



## REPORT TO CITY COUNCIL

**Approved by:**

Arnaldo Rodriguez, City Manager

**Council Meeting of:** January 15, 2020

**Agenda Number:** D-5

### **SUBJECT:**

Introduction of an Ordinance of the City Council of the City of Madera, California Amending Title VIII: Finance, Revenue and Taxation, Chapter 7: Municipal Utilities regarding discontinuance of service, delinquent accounts and noticing prior to termination of service and adoption of Resolution establishing the City of Madera Utility Service Policy for Delinquent Residential and Multi-Family Customers.

### **RECOMMENDATIONS:**

1. Waive full reading and introduce Ordinance of the City of Madera, California amending Title VIII: Finance, Revenue, and Taxation, Chapter 7: Municipal Code, Sections 8-7.09, 8-7.10, and 8-7.14 of the Madera Municipal Code Relating to Discontinuation of Service, Delinquent Accounts, and Noticing Prior to Termination of Water Service and
2. Adopt Resolution Establishing a Witten Utility Service Policy for Delinquent Residential and Multi-Family Residential Users Policy.

### **SUMMARY:**

The State Senate enacted SB 998 (Dodd) called the Water Shut Off Protection Act.: The bill, signed into law September 28, 2018 (Health and Safety Code, Part 12 of Division 104), adds Chapter 6 Discontinuation of Residential Water Service. It is effective February 1, 2020. The law requires all public water systems (with more than 200 connections) to have a written policy on discontinuation of residential water services, provide that policy in multiple languages, and prohibit an urban and community water system from discontinuing residential service for nonpayment until delinquent for at least sixty (60) days.

### **DISCUSSION:**

SB 998 provides rules and procedures for urban and community water system to follow before they shut off residential water service. Residential water service includes service to a residential connection to a single-family home, multifamily homes, mobile homes including those in mobile home parks and farmworker housing.

The City is an urban supplier, so it must comply with SB 998 by February 1, 2020. According requirements in the new law, the City will need to extend the number days before it shuts off service to at least 60 days. The City will need to make sure its notice to customers includes information required by SB 998.

The City currently has a policy regarding Delinquent Services. The policy is not compliant with SB 998 and combines both commercial and residential service into one policy. This agenda item addresses changes to residential policy and procedures only. It does not address changes to the commercial policy. This will be updated at a later date and does not require any changes by SB 998.

The Delinquent Service Policy for Residential customers has been updated to contain (1) payment options, including a plan for deferred or reduced payments and alternative payment schedule and (2) a method to avoid discontinuation, including an appeal and a telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment. The City's policy must be available on the website.

The written notifications that service will be discontinued has been updated to be compliant with SB 998, and includes customer name/address, amount of delinquency, date by which payment or arrangement is required in order to avoid discontinuation of residential service, description of the process to apply for extension of time to pay the delinquent charges, description of the procedure to appeal the bill and description of procedure by which a customer may request an alternative payment schedule.

The City's proposed changes to the ordinance amends City of Madera's Ordinance, Title VIII: Finance, Revenue and Taxation, Chapter 7: Municipal Utilities to be in compliance with SB 998.

**FINANCIAL IMPACT:**

Failure to implement SB 998 by February 1, 2020 could result in the state water board assessing civil penalties not to exceed \$1,000.00 per day to each day that a violation continues to occur.

**CONSISTENCY WITH THE VISION MADERA 2025 PLAN:**

The ordinance amendment will further apply to core vision statements of the Vision Plan of "A Safe, Health Environment" by extending the number of days before termination of water services.

**ALTERNATIVES:**

Not to comply with (SB) Senate Bill 998 and leave the ordinance and policy as it currently exists.

**ATTACHMENTS:**

1. Ordinance
2. Resolution Establishing Policy

**ORDINANCE NO. 20-**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA  
AMENDING TITLE VIII: FINANCE, REVENUE, AND TAXATION, CHAPTER 7:  
MUNICIPAL UTILITIES, SECTIONS 8-7.09, 8-7.10, AND 8-7.14 OF THE MADERA  
MUNICIPAL CODE RELATING TO DISCONTINUATION OF SERVICE, DELINQUENT  
ACCOUNTS, AND NOTICING PRIOR TO TERMINATION OF WATER SERVICE**

THE CITY COUNCIL OF THE CITY OF MADERA DOES ORDAIN AS FOLLOWS:

**SECTION 1.** Section 8-7.09 of the Madera Municipal Code is amended to read as follows:

§ 8-7.09 DISCONTINUANCE OF SERVICE FOR NON-PAYMENT.

