

## ORDINANCE NO. 214

### AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT REPEALING ORDINANCE NO. 186 AND ESTABLISHING RULES, REGULATIONS, AND MISCELLANEOUS FEES FOR WATER AND WASTEWATER SERVICE

WHEREAS, the Board of Directors of the Vallecitos Water District (the "District") wishes to establish rules and regulations for water and wastewater service activation, deposits, delinquent accounts, reconnection, and miscellaneous charges.

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT:

#### SECTION 1, SERVICE ACTIVATION:

Service may be established for any water meter or fire service that has been accepted for service by the District in accordance with all rules and regulations of the District.

Section 1.1, Service Signup: By establishing service, the customer understands and agrees that they are responsible for prompt payment of costs associated with the services provided by the District. When signing up for service, customer shall designate whether they are property owners or tenants/renters. Termination of service may result from non-payment regardless of the occupant's status as a tenant/renter or an owner.

Section 1.1.1, Service Activation Fee: A service activation fee of \$10 will be added to the first billing statement for all new services established.

Section 1.2, Electronic Billing/Payment: Customers may choose to receive monthly billing statements through the mail or may elect to sign up for electronic billing and payment.

Section 1.3, Service Deposit: Deposits are required at the time services are established as follows:

Section 1.3.1, Tenants/Renters: A deposit of \$150 shall be provided for all rental units prior to the establishment of service. The deposit shall be held by the District and be returned upon termination of service by the tenant/renter if the account is satisfied in full upon termination of service. Any outstanding balance shall be deducted from the deposit up to the full amount of \$150 and any balance remaining returned.

Section 1.3.2, Owners: A deposit of \$150 shall be provided for all owner units prior to the establishment of service. The deposit shall be held by the District for a period of one year and returned upon a successful one year history of

timely payments. If service is terminated prior to the return of the deposit, any outstanding balance shall be deducted from the deposit up to the full amount of \$150 and any balance remaining returned.

Section 1.4, Owner Service Required: In the event of multiple unpaid balances incurred by tenants/renters of a particular service address, the District may, per Water Code Section 31007.5, require that service for subsequent tenants/renters at the affected location be established and maintained through an account directly with the property owner. The District will notify the property owner in writing of this condition and service will not be provided until arrangements have been made for service in accordance with this policy.

Section 1.5, Additional Deposits: An additional deposit, determined by the General Manager or his designated representative, may be required for repeat delinquent accounts prior to service being restored.

## SECTION 2, ACCOUNT PAYMENT AND DELINQUENCY PROCESS:

Service is considered due and payable upon presentation of the monthly billing statement. If full payment is not made within twenty (20) calendar days after the date of the monthly billing statement, the payment is delinquent and late fees will be added.

Section 2.1, Discontinuation of Non-Residential Service for Nonpayment. If a non-residential service account is delinquent for 60 days or more, service to the customer may be discontinued after delivery of the following notifications:

Section 2.1.1, Courtesy Notice: Ten (10) days after the statement is delinquent, the District will deliver a 48-hour courtesy notice to the customer at the service address. Payment in full including any additional charges or deposits that may be required in accordance with this policy must be received within 48 hours of delivery of the courtesy notice or service will be terminated.

Section 2.1.2, Courtesy Call: After issuance of a 48-hour courtesy notice, the District may provide the customer with a 24-hour courtesy call to the contact number on file that service will be terminated if payment is not received in full within 24 hours.

Section 2.2, Discontinuation of Residential Service for Nonpayment. If a residential service account is delinquent for 60 days or more, the District may discontinue water service after delivery of the following notifications:

Section 2.2.1, Mailed Notice to Customer: The District will provide a mailed notice to the customer of record at least fifteen (15) days before discontinuation of water service. The notice will contain the information required by law.

Section 2.2.2, Notice to Occupants: If the customer of record's mailing address is not the same as the service address, or if the customer of record is the owner, manager, or operator of the dwelling or residential structure, the District will send a notice to the actual occupants living at the service address at least ten (10) days before discontinuation of service. If service is provided through a master meter, and it is impracticable or infeasible to provide the notice to each unit by mail, the District will make a good faith, reasonable effort to provide written notice to the occupants. The notices will be addressed to "Occupant," will notify the occupants that the account is past-due and subject to discontinuation, and will inform the occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account.

