

**CITY OF LAKEWOOD
POLICY ON DISCONTINUATION OF RESIDENTIAL WATER SERVICE**

EFFECTIVE MARCH 14, 2023

PURPOSE

This policy pertains to residential water service accounts and has been established to comply with Senate Bill 998 “The Water Shutoff Protection Act” approved by the Governor on September 28, 2018 (CA HSC § 116900 et seq). To the extent this policy conflicts with any other rules, regulations, or policies of the City, this policy shall control.

This policy is available in writing upon request by calling (855) 785-4021, and on the City’s website at <https://www.lakewoodcity.org/SB998>, and shall be published and available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, any languages added to the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in the service area.

REQUIREMENTS PRECEDENT TO DISCONTINUING RESIDENTIAL WATER SERVICE

The City shall not discontinue residential water service for nonpayment until a customer has been delinquent for at least 60 days or if a customer fails to comply with a payment arrangement agreement. An account will be deemed delinquent if not paid by the due date on the bill.

The customer will be notified twenty-five (25) days before discontinuation of service via a written notice of payment delinquency and impending discontinuation mailed to the customer at their address of record via the United States Postal Service. If the customer’s address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided under the name “occupant”. The notice shall include, but is not limited to the following information:

- (1) The customer’s name and address.
- (2) The amount of the delinquency.
- (3) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.
- (4) A description of the procedure to petition for bill review and appeal.
- (5) A description of the procedure by which the customer may request a deferred or alternative payment schedule, including an amortization of the delinquent residential service charges.
- (6) The procedure for the customer to obtain information on financial assistance, if applicable.
- (7) The telephone number where the customer may request a payment arrangement or receive additional information from the City.

GOOD FAITH NOTICING REQUIREMENTS FOR DISCONNECTS

The City shall make a good faith effort to contact the customer and/or occupants by telephone or post in a conspicuous location at the premises, a notice of discontinuation of service along with a copy of this policy no less than seven (7) days before service is due to be disconnected.

APPEAL OR CONTEST WATER BILL OR WAIVE FEE

A customer may appeal or contest a water bill by calling (855) 785-4021 or visiting City Hall to obtain a petition to appeal. The petition to appeal must be completed and submitted to the City by the due date listed on the notice of delinquency. Residential service shall not be discontinued while the appeal is pending.

The Director of Finance or their designee will review the appeal and make their determination. The customer has seven (7) days to appeal the decision of the Director of Finance in writing to the City Manager or their designee whose decision on the appeal will be final. Following the decision of the appeal, the customer will have seven (7) days to pay the bill or enter into a payment arrangement before service is disconnected.

AMORTIZED PAYMENT PLAN

An amortized payment plan is available to customers to avert disconnection. To avoid disconnection of service, customers must call (855)-785-4021 or visit City Hall to obtain an amortized payment plan agreement form by the arrangement deadline on their notice of payment delinquency. The agreement form must be submitted and approved by the Director of Finance or their designee before a payment plan can be entered into.

Amortized Payments:

- (1) Before disconnection, customers may call (855) 785-4021 or visit City Hall to seek to enter into an amortized payment plan with the City to avoid disconnection.
- (2) Payment plans can only be entered by customers who are listed on the account.
- (3) If service is disconnected, customers may still enter into an amortized payment plan with the City to restore services but not to avoid any late or delinquency penalties already incurred.
- (4) Amortized payment plans can only be used to pay off one (1) bill at a time.
- (5) Customers cannot be on multiple payment plans at the same time.
- (6) While on an amortized payment plan, customers must pay current charges for all future bills. Failure to remain current on any bill will be considered a breach of the agreement and cause for disconnection.
- (7) Amortized payment plans must be paid over a maximum of one (1) year from the bill date. Payment amounts and due dates for payment plans are set by the Director of Finance or their designee.
- (8) Customers must pay the first payment of their amortized payment plan **before** their disconnection date. If service has been disconnected and a customer enters into an amortized payment plan, the first payment must be paid before service is restored.