(A) Residential utility accounts remaining unpaid for at least sixty (60) calendar days after the due date shall be subject to disconnection from water utility services in the manner prescribed in the City Utility Services Policy and consistent with applicable sections of the California Public Utilities Code.

(B) Commercial utility accounts remaining unpaid after the due date shall be subject to disconnection from water utility services in the manner prescribed in the City Utility Services Policy and consistent with applicable sections of the California Public Utilities Code.

(C) Where more than one residence is billed under one multi-unit account, including but not limited to apartment units, mobile home parks, etc., accounts remaining unpaid for at least sixty (60) days after the due date shall be subject to disconnection from water utility services in the manner prescribed in the City Utility Services Policy and consistent with applicable sections of the California Public Utilities Code.

(D) In order to restore service to an account with discontinued service, payment in the form of check will not be accepted. Cash, debit, credit, or money order will be accepted.

**SECTION 2.** Section 8-7.10 of the Madera Municipal Code is amended to read as follows:

§ 8-7.10 DELINQUENT ACCOUNTS.

(A) In the event that a utility bill is not paid on or before the delinquent date, the following additional charges shall be added to each delinquent billing:

(1) The amount determined by resolution or, in the absence of such resolution, 10% of the delinquent balance of all utility charges.

(2) In addition, the delinquent balance, including additional charges, shall be charged interest at the rate of 1 1/2% per month.

(B) If water service had been discontinued for failure to pay a utility bill as set forth in § 8-7.09 of this chapter, the entire amount of the utility bill including all applicable penalties, interest, and deposit shall be paid before water service is restored, unless an amortization agreement for payment of the delinquent balance consistent with the Public Utilities Code and the City Policy under California Water Shut Off Act (SB 992: Health and Safety Code Sections 116900 to 116926) is arranged with the Finance Director or his or her designee. The City Policy is established by City Council Resolution as "City of Madera Utility Service Policy for Residential and Multi-Family Customers").

(C) A charge as determined by resolution of the Council shall be charged on all returned checks, plus any service charges assessed by the Bank. Accounts shall be subject to the following payment restrictions.

(1) Checks will not be accepted as payment when service has been interrupted because of a returned check.

(2) If account holder has two checks returned to the city from the issuing bank within a six- month period, no checks will be accepted as payment on that account for the six months following the last returned check.

(D) In addition to any other fees or charges provided in this section, any customer requesting a utility service, including but not limited to application for water service, service turn-on, or shut-off, on any Saturday, Sunday, legal holiday, or before the hour of 8:00 a.m. or after the hour of 5:00 p.m. of any day, shall pay an additional charge as determined by resolution of the Council for after hours or weekend or holiday service.

(E) Accounts shall be subject to collection of any delinquent fees and charges in the following manner:

(1) At the time the fees become delinquent and until such time as they are fully paid, the delinquent account balance, including late charges, shall constitute an unrecorded lien against the property and, as such, may be identified during a title search. In addition, commercial businesses' delinquent account balances, including late charges, may be considered an unrecorded lien against the business and/or owner of the business except that all procedures under the City of Madera Utility Service Policy for Residential and Multi-Family Residential Customers shall be followed first.

(2) Once a year, the Council shall cause to be prepared a report of current delinquent fees, including late charges, for that year. The Council shall fix a time, date and place for hearing the report and receiving any objections or protests thereto.

(3) The Council shall cause notice of the hearing to be mailed to the landowners listed on the report not less than 15 calendar days prior to the date set for hearing.

(4) At the hearing, the Council shall hear any objections or protests of landowners liable to be assessed for delinquent fees including late charges and administrative fees. The Council may then make revisions or corrections to the report as it deems just, after which, by resolution, the report shall be affirmed.

