



CITY OF HOLLISTER

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City of Hollister Water Shut-off Policy (Senate Bill No. 998)

Purpose/Background:

Pursuant to the State of California Water Shutoff Protection Act (Senate Bill No. 998), the City of Hollister developed this written policy regarding the disconnection of residential service for non-payment (hereinafter referred to as the “Water Shut-off Policy”). This policy describes the City of Hollister’s administrative procedures for the collection of delinquent accounts, including notifications, fee assignments and disconnection of service. This policy will be available to the public on the City of Hollister’s website. Residents who wish to discuss options for averting termination of water service due to non-payment under the terms of this policy can contact the City of Hollister by phone at (831) 636-4301.

Text of policy:

As an urban or community water system that supplies water to more than 200 service connections, the City of Hollister is governed by Senate Bill No. 998 to provide and maintain a Water Shut-off written policy.

Delinquent Account:

A 10% penalty is assessed to past due bills. Utility bills, including service and penalty charges, are due and payable upon presentation and will become delinquent if not paid on or before the “Due Date” printed on front of the utility bill. The following rules shall apply to the collection of delinquent accounts:

1. Delinquent Account Small Balance:

Any delinquent balance on a bill of \$50 (fifty dollars) or less may be carried over and added to the next billing period without being assessed a late fee, or incurring further collection action.

2. Delinquent Notice:

Upon a bill becoming 60 days delinquent, the due date and any late fee will be displayed prominently on the bill. The City of Hollister shall give the account holder or entity responsible for payment of the bill (hereinafter referred to as “customer”) a notice of delinquency stating that water service will be disconnected after sixty (60) days of non-payment. The delinquent 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 City of Hollister assumes no responsibility for contact information that has not been kept up-to-date by the customer.

3. First Disconnection Notice:

The City of Hollister shall not disconnect water service for non-payment until payment by the customer has been delinquent for at least sixty (60) days. The City of Hollister shall give the customer a first notice of disconnection no less than seven (7) business days before termination of service for non-payment. The first written disconnection notice will be mailed to the mailing address designated on the account. If the mailing address and the service address are different, a notice will also be mailed to the service address and addressed to "Occupant". The first written disconnection notice will include:

- Customer's name and address
- Amount that is past due
- Payment deadline to avoid termination of service
- Description of the process to apply for an alternative payment arrangement
- Description of the process to dispute or appeal a bill
- City phone number and the web link to the City's written collection policy

a) Notice to Residential Tenants/Occupants in an Individually Metered Residence

The City of Hollister will make a reasonable, good faith effort to inform the tenants/occupants, by means of written notice, when the water service account is in arrears and subject to disconnection at least ten (10) days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to become customers of the City of Hollister without being required to pay the amount due on the delinquent account, so long as they are willing to assume financial responsibility for subsequent charges for water service at the address. For the amount due on the delinquent account to be waived, the tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of ownership.

b) Notice to Tenants/Occupants in a Multi-Unit Complex Served through a Master Meter

The City of Hollister will make a reasonable, good faith effort to inform the tenants/occupants of each residence, by means of written notice (i.e. door hanger) of each residence, when the water service account is past due and subject to disconnection at least fifteen (15) days before water service is shut off. If it is not reasonable or practicable to post the notice on the door of each unit, the City of Hollister will post two copies of the notice in each accessible common area and at each point of access to the structure(s).

The written notice will advise the tenant/occupant that they have the right to become customers of the City of Hollister without being required to pay the amount due on the delinquent account, so long as they are willing to assume financial responsibility for subsequent charges for water service at the address or addresses served by the master meter. The notice will provide the City of Hollister's customer service contact information. The City of Hollister will make service available to tenants/occupants if one or more of the tenants/occupants are willing and able to assume responsibility for the subsequent charges

for water service to the satisfaction of the City of Hollister, or if there is a physical means legally available to the City of Hollister. The City of Hollister may selectively terminate service to those tenants/occupants who have not met the requirements for service.

If the written first disconnection notice is returned through the mail as undeliverable, the City of Hollister will make a reasonable, good faith effort to visit the residence and leave a notice of discontinuance for non-payment.

4. Forty-eight Hour Notice:

The City of Hollister will make a reasonable, good faith effort to notify the customer 48 hours (forty eight hours) in advance of the disconnection of water service due to non-payment. The means of notification will be by phone or personal contact. If such notice cannot be accomplished by phone or personal contact, then a notice will be provided by mail or by posting it on the premises.

5. Disconnection Deadline:

All payments for delinquent water service charges and associated fees must be received by the City of Hollister no later than 4:30p.m., on or before the date specified in the written disconnection notice.

6. Disconnection of Water Service for Non-Payment:

Pursuant to this policy and after providing notice; if payment is not received by the due date stated on said notice, the City of Hollister will charge the customer a delinquent fee and water service will be disconnected by turning off the meter on the Wednesday following said due date. To resume or continue service that has been disconnected due to non-payment, the customer must pay the minimum amount due on or before the time stated on the delinquent and shut off notice.

If payment is not received within seven (7) days of initial disconnection, the water meter will be set in the off position and locked.

