

**Collection and Residential Water Service Termination Policy
Alameda County Water District**

Reference:

Senate Bill No. 998: Discontinuation of Residential Water Service
Health and Safety Code Section 116900 *et seq.*
California Government Code Section 60370 *et seq*
California Public Utilities Code Section 10001 *et seq.*

Purpose/Background:

This Collection and Residential Water Service Termination Policy (Policy) is an overview of Alameda County Water District's (District) administrative actions for the collection of delinquent accounts, including notifications, fee assignments and discontinuation of service. This policy will be made available to the public on the District's website and a reference to this policy will be included on all District water bills, late fee notices, written disconnection notices, and notices of termination. The District can be contacted by phone at (510) 668-4200 to discuss options for averting discontinuation of water service for non-payment under the terms of this policy.

This policy will be available and posted on the District's website in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language that is spoken by at least 10% of the residents in the service area.

Payment for Residential Water Service

Every person receiving water service from the District is required to pay for such service within 21 days of mailing of the statement or billing. Except as prohibited by statute, the District will have the right to discontinue water service for the failure to make complete and timely payment. The District will not discontinue residential service for nonpayment until the subject account has been delinquent for at least 60 calendar days.

Collection Policy:

Consistent with California Government Code Section 60370 – 60375.5 and Senate Bill No. 998, effective January 1, 2020, Alameda County Water District's standards and methods in collecting on delinquent accounts are the following:

Delinquent Account:

Delinquent accounts are hereafter identified as any account that remains unpaid (and without having made payment arrangements or established an alternative payment schedule) by end of day 21 days after issuance of the water bill. The following rules apply to the collection of delinquent accounts:

1. Small Balance Accounts:

Any delinquent balance on an account of \$25 or less may be carried over, and added to, the next billing period without being assessed a late fee or incurring further collection action,

and will not be considered delinquent for purposes of this Policy.

2. Late Fee:

If payment for a bill is not received by end of day on the 28th day after the bill is issued, the account will be assessed a late fee, as established in the Rate and Fee Schedule. The due date and late fee will be displayed prominently on the bill. A late fee notice will also include information about how to dispute the bill.

3. Waiver of Late Fee:

At the request of the customer, the District will waive the late fee if there are extenuating circumstances, and the customer has not been assessed a late fee for delinquent payment in the preceding 12 months.

4. Payment Arrangements:

Any customer who is unable to pay for water service or any other fees assessed in accordance with the District's Rate and Fee Schedule or this policy, within the normal payment period may request a payment arrangement to avoid disruption of service. The District will grant a payment arrangement or amortization plan as specified in this policy for any customer who does not already have an active payment arrangement or amortization plan.

Payment arrangements that extend into the next billing period are considered an amortization plan, which must be in writing and confirmed by the customer. An amortization plan will amortize the unpaid balance over a period defined by the customer, not to exceed 12 months from date of the amortization agreement. The amortized payments may be combined with, and subject to the due date of, the customer's future regular bills. The customer must comply with the terms of the amortization plan and remain current as charges accrue in each subsequent billing period. The customer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan.

A customer who enters into and abides by an amortization or payment arrangement plan shall not be considered delinquent. Failure to comply with the terms of an amortization or payment arrangement plan will result in the customer being considered delinquent. The customer will then be subject to disconnection once the account is delinquent for 60 days and additional arrangements or extensions will not be available for any new delinquent balance, and the customer will not be granted future alternative payment arrangements until the delinquent balance has been paid. No less than seven (7) business days before disconnection, the District will make a good faith effort to contact the customer of pending disconnection by telephone, mail or email notice. In addition, a final disconnection notice will be provided by means of a door hanger delivered to the premises no less than 5 business days in advance of discontinuance of service.

5. Notifications:

As required by law, the District will notify the customer that the account remains past due and further collection action will be forthcoming. The means of notification will be by phone, mail, or notification at the premises. The District assumes no responsibility for phone, mail or email contact information that has not been kept up-to-date by the customer.

6. Written Disconnection Notice:

The District shall not discontinue water service for non-payment until payment by the customer has been delinquent for at least 60 calendar days. The District will make a reasonable, good faith effort to contact the customer in writing at least 7 business days before discontinuation of water service for non-payment. The written disconnection notice will be mailed to the mailing address designated on the account. The written disconnection notice will include:

- Customer's name and address
 - Amount that is past due
 - Date by which payment or payment arrangements are required to avoid discontinuation of service
 - Description of the process and procedure to apply for an amortization plan
 - Description of the process to dispute or appeal a bill
 - District phone number and a web link to the District's written collection policy
- a. Notice to Residential Tenants/Occupants in an Individually Metered Residence: The District will make a reasonable, good faith effort to inform the occupants, by means of written notice, when the water service account is in arrears and subject to disconnection at least 10 days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of the District 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 that address. In order for the tenant/occupant not to be charged for the delinquent amount, the tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of rent payments and verify that the delinquent account holder was the landlord, property manager, or other agent of the property
- b. Notice to Tenants/Occupants in a Multi-Unit Complex Served through a Master Meter: The District will make a reasonable, good faith effort to inform the occupants, by means of written notice hung on the door of each residence, when the water service account is in arrears and subject to disconnection at least 15 days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of the District 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. If one or more of the occupants are willing and able to assume responsibility for the subsequent

charges for water service to the satisfaction of the District, or if there is a physical means, legally available to the District, of selectively terminating service to those occupants who have not met the requirements for service, the District will make service available to the occupants who have met those requirements.

