

**HELENDALE COMMUNITY SERVICES DISTRICT
POLICY ON DISCONTINUATION OF
RESIDENTIAL WATER SERVICE FOR NON-PAYMENT**

Notwithstanding any other policy or rule of the Helendale Community Services District, this Policy on Discontinuation of Residential Water Service for Non-Payment shall apply to the District's discontinuation of residential water service for non-payment under the provisions set forth herein. It is the intent of this policy to comply with Government Code Sections 60370-60375.5 and Health and Safety Code ("HSC") Sections 116900-116926. In the event of any conflict between this Policy and applicable law, applicable law shall govern.

I. Application of Policy; Contact Telephone Number; Translations: This policy shall apply only to residential water service for non-payment and the District's existing policies and procedures shall continue to apply to all other service accounts. The CSD can be reached at 760-951-0006 for assistance concerning the payment of water bills and the potential establishment of the alternatives set forth in this policy to avoid discontinuation of service. Translations of this Policy shall be available in English and in the languages listed in Section 1632 of the Civil Code at the District offices, on the District website, and shall be made available as otherwise required.

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

A. Billing:

1. Rendering and Payment of Bills: Bills for water service will be rendered to each customer on a monthly basis. Bills for service are due and payable upon presentation. Bills are late as of the tenth (10th) day of each month with late fees posting to the account on the first normal business day of each month. Residential bills become overdue and subject to discontinuation of service if not paid within sixty (60) days from the date of the bill. Payment may be made at the Helendale Community Services District office, on-line, pay by phone, auto debit or auto credit transaction or through the night-drop box located at the office. It is the customer's responsibility to assure that payments are received at the office in a timely manner. Partial payments are not authorized unless prior approval has been received from the CSD.
2. Monthly Bills: On or near the first of each month a new bill will be sent to the customer. This bill will include the current amounts due, enumerate any past due amounts and list the date by which past due payment must be received to avoid discontinuation of service.

B. Overdue Bills:

1. Disconnection for nonpayment: The District shall not disconnect/shut-off/discontinue water service for nonpayment until the account has been delinquent for at least sixty (60) days. No less than seven (7) business days before

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discontinuation of residential water service for nonpayment, the District shall contact the customer named on the account by telephone or written notice.

2. Customer 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 through the mail 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, a notice of imminent discontinuation of service for nonpayment along with a copy of the District's Policy for Discontinuation of Residential Water Service for Nonpayment.
3. Reconnection of Service: Customers whose water service has been disconnected may contact the District by telephone or in person regarding reconnection of water service. Restoration of water service will be subject to payment of all delinquent charges on the account plus any additional fees or charges, (including but not limited to disconnection, reconnection, past due, late fees, service fees and deposit), resulting from the disconnection and reconnection process plus any deposits that may be required by the District.
4. Notices:
 - a. The District may not terminate residential service on account of non-payment of a delinquent account unless the District first gives notice of the delinquency and impending termination at least ten (10) 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 nineteen (19) days from the date of mailing the District's bill for services, and the ten (10) day period shall not commence until five (5) days after the mailing of the notice. [Government Code Section 60373(a)]
 - b. No less than seven (7) business days before disconnection of residential water service for nonpayment, the District shall contact the customer named on the account by telephone or written notice of any delinquency and impending disconnection of water service. When the District contacts the customers by telephone the District shall offer to provide, inwriting to the customer, the policy on discontinuation of residential service for nonpayment. The District shall offer to discuss options to avert discontinuation of residential service for nonpayment, including but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal. [HSC Section 116908(a)(1)(A) and (B)]
 - c. When the District contacts the customer named on the account by written notice pursuant to subdivisions (a) and (b) above, the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's

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address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant". A post office box will be considered the customer's address. The notice shall include, but is not limited to, all of the following information in a clear and legible format [Government Code Section 60373(c) and HSC Section 116908(a)(1)(C)]:

- (1) The name and address of the customer whose account is delinquent
 - (2) The amount of the delinquency
 - (3) The date by which payment or arrangements for payment is required in order to avoid termination
 - (4) A description of the process to apply for an extension of time to pay delinquent charges
 - (5) A description of the procedure to petition for bill review and appeal
 - (6) The procedure by which the customer may initiate a complaint or request an investigation concerning service or charges
 - (7) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the unpaid charges, consistent with the written policies set forth herein.
 - (8) The procedure for the customer to obtain information on the availability of financial assistance, including private, local, State, or Federal sources, if applicable.
 - (9) The telephone number of a representative of the District who can provide additional information or institute arrangement for payment.
- d. The District shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person at least forty-eight (48) hours prior to any termination of service except that whenever telephone or personal contact cannot be accomplished, the District shall give, by mail or by posting in a conspicuous location at the premises, a notice of termination. [Government Code Section 60373(b)]
- e. If the District is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail 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 imminent discontinuation of residential service for nonpayment. [HSC Section 116908(a)(2)]
- f. All written notices that are provided pursuant to HSC Section 116908 shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by ten percent (10%) or more of the customers in the District's service area.

