

CITY OF LAKEPORT

ADMINISTRATIVE POLICY Utilities Billing

Adopted September 22, 2004

Amended January 7, 2020

In order to better serve customers of the City's water and sewer services ("services") and franchise garbage service, the following procedures are to be followed:

Section One Billing Period

City staff shall read meters during the last week of each month, as close to the last day of the month as possible. Bills will be generated based on fixed costs and usage and mailed on the 12th of the following month or as close to this date as possible ("statement billing date").

Section Two Bills Declared Late

All payments are to be received no later than the 9th day after the statement billing date. If not paid by that time, a late fee will be assessed in the amount set from time to time by resolution of the City Council. A late notice will be mailed to each customer declared late advising of an assessment of a late fee. Customers will be provided 49 calendar days' notice after the date on the notice prior to shut off of service.

Section Three Final Notice of Termination of Service

If bill is not paid in full, or if alternative payment arrangements have not been made, by the 58th day from which the bill was issued, a final attempt will be made to contact customer by telephone, personal contact, or door hanger advising that service will be shut off 48 hours from the 58th day or closest business day thereafter.

Section Four Required Notice in Each Invoice, Statement or Billing

With each invoice, statement, or billing for water, sewer, or garbage service, or any combination thereof, there shall be attached, enclosed, or included a notice reading substantially as follows:

NOTICE TO CUSTOMER: If you believe that you have been overcharged for water, sewer service, or garbage collection service rendered, or that you have been charged for service not rendered, please telephone 707-263-5615, Extension 305, and you will be given an explanation of how the amount you were charged was computed, the discontinuation policy will be provided and options to avert termination will be discussed. If you are not satisfied with this explanation and still wish to dispute the matter you have the right to have the matter heard by an employee of the City of Lakeport who has the power to resolve the dispute. To arrange for an informal hearing, please telephone 707-263-5615 no later than fifteen (15) days after the billing date shown on your statement or submit your request in writing to Finance Department, 225 Park Street, Lakeport, CA 95453, postmarked or received not later than fifteen (15)

days after the billing date. Failure to request a hearing before the deadline will result in the loss of a right to a hearing on this matter. Failure to pay the amount of your bill not later than (a) 15 days from the date of the hearing; or (b) 20 days from the date of your statement, whichever occurs later, may result in the discontinuation of your water, sewer, and/or garbage service.

Section Five Hearing—Request

If a customer who receives an invoice, statement, or billing for water, sewer service, or garbage collection service wishes to dispute the amount due as an overcharge for service rendered or a charge for service not rendered, the customer shall have the right to request an informal hearing of the dispute by either of the following:

- (a) Telephoning the number designated for such purposes in the notice transmitted with the billing, statement or invoice not later than fifteen (15) days from the date of mailing thereof; or
- (b) Making a written request for such hearing received by the City or postmarked not later than fifteen (15) days from the date of mailing.

Section Six Hearing—Procedure

Upon receipt of a request for hearing, a hearing shall be scheduled not later than ten (10) days from the date of the request. The hearing shall be conducted in an informal manner by an employee of the City designated by the City Manager to conduct such a hearing. At the hearing, evidence may be presented and shall be considered bearing on whether the correct amount has been charged for the service which has been rendered. At the conclusion of the hearing, the person conducting the hearing shall make a decision based upon the evidence and shall have the authority to adjust the amount due in a fair and equitable manner.

Section Seven When Utility Service May Be Discontinued

(a) If a hearing is not requested within fifteen (15) days, or if a hearing has been requested and the customer fails to appear for it or have it continued, and the amount stated to be due is not paid in full within sixty (60) days of the date of mailing of the billing, statement or invoice, the City shall have the right to discontinue the service or services for which billing was rendered provided that any other applicable procedures for discontinuance of service required by this Administrative Policy are followed.

(b) If a hearing shall have been requested and conduct and the person in charge of conducting the hearing shall have determined the amount to be due thereafter, and the amount determined to be due is not paid in full within fifteen (15) days of such decision, the City shall have the right to discontinue the service or services for which billing was rendered provided that any procedures required for discontinuance of service required by the Administrative Policy are followed.

Section Eight Discontinuation of Service—Nonpayment

(a) No service of water, sewer, or garbage collection shall be discontinued for nonpayment of any amount due unless the provisions of this section shall have been complied with.

(b) Pursuant to California Public Utilities Code, Section 10010.1 and Health and Safety Code, Section 116908, prior to termination of any such service for nonpayment, the City Manager or designee shall cause notice of the delinquency and impending termination (Notice of Termination) to be given at least seven (7) days prior to the proposed termination by means of a notice mailed, postage

prepaid, to the customer to whom the service is billed, not earlier than 60 days from the date of mailing the City's bill for service.