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

7. Notice of Termination:

The District will make a reasonable, good faith effort to notify the customer in advance of disconnection of water service for non-payment as set forth in this Policy. The last means of notification will be in the form of a door hanger delivered to the premises no less than 5 business days in advance of discontinuance of service. A fee will be applied to an account for any such notice as established in the Rate and Fee Schedule.

8. Disconnection Deadline:

All delinquent water service charges and associated fees must be received by the District by 11:59 p.m. on the day specified on the written disconnection notice.

9. Disconnection of Water Service:

The District will disconnect water service by locking or turning the meter off. The customer will be charged a fee to re-establish service regardless of whether the meter has physically been turned off, as established in the Rate and Fee Schedule.

10. Re-establishment of Service:

In order to resume or continue service that has been disconnected for non-payment, the customer must pay a re-establishment fee, as established in the Rate and Fee Schedule. The District will reconnect service as soon as practicable but, at a minimum, will restore service before the end of the next regular working day following payment of any past due amount and delinquent fees attributable to the termination of service. Water service that is turned on by any person other than District personnel or without District authorization may be subject to fines or additional charges or fees. Any damages that occur as a result of unauthorized restoration of service are the responsibility of the customer.

11. Re-establishment of Service After Business Hours:

Service restored after 4:00 pm Monday through Friday, weekends, or holidays will be charged an after-hours re-establishment fee, as established in the Rate and Fee Schedule. Service will not be restored after regular business hours unless the customer has been informed of the after-hours re-establishment fee and has signed an agreement

acknowledging the fee and agreeing to pay the subject fee.

12. Notification of Disposition of Returned Payments:

A returned payment for water service or other charges shall be assessed a fee as specified in the District's Rate and Fee Schedule. Further, when there is a returned payment on an account, the account shall be returned to the District's delinquency process as though no attempt was made to pay the balance due. The District will make a reasonable, good faith effort to notify the customer by phone, mail, or e-mail of the returned item and the account's delinquency status. The District may require all future payments on an account with a returned payment within the past 12 months to be made in cash or with certified funds.

13. Returned Payment for Previously Disconnected Service:

In the event a customer tenders a non-negotiable check or a disputed credit card 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 notice of termination will be given in the case of a non-negotiable check or fraudulent credit card tendered for payment of water charges that were subject to discontinuance.

Any customer issuing a non-negotiable check or disputed credit card as payment to restore service turned off for non-payment will be required to pay cash or certified funds to restore future service disconnections for a period of 12 months from the date of the returned payment.

14. Disputed Bills:

All District bills, late fee notices, and written disconnection notices shall include information about how a customer can dispute their bill or request an investigation regarding the services or charges set forth in the bill. Customers who dispute their bill or request an investigation regarding services or charges set forth in the bill must submit a written statement to the District's Customer Service Department describing in detail the basis for the dispute or investigation. The written statement must be submitted within ten (10) calendar days from the date the District mailed the Overdue/Late Fee Notice. The District will evaluate the information provided by the customer and investigate the matter. The Manager of Finance, or designee, in consultation with the General Manager, or designee, shall make a decision based upon all the information and shall have the authority to adjust the amount due in a fair and equitable manner, if appropriate.

If the customer disagrees, the customer may, within ten (10) calendar days from the Manager of Finance's decision, appeal the decision, in writing, to the Board of Directors. The Board of Directors will review the record and make a determination at its next regular Board of Directors meeting. The decision of the Board of Directors shall be final.

If a customer disputes the water bill and provides written protest or requests an

investigation regarding services or charges within the specified time frame above, the District will not disconnect water service for non-payment while the appeal is pending.

15. Delinquent and Unpaid Charges for Water and Other Services for Owner Occupied Single Family Residential Accounts and Owner Occupied Multi-Family Residential Accounts Levied on the Property Tax Roll:

Owner occupied, single family residential accounts and owner occupied multi-family residential accounts that have delinquent and unpaid charges for water and other services that have been delinquent and unpaid over sixty (60) days will be assigned to the Alameda County Assessor's Office to be levied on the property tax roll on an annual basis. To avoid delinquent and unpaid charges for water and other services being levied on the property tax roll, all charges and fees must be paid to the account no later than June 30 of each year. This process is a supplement to other processes outlined in this Policy and therefore these accounts will still be subject to delinquency penalties up to and including discontinuance of service if water bills are not paid throughout the year.