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5. **Restrictions:** No termination of service may be affected without compliance with Section II.B.4 above, and any service wrongfully terminated shall be restored without charge for the restoration of service [Government Code Section 60373(e)]. The District shall not, by reason of delinquency in payment for any water services, cause cessation of those services on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the District are not open to the public (Government Code Section 60374).
 6. **Late Charge:** A Late Charge, as specified in the District's fees and charges, shall be assessed and added to the outstanding balance on the customer's account if the amount owing on that account is not paid before the due date specified on the bill.
 7. **Turn-Off Deadline:** Payment for water service charges must be received by the District no later than 5:30 p.m. on the date specified on prior billing notice(s) of impending termination. Postmarks are not acceptable.
 8. **Notification of Returned Check or Failed Automatic Debit Transaction (ACH):** Upon receipt of a returned check or failed ACH transaction rendered for water service or other charges, the District will consider the account not paid. The District will attempt to notify the customer via phone and/or posted notice at the residence. Water service will be disconnected if the amount of the returned check and returned check charge are not paid by the due date specified on the notice, which due date shall not be sooner than the date specified in the Notice of Impending Termination. To redeem a returned check and to pay a returned check charge, all amounts owing must be paid by credit/debit card, cashier's check or money order.
 9. **Returned Check Tendered as Payment for Water Service Disconnected for Nonpayment:**
 - a. If the check tendered and accepted as payment which resulted in restoring service to an account that had been disconnected for nonpayment is returned as non-negotiable, the District may disconnect said water service upon at least three (3) days' written notice. The customer's account may only be reinstated by receipt of outstanding charges in the form of a credit/debit card, cashier's check or money order. Once the customer's account has been reinstated, the account will be flagged for a one-year period indicating the fact that a non-negotiable check was issued by the customer. A deposit may be required to reinstate service.
 - b. If at any time henceforth, the customer's account is again disconnected for nonpayment, the customer will be required to pay by credit/debit card, money order or cashier's check to have said water service restored.
- C. **Conditions Prohibiting Discontinuation:** The District shall not discontinue residential water service if all the following conditions are met:

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1. Health Conditions – The customer or tenant of the customer submits certification of a primary care provider that discontinuation of water service would (i) be life threatening, or (ii) pose a serious threat to the health and safety of a resident;
 2. Financial Inability – The customer demonstrates he or she is financially unable to pay for water service within the District’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; and
 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.
- D. **Process for Determination of Conditions Prohibiting Discontinuation of Service:** The burden of proving compliance with the conditions described in Subdivision (C), above, is on the customer. In order to allow the District sufficient time to process any request for assistance by a customer, the customer is encouraged to provide the District with the necessary documentation demonstrating the medical issues under Subdivision (C)(1), financial inability under Subdivision (C)(2) and willingness to enter into any alternative payment arrangement under Subdivision (C)(3) as far in advance of any proposed date for discontinuation of service as possible. Upon receipt of such documentation, the District’s General Manager, or his or her designee, shall review that documentation and respond to the customer within seven (7) days to either request additional information, including information relating to the feasibility of the available alternative arrangements, or to notify the customer of the alternative payment arrangement, and terms thereof, under Section III, below, in which the District will allow the customer to participate. If the District has requested additional information, the customer shall provide that requested information within five (5) days of receipt of the District’s request. Within five (5) days of its receipt of that additional information, the District shall either notify the customer that the customer does not meet the conditions under Subdivision (C), above, or notify the customer of the alternative payment arrangement, and terms thereof, under Section III, below, in which the District will allow the customer to participate.
- E. Upon request by a water customer, the District will perform the following:
1. Reconnection Fees: Any reconnection fees during the District’s normal operating hours cannot exceed \$50, and reconnection fees during non-operational hours cannot exceed \$150. Those fees cannot exceed the actual cost of reconnection if that cost is less than the statutory caps. Those caps may be adjusted annually for changes in the CPI beginning January 1, 2021.

