



## **POLICY ON DISCONTINUATION OF RESIDENTIAL WATER SERVICE FOR NON-PAYMENT**

This Policy on Discontinuation of Residential Water Service for Non-Payment is intended to implement the provisions of Santa Barbara Municipal Code §§ 14.16.010 and 14.16.020 consistent with the requirements of Chapter 6 (commencing with Section 116900) of Part 12 of Division 104 of the California Health and Safety Code, also known as the Water Shutoff Protection Act. This Policy applies to the discontinuation (shut-off) of residential water service for non-payment of utility service bills. “Residential water service” means water service to a residential connection that includes single family residences, multi-family residences, mobile homes, including, but not limited to, mobile homes in mobile home parks, or farmworker housing. For the purposes of this policy, “customer” means the water service account holder.

**I. Application of Policy; Contact Telephone Number:** This policy applies only to residential water service. Commercial, industrial, irrigation, and recycled water service accounts are not subject to this policy, but may be subject to other policies and procedures. Further assistance concerning the payment of water bills and the potential establishment of the alternatives set forth in this policy to avoid discontinuation of service can be obtained by calling the Utility Billing office at (805) 564-5343.

### **II. Discontinuation of Residential Water Service for Non-Payment:**

- A. Payment of Bills: Bills for utility service are payable upon presentation and become overdue and subject to late fees if not paid within 20 days of the billing date. This billing due date is printed on the bill. Accounts with a bill that is overdue 60 days are subject to disconnection. Payment may be made in person, by mail, or online. However, it is the customer’s responsibility to assure that payments are received at the specified location in a timely manner. Partial payments are unauthorized, unless the City has granted prior approval for such a payment plan.
1. Ways to Pay:
    - a. **Online:** visit <https://UtilitiesOnline.SantaBarbaraCA.gov>
    - b. **By Mail:** mail payment stub and check payable to the City of Santa Barbara to P.O. Box 60809, Santa Barbara, CA 93160-0809
    - c. **In Person:** pay in person at City Hall, located at 735 Anacapa Street. The after-hours deposit box is located on the De La Guerra Plaza side of the building.
      - i. **Business Hours:** 7:30 a.m. – 5:30 p.m., Monday through Thursday; 8:00 a.m. – 3:30 p.m., alternate Fridays; closed every other Friday. Customers can visit the City’s website at [www.SantaBarbaraCA.gov](http://www.SantaBarbaraCA.gov) for a schedule of open and closed Fridays.

B. Notices, Fees, and Procedures for Overdue Billings:

1. Overdue Notice: If payment for a bill is not made within 10 days following the due date, a notice of overdue payment (the “Overdue Notice”) will be mailed to the mailing address of the customer.
2. Disconnect Notice: If payment for an overdue bill is not made within 50 days following the due date, a notice of disconnection (the “Disconnect Notice”) will be mailed to the mailing address of the customer, stating that water service will be disconnected if payment is not made within 10 days. If the mailing address of the customer is not the address of the property to which the service is provided, the Disconnect Notice will also be sent to the service address, addressed to “Occupant.” The Disconnect Notice will contain the following:
  - a. Customer’s name and address;
  - b. Amount of delinquency;
  - c. Date by which payment or arrangement for payment must be made in order to avoid disconnection;
  - d. Notification that the customer may call Utility Billing at (805) 564-5343 if they would like to apply for a payment arrangement, or if they would like to petition for review and appeal of their bill; and
  - e. Notification that qualified low-income customers may obtain a Disconnection Hold Form by calling Utility Billing at (805) 564-5343 or visiting the Utility Billing office at 735 Anacapa Street.
3. Unable to Contact Customer: If the City is not able to contact the customer by written notice (e.g., a mailed notice is returned as undeliverable), the City will attempt to contact the customer by telephone. If the customer has not provided their telephone number, or if the number on file has been disconnected, the City will make a good faith effort to visit the residence and leave, or make other arrangements to place in a conspicuous location, a door tag noting the impending discontinuation of service for non-payment, and a copy of this Policy.
4. Late Charge: A Late Charge, as specified in the City’s schedule of fees and charges, will be added to the outstanding balance on the customer’s account if the amount owed on that account is not paid by the billing due date.
5. Payment Deadline to Avoid Disconnection: To avoid disconnection, payment for the full amount of delinquency must be paid online, or received in the City’s cashiering office, no later than 5:30 p.m. on the due date specified in the Disconnect Notice. Postmarks are not accepted.
6. Notification of Returned Check or Returned ACH: The City will consider a bill unpaid if it receives a returned or dishonored check or failed ACH payment. The City will send a notice to the customer notifying them of the failed payment. Water service will be disconnected if the amount of the failed payment is not paid by the due date specified on the notice of failed payment. The amount of the failed payment and any associated failed payment fees as set by resolution of the City Council must be paid with cash, money order, or credit card.
7. Returned Check Tendered as Payment for Reconnection of Water Service Disconnected for Nonpayment: If a check tendered as payment to restore disconnected service is returned or dishonored, the City may disconnect said water service upon at least 14 days’ written notice to



