnect residential water service to the customer.
- b. Appeal of bill:
 - i. An appeal of a residential water service bill may be made to the Finance Director in accordance with the procedures provided in Tracy Municipal Code Section 1.12.010(a).
 - ii. If the customer is unable to resolve the dispute with his or her bill as provided in Section 10. b. ii., above, then an appeal of a residential water service bill may be made to the City Manager in accordance with the procedures provided in Tracy Municipal Code Section 1.12.010.
 - iii. While the appeal of the bill is pending, the City shall not disconnect residential water service to the customer.

11. Reporting Requirements:

The City shall report the number of annual discontinuations of residential water service for nonpayment on the City's website and to the State Water Resources Control Board.