

## **6001 Deposits / Establishment Credit**

### **1. Establish Credit – Metered and Flat Rate Service**

A security deposit will be required for each new property owner/tenant arranging service with the District who does not have an established credit history with the District. The dollar amount of this deposit shall be three (3) times the estimated average monthly bill for water usage and service, sewer service, street sweeping service, and debt repayments.

This deposit shall be computed according to water meter size and the estimated average monthly bill determined at the end of each fiscal year of the District. The deposit shall be refunded to the property owner/customer at the closing of the service account, subject to the customer's payment history with the District. If desired, the deposit may be made in three (3) payments over the next three (3) billing periods.

### **2. Late Fee:**

If payment for a statement is not received by close of business on the 21<sup>st</sup> day a reminder will be sent via snail mail after the statement is issued, the account is delinquent. The due date and late fee will be displayed on the statement. Notification will be by text, phone, email, or mail, depending on the information on file. The District assumes no responsibility for contact information that has not been updated by the customer. Reminder notices sent after the due date the account is delinquent.

### **3. Alternative Payment Arrangements:**

Any customer who is unable to pay for service within the standard payment period may request an alternative payment arrangement to avoid disruption of service. The district will consider all circumstances surrounding the request and decide whether the payment arrangement is acceptable. However, if all three of the following conditions are met, the District cannot discontinue service:

- i. Health Conditions - a primary care provider certifies the discontinuation of water service would be life-threatening or pose a serious threat to the health, the safety of a resident.
- ii. Financial Inability- the customer declares that they are 200% below the federal poverty line or belong to public assistance programs such as Medi-Cal, Cal-Fresh, or Cal-Works.
- iii. Payment Arrangements - the ratepayer, agrees to some payment arrangement plan.

Payment arrangements that extend into the next billing must be in writing and signed by the customer. A payment arrangement plan will not exceed 12 months from the original date of the bill. The payment arrangement will be combined with and subject to the due date of the customer's regular bill. The customer must comply with the terms of the arrangement plan and remain current as fees accrue in each subsequent billing period. The customer may not request further extensions of any following unpaid charges while paying delinquent fees. Failure to comply with the payment arrangement plan will result in the issuance of a written disconnection notice. A disconnection notice will be a door hanger delivered to the premises 7 business days before the discontinuance of service.

## **6002 Discontinuance of Service**

### **1. Notifications:**

The District will make a good faith effort to notify the customer that the account remains past due, and further collection action will be forthcoming approximately 60 days after the bill is issued. The District assumes no responsibility for mail, phone, email or other contact information that has not been kept updated by the customer. The District cannot discontinue water service for non-payment until payment by the customer has been delinquent for at least 60 days.

**a. If notice is given by telephone, the District must:**

- i. offer to provide the customer with the system's written policy on discontinuation of water service; and
- ii. offer to discuss options to avoid discontinuing water service, including alternative payment schedules, deferred payments, minimum payments, bill review, and appeal.

**b. If notice is given in writing, the District must:**

- i. The written disconnection notice will be mailed to the mailing address designated on the account. If the mailing address and the address of the property to which water service is provided are different, a second notice will be mailed to the service address and addressed to "Occupant." The written disconnection notice will include:
  1. Customer's name and address
  2. The amount that is past due
  3. Date of payment or payment arrangements required to avoid discontinuation of service
  4. Description of the process to apply for a payment plan
  5. Description of the process to dispute or appeal a bill
  6. District phone number and a web link to the District's written collection policy

- c. **If the District is not able to contact the customer** by telephone or by written notice (e.g., a mailed notice is returned as undeliverable), the District will make a good faith effort to visit the residence and leave or make other arrangements to place in a conspicuous location, a notice of pending discontinuation for non-payment, and a copy of the water purveyor's discontinuation policy.

**2. Seven (7) Day Notice of Termination:**

- a. The District will make a good faith effort to contact the customer at least 7 business days before discontinuation of water service for non-payment.
- b. Notification will be a door hanger.

**3. Disconnection Deadline for Payment:**

All delinquent water service charges and associated fees must be received by the District by 4:00 p.m. on the day specified in the written disconnection notice. Website payments are due by 8:30 a.m. on the day specified in the written disconnection notice.

**4. Disconnection of Water Service for Non-Payment:**

The District will disconnect service by turning off, and in some cases locking off, the meter. Before service is disconnected. The customer will be charged a fee to re-establish service. The meter will be locked in the off position if payment is not received.

**5. Notice to Residential Tenants/Occupants**

The District will make a good faith effort to inform occupants using written notice when the water service account is in arrears and subject to disconnection at least 10 days before the water service is

shut off. The written notice will advise the tenant/occupant that they have the right to become customers of the District without being required to pay the amount due on the delinquent account, as long as they are willing to assume financial responsibility for subsequent charges for service at that address. The owner of the property is responsible for delinquent payments.

## **6003 Restoration of Service**

### **1. Reconnect Service:**

To resume or continue service that has been disconnected for non-payment, the customer must pay a reconnection fee of **\$50.00**. The District will try to reconnect service as soon as practicable but, at a minimum, will restore service before the end of the next regular working day following payment of any past due amount and delinquent fees attributable to the termination of service. Water service that is turned on by any person other than District personnel or without District authorization may be subject to fines or additional charges or fees. Any damages that occur as a result of the unauthorized restoration of service are the responsibility of the customer.