The District will make service available to the occupants if each occupant agrees to the terms and conditions of service and meets the requirements of this Ordinance. Notwithstanding, if one or more occupants are willing and able to assume responsibility for the subsequent charges to the satisfaction of the District, or if there is a physical means, legally available, of selectively discontinuing service to those occupants who have not met the requirements of this Ordinance, the District shall make service available to the occupants who have met those requirements. To be eligible to become a customer without paying the amount due on the delinquent account, the occupant must verify that the delinquent account customer of record is or was the landlord, manager, or operator. Verification may include a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or other information at the discretion of the District.

Section 2.2.3, Telephonic Notice: The District will make a reasonable, good faith effort to contact the customer of record or an adult person living with the customer by telephone at least seven (7) business days before discontinuation of service. The District will offer to provide a written copy of its discontinuation of service policy and to discuss options to avert discontinuation of water service, including the possibility of an extension or other payment arrangement.

Section 2.2.4, Posted Notice: If the District is unable to make contact with the customer or an adult person living with the customer by telephone, the District will make a good faith effort to leave a notice of imminent discontinuation of residential service and a copy of its discontinuation of service policy in a conspicuous place at the service address at least forty-eight (48) hours before discontinuation of service. The notice shall contain the information required by law.

Section 2.3, Requests for Payment Arrangement: A customer may request a payment arrangement to avoid discontinuation of service. If the customer submits his or her request within 13 days after mailing of a written notice of discontinuation of service, the request will be reviewed by a manager of the District. The District will consider all circumstances surrounding the request and make a determination as to whether the payment arrangement is warranted. The District will choose which arrangement, if any, is available and set the repayment terms. Payment arrangements

may include an extension, amortization of the unpaid balance, or an alternative payment schedule. The District can be contacted by telephone at (760) 744-0460 to discuss options for avoiding discontinuation of water service.

The customer must comply with the terms of the payment arrangement and remain current in each subsequent billing period while participating in the payment arrangement. Failure to comply with the payment arrangement or to pay current charges will result in discontinuation of service. The District will post a final notice of intent to disconnect 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 District.

Section 2.4, Medical and Financial Hardship: For customers that satisfy all of the following requirements, the District will not disconnect water service: (1) the customer provides a certification from a licensed primary care provider that discontinuation of water service will be life threatening or pose a serious health and safety threat to a resident of the premises; (2) the customer is financially unable to pay within the normal billing cycle; and (3) the customer is willing to enter into a payment arrangement for repayment of the delinquent charges. The customer is responsible for demonstrating that these conditions have been met. For customers who meet these requirements, the District will offer the customer a payment arrangement. The District will choose which arrangement will be offered and set the repayment terms. Payment arrangements may include an extension, amortization of the unpaid balance, or an alternative payment schedule.

The District will deem a customer financially unable to pay within the normal billing cycle if: (a) a member of the 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 (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

The customer must comply with the terms of the payment arrangement and remain current in each subsequent billing period while participating in the payment arrangement. Failure to comply with the payment arrangement or to pay current charges for 60 days or more will result in discontinuation of service. The District will post a final notice of intent to disconnect 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 District.

Section 2.5, Disconnection and Reconnection: The District will not discontinue residential water service due to nonpayment on a Saturday, Sunday, legal holiday, or at any time during which the District's office is not open to the public. Customers whose water service has been discontinued may contact the District by

telephone or in person regarding restoration of service. Restoration shall be subject to payment of past-due amounts, late fees, noticing fees, disconnection and reconnection fees, and a security deposit, if required by the District.

### SECTION 3, DELINQUENT SERVICE AND RELATED CHARGES:

The following charges and fees may be imposed and collected by the District for each occurrence. The charges are in addition to the outstanding or delinquent water bill, including all late charges, and all charges must be paid in full prior to service being restored.