(5) The delinquent fees set forth in the report as confirmed shall constitute a lien against the respective parcels of land and are a lien on the property for the amount of such delinquent fees, including interest and late charges. A certified copy of the resolution affirming the assessments shall be filed with the County Recorder and the County Auditor-Controller/Tax Collector for the amounts of the respective assessments against the respective parcels as they appear on the current assessment roll. The lien created attaches upon filing. The assessments shall be collected at the same time and in the same manner as other property taxes and shall be subject to the same penalties and the same procedures and sale in case of delinquency as provided for such taxes. All laws applicable to the levy, collection and enforcement of property taxes shall be applicable to such assessments. However, if during the first year for which the charges are prescribed, the property served by the city has been transferred or conveyed to a bona fide purchaser for value, and attached thereon, prior to the date on which the first installment of county taxes would become delinquent, the charge shall not result in a lien against the real property, but shall become transferred to the unsecured roll for collection.

(6) In addition to, or alternatively to, imposing a lien, the city may file an action for the collection of any amounts due and unpaid. In any such action, the delinquent balances may also be processed through a collection agency.

(7) If the account of a commercial customer who is not the property owner remains delinquent for over 90 days, a billing will be rendered to the property owner so as to provide notice of the delinquency and lien on the property, as mandated in subsection (1) of this section, such that payment of the account can occur prior to applying subsections (2), (3), (4), (5), and (6) of this section. The charges for utility service referred to herein shall constitute a lien against the lot or parcel of land against which the charge was imposed if such charge remains delinquent for a period of 90 days. In the event that utility services are provided to property occupied by a non-owner/tenant, and payment for such service had been guaranteed by the property owner, the Director of Finance is authorized and directed to notify such owner of any delinquencies hereunder upon their occurrence.

(8) The city shall have the right to require that commercial property owners guarantee tenant accounts that are delinquent or have a history of delinquency.

(9) The provisions of this section shall be applicable, in addition to the fees and charges arising from service provided under Chapters 5-3, 5-4, and 5-5 of this municipal code.

**SECTION 3.** Section 8-7.14 of the Madera Municipal Code shall be amended to read as follows:

§ 8-7.14 NOTICING PRIOR TO TERMINATION OF SERVICE.

*(A) Delinquent residential accounts and properties without an active account.*

(1) Ten calendar days before an account becomes delinquent, a notice is to be forwarded to the account holder by mail, to the service address. The notice will indicate that a penalty will be applied and the water will be shut off if the past due balance is not paid in full by the required payment date as established in the City of Madera Municipal Code. The notice is applicable to those accounts that are at least sixty (60) days past due and are not already under a payment agreement. The notice will include (a) a customer's name and address, (b) amount past due, (c) date by which payment or payment arrangements are required to avoid termination of service, (d) description of the process to apply for payment arrangements, (e) description of the process to dispute or appeal a bill, and (f) City Finance Department's telephone number and a web link to the City Finance Utility Billing Department's written delinquent account policy.

(2) Ten calendar days prior to termination of service, a notice that water services will be discontinued is mailed to the customer. If the mailing address and the address of the property to which water service is provided are different, a second notice will be mailed to the service address and addressed to "Occupant." If unable to reach customer by telephone or the mailed notice has been returned undeliverable, the City will make every effort to hand deliver or post a notice in a conspicuous place regarding the shut off process. (3) City staff will proceed to shut off procedure if the account holder has made no response to the ten-day or 48-hour notices.

*(B) Delinquent commercial accounts and properties without an active account.*

(1) Ten calendar days prior to termination of service, a termination notice is to be forwarded to the account holder either by mail or posted in a conspicuous place at the service address. That notice will typically be provided on the customer's utility bill and will relate to the balance from the prior utility bill that has become delinquent. The notice will indicate that a penalty will be applied and the water will be shut off if the past due balance is not paid in full by the required payment date, as established in the City of Madera Municipal Code § 8-7.08(D). The ten-day notice is for those accounts that have not paid their balance from the prior utility bill and are not already under a special payment agreement. If the notice is mailed, the ten-day period will begin five days after the date of mailing the notice. If the notice is physically posted at the service address, the ten-day period will begin on the day of posting.