To re-establish credit for a customer whose service has been discontinued for non-payment of bills or dishonored payment, the customer must pay the reconnect fee shown above, any overdue balance, and may be required to re-establish credit with a security deposit of three (3) times the estimated average monthly water, wastewater and street sweeping bill or a minimum of \$300

### **2. Reconnect of Service After Business Hours:**

Service restored after 4:00 pm Monday through Friday, weekends, or holidays will be charged an after-hours re-establishment fees. Service will not be restored after regular business hours unless the customer has been informed of the after-hours re-establishment fee and has signed an agreement acknowledging the charge and agreeing to contact the District's billing department no later than noon the following business day to pay the subject a reconnection fee of **\$150.00**.

The after-hours reestablishment fee is in addition to the regular re-establishment fee and the late charges for a past due account. District staff responding to service calls are not permitted to collect payment but will instruct the customer to contact the billing department before noon the following business day. Services that are off and locked cannot be re-established after hours.

Sometimes water service is discontinued because the service is a new account, and the District has not received a request to establish service. If service is being restored after regular business hours because the customer has yet to establish service, the customer must agree to contact the billing department to establish service the next business day. If service is discontinued for reasons not identified above, the service may be restored as soon as possible, and the customer advised to contact Customer Service to resolve the issue. No after-hours re-establishment fees will be charged in this instance.

### **3. Notification of Disposition of Returned Check:**

Upon receipt of a returned check taken as payment of water service or other charges, the district will consider the account not paid. The District will make a reasonable, good-faith effort to notify

the customer by phone or email of the returned check. A 48-hour notice of termination of service due to a returned check will be generated.

If the District is unable to make contact by mail, text, phone, or email, a good faith effort will be made to visit the residence and leave a notice of termination of service. Service will be disconnected if the amount of the returned check and the returned check fess are not paid on or before the date specified in the notice of termination. All amounts paid to redeem a returned check and to pay the returned check fee must be in cash, credit card, or certified funds.

**4. Returned Checks for Previously Disconnected Service:**

In the event, a customer tenders a non-negotiable check as payment to restore water service previously disconnected for non-payment and the District restores service, the District may promptly disconnect service without providing further notice. No 48-hour notice of termination will be given in the case of a non-negotiable check tendered for payment of water fees that were subject to discontinuance.

**5. Disputed Bills:**

Disputed bills (Water, Wastewater, or Street Sweeping) may be referred through staff to the General Manager for final administrative decisions. Once the General Manager has made a final administrative decision, customers may appeal such decision in writing to the Board of Directors at the next regularly scheduled meeting.

**6. For Non-Compliance with Rules**

The District may discontinue service to any customer for violation of these rules, other than non-payment after it has given the customer at least 5 days written notice of such intentions. Where the health, safety, or welfare of the public or the operators of the District's system or the integrity of the system is endangered, service may be discontinued immediately without notice.

**7. Unsafe or Service Detrimental or Damaging to the District or its Customers**

If a dangerous or hazardous condition is found to exist on the customer's premises, or if the use of water by apparatus, appliance, equipment, or otherwise is found to be detrimental or damaging to the District or its customers, the service may be shut off without notice. The District will notify the customer immediately of the reasons for discontinuance and the corrective action to be taken by the customer before the service can be restored.

**8. For Fraudulent use of Service**

When the District has discovered that a customer has obtained service by fraudulent means, or has diverted the service for unauthorized use, the service to that customer may be discontinued without notice, and the District may contact Santa Barbara County Sheriff's Department. The District will not restore service to such customer until that customer has complied with all the rules and reasonable requirements of the District. This includes being reimbursed for the full amount of the service rendered, and the actual cost to the District incurred because of the fraudulent use.

**9. Foreclosed Properties**

The Owner of the property, which is furnished services, is the customer and shall be responsible for the payment of all rates, fees, charges, including penalties, thereon regarding such furnished services. Unpaid obligations shall run with the land and shall lead to delinquency and termination of service for the residential unit or other real property involved without regard to any changes of residence or occupancy by persons different than the persons shown on district records as obligated to pay the bill.

#### Charges to Foreclosed Properties

The monthly charges are as follows:

- Basic Sewer Charge
- Meter Connection
- Street Sweeping

### **10. Wrongful Discontinuances**

A service wrongfully discontinued by the District will be restored without cost to the customer as soon as possible but within 8 hours.

## **6004 Monthly Billing Cycle and Miscellaneous Charges**

### **1. Billing Cycle Calculations**

Monthly bills will be mailed to all property owners/customers at the beginning of each month itemizing water charges, sewer charges, and street sweeping charges for the preceding month.

<b>Water Service Charge:</b>	Base rate determined by meter size
<b>Water Usage Charge:</b>	Base per each unit equal to 748 gallons
<b>Sewer Service Charge:</b>	Flat rate to all residential customers
<b>Street Sweeping:</b>	Flat rate to all residential and commercial customers
<b>Payment Due:</b>	Close of business 21 days after issuance of the bill
<b>Non-residential Charge:</b>	Varies from the charges shown above