Section 3.1, Late Fee: A charge of 10% of the outstanding statement balance including miscellaneous charges, not to exceed \$78, will be charged for all delinquent accounts.

Section 3.2, Notification of Pending Lock Charge: A charge of \$25 will be imposed and collected for delivery of the 48-hour notice (door hanger) of pending discontinuance of service.

Section 3.3: Lock and Unlock Charge (Reconnection Fee): A charge of \$150 will be imposed and collected for each occasion. The fee will be imposed and collected prior to restoring service. For customers who demonstrate to the District that the household income is below 200 percent of the federal poverty line, the reconnection fee of \$50.00 shall be charged each time service has to be re-established following discontinuation of water service for any reason. The District will deem a residential customer to have a household income below 200 percent of the federal poverty line if: (a) any member of the 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 (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

Section 3.4, Cut Lock Charge: A charge of \$35 will be imposed and collected to replace cut or missing locks.

Section 3.5, Meter Removal and Replacement: A charge of \$200 will be imposed and collected to re-install a removed meter.

Section 3.6, Insufficient Funds: A charge of \$25 will be imposed and collected for the first instance of a returned check or insufficient ACH funds, and \$35 for each subsequent instance, per CA Civil Code 1719(a)(1). Any returned check or insufficient ACH funds will be considered nonpayment under this Ordinance.

Section 3.7. After Hours Reconnection: Service will only be restored during normal business hours. At the District's discretion, if service is restored by unlocking a meter after normal business hours, a \$75 charge, in addition to the \$150 or



\$50.00 reconnection charge, will be imposed and collected prior to restoring service.

#### SECTION 4, DISPUTING OR APPEALING A BILL:

Section 4.1, Disputing the Amount of a Bill: A customer may dispute or request an investigation regarding the amount of a bill by contacting the District in writing or by telephone within ten (10) days of the billing statement date. A timely complaint or request for investigation will be reviewed and the District will provide a written determination to the customer. The review will include consideration of whether the customer may receive a payment arrangement. The District may review untimely complaints or requests for investigation but such complaints or requests are not subject to appeal or delay of the discontinuation process.

Section 4.2, Appeal: Any customer who disagrees with the District's determination on a disputed bill may appeal to the Board of Directors by filing a written appeal within ten (10) days of mailing of the District's determination. Upon receiving the appeal, the District Secretary will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the meeting at least ten (10) days before the meeting. The decision of the Board is final. The District will not discontinue water service for nonpayment while a timely dispute or appeal is pending.

#### SECTION 5, INACTIVE ACCOUNTS:

A customer may request that their service be turned off and considered inactive. Although inactive, the District must verify this status and still incurs monthly expenses to maintain the service. A monthly inactive fee of \$12.50 shall be charged for all inactive accounts and is due and payable on a monthly basis.

Section 3 fees and charges will not apply to outstanding inactive fees. However, any outstanding balance must be paid in full prior to service reactivation.

#### SECTION 6, OUTSTANDING BALANCE COLLECTION:

In accordance with Water Code Section 31007.5, the District may not recover past outstanding balances incurred by prior renters/tenants from new customers; however the District will pursue payment in full for outstanding balances as follows:

Section 6.1, Rental/Tenant: Outstanding balances may be paid in full through the deposit provided by the customer and any balance returned to the customer. In the event the balance exceeds the deposit, the District may elect to recover the balance through a collection agency.

Section 6.2, Owner: Outstanding balances may be recovered in full through the deposit provided by the customer and any balance returned to the

customer. In the event the balance exceeds the deposit, the District may elect to recover the balance by placing a lien against the property in accordance with Government Code Section 31032, et al, or the District may elect to recover the balance through a collection agency.

#### SECTION 7, FIRE SERVICE CONNECTIONS:

In the event a dedicated fire service account is delinquent in accordance with Section 2 of this Ordinance, all appropriate charges in Section 3 will be applied. The District will not terminate service until the following actions have been taken:

Section 7.1. Owner Notification: The District will notify the owner of the property that the account is overdue in accordance with Section 2, and termination of service is pending. An additional notice will be sent to the owner and site address by certified or registered return receipt mail notifying them of the pending service termination.