the customer. The customer's account will be reinstated only after payment of all outstanding charges is made in cash or by money order. Once the customer's account has been reinstated, the account will be flagged for a one-year period indicating that a non-negotiable check was issued by the customer. If at any time during the one-year period described above the customer's account is again disconnected for nonpayment, the City may require the customer to pay by cash or money order to have water service restored.

C. Conditions Prohibiting Discontinuation: The City will not discontinue residential water service for a delinquency if the customer meets all of the following conditions, qualifying them for relief:

1. Health Conditions: The customer provides a written statement from a primary care medical 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;
2. Financial Inability: The customer 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 (see this link for the federal poverty level applicable in California: <https://www.healthforcalifornia.com/covered-california/income-limits>);
3. Alternative Payment Arrangements: The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment consistent with the provisions of Section III, below; and
4. Process for Determination of Conditions Prohibiting Discontinuation of Service: The customer submits a signed Water Service Disconnection Hold for Health Condition and Financial Hardship form ("Disconnection Hold Form") declaring under penalty of perjury that the customer meets the requirements of Subdivisions (C)(1) through (C)(3). The customer must also indicate the customer's preferred alternate payment arrangement. 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 their Disconnection Hold Form as quickly as possible after receiving their Disconnection Notice. To obtain a Disconnection Hold Form, please call Utility Billing at (805) 564-5343 or visit the Utility Billing office at 735 Anacapa Street.

Once a signed Disconnection Hold Form is submitted, water service will not be disconnected unless the City determines that the customer is not entitled to relief. City determinations under this policy will be made by the Finance Director or City staff designated by the Finance Director. Following receipt of the Disconnection Hold Form, the City may request written documentation demonstrating compliance with the conditions described in Subdivisions (C)(1) through (C)(3) above. The burden of proving compliance and providing the necessary documentation is on the customer. Within 7 days following receipt of a customer's documentation, the City will advise the customer whether the customer qualifies for relief or whether additional information is required, including information related to the alternative payment arrangements. If the City requests additional information, the customer must provide the information within 5 days of receipt of the City's request. Within 5 days of receipt of the additional information, the City will notify the customer of the City's determination of eligibility for relief and of the alternative payment arrangement. If the City determines the customer is ineligible for relief, the customer must pay the delinquent amount, including any penalties and other charges owed to the City within 2 business days after either the date of notification or the disconnection date stated in the Disconnection Notice, whichever is later.

