



City of Placerville

Finance Department
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1. **PURPOSE**

The purpose of this policy is to establish guidelines for residential water discontinuation for non-payment.

2. **POLICY**

2.1 **Applicability**

This Policy provides for the adherence to Senate Bill No. 998 (SB998), Water Shutoff Protection Act. SB998 was approved September 28, 2018, which became effective February 1, 2020, and outlines the requirements for discontinuation of residential water service for nonpayment of a delinquent account.

3. **REQUIREMENTS**

3.1 **Policy**

The City's written policy on discontinuation of residential service for nonpayment is the following:

3.1.1 A plan for deferred or reduced payments

3.1.1.1 City may offer to extend the payment due date for a customer with a verbal promise to pay.

3.1.1.2 For customers that demonstrate household income below 200% of the federal poverty line, interest charges on delinquent bills will be waived once every 12 months.

3.1.2 Payment Schedules

3.1.2.1 City may offer a two-week payment extension, long-term payment extension or alternative payment plan to water account holders for their outstanding balances.

3.1.3 Contesting a Bill

3.1.3.1 Customers may dispute correctness of a bill by submitting a written request to the Accounting Supervisor.

3.1.4 Discussing options for averting discontinuation of residential service for nonpayment.

3.1.4.1 To discuss potential options, Customers may call the Utility Billing phone number printed on their billing statement, disconnect notice, and door

hanger.

3.2 **Discontinuation Time Frame and Notification**

3.2.1 The City will not discontinue residential water service for nonpayment until payment by a customer has been delinquent for at least 60 days of the bill date and customer past due balance is at least \$200.00 or more.

3.2.2 No less than fifteen business days before discontinuation of residential water service for nonpayment, the City will contact the customer on the account by telephone or written notice.

3.2.2.1 If contact with the customer named on the account is made by telephone, the City will offer to provide in writing to the customer with the Policy on discontinuation of residential service for nonpayment. The City will offer to discuss options to avert discontinuation according to 3.1 above.

3.2.2.2 If contact to the customer named on the account is made by written notice, the 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 service property, the notice will also be sent to the address of the property, addressed to "Occupant". The notice will include the following:

- Customer's name and address
- The amount of the delinquency
- The date by which payment or arrangement for payment is required to avoid discontinuation of residential service.
- 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

3.2.2.3 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 will make a good faith effort to visit the residence and leave a notice, in a conspicuous place, of imminent discontinuation of residential water service for nonpayment and the City's Policy.

3.2.2.4 If an adult at the residence appeals the water bill to the City or other legal body to which an appeal may be taken, the City will not discontinue residential service while the appeal is pending

3.2.3 The City will never discontinue residential service for nonpayment if **all** the following conditions are met:

3.2.3.1 The customer or tenant of the customer submits to the City the certification of a primary care provider 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 service is provided; and

3.2.3.2 The customer demonstrates that he or she is financially unable to pay for residential service within the water system's normal billing cycle. The customer or any member of customer's household, must be 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; and

3.2.3.3 The customer is willing to enter a plan for deferred or reduced payment (3.1.1.1) or an alternative payment schedule (3.1.2.1); and

3.2.3.4 If all above conditions are met, the City shall offer alternative pay plan consistent with policy 3.1.1, 3.1.2, or partial reduction (late fee waiver and/or reduction of service charges not related to consumption usage; **tamper fees will not be waived or reduced**) of the unpaid balance financed without additional charges to other taxpayers. The City may choose best payment option which the customer will undertake and set parameters for that payment option.

3.2.4 Residential service will be discontinued 5 business days after the City posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following conditions:

3.2.4.1 The customer fails to comply with alternative payment schedule or a deferral or reduction in payment plan for delinquent charges for 60 days or more.

3.2.4.2 The customer, while undertaking an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, does not pay current residential service charges for 60 days or more.

3.3 **Restoration of Services after Discontinuation of Water Service**

3.3.1 When service has been discontinued due to nonpayment, the City will provide information on how to restore service. The service will not be restored until all required delinquent charges and fees to re-establish service have been paid. Customers are permitted to make payment only by cash, cashier's check or money order.

3.3.1.1 Customers making payments will have services restored next business day.

3.3.1.2 Customers making payments to have services restored same day will be charged an after hour fee as set forth in Master Fee Schedule.

a. For residential customers that demonstrate that their household income is below 200% of the federal poverty line, the fee will not exceed one hundred fifty dollars (\$150) or exceed the actual cost of reconnection if it is less. The fee will be fifty dollars (\$50) if reconnection occurs during normal operating hours.

b. Reconnection fees are subject to annual adjustment . Adjustment rate is based upon Consumer Price Index. Based on the Consumer Price Index, as of January 1, 2026, the reconnection fee is \$61.62 or actual cost to reconnect if it is less.

3.3.2 If a new occupant calls to establish service at property where services were discontinued due to non-payment, in order for the amount due on the delinquent account to be waived, verification of occupancy is required. Verification may include, but is not limited to, a lease or rental agreement, rent receipts (in occupant's name), a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

3.4 **Discontinuation of Water Services Landlord-Tenant Relationship**

3.4.1 If the owner, manager, or operator of the dwelling structure is the customer of record, the City shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least 10 days prior to the termination. The written notice shall further inform the residential occupant's that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

3.4.2 The City is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the City rules and tariffs. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account 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 occupants who have not met the requirements of the City rules and tariffs, the City shall make service available to those residential occupants who have met those requirements.

3.4.3 Establishing credit with the City for deposit waiver requires previous account with the City in good standing with no suspensions or service interruptions due to non-payment.

- 3.4.4 Any residential occupant who becomes a customer of the City pursuant to this section whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the City for those services during the preceding payment period.

3.5 **Annual Reporting**

- 3.5.1 The City shall report the number of annual discontinuations of residential service for inability to pay on the City's Internet Web site, and to the State Water Resources Control Board (Board).

3.6 **Attorney General Injunction**

- 3.6.1 The Attorney General, at the request of the Board or upon his or her own motion, may bring an action in state court to restrain by temporary or permanent injunction the use of any method, act, or practice declared in SB998 to be unlawful
- 3.6.2 The City's water system is regulated by the Public Utilities Commission (PUC). The PUC may bring an action in state court to restrain by temporary or permanent injunction the use by a water system regulated by the PUC of any method, act, or practice declared in SB998 to be unlawful.

3.7 **Compliance**

- 3.7.1 Where provisions of existing law are duplicative of SB998, compliance with one shall be deemed compliance with the other. Where those provisions are inconsistent, the provisions of SB998 shall apply. Nothing in this policy shall be construed to limit or restrict the procedural safeguards against the disconnection of residential water service existing as of December 31, 2018.

3.8 **Unauthorized Action**

- 3.8.1 This policy does not apply to the termination of service connection by the City due to an unauthorized action of a customer, such as tampering.