(2) Seven calendar days prior to termination of service, a 48-hour shut off notice will be forwarded to the customer by mail. The 48-hour period will begin five days after the mailing of the notice. At least 48 hours prior to termination of service city staff will make a reasonable attempt to contact an adult person residing at the premises by phone. In certain instances, this notice may be hand delivered or posted in a conspicuous place to expedite the shut off process once city staff has made a reasonable attempt to contact an adult at the premises by phone.

(3) Proceed to shut off procedure if the commercial account holder has not made an attempt to contact the office or if the account has not been brought to a current status.

*(C) Delinquent multifamily accounts and properties without an active account.*

(1) Ten calendar days before an account becomes delinquent, a notice is to be forwarded to the account holder by mail to the service address. The notice will indicate that a penalty will be applied and the water will be shut off if the past due balance is not paid in full by the required payment date as established in the City of Madera Municipal Code. The notice is applicable to those accounts that are at least sixty (60) calendar days past due and are not already under a payment agreement. The notice will include (a) a customer's name and address, (b) amount past due, (c) date by which payment or payment arrangements are required to avoid termination of service, (d) description of the process to apply for payment arrangements, (e) description of the process to dispute or appeal a bill, and (f) City Finance Department's telephone number and a web link to the City Finance Utility Billing Department's written delinquent account policy.

(2) Ten calendar days prior to termination of service, a notice that water service will be discontinued is mailed to the customer. If the mailing address and the address of the property to which water is provided are different, a second notice will be mailed to the service address and marked "Occupant." If unable to reach customer by telephone or the mailed notification has been returned undeliverable, the City will make every effort to hand deliver or post a notice in a conspicuous place regarding the shut off process.

(3) The notice will advise tenant/occupant 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 address(es) served by master meters. Tenants must have the opportunity to transfer the account into their name.

(4) Proceed to the shut off procedure if all monies, including penalty and interest have not been paid within the required time frame.

*(D) Breached special payment agreements.*

(1) At least 48 hours prior to termination of service, city staff will make a reasonable attempt to contact the account holder by phone. If a phone call is unable to be completed, then a 48-hour notice will be posted at the service address.

(2) Service will be shut off if the account holder has made no response to the 48-hour notice.

**SECTION 4. SEVERANCE.** If any section, subsection, phrase, or clause of this ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this ordinance

**SECTION 5. CEQA.** The City Council finds this ordinance is not a project under the California Environmental Quality Act because it can be seen with certainty that it will not have a significant effect or physical change to the environment. See Title 14, California Code of Regulations, Section 15061 (b) (3).

**SECTION 6. PUBLICATION.** This ordinance shall be published in accordance with the provisions of Government Code Section 36933.



Resolution No. \_\_\_\_\_

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA  
ESTABLISHING A WRITTEN UTILITY SERVICE POLICY FOR  
DELINQUENT RESIDENTIAL AND MULTI-FAMILY RESIDENTIAL USERS**

**WHEREAS**, the State legislature has enacted Senate Bill 998 (“SB 998”), the Water Shut Off Protection Act; and

**WHEREAS**, SB 998 is intended to help residential water users who lose access to water service due to their inability to pay; and

**WHEREAS**, SB 998 requires water purveyors such as the City of Madera to adopt written procedural protections (hereafter “Shut Off Policy”) before residential water service can be discontinued for non-payment; and

**WHEREAS**, the City is required to comply with SB 998 by February 1, 2020; and

**WHEREAS**, to comply with SB 998 it is necessary to update the City’s current utility policy relating to delinquencies.

**WHEREAS**, staff has presented a new policy that will ensure compliance with SB 998.

**NOW, THEREFORE**, the City Council of the City of Madera resolves as follows:

**Section 1.** Recitals. All the recitals herein contained are true and correct.

**Section 2.** The City Council establishes the City of Madera Utility Service Policy for Delinquent Residential and Multi-Family Customers which is attached to this resolution as Exhibit A and incorporated by reference.