Failure to Comply:

The City may terminate water service if a customer who has been granted an amortized payment plan agreement fails to:

- (1) pay by the due dates set in the payment agreement;
- (2) pay an amount due under the amount set in the payment agreement;
- (3) pay all current charges for water service.

Failure to comply with any portion of the payment agreement will end the agreement. The City will post a final notice of intent to discontinue service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the City. Additionally, customers will not be entitled to enter into a new payment agreement to avoid disconnection. All past and current charges would be due to avoid disconnection.

DEMONSTRATION OF MEDICAL NEED AND ECONOMIC HARDSHIP

The City will not discontinue residential water service for nonpayment if **all** of the following conditions showing medical need and economic hardship are met:

- (1) The customer, or a tenant of the customer, submits to the City the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential 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.
- (2) The customer demonstrates that they are financially unable to pay for residential service within the normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the City'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 amortized payment arrangement with the City.

A customer may call (855) 785-4021 to obtain a medical need and severe economic hardship application. A completed application must be submitted to the City by the due date printed on the notice of delinquency and impending discontinuance of service. Upon receipt of documentation from the customer, the City will review the documentation within seven (7) days and:

- (1) notify the customer of the payment arrangement selected by the City and request the customer's signed consent to participate in the alternative arrangement;
- (2) request additional information from the customer; or
- (3) notify the customer that he or she does not meet the required medical or financial conditions.

SERVICES INVOLVING LANDLORD-TENANT RELATIONSHIPS

If individually metered residential service is furnished to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobile home park or permanent residential structure in a labor camp, and the owner, manager or operator of the dwelling, structure or park 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 discontinued at least ten (10) days prior to the discontinuation of service.

RESIDENTIAL TENANTS RIGHT TO START SERVICE

Residential tenants of individually metered service have the right to become customers of the City without being required to pay the amount due on the delinquent account, to whom the service will then be billed, provided that the occupants agree to the following City terms and conditions of service:

- (1) Customer must complete an application for new service and provide all required information on the application.
- (2) Provide a signed copy of the lease or rental agreement for the property.
- (3) A \$25.00 service initiation fee will be added to the first or second bill.
- (4) Based on the creditworthiness of the application, the City may require a deposit for twice the estimated average periodic bill pursuant to the Public Utilities Code section 10009.6.

To avoid discontinuation of service, these conditions must be completed within ten (10) days of the written notice of discontinuation of service. In order for the amount due on the delinquent account to be waived, the occupant who becomes a customer will be required to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

RESTORATION OF SERVICE

Customers may call (855) 785-4021 or visit City Hall to restore services following a disconnection.

For a residential customer with a household income above 200 percent of the federal poverty line:

- (1) Services can only be reconnected for customers who are listed on the account.
- (2) To reconnect service, the customer must pay the full past due balance including all delinquency and/or restoration fees in accordance with the City's Fee Schedule adopted by the City Council.
- (3) For the reconnection of residential service during nonoperational hours (request for service made after 4:30 PM) the reconnection fee charged is in accordance with the City's Fee Schedule adopted by the City Council.

For a residential customer who demonstrates to the City a household income at or below 200 percent of the federal poverty line:

- (1) The reconnection of service fee will be no more than fifty dollars (\$50.00) during normal business hours.
- (2) For the reconnection of residential service during nonoperational hours, the reconnection of service fee will be no more than one hundred fifty dollars (\$150).
- (3) Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

After ten (10) or more business days from the date of disconnection a new account will be required to reconnect service. A service initiation fee will be charged in accordance with the City's Fee Schedule adopted by the City Council.

ANNUAL REPORTING OF DISCONTINUED SERVICES

The City will report the number of annual discontinuations of residential service for inability to pay on its internet web site and to the State Water Resources Control Board.

UNAUTHORIZED ACTION OF A CUSTOMER

This discontinuation of water service policy applies to certain types of residences for nonpayment and does not apply to the termination of a service connection due to an unauthorized action of a customer.

OTHER REMEDIES

In addition to discontinuation of water service, the City may pursue any other remedies available by 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 a third-party collections agency. In the event a legal action is decided in favor of the City, the City shall be entitled to the payment of all costs and expenses, including attorneys' fees and accumulated interest.