(c) The City Manager or designee shall make a reasonable, good-faith effort to contact an adult person managing, in charge of, or residing at the premises of the customer by telephone at least 48 hours prior to any termination of service. The City Manager or designee shall maintain records documenting any such telephone contacts or attempts thereof. If a successful contact is made, the person contacted shall be given the information set forth in paragraphs (1), (2), (3), (6) and (7) of subsection (d). If telephone contact is unsuccessful, City Manager or designee shall give, by mail, in person, or by posting in a conspicuous location at the premises, a Notice of Termination of service, at least 48 hours prior to termination. If contact by phone and written notice fails, Notice of Termination must be left at the property by person.

(d) The Notice of Termination of service shall contain the following in a clear and legible format:

- (1) The name and address of the customer whose account is delinquent.
- (2) The amount of the delinquency.
- (3) The payment deadline to avoid termination of service.
- (4) The process to apply for a payment extension.
- (5) The process to petition for bill review and appeal.
- (6) The process to request a deferred, reduced, or alternative payment schedule.
- (7) The telephone number of a representative of the City who can provide additional

information or institute arrangements for payment

(e) The City shall not terminate water, sewer, or garbage collection service for nonpayment in either of the following situations:

- (1) An appeal under Section 6 is pending.
- (2) The following apply:
 - (A) A primary care provider certifies that termination poses a serious threat to the health and safety of a resident;
 - (B) The customer is financially unable to pay as demonstrated by a household member's receipt of government assistance; and
 - (C) The customer is willing to enter into a deferred, reduced, or alternative payment schedule.

(f) The City Manager or designee shall review all requests for extension of a bill asserted to be beyond the means of the customer to pay in full during the normal period for payment, made within 60 days from when the bill was issued. The City Manager or designee shall consider whether the customer shall be permitted to amortize the unpaid balance of the account over a reasonable period of time, not to exceed twelve (12) months.

(g) Any customer who has initiated a complaint or has requested an investigation which has resulted in a determination by the City Manager or designee adverse to the customer may appeal the determination to the City Council by filing a written notice of appeal with the City Clerk within fifteen (15) days after the date of written notice of the determination has been rendered by the City Manager or designee.

(h) Any customer meeting the requirements of subsection (e)(2)(A)-(C) shall, upon request, be permitted to amortize, over a period not to exceed twelve (12) months, the unpaid balance of any bill asserted to be beyond the means of the customer to pay within the normal period for payment. Alternatively, City Manager or designee has discretion to offer a different deferred, reduced, or alternative payment schedule as described in Health and Safety Code section 116910.

(i) Service shall not be terminated if a customer is complying with an amortization agreement, except as provided in this subdivision. If a customer fails to comply with an amortization agreement for at least 60 days or fails to pay current residential charges for at least 60 days while on an amortization agreement, the City shall terminate service after giving notice to the customer at least five days before termination. This notice does not entitle the customer to further investigation by the City.

(j) For households with a member who receives government assistance or who declares an annual income of less than 200 percent of the federal poverty level reconnection, fees may not exceed \$50 during operating hours and \$150 for non-operating hours.

Section Nine Deposits—When Required

(a) The City Manager or designee shall require any customer to request water at a location that they do not own, to pay to the City a deposit as a condition of receiving services. Upon request for service, account holder will be required to provide the City a lease agreement or authorization from a landlord for the tenant to obtain services. Payment of a deposit is required upon the establishment of the account. Failure to pay such deposit within the time required shall be treated in the same manner as other nonpayment of amounts due for purposes of this chapter.

(b) The City Manager or designee shall require all customers who are receiving or have applied or requested receipt of garbage collection service and are not receiving or will not receive water or sewer service from the City, to pay to the City a deposit in an amount set from time to time by resolution of the City Council, at the time of establishment of the account. Payment of a deposit is required upon the establishment of the account. Failure to pay such deposit within the time required shall be treated in the same manner as other nonpayment of amounts due for purposes of this chapter.

(c) The City Manager or designee may determine the amounts to be deposited pursuant to subsections (a) and (b) of this section and shall generally require that the deposit shall be in an amount set from time to time by resolution of the City Council.

(d) Deposit amounts will be charged on a scale with three categories based on a credit check run by the Finance Department; Good being a score over 740, Fair being a score between 670 and 739, and Poor being below 670.

(e) In case of voluntary service discontinuance, said deposits may be applied toward payment of the charges, penalties, and costs of collection, but only insofar as necessary to liquidate the cumulative amount thereof. The amount of any unapplied deposit, shall be remitted to the account holder at the last known address as noted in the City's utility billing system.