**Section 3.** The Finance Director is hereby authorized to implement the Policy as required by SB 998.

**Section 4.** Effective Date. This resolution shall take effect upon adoption.

I hereby certify that the foregoing is a full, true and correct copy of a Resolution duly and regularly adopted and passed by the City Council for the City of Madera, California, at a regular meeting held on the 15th day of January 2020 by the following vote:

**CITY OF MADERA**  
**UTILITY SERVICE POLICY**  
**FOR DELINQUENT RESIDENTIAL AND MULTI-FAMILY RESIDENTIAL CUSTOMERS**

**APPLICATION OF POLICY AND TELEPHONE NUMBER**

This policy enumerates the City of Madera’s administrative procedures and actions for the collection of delinquent accounts, including notifications, fee assignments and discontinuation of service. This policy together with Title 8, Chapter 7 of the Madera Municipal Code serves to comply with Water Shut Off Protection Act set forth in SB 998 (Health and Safety Code Sections 116900 to 116926). This policy will be made available to the public on the City Finance (Utility Billing) Department’s website at [www.madera.gov\SB-998](http://www.madera.gov/SB-998). The City Finance Utility Billing can be contacted by telephone at (559) 661-5459 to discuss options for averting discontinuation (also referenced “shut off”) of water service for nonpayment under the terms of this policy.

- I. **Definition of Delinquent Account:** An account becomes delinquent upon the dates specified in the City of Madera Municipal Code. Any revision to such dates in the Municipal Code will be reflected in this policy. The current date established in the Municipal Code is the 26<sup>th</sup> day of the billing month unless the due date falls on a weekend or holiday then the due date will be the next business day.
  
- II. **Delinquent Account – Fees and Notification**
  - A. **Fees.** If an account is past due for over 30 days, a 10% penalty is assessed and an ongoing interest of 1.5% per month is charged after 30 calendar days. Service to a delinquent account may be discontinued for nonpayment when a customer has been delinquent for at least sixty (60) calendar days subject to the Notice and other requirements under this policy. A shut-off fee of \$50 will be assessed if service is discontinued.
  
  - B. **Notices.** A Notice of Vacancy or Notice of Delinquency is mailed to the account holder ten (10) calendar days before the account becomes delinquent and/or the customer is contacted by telephone. The Notice will indicate that the water will be shut off if the delinquent balance is not paid in full by the required payment date, as established in the City of Madera Municipal Code. The Notice is required for those accounts that are delinquent and are not already on a Payment Arrangement. The written Notice will be mailed to the mailing address designated on the account. The Notice will include:
    - Customer’s name and address

- Amount past due
- Date by which payment or payment arrangements are required to avoid termination of service
- Description of the process to apply for payment arrangements
- Description of the process to dispute or appeal a bill
- City Finance Department's telephone number and a web link to the City Finance Utility Billing Department's written delinquent account policy

**The City shall not discontinue water service for non-payment until payment by the customer has been delinquent for at least sixty (60) days.**

Ten (10) calendar days prior to termination of service, a Notice that water service will be discontinued is mailed to the customer. If the mailing address and the address of the property to which water service is provided are different, a second notice will be mailed to the service address and addressed to "Occupant". If unable to reach customer by telephone or the mailed Notification has been returned undeliverable, the City will make every effort to hand deliver or post a Notice in a conspicuous place to the shut off process. City will terminate services if the account holder has made no response to the Notification.

The notices under this section shall be made available in English, Spanish, Chinese, Filipino (Tagalog), Vietnamese, Korean, and any other language spoken by ten (10) percent or more of the customers in City's service area.

### **III. Payment Arrangements**

Any customer who is unable to pay for water service within the normal payment period may request an alternative payment arrangement to avoid disruption of service. A down payment of one half (1/2) of the total past due amount is to be paid at the time of the execution of the Payment Arrangement form. The balance will then be amortized over a period not to exceed 12 months. In addition to the current payment, the delinquent payment is to be made timely over the agreed upon period. The customer must comply with the Payment Arrangement Plan and remain current as charges accrue in each subsequent billing period.

Only one additional extension is allowed over the 12-month period for repayment. If account holder can show good cause for an additional extension, the Finance Director or his/her designee may agree to a second extension. Each account will be allowed only one Payment Arrangement per year. A Payment Arrangement may not be approved until one year after the commencement of the last agreement.

A Payment Arrangement cannot be executed once service has been terminated without express authorization of the Finance Director or his/her designee.

If customer fails to comply with the Payment Arrangement for at least sixty (60) calendar days or more, service may be discontinued no sooner than five (5) business days after posting Notification of Delinquency. The Notification will be posted in a conspicuous place at the service address. City will terminate services if there has been no contact from the account holder to execute a Payment Arrangement.