If payment is not received within fifteen (15) days of initial disconnection, the account will be subject to inactivation. The account can be re-activated once payment for the full balance has been received; a new deposit may also be required.

City of Hollister staff responding to service calls will not be permitted to collect payment(s) but will instruct customers to contact the City of Hollister by phone at 831-636-4301 before noon the following business day.

7. Re-establishment of Service after Business Hours:

The City of Hollister will work to reconnect service as soon as practicable but, at a minimum, will restore service before the end of the next regular business day following payment. Water service that is turned on by any person other than City of Hollister personnel or without City of Hollister's prior authorization may be subject to fines, additional

charges or fees. Any damages that occur as a result of an unauthorized restoration of service are the responsibility of the customer.

Service will not be restored after regular business hours or after the time stated on the delinquent and shut off notice.

City of Hollister staff responding to service calls will not be permitted to collect payment(s) but will instruct customers to contact the City of Hollister by phone at 831-636-4301 before noon the following business day.

8. Waiver of Late Fee:

At the request of the customer, the City of Hollister will waive the late fee if there are extenuating circumstances and if the customer has not been assessed a late fee within the last twelve (12) months.

9. Disputed Bills:

Customers can contest a bill by contacting the City of Hollister. A petition to appeal a water bill can be mailed to 327 Fifth Street, Hollister CA 95023. or e-mailed to hollisterbilling@hollister.ca.gov before the due date listed on the notice of delinquency. Residential service shall not be disconnected while an appeal is pending.

If the City of Hollister denies a timely petition to appeal, the customer may appeal such decision by filing a written notice of appeal with the City Clerk's office within ten (10) business days of date the City mailed its determination. The City of Hollister will appoint a hearing officer and mail the customer a written notice to include the time and place of the hearing at least ten (10) days prior to the hearing date. The hearing officer will issue a written decision. The City Council will then take final action based on the hearing officers' decision and any other information in the record. The City Council's decision is final.

10. Alternative Payment Arrangements:

Any time before the service termination date indicated on the first disconnection notice customers who are unable to pay for water service within the normal payment period may request an alternative payment arrangement/contract, as described in the Health and Safety Code section 116910. Except for qualifying customers as described in Section 5, it is within the City's sole discretion to grant an alternative payment arrangement/contract and to determine the terms of said arrangement/contract. Alternative payment arrangements must be in writing and signed by the customer. The customer shall make a payment of twenty (20) percent of their outstanding balance before entering into an alternative payment arrangement with the City of Hollister.

One option for an alternative payment arrangement is an amortization contract, which will amortize the remaining unpaid balance in equal payments over a period not to exceed twelve (12) months from the original due date of the bill. The amortized payments will be due and payable with the customer's regular bill. The customer must comply with the terms of the payment arrangement/contract and remain current on all new and future charges.

Additional alternative payment arrangements/contracts will not be granted to a customer who is currently on a payment arrangement/contract. If a customer breaks an alternative payment arrangement/contract, said arrangement/contract will become null and full contract balance will become due immediately. Customer will not be eligible for another payment arrangement/contract for twelve (12) months from the date of the broken arrangement/contract.

11. Disconnection to Customer on Alternative Payment Arrangement:

The City of Hollister will not disconnect water service for non-payment if a customer has been granted an alternative payment arrangement, unless:

1. The customer fails to comply with the granted alternative payment arrangement for at least sixty (60) days; or
2. While undertaking the granted alternative payment arrangement, the customer does not pay their current residential service charges for at least sixty (60) days.

Before discontinuing water service to a customer on an alternative payment arrangement, the City of Hollister will post a final notice of intent to disconnect service. This notice will be posted in a prominent and conspicuous location at the service address at least five (5) business days prior to the disconnection of service. This notice will not grant the customer entitlement to any investigation or review by the City of Hollister.

12. Disconnection Notification of Disposition of Returned Check or ACH Payment:

Upon receipt of a returned check or ACH payment for water service or other charges, the City of Hollister will assess a \$25.00 (twenty five dollar) City fee and a \$25.00 (twenty five dollar) bank fee and will consider the account not paid. The City of Hollister will make a reasonable, good faith effort to provide a 48-hour courtesy notice of termination of service due to a returned check. The means of notification will be in the form of a door hanger. Customer accounts may be designated to receive notification by text message if requested by the customer.

Water service will be disconnected if the amount of the returned check or ACH and the returned City and bank fees 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 charge must be paid in the form of cash, credit card or certified funds.

If a customer tenders a non-negotiable check as payment to prevent or restore a previously disconnect water service, no 48-hour notice of termination will be given in the case and the City of Hollister may promptly disconnect service without providing further notice.

Any customer issuing a non-negotiable check as payment to prevent or restore water service will be required to pay in the form of cash, credit card or certified funds to restore service and no future payment in the form of a check will be allowed for a period of three (3) months from the date of the returned payment.

13. Annual Reporting of Disconnected Services:

The City of Hollister will report the number of annual disconnections of residential service for non-payment on the City of Hollister's website and to the State Water Resources Control Board