Section Ten Property Owner—Responsibility for Payment for Accounts for Certain Commercial and Residential Dwelling Units

Where a water, sewer and garbage collection service for multiple units (residential and or commercial) is provided through a "Master Meter," the account shall be established in the name of property owner thereof. Where such "Master Meter" service has been in the name of the tenant or tenants of such unit, and such service has been discontinued one or more times within a twelve-month period for failure by any such tenant or tenants to pay the amounts due for service for such dwelling unit, the City Manager or designee shall require that service to be established in the name of the property owner thereof.

Section Eleven Property Owner—Responsibility for Payment for Accounts Solely for Garbage Collection Service

(a) Whenever a request or application has been made for receipt of garbage collection service to premises occupied by a tenant or lessee which is not receiving or will not receive water or sewer service from the City, the City Manager or designee shall require service to be established in the name of the property owner thereof and the property owner shall be required to pay the City any amount due for said garbage collection service

Section Twelve Termination of Service for Other Than Nonpayment—Not Prohibited

Nothing in this Administrative Policy shall preclude the City from discontinuance or termination of water service or wastewater service in the following cases:

(a) Termination of wastewater service to any premises if a violation of any provision of *Lakeport Municipal Code* Chapters 13.20 through 13.22 is found to exist, or if a discharge of wastewater causes or threatens to cause a condition of contamination, pollution, or nuisance.

(b) Discontinuance of water service for nonpayment of a bill for water service rendered to the customer at a different location.

(c) Discontinuance of water service for violation of City rules and regulations pertaining thereto.

(d) Discontinuance of water service where part of the consumer's service appliances or apparatus is unsafe, or if the utilization of water by means thereof is prohibited or forbidden under the authority of any law or municipal ordinance or regulation.

(e) Shutting off of water service from any consumer in case of fire or an alarm of fire.

(f) Discontinuance of delivery of water to premises having an auxiliary water supply where the City water supply is in danger of being contaminated, where the required protective device has not been installed, is defective, or has been removed or bypassed, and the consumer cannot immediately be located, pursuant to *Lakeport Municipal Code* Chapter 13.08.

Section Thirteen Delinquent Bills—Lien and Tax Roll Procedures

(a) The City Manager or designee may cause charges for water service, and sewer service, which are delinquent for not less than sixty days to be collected on the County tax roll in the same manner, by the same persons, and at the same time as, together with and not separate from, the County property taxes.

(b) The City Manager or designee shall cause a written report to be prepared each year and filed with the City Clerk, which shall contain a description of each parcel of real property receiving such service as to which such delinquency exists and the amount of the charge due for each parcel. The real property may be described by reference to maps prepared in accordance with Section 327 of the *Revenue and Taxation Code*, and on file in the office of the County Assessor.

(c) The City Clerk shall cause notice of filing of said report and of a time and place of public hearing thereon to be published pursuant to Section 6066 of the *Government Code* prior to the date set for hearing in a newspaper of general circulation printed and published within the City, Such notice shall be published once a week for two successive weeks, with the first publication at least 14 days prior to the public hearing. The first time such charges are collected on the tax roll following adoption of this section, the City Clerk shall cause a notice in writing of the filing of said report proposing to have such charges collected on the tax roll and of the time and place of hearing thereon, to be mailed

to each person to whom any parcel or parcels of real property described in said report is assessed in the last equalized assessment roll available on the date said report is prepared, at the address shown on said assessment roll. If the City Council adopts the report, then the requirements for notice in writing to the persons to whom parcels of real property are assessed shall not apply to hearings on reports prepared in subsequent fiscal years, but notice of publication as herein provided shall be adequate.

(d) At the time stated in the notice, the City Council shall hear and consider all objections or protests, if any, to said report referred to in said notice. The City Council may continue the hearing from time to time.

(e) Upon the conclusion of the hearing the City Council may adopt, revise, change, reduce, or modify any charge as described in said report by a two-thirds vote. The determination of the City Council shall be final. The resolution shall make a determination upon each charge described in the report, and shall state that the delinquent charges shall be collected on the tax roll in the same manner as general taxes.

(f) On or before August 10 of each year following the final determination upon each charge, the City Clerk shall file with the County Auditor or designee a copy of the report prepared pursuant to this section with a statement endorsed of the report over his/her signature that the report has been finally adopted by the City Council. The County Auditor or designee shall cause to be entered the amounts of the charges against the respective lots or parcels of land as they appear on the County's current assessment roll.

(g) Except as provided in subsection (h), the amount of the charges shall constitute a lien against the lot or parcel of land against which the charge has been imposed in accordance with the County's policies and procedures.