#### **IV. Conditions Prohibiting Discontinuation**

The City shall not discontinue residential water service if all the following conditions are met:

A. Health Conditions – The customer or tenant of the customer submits certification of a primary care provider that discontinuation of water service would (i) be life threatening, or (ii) pose a serious threat to the health and safety of a person residing at the property;

B. Financial Inability – The customer demonstrates he or she is financially unable to pay for water service within the water system’s normal billing cycle. The customer is deemed “financially unable to pay” if any member of the customer’s household is: (i) a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or California Special Supplemental Nutrition Program for Women, Infants and Children; or (ii) the customer declares the household’s annual income is less than 200% of the federal poverty level; and

C. Alternative Payment Arrangements –The customer is willing to enter into an alternative payment arrangement consistent with the provisions of Section III above.

#### **V. Process for Determination of Conditions Prohibiting Discontinuation of Service**

The burden of proving compliance with the conditions described in Section IV, above, is on the customer. In order to allow the City sufficient time to process any request for assistance by a customer, the customer is encouraged to provide the City with the necessary documentation demonstrating the medical issues financial inability under Subdivision and willingness to enter into any alternative payment arrangement under Section IV above as far in advance of any proposed date for discontinuation of service as possible.

Upon receipt of such documentation, the Finance Director, or his or her designee, shall review that documentation and respond to the customer within three (3) calendar days or to notify the customer that additional information is necessary or to notify customer of the payment option

Customers who fail to meet the conditions described in Section IV above, must pay the delinquent amount, including any penalties and other charges, owing to the City within the latter to occur of: (i) two (2) business days after the date of notification from the City of the City's determination the customer failed to meet those conditions; or (ii) the date of the impending service discontinuation, as specified in the Overdue Notice.

#### **VI. Special Rules for Low Income Customers**

Customers are deemed to have a household income below 200% of the federal poverty line if: (i) any member of the customer's household is a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or California Special Supplemental Nutrition Program for Women, Infants and Children; or (ii) the customer declares the household's annual income is less than 200% of the federal poverty level. If a customer demonstrates either of those circumstances, then the following apply:

- A. Reconnection Fees: If service has been discontinued and is to be reconnected, then any reconnection fees during the City's normal operating hours cannot exceed \$50.00. Those fees cannot exceed the actual cost of reconnection if that cost is less than the statutory caps. Those caps may be adjusted annually for changes in the Customer Price Index for [add applicable CPI used by Madera] beginning January 1, 2021.
- B. Interest Waiver: The City shall not impose any interest charges on delinquent bills.

#### **VII. Shut Off Procedure**

Payment files should be updated prior to sending the Field Representative out to terminate service. As a courtesy, the Field Representative will attempt to contact the adult individual(s) residing at the service address prior to termination of service. Regardless of whether contact has been made, the Field Representative will proceed to terminate services and confiscate the refuse containers.

Service will not be restarted until the entire account balance, penalties, and fines are paid in full or a deposit will be required to re-activate service if there is no deposit on file. A check will not be accepted as payment to restart service.

Service will not be terminated at any time the Finance Department is not open: Saturdays, Sundays, holidays, after hours, or while an appeal is pending, or unless a payment extension is granted

Tampering with City property (shut off valves, valve locks etc.) shall constitute a misdemeanor. The Finance Director or his/her designee will notify the Madera Police Department, and the cost of replacement and monitoring will be charged to the account.

### **VIII. Delinquent Account: Landlord-Tenant Accounts**

A Notification of Vacancy/Delinquency is mailed to the account holder ten (10) calendar days before the account becomes delinquent and/or the customer is contacted by telephone. The Notification will indicate that the water will be shut off if the delinquent balance is not paid in full by the required payment date, as established in the City of Madera Municipal Code. The Notification is required for those accounts that are delinquent and are not already on a Payment Arrangement. The written Notification will be mailed to the mailing address designated on the account.