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2. Interest Waiver: The District shall waive interest charges (late fees) on delinquent bills once every 12 months.

F. **Landlord-Tenant Scenario**: The following procedures apply to individually metered detached single-family dwellings, multi-unit residential structures and mobile home parks where the property owner or manager is the customer of record.

1. Required Notice:

- a. At least 10 days prior if the property is a multi-unit residential structure or mobile home park, or 7 days prior if the property is a detached single-family dwelling, to the possible discontinuation of water service, the District must make a good faith effort to inform the tenants/occupants at the property by written notice that the water service will be discontinued.
- b. The written notice must 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 delinquent amounts. Delinquent charges will remain the responsibility of the property owner.

2. Tenants/Occupants Becoming Customers:

- a. The District 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 District's requirements and rules.
- b. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the District's satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the District's requirements, then the District may make service available only to those tenants/occupants who have met the requirements.
- c. If prior service for a particular length of time is a condition to establish credit with the District, then residence at the property and proof of prompt payment of rent for that length of time, to the District's satisfaction, is a satisfactory equivalent.
- d. If a tenant/occupant becomes a customer of the District and the tenant's/occupant's rent payments include charges for residential water service where those charges are not separately stated, the tenant/occupant may deduct from future rent payments all reasonable charges paid to the District during the prior payment period.

III. Alternative Payment Arrangements: For any customer who meets the three conditions under Section II(C), above, in accordance with the process set forth in Section II(D), above,

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the District shall offer the customer one of the following alternative payment arrangements, to be selected by the District in its discretion: (i) amortization of the unpaid balance under Subdivision (A), below; (ii) alternative payment schedule under Subdivision (B), below; (iii) partial or full reduction of unpaid balance under Subdivision (C), below; or (iv) temporary deferral of payment under Subdivision (D), below. The General Manager, or his or her designee, shall, in the exercise of reasonable discretion, select the most appropriate alternative payment arrangement after reviewing the information and documentation provided by the customer and taking into consideration the customer's financial situation and District's payment needs. A customer is allowed one active payment arrangement at a time.

A. **Amortization:** Any customer who is unable to pay for water service within the District's normal payment period and meets the three conditions under Section II(C), above, as the District shall confirm, may, if the District has selected this alternative, enter into an amortization plan with the District on the following terms:

1. **Term:** The customer shall pay the unpaid balance, with the administrative fee as specified in Subdivision (2), below, over a period not to exceed twelve (12) months, as determined by the District's General Manager or his or her designee. The unpaid balance, together with the applicable administrative fee, 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 bills for water service.

2. **Administrative Fee:** For any approved amortization plan, the customer will be charged an administrative fee, in the amount established by the District from time to time, representing the cost to the District of initiating and administering the plan.

3. **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. If the customer fails to comply with the terms of the amortization plan for sixty (60) days, or fails to pay the customer's current service charges for sixty (60) days, the District may discontinue water service to the customer's property at least five (5) business days after the District posts at the customer's residence a final notice of its intent to discontinue service.

B. **Alternative Payment Schedule:** Any customer who is unable to pay for water service within the District's normal payment period and meets the three conditions under Section II(C), above, as the District shall confirm, may, if the District has selected this alternative, enter into an alternative payment schedule for the unpaid balance in accordance with the following:

1. **Repayment Period:** The customer shall pay the unpaid balance, with the administrative fee as specified in Subdivision (2), below, over a period not to exceed twelve (12) months, as determined by the District's General Manager or his or her designee.

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2. Administrative Fee: For any approved alternative payment schedule, the customer will be charged an administrative fee, in the amount established by the District from time to time, representing the cost to the District of initiating and administering the schedule.
 3. Schedule: After consulting with the customer and considering the customer's financial limitations, the District's General Manager or his or her designee shall develop an alternative payment schedule to be agreed upon with the customer. That alternative schedule may provide for periodic lump sum payments that do not coincide with the District's established payment date, 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, the unpaid balance and administrative fee shall be paid in full within twelve (12) months of establishment of the payment schedule. The agreed upon schedule shall be set forth in writing and be provided to the customer.
 4. Compliance with Plan: The customer must comply with the agreed upon 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. If the customer fails to comply with the terms of the agreed upon schedule for sixty (60) days or more, or fails to pay the customer's current service charges for sixty (60) days or more, the District may discontinue water service to the customer's property at least five (5) business days after the District posts at the customer's residence a final notice of its intent to discontinue service.
- C. Additional Payment Options: Any customer within the District's normal payment period may be eligible for one or more of the following:
1. Deferred Payment to avoid disconnection: A payment extension of up to two weeks is available to customers one time per year. Applicable penalties will apply during the extension period. Failure to comply with payment extension will result in discontinuation of service upon a forty-eight (48) hour courtesy phone notification.
 2. Reduced Fees: A one-time disconnection fee waiver and a one-time late fee waiver are available to any customer upon request. These waivers are available one-time over the life of the account.