(h) All laws applicable to the levy, collection, and enforcement of general taxes of the City, including, but not limited to those pertaining to the matters of delinquency, correction, cancellation, refund and redemption, are applicable to such charges, except that if any real property to which such charges relate has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrance for value has been created and attaches thereon, prior to the date on which the first installment of such taxes would become delinquent, then the lien which would otherwise be imposed by subsection (g) shall not attach to such real property, and the charges relating to such property shall be transferred to the unsecured roll for collection.

(i) The City shall not seek to recover delinquent charges or associated penalties for a tenant's residential use against the property owner, including through placement of such charges on the County tax roll.

Section Fourteen Tenants—Notice of Termination of Service for Nonpayment

In all cases where water, sewer or garbage collection service is supplied to several tenants from one connection or tap, the city contracts only with the owner of the property or his authorized agents, and on owner's failure to comply with these regulations or to pay the monthly charges, the services will be disconnected until regulations are complied with or the charges paid.

(a) For master-metered residential service, the City will make a good faith effort to inform the occupants, by means of written notice at least fifteen (15) days prior to termination, stating that the account is past due, and the service will be terminated on the date specified in the notice. The notice will also specify what the occupants are required to do in order to prevent termination of, or to reestablish service; the estimated monthly cost of service; the title, address, and telephone number

of a representative of the City who can assist the occupants in continuing service; and the address or telephone number of a qualified legal services project that has been recommended by the local county bar association.

(b) If it is not reasonable or practicable to post the notice on the door of each unit in a master-metered residential property, the City will post two (2) copies of the notice in each accessible common area and at each point of access to the structure or structures. The notice will inform the residential occupants that they have the right to become customers of the City without being required to pay the amount due on the delinquent account; provided, however, that the occupants agree to the City's terms and conditions of service and other requirements. However, if (1) one or more actual users are willing and able to assume responsibility for the entire account to the satisfaction of the City Manager or designee, or if (2) there is a physical means legally available of selectively terminating service to those actual users who have not met the requirements of *Public Utilities Code* section 10009, the City shall make service available to the actual users who have met those requirements.

(c) If individually metered residential service is supplied 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 such is the customer of record, the City shall make every good faith effort to inform the residential occupants, by means of written notice at least fifteen (15) days prior to the termination, when the account is past due, that service will be terminated.. The written notice shall also inform the residential 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 be due on the delinquent account. Residential occupants must be willing to agree to the City's terms and conditions of service and other requirements.

Section Fifteen Termination of Services on Weekends, Legal Holidays, or Time When City Hall Offices Are Not Open

Water, sewer or garbage collection service shall not be terminated because of delinquency in payment for such service on any Saturday, Sunday, legal holiday, or any time during which the City's business offices are not open to the public.

Section Sixteen Notify Health and Fire District

Upon discontinuance of service, the City Manager or designee may notify the County Health Officer and the Fire District of the service disconnection.

Section Seventeen Conditions for Restoring Service

Water, sewer or garbage collection service will not be restored to the disconnected property until all delinquent water charges, late fees, interest charges, penalties for disconnection and required security deposits have been paid except as otherwise provided in this policy.

Section Eighteen Disconnection by Customer

A request for disconnection of customer service shall be only honored by the City from the customer in whose name the service was established.

Section Nineteen Temporary Disconnection

If a customer requests that water service be temporarily disconnected, the City shall terminate water service by turning off the service at the meter. The customer shall pay disconnection and reconnection fees in the amounts set from time to time by resolution of the City Council.

Section Twenty Water Leaks

In general the City does not adjust utility accounts for water leaks or other requests for account adjustments by residential or commercial customers. As an accommodation to customers in cases where the customer's utility bill is higher than the historical average over the previous year, using a three-month average, due to a leak or other event out of the control of the customer, the City may make an exception to the policy, when the adjustment exceeds \$100.

In order for a request for adjustment to be considered the customer must complete the "Request for Reduction in Water/Sewer/Garbage Charges" within 30 days of the bill for which an adjustment is requested and provide evidence of the completion of repairs. For example: Attach a copy of the repair invoice or receipt. If the request is due to suspected stolen water, a police report must be filed, and attached to the request.

The city will provide customers with door hanger notification for extreme usage increases in usage in an effort to notify the customer of a potential leak. Account adjustments will only be considered for high water usage occurring 30 calendar days after the notification of a potential leak.

All requests must be approved by the City Manager or when appointed by the City Manager, the Director of Finance.

Water and Sewer Services:

Residential:

The City will allow customer account adjustments under qualifying circumstances. The adjustment will be calculated based on the average usage during the same quarter of the year immediately prior to the requested period of adjustment. No sewer adjustments will be made.

Commercial:

In the event of an above ground water leak sewer account adjustments will be considered for reduction where the customer's utility bill is higher than the historical average over the previous year, using a three month average, due to a leak.