- a. A customer is required to submit a new Disconnection Hold Form for each instance of a possible disconnection.
  - b. A customer who has been granted relief must comply with all requirements of the alternative payment arrangement, including keeping current on all ongoing utility bills.
  - c. Service to a customer who fails to comply with the requirements of the alternative payment arrangement, including keeping current on all ongoing utility bills, may be disconnected upon 5 days' written notice.
- D. Considerations for Low-Income Customers: A customer is considered to be low-income if the customer has a household income below 200% of the federal poverty line.
- 1. Reconnection Fees for Low-Income Customers: Low-income customers who have been disconnected may request a reduced reconnection fee. For low-income customers, reconnection fees during the City's normal operating hours will not exceed \$50, and reconnection fees during non-operational hours will not exceed \$150. All other customers pay the reconnection fees as determined by the City's fee resolution.
  - 2. Low-Income Certification: A customer desiring to be considered low-income and receive a reduced reconnection fee must sign the City's Reduced Reconnection Fee Form. The customer must declare under penalty of perjury that: (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) their household's annual income is less than 200% of the federal poverty level (see this link for the federal poverty levels applicable in California: <https://www.healthforcalifornia.com/covered-california/income-limits>). To obtain a Reduced Reconnection Fee Form, please call Utility Billing at (805) 564-5343 or visit the Utility Billing office at 735 Anacapa Street.
- E. Landlord-Tenant Scenario: The procedures below apply to City utility accounts classified as multi-family residential serving more than one residential dwelling unit, where the property owner or manager is the customer of record and is responsible for payment of the water bill.
- 1. Required Notice:
    - a. For accounts which City records indicate serve more than one residential dwelling unit, at least 15 calendar days prior to the possible discontinuation of water service, the City will make a good faith effort to inform the tenants/occupants at the property by written notice left at the property that the water service will be discontinued.
    - b. The written notice will also inform the tenants/occupants that they have the right to become customers to whom the service will be billed (see Subdivision (2), below), without having to pay any of the then delinquent amounts.
  - 2. Tenants/Occupants Becoming Customers:
    - a. The City is not required to make service available to the tenants/occupants unless each tenant/occupant agrees to the terms and conditions for service and meets the City's requirements and rules.
    - b. However, if one or more of the tenants/occupants assumes responsibility for subsequent



charges to the account to the City's satisfaction, then the City may make service available to the tenants/occupants.

**III. Alternative Payment Arrangements:** Customers may request an alternative payment arrangement if they feel they are unable to pay their City utility bill within the normal payment period. Should the City decide to grant a customer an alternative payment arrangement, the City will offer to amortize an unpaid balance per Subdivision (A). Only in extreme and extraordinary circumstances will the City consider the arrangements described in Subdivisions (B) through (D), below. The City has full discretion over whether or not to grant a customer an alternative payment arrangement.

- A. Amortization: The City may grant an amortization plan on the following terms:
1. Term: The customer shall pay the unpaid balance, over a period not to exceed 12 months, as determined by the Finance Director or his or her designee. The unpaid balance shall be divided by the number of months in the amortization period and that amount shall be added each month to the customer's ongoing monthly utility bill.
  2. Compliance with Plan: The customer must comply with 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. Where the customer fails to comply with the terms of the amortization plan or fails to pay the customer's current service charges, the City may discontinue water service to the customer's property at least 5 business days after posting at the customer's residence a final notice of its intent to discontinue service.
- B. Alternative Payment Schedule: In an extreme and extraordinary circumstance, the City may grant an alternative payment schedule for a customer's unpaid balance in accordance with the following terms:
1. Repayment Period: The customer shall pay the unpaid balance, over a period not to exceed 12 months, as determined by the Finance Director or his or her designee.
  2. Schedule: The Finance Director or his or her designee shall work with the customer to develop an alternative payment schedule. That alternative schedule may provide for periodic lump sum payments that do not coincide with the established payment date. The alternative schedule may provide for payments to be made more frequently than monthly or may provide that payments be made less frequently than monthly, provided that in all cases, subject to Subdivision (1) above, the unpaid balance shall be paid in full within 12 months of establishment of the payment schedule. The agreed upon schedule shall be set forth in writing and be provided to the customer.
  3. Compliance with Plan: The customer must comply with the alternative payment schedule and remain current as charges accrue in each subsequent billing period. The customer may not request a longer payment schedule for any subsequent unpaid charges while paying delinquent charges pursuant to a previously agreed upon schedule. Where the customer fails to comply with the terms of the agreed upon payment schedule or fails to pay the customer's current service charges, the City may discontinue water service to the customer's property at least 5 business days after posting at the customer's residence a final notice of its intent to discontinue service.
- C. Reduction of Unpaid Balance: In an extreme and extraordinary circumstance, the City may reduce an unpaid balance owed by a customer. Any such reduction shall be funded from a source that does not result in additional charges being imposed on other customers. The proportion of any reduction shall be determined by the customer's financial need, the City's financial condition and needs, and the availability of funds to offset the reduction of the customer's unpaid balance.