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

- A. Time for Appeal: Within ten (10) days of receipt of the bill for water service, but no later than the last business day of the month, the customer has a right to initiate a complaint or request an investigation regarding any bill or charge rendered by the

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District. Such protest shall be made in writing and be delivered to the District's office. While the customer's appeal and any resulting investigation is pending, the District cannot discontinue water service to the customer.

- B. Appeal Hearing: Following receipt of a complaint or a request for an investigation, a hearing date shall be set before the General Manager, or his or her designee (the "Hearing Officer"). After evaluation of the evidence provided by the customer and the information on file with the District concerning the water charges in question, the Hearing Officer shall render a decision as to the accuracy of the water charges and shall provide the appealing customer with a brief written summary of the decision.
1. If water charges are determined to be incorrect, a corrected invoice will be provided and payment of the revised charges will be due within ten (10) days of the invoice date for revised charges. If the revised charges remain unpaid for more than sixty (60) days after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that sixty (60) day period; provided that the District shall provide the customer with the Overdue Notice in accordance with Section II(B), above. Water service will only be restored upon full payment of all outstanding water charges, penalties, and any and all applicable reconnection charges.
 2. a. If the water charges in question are determined to be correct, the water charges are due and payable at the time the Hearing Officer's decision is rendered. At the time the Hearing Officer's decision is rendered, the customer will be advised of the right to further appeal before the District's Board of Directors. Any such appeal must be filed in writing within seven (7) days after the Hearing Officer's decision is rendered and will be heard as soon as possible at the next regularly-agendized meeting of the District's Board of Directors, or at a special meeting of the District's Board of Directors as agreed upon by customer and District.

b. If the customer does not timely appeal to the District's Board of Directors, the water charges in question shall be immediately due and payable. In the event the charges are not paid in full within sixty (60) days after the original billing date, then the District shall proceed with the Notice of Impending Termination in accordance with Section II(B), above, and may proceed in potentially discontinuing service to the customer's property.
 3. When an appeal hearing before the Board of Directors is requested, such request shall be made in writing and delivered to the District at its office. The customer will be required to personally appear before the Board and present evidence and reasons as to why the water charges in question are not accurate. The Board shall evaluate the evidence presented by the customer, as well as the information on file with the District concerning the water charges in question, and render a decision as to the accuracy of said charges.

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- a. If the Board finds the water charges in question are incorrect, the customer will be invoiced for the revised charges. If the revised charges remain unpaid for more than sixty (60) days after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that sixty (60) day period; provided that the District shall provide the customer with the Notice of Impending Termination in accordance with Section II(B), above. Water service will be restored only after outstanding water charges and any and all applicable reconnection charges are paid in full.
- b. If the water charges in question are determined to be correct, the water charges are due and payable at the time the decision of the Board is rendered. In the event the charges are not paid in full within sixty (60) days after the original billing date, then the District shall proceed with the Notice of Impending Termination in accordance with Section II(B), above, and may proceed in potentially discontinuing service to the customer's property.
- c. Any overcharges will be reflected as a credit on the next regular bill to the customer, or refunded directly to the customer, at the sole discretion of the Board.
- d. Water service to any customer shall not be discontinued at any time during which the customer's appeal to the District or its Board of Directors is pending.
- e. The Board's decision is final and binding.

- V. **Restoration of Service:** In order to resume or continue service that has been discontinued by the District due to non-payment, the customer may be required to pay a security deposit and will be required to pay a Reconnection Fee established by the District, subject to the limitation set forth in Section II(D), above. The District will endeavor to make such reconnection as soon as practicable as a convenience to the customer. The District shall make the reconnection no later than the end of the next regular working day following the customer's request and payment of any applicable Reconnection Fee.
- VI. **Unauthorized Action:** This policy does not apply to the termination of a service connection by the District due to an unauthorized action of a customer.