Ten (10) calendar days prior to termination of service, a Notification that water service will be discontinued is mailed to the customer. If the mailing address and the address of the property to which water service is provided are different, a second notice will be mailed to the service address and addressed to "Occupant". If unable to reach customer by telephone or the mailed Notification has been returned undeliverable, the City will make every effort to hand deliver or post a Notice in a conspicuous place to the shut off process. City will terminate services if the account holder has made no response to the Notification.

The Notice will advise tenant/occupant 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 address(es) served by the master meter. Tenants must have the opportunity to transfer the account into their name. Services will be terminated if all monies, including penalty and interest have not been paid within the required time frame.

### **IX. Payment Arrangements: Landlord-Tenant Accounts**

Any customer who is unable to pay for water service within the normal payment period may request an alternative payment arrangement to avoid disruption of service. A down payment of one half (1/2) of the total past due amount is to be paid at the time of the execution of the Payment Arrangement form. The balance

will then be amortized over a period not to exceed 12 months. In addition to the current payment, the delinquent payment is to be made timely over the agreed upon period.

Only one additional extension is allowed over the 12-month period for repayment. If account holder can show good cause for an additional extension, the Finance Director or his/her designee may agree to a second extension. Each account will be allowed only one Payment Arrangement per year. A Payment Arrangement may not be approved until one year after the commencement of the last agreement.

A Payment Arrangement cannot be executed once service has been terminated without express authorization of the Finance Director or his/her designee.

If customer fails to comply with the Payment Arrangement for at least sixty (60) calendar days or more, service may be discontinued no sooner than five (5) business days after posting Notification of Delinquency. The Notification will be posted in a conspicuous place at the service address. City will terminate services if there has been no contact from the account holder to execute a Payment Arrangement.

Account holders that have not complied with the Payment Arrangement are sent a Notification that services will terminated ten (10) calendar days prior to service termination.

**X. Shut off procedure – Landlord-Tenant Accounts**

Payment files should be updated prior to sending the Field Representative out to terminate service. As a courtesy, the Field Representative will attempt to contact the adult individual(s) residing at the service address prior to termination of service. Regardless of whether contact has been made, the Field Representative will proceed to terminate services and confiscate the refuse containers.

Service will not be restarted until the entire account balance, penalties, and fines are paid in full or a deposit will be required to re-activate service if there is no deposit on file. A check will not be accepted as payment to restart service.

Service will not be terminated at any time the Finance Department is not open: Saturdays, Sundays, holidays, after hours, or while an appeal is pending, or unless a payment extension is granted

Tampering with City property (shut off valves, valve locks etc.) shall constitute a misdemeanor. The Finance Director or his/her designee will notify the Madera



Police Department, and the cost of replacement and monitoring will be charged to the account.

**XI. Service Termination by Account Holders**

Account holders wanting to terminate their service must do so in writing by specifying the date service is to be discontinued. If a request for termination has not been made in writing, the account holder will be held responsible for utility services provided to the service location.

Temporary service termination by the account holder must also be in writing. If the account holder is deceased, a family member may submit a written request for service termination with a copy of the death certificate.

**XII. Appeals**

The Account holder has the right to appeal the bill giving rise to delinquency. To do so, he/she must do the following:

The account holder shall complete a City of Madera Appeal form addressing his or her concern and, if there is a dispute with a Finance Department Policy, the account holder or complaining party should indicate where possible, the policy with which they disagree. The completed appeal form shall be date stamped upon receipt by the City of Madera Finance Department.

A review committee, consisting of the Finance Director and an additional person who does not have a direct involvement with the utility billing and collection process shall hear the appeal. A hearing with this committee will be granted upon request. A written notice of the date and time of the hearing shall be sent to the complaining party within five (5) business days of the hearing date.

The Hearing will be held within ten (10) working days of the receipt of the completed appeal form. The City Attorney may be consulted for his/her advice relating to the committee's findings.

The review committee will provide a written notice to the account holder concerning the outcome of the hearing. If the account holder disagrees with the decision of the committee, a request to appeal to the City Council can be made. This request for appeal to the City Council must be made within fifteen (15) calendar days from the date of the decision of the appeal committee. The written response will notify the complainant of his or her right to appeal the decision and the procedures for doing so.

**XIII. Notice In Other Languages:** This policy and notices required under SB 998 shall be made available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by ten (10) percent or more of the customers in the City's service area.