

POLICY ON DISCONTINUATION OF RESIDENTIAL WATER SERVICE FOR NON-PAYMENT

The Denair Community Services District operates a community water system providing water service to, among others, residences located within the District. The District shall adhere to the following policy, which shall be posted to the District's internet website on discontinuance of residential water service for non-payment.

1. Length of Delinquency. The District shall not discontinue residential water service for non-payment until payment by a customer has been delinquent for at least 60 days.

2. Procedure for Contacting Customers. Before discontinuation of residential water service for non-payment, the District shall contact the customer named on the account by telephone or written notice. When the District contacts the customer named on the account by telephone, the District shall offer to provide the customer this policy on discontinuation of residential water service for non-payment. The District shall offer to discuss with the customer options to avert discontinuation of residential service for non-payment, including but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance and a petition for bill review and appeal. When the District contacts the customer named on the account by written notice the notice of payment delinquency shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which the 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 include the following information:

- (A) The customer's name and address.
- (B) The amount of the delinquency.
- (C) The date by which payment or arrangement for a payment is required in order to avoid discontinuation of residential service.
- (D) A description of the process to apply for an extension of time to pay the delinquent charges.
- (E) A description of the procedure to petition for bill review and appeal.
- (F) A description of the procedure by which the customer may request a deferral, reduced or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with these policies.

2.2. Failure to Make Contact. If the District is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is

returned as undeliverable, the District shall make a good faith effort to visit the residence and leave or make other arrangements for placement in a conspicuous place of a notice of discontinuation of residential service for non-payment and a copy of this policy.

3. Effect of Appeal. If an adult at the residence contacted by the District either telephonically or by mail, or by posting the notice of potential discontinuation of service at a conspicuous location at the residence, appeals the water bill to the District the District shall not discontinue residential water service while the appeal is pending.

4. When Water Service May Not be Discontinued. The District shall not discontinue residential water service for non-payment, provided that all of the following conditions are met:

(A) The customer, or a tenant of the customer, submits to the District certification of a primary care provider that a discontinuation of the residential service will be life threatening, or pose a serious threat to the health and safety of, a resident of the premises where the residential water service is provided.

(B) The customer demonstrates that he or she is financially unable to pay the residential water service charges within the District's normal billing cycle. A customer is deemed to be financially unable to pay during the District's normal billing cycle if any member of the customer's household is a current recipient of Cal Works, Cal Fresh, General Assistance, MediCal, Supplemental Security Income/State Supplemental Payment Program, or California Special Supplement Nutrition Program for Woman's Infants and Children, or the customer declares that the household's annual income is less than 200% of the federal poverty level.

(C) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with this policy with respect to all delinquent charges.

(D) If a customer meets all the conditions of subparagraphs (A) through (C), above, the District shall offer the customer one or more of the following options:

- (a) Amortization of the unpaid balance.
- (b) Participation in an alternative payment schedule.
- (c) A partial or full reduction of the unpaid balance without additional charges to other ratepayers.
- (d) Temporary deferral of payment.

5. Nature of Payment Options Offered. The repayment options offered to a customer shall be structured in such a way as to allow the delinquent balance to be paid within 12 months. 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.

6. Discontinuation of Service. Residential service may be discontinued no sooner than five 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:

(A) The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan of delinquent charges for 60 days or more.

(B) 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 service charges for 60 days or more.

7. Providing Information on Restoration of Service. In the event the District does discontinue any residential service for non-payment it shall provide that customer with information on how to restore the residential service.

8. Reconnection of Customers Who Meet Poverty Related Standards. With respect to a residential customer who demonstrates household income below 200% of the Federal Poverty Line, the District shall do both of the following in the event that water service is discontinued for non-payment:

(A) Set a reconnection of service fee for reconnection during normal operating hours at \$50.00, but not to exceed the actual cost of reconnection if it is less than \$50.00. Reconnection fees shall be annually adjusted according to the Consumer Price Index beginning January 1, 2021. For the reconnection of residential service during non-operational hours, the District shall set a reconnection of service fee at \$150.00, but not to exceed the actual cost of reconnection if it is less.

(B) Waive interest charges on delinquent bills once every 12 months.

(C) A customer shall be deemed to have a household income of below 200% the Federal Poverty Line if any member of the household is a current recipient of any of the assistance programs identified in Section 4(B) of this policy.

9. Service to Residence Occupied by Tenants. Where the owner, manager or operator of any dwelling, structure, apartment, apartment complex or park is the customer of record, the District shall make good faith efforts to inform the occupants by

means of written notice, when the account is in arrears that the service will be terminated at least 10 days prior to the termination. The written notice shall further inform the resident occupants 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 due on the delinquent account if water service to the residence occupied by the tenant is separately metered to that residence or if the resident pays the cost of establishing a separate metered connection, and the tenant agrees to all terms and conditions of service including applicable rates and charges.

10. Reporting. The District shall report the number of annual disconnections of residential water service for inability to pay on its website and to the State Water Resources Control Board.

11. Petition for Review of Bill. A customer may petition for review of the bill for water service to a residence by filing a written request or petition for review of the bill within thirty (30) days of receipt of the bill. The petition or request shall identify the bill sought to be reviewed and shall state the adjustment or changes to the bill requested, and the reasons for that request. The request or petition may be mailed or delivered to any employee at District Office and shall be referred to the District Manager or District Administrator or his or her designee. The review will be conducted within ten (10) days of receipt of the written petition or request and a written determination will be mailed or delivered to the customer. If the customer is not satisfied with the determination, the customer may appeal to the District Board by mailing or delivering to the District Clerk a written appeal identifying those aspects of the determination with which the customer disagrees and why. The District Board's determination of the appeal shall be final.