Section 7.2. Fire Department Notification: Prior to termination of service, the District will notify the Fire Department with jurisdiction that the fire service may be terminated.

#### SECTION 8, CROSS CONNECTION CONTROL (BACKFLOW) ADMINISTRATION:

Section 8.1. Monthly Administration Charge: A monthly charge of \$2.50 per backflow device will be added to each account required to maintain a backflow device. The charge will be subject to the provisions of Sections 2 and 3 of this Ordinance.

Section 8.2. Charge for Notification Letters of Noncompliance: A charge of \$10 will be assessed and subject to the provisions of Sections 2 and 3 of this Ordinance for each of the third and fourth non-compliance notification letters prepared and sent.

Section 8.3. Charge for Hand Delivered Courtesy Notice: A charge of \$25 will be assessed and subject to the provisions of Sections 2 and 3 of this Ordinance for hand delivered notifications of non-compliance.

#### SECTION 9, TEMPORARY METERS:

Section 9.1. Construction Meter: Upon application to the District and the payment of applicable fees as noted under "deposit" below, a construction meter may be installed to provide water service for construction purposes. Construction meters shall be available to the applicant for 90 days; however, this time may be extended at the discretion of the General Manager.

Section 9.2. Deposit: A deposit of \$1,100 for any size construction meter is required at the time application is made. This deposit, less any outstanding accrued

charges, will be refunded when the meter is returned to the District in good working order.

Section 9.3, Installation: A fee of \$150 is charged for the installation and removal of the fire hydrant construction meter.

Section 9.4, Change of Location: A fee of \$150 is charged for the relocation of a fire hydrant construction meter. Only duly authorized employees or agents of the District will be permitted to move a construction meter.

#### SECTION 10, METER TESTS:

If a customer desires to have the meter serving the customer's premises tested, the customer shall pay a \$100 fee plus the actual cost of the contractor providing the test. Should the meter not register within American Water Works Association (AWWA) standards, the \$100 fee plus meter test contractor costs paid by the customer will be refunded, but should the meter register within AWWA standards, the \$100 fee and amount paid for the meter test contractor will be retained by the District.

#### SECTION 11, ONE-DAY PERMITS:

One-day permits may be issued as a convenience to the applicant in lieu of a construction water meter. The fee for a one-day permit is \$65 per day. The applicant shall not use more than 10,000 gallons per day; shall keep their permit on the person using the fire hydrant during working hours; and shall provide adequate traffic fire hose protection when applicable.

#### SECTION 12, GENERAL PROVISIONS:

Section 12.1, Policy on Discontinuation of Residential Water Service: Relevant sections of this Ordinance shall constitute the District's "Policy on Discontinuation of Residential Water Service for Nonpayment" pursuant to California Health & Safety Code section 116906. The General Manager is hereby authorized and directed to make the policy available to customers as required by law.

Section 12.2, Prior Ordinances: Ordinance No. 186 and all other ordinances, articles, sections, or amendments of ordinances in conflict herewith are hereby repealed.

Section 12.3, Inconsistency with Other Fees and Charges: To the extent that the charges established by this Ordinance are inconsistent with any rates, fees or charges previously adopted by the District, it is the explicit intention of the Board of Directors that the charges adopted in this Ordinance shall prevail.

Section 12.4, Severability: If any section, subsection, clause or phrase in this Ordinance or the application thereof to any person or circumstances is for any





reason held invalid, the validity of the remainder of this Ordinance or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board of Directors hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

Section 12.5, Effective Date: This Ordinance shall become effective on February 1, 2020.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 15<sup>th</sup> day of January, 2020 by the following roll call vote:

AYES: ELITHARP, HERNANDEZ, MARTIN  
NOES:  
ABSTAIN:  
ABSENT: EVANS, SANNELLA

  
Craig Elitharp, Director  
Board of Directors  
Vallecitos Water District

ATTEST:  
  
Glenn Pruim, Secretary  
Board of Directors  
Vallecitos Water District