OAKDALE IRRIGATION DISTRICT
Miscellaneous Policies and Procedures

Title	*Chapter*	*Section*
1 – FINANCE	4 – Rural Water System	4.102 Collection and Service Termination Policy for Delinquent Residential Accounts Within the Rural Water System

1. GENERAL POLICY AND AUTHORIZATION.

A. PURPOSE. This policy details Oakdale Irrigation District's (District) policies and procedures for handling of delinquent residential water accounts, including with respect to notifications, imposition of additional charges, and discontinuation and restoration of service. This policy will be made available to the public on the District's website. Customers wishing to discuss options for avoiding interruption of residential water service for nonpayment under the terms of this policy may contact the District at (209) 847-0341.

B. AUTHORIZING LAW. Pursuant to the California Water Code, section 22280, the District has authority to fix and collect charges for delivery of water for residential use. As of April 1, 2020, the District is subject to the mandates of Senate Bill 998 ("SB 998," also known as the Water Shutoff Protection Act, now codified in Health and Safety Code §§ 116900, et seq.). SB 998 sets forth procedures that must be followed before residential water service can be discontinued for delinquency in payment.

C. PUBLISHED LANGUAGES. This policy and all written notices required by this policy shall be available and published in English, the languages listed in Civil Code section 1632, and any other language spoken by at least 10 percent of the people residing in the District's service area.

2. DELINQUENCY IN PAYMENT; LATE FEE AND FEE FOR RETURNED CHECK.

A. All amounts set forth in each monthly residential water bill are due and payable upon receipt.

B. An account becomes delinquent when, at the end of the billing cycle in which a bill has been issued, some or all of the charges set forth in that bill remain unpaid and no payment arrangement or alternative payment schedule has been established.

C. A late fee will be assessed if the account remains delinquent for 15 days.

D. If a check is returned by the customer's financial institution as non-negotiable for reasons including but not limited to insufficient funds, a returned check fee will be assessed and the account will be treated as though the attempted payment was never made. If the returned check

was for payment made within 48 hours before the date set for discontinuation of service, then the District will provide at least 48 hours' notice before discontinuing service for nonpayment. Such notice will be given by phone or via an in-person visit from a District representative. All amounts paid to redeem a returned check and to pay the returned check fee must be by cash, credit card, or certified funds.

3. <u>DISCONTINUATION OF SERVICE FOR NONPAYMENT ON DELINQUENT ACCOUNTS</u>.

A. The District will not discontinue residential service for nonpayment until an account has been delinquent for at least 60 days.

B. The District will make a reasonable good-faith effort to contact the customer at least seven business days before discontinuation of residential water service for nonpayment.

C. At least seven business days before discontinuation of residential water service for nonpayment, the District will mail written notice of the payment delinquency and impending discontinuation to the customer at the residence where the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice shall also be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall indicate:

- The name and address of the customer on record;
- The amount of the delinquency;
- The date by which payment or payment arrangement must be made in order to avoid discontinuation of service;
- The procedures by which the customer may request an extension of time to pay delinquent charges, appeal charges, and/or request a deferred, reduced, amortized, or alternative payment schedule; and

- The telephone number the customer may call to request a payment arrangement or receive additional information from the District, and a web link to this written policy.

Prior to termination of services, the District will make a reasonable, good faith effort to visit the residence and leave a final 48 hour notice of termination of water service for non-payment.

D. If the written disconnection notice is returned through the mail as undeliverable, the District will make a reasonable, good-faith effort to reach the customer or an adult occupying the residence at least 48 hours in advance of discontinuation of water service for non-payment, either by telephone or by dispatching a District representative to visit the residence and leave a notice of imminent discontinuation of residential water service for non-payment with an adult occupant or posted in a conspicuous place.

E. When contact is by telephone, the District shall offer to provide the customer a copy of its written policy on discontinuation of residential service for nonpayment, and shall offer to discuss options to avert discontinuation of residential service for nonpayment, including alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal.

F. Disconnection Deadline. Payment of delinquent water service charges and associated fees is timely when received by the District by 5:00 p.m. on the date specified in the written disconnection notice.

4. CUSTOMER'S RIGHT TO APPEAL CHARGES FOR RESIDENTIAL WATER SERVICE.

A. Time to Initiate a Complaint or Request an Investigation. Any customer may dispute charges included on a residential water bill at any time before the due date of the bill. A dispute may be initiated by submission of a complaint or request for investigation to the District in writing or by telephone during regular business hours. Final appeal of charges and late fees will be decided by the Board in a meeting open to the public. The District may, in its discretion, review untimely complaints or requests for investigations; however, such untimely complaints or requests are not appealable to the District Board of Directors.

B. Review by District. Upon receipt of a written complaint or request for investigation, the Chief Financial Officer shall review the complaint and/or conduct an investigation determined to be appropriate in the Chief Financial Officer's sole discretion. The Chief Financial Officer's review will include consideration of whether the District may grant an extension or alternative payment schedule and/or waive late penalties. During the review and/or investigation, the District will extend the customer's payment due date in order to avoid imposition of late fees. However, the customer will not be provided an extension of the 60-day time period provided under Section 3(A) above. Wherever possible, the investigation shall be completed, and the customer shall be notified of the Chief Financial Officer's decision, within 10 days from receipt of the written complaint or request.