1. Repayment Period: The customer shall pay the reduced balance by the Reduced Payment Due Date, which is to be determined by the Finance Director or his or her designee. The Reduced Payment Due Date must be within 12 months of the original billing due date.
  2. Compliance with Reduced Payment Due Date: The customer must pay the reduced balance on or before the Reduced Payment Due Date, and must remain current in paying in full any charges that accrue in each subsequent billing period. If the customer fails to pay the reduced payment amount by the Reduced Payment Date or fails to pay the customer's current service charges, the City may discontinue water service to the customer's property at least 5 business days after posting at the customer's residence a final notice of its intent to discontinue service.
- D. Temporary Deferral of Payment: In an extreme and extraordinary circumstance, the City may temporarily defer payment of a customer's unpaid balance after the payment is due. The City shall determine, in its discretion, how long of a deferral shall be provided to the customer.
1. Repayment Period: The customer shall pay the unpaid balance by the deferral date (the "Deferred Payment Date") determined by the Finance Director or his or her designee. The Deferral Payment Date shall be within 12 months from the date the unpaid balance became delinquent.
  2. Compliance with Deferred Payment Date: The customer must pay the unpaid balance on or before the Deferred Payment Date, and must remain current in paying in full any charges that accrue in each subsequent billing period. If the customer fails to pay the unpaid payment amount, or fails to pay the customer's current service charges, the City may discontinue water service to the customer's property at least 5 business days after posting at the customer's residence a final notice of its intent to discontinue service.

**IV. Appeals:** The procedure to be used to appeal the amount set forth in any bill for residential water service is set forth below.

- A. Review by Treasury Manager: A Customer who desires to dispute the accuracy of a bill for water, sewer, and/or refuse service shall, no later than 40 days from the date of the original bill, submit a written request to the City's Treasury Manager or designated representative for review of the bill. Upon such a request, the customer shall be given an opportunity for a review, investigation, and hearing by the Treasury Manager or designee. The customer shall be given written notification of the decision regarding the dispute.
- B. Appeal to Finance Director: If a customer disagrees with the decision of the Treasury Manager or designee, the customer may appeal that decision to the Finance Director. Any such appeal must be filed in writing and submitted to the Finance Director within 5 days after written notice of the decision of the Treasury Manager or designee is given to the customer. The Finance Director or designee may review an appeal regarding the accuracy of the amount billed. All decisions of the Finance Director will be final. Concerns or complaints regarding the general level of service, general level of rates, pending rate changes, source of water, and other similar matters are not appealable.
- C. Notice: Under this review and appeal procedure, notice by City is deemed to be given when:
  1. Personally given to the customer; or
  2. Left at the premises where the service was given; or



3. Enclosed in an envelope addressed to the customer with postage prepaid and deposited in the United States mail.

**V. Restoration of Service:** In order to resume or continue service that has been discontinued because of non-payment, the customer must pay the total unpaid balance on the account in full. The Reconnection Fee established by the City, subject to the limitation set forth in Section II (D) above, will be applied to the customer's next bill.

- A. Time of Reconnection: The City will endeavor to reconnect water service as soon as practicable, but no later than the end of the next regular business day after payment has been made. Should the customer make a payment online for a disconnected account and would like to be reconnected the same business day, it is the customer's responsibility to call the Utility Billing office at (805) 564-5343 to request reconnection on the same business day.
- B. After-Hours Reconnection: If a customer makes a payment online outside regular office hours (see Section II (1)), or on a weekend or holiday for a disconnected account and would like to be reconnected before the next regular business day, it is the customer's responsibility to call the after-hours emergency water services line at (805) 963-4286 to request to be reconnected. The customer will be asked to show proof of payment. Reconnections made after hours will be subject to an After-Hours Reconnection Fee, set by resolution of the City Council. Such a fee will also apply for same-day reconnection requests made after 3:30 p.m. on regular business days. An after-hours reconnection fee would not apply should a customer make a payment outside normal business hours, and wait to be reconnected during normal business hours of the next regular business day.