C. Outcomes. If, following review and/or investigation, the Chief Financial Officer determines a charge is erroneous, an adjustment shall be applied to the customer's account. If the billing is correct, payment of the bill balance shall be due 10 days after the customer has been notified of the Chief Financial Officer's decision. Nothing in this policy is intended to relieve the customer of the obligation to pay subsequent bills that become due before completion of the investigation. If the customer desires to appeal subsequent bills, it is the customer's responsibility to notify the District of that fact.

D. Appeal to Board of Directors. Any customer whose timely complaint or request for an investigation under this section resulted in a decision unsatisfactory to the customer may appeal the decision to the District Board of Directors by submitting a notice of appeal to the District Secretary in writing at 1205 East F Street, Oakdale, CA 95361 or by telephone at 209-847-0341 within 10 days of the District's mailing of its determination. Upon receiving the notice of appeal, the District Secretary will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the hearing at least seven (7) days before the meeting. The decision of the Board will be final. Payment of any bill balance that remains following the Board's decision shall be due 10 days after the customer has been notified of the Board's decision.

E. No Discontinuation of Service While Appeal is Pending. The District will not disconnect water service for non-payment while an appeal is pending.

5. <u>WHEN RESIDENTIAL WATER SERVICE WILL NOT BE DISCONTINUED</u>.

A. The District shall not discontinue residential water service for nonpayment if all of the following conditions are met:

1. The customer, or a tenant of the customer, submits to the District the certification of a primary care provider, as that term is defined in Welfare & Institutions Code section 14088(b)(1)(A), 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.

2. The customer demonstrates that he or she is financially unable to pay for residential water service within the District's normal billing cycle. The customer shall be deemed financially unable to pay for residential water service within the District's normal billing cycle if any member of the customer's 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 Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

3. The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment with respect to all delinquent charges.

B. If all of the conditions listed above are met, the District shall offer the customer one or more of the following options:

1. Amortization of the unpaid balance over a period of up to 12 months from the date payment was first due;

2. Participation in an alternative payment schedule;

3. A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers; and/or

4. Temporary deferral of payment.

C. The Chief Financial Officer is authorized to choose the payment option the customer undertakes and to set the parameters of that payment option provided that the repayment of any remaining outstanding balance occurs within 12 months. Under limited circumstances and at the Chief Financial Officer's sole discretion, the District 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.

D. Residential water service may be discontinued no sooner than 7 business days after the District posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:

1. 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; or

2. 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.

6. <u>RESTORATION OF RESIDENTIAL WATER SERVICE</u>.

A. If the District discontinues residential water service for nonpayment, it shall provide the customer with information about how to restore residential water service, which will include payment of a fee for restoration of service. Following payment of all sums and fees owed, the District will endeavor to restore service as soon as practicable and not later than the close of business on the next business day. Customers should not tamper with equipment that is the property of the District in an effort to access residential water service. Such unauthorized tampering may result in assessment of fines or fees. Any damages resulting from such unauthorized tampering will be the responsibility of the customer.

B. For a residential customer who demonstrates to the District that the household income is below 200 percent of the federal poverty line, the fee for restoration of service shall be as set forth below. Beginning January 1, 2021, these figures shall be subject to an annual adjustment for changes in the Consumer Price Index.

1. For restoration of service during normal business hours, no more than $50 or the actual cost of reconnection, whichever is less.

2. For restoration of service outside of normal business hours, no more than $150 or the actual cost of reconnection, whichever is less.

C. A residential customer who demonstrates to the District that the household income is below 200 percent of the federal poverty line shall be entitled to a waiver of all interest charges on delinquent bills once every 12 months.

D. The District shall deem a residential customer to have a household income below 200 percent of the federal poverty line 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 Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

E. Returned Checks for Previously Discontinued Service. In the event a customer tenders a non-negotiable check as payment to restore water service previously disconnected for non-payment, and the District restores service, the District 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 nonpayment will be required to pay by cash, credit card or certified funds to restore future service disconnections for a period of 12 months from the date of the returned payment.

7. SERVICES INVOLVING LANDLORD-TENANT RELATIONSHIPS.

A. If the District furnishes individually metered residential water service to residential occupants of a detached single-family dwelling, a multiunit residential structure, or mobilehome park, and the owner, manager, or operator of such dwelling, structure, or park is the customer of record, and the account becomes delinquent, the District shall make every good faith effort to inform the residential occupants in writing that service will be terminated at least 10 days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay the amount due on the delinquent account.

If such written disconnection notice is returned through the mail as undeliverable, the District will make a reasonable, good faith effort to visit the residence and leave a notice of discontinuance for non-payment.

B. The District is not required to make service available to residential occupants of a detached single-family dwelling, a multiunit residential structure, or mobilehome park unless at least one resident in each occupied unit agrees to the terms and conditions of service and meets the requirements of law and the District's rules. However, if one or more of the residential occupants are willing and able to assume responsibility for all subsequent charges to the account to the satisfaction of the District, or if there is a physical means legally available for the District to selectively terminate service to those residential occupants who have not met the District's requirements, the District shall make service available to those residential occupants who have met those requirements.

8. REPORTING REQUIREMENTS. The District shall annually report the number of discontinuations of residential service for inability to pay on its website and to the State Water Resources Control Board.

9. LIMITATIONS OF THIS POLICY. Nothing in this policy restricts, limits or otherwise impairs the District's ability to terminate residential water due to an unauthorized action of the customer.