



Utility Billing Services Policy

SECTION or POLICY NO:

N/A

ORIGINATING DEPT:

Administrative Services-Finance

Reference:

Management Policy

SUPERSEDES:

08/03/2017

NEW EFFECTIVE DATE:

01/14/2020

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APPROVED BY:

City Council

Policy Objective

- Establish and clarify departmental procedures for utility billing services;
- Comply with Senate Bill 998: Discontinuation of Residential Water Service (California Government Code Sections 60370-60375.5) also known as the Water Shutoff Protection Act approved September 28, 2018, effective February 1, 2020.

Assignment of Responsibility

- The Administrative Services Director will ensure appropriate measures are taken to ensure fair and courteous service to the residents of the City of Glendora (City).
- The Assistant Director-Finance is responsible for overseeing the implementation of the utility billing procedures including payment processing, water service account maintenance and service requests, billing and delinquent procedures and the handling of non-sufficient funds (NSF) checks and Automatic Clearing House (ACH) payments.
- All Finance Employees are responsible for complying with the specifics of this policy and may be contacted at (626)914-8239.
- This policy will be made available to the public on the City of Glendora's Water Billing and Water Department's website(s).
 - The policy will be available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean and any language spoken by at least 10% of the customers in the services area.
- This policy shall apply to all water service accounts for non-payment. Further assistance concerning the payment of water bills and the potential establishment of the alternatives set forth in this policy to avoid discontinuation of service can be obtained by calling 626-914-8239.

Procedures

A. Opening and Closing Water Accounts

1. The customer must submit [City of Glendora Water Account Opening Request](#) form, with a valid ID and proof of ownership to open a new water account service.
2. New customers unable to show proof of ownership for an account's service address are required to pay a deposit (pursuant to GMC 14.20.140) at the time of sign-up.

- a. The deposit is due prior to the beginning of water service.
 - b. The deposit stays on the account until the account is closed and then is applied to the final bill.
 - c. If there is a balance due on the closing bill after the deposit is applied, a final bill will be issued.
 - d. If there is a credit balance on the closing bill after the deposit is applied, a check will be issued to the customer thirty (30) days after the closing date.
3. Water service accounts remain open until the City receives written notification to close the account from the current customer OR written notification to open a new account at the service address from a new customer.
- a. Accounts closed without a sign up will receive a “Blue Tag” requesting sign-up for water service.
 - b. If the account is closed by a tenant, agent or non-owner and the account does not have a “Landlord Trust” (LLT) agreement on file, the water service shall be disconnected after the final reading is obtained.
 - c. All service will stay disconnected until a new customer signs up and pays any applicable deposits.
4. Landlords may choose to set up their account as a LLT. This account will automatically revert back into the owner’s name when a tenant moves out and the service will not be disrupted.
- a. The service will remain in the owner’s name until the owner closes the service, or until a new tenant signs up.
 - b. This arrangement is canceled if a new property owner becomes responsible for the service address or if the current owner provides written notification to discontinue the LLT.
5. All CLOSED water service accounts with a credit balance of \$5.00 or more will be issued a refund by mail.

B. Water Billing

1. The City is divided into eight (8) water route-groups. Each week one (1) route-group has its meters read to produce a water bill for the following week.
2. Once the City has produced and mailed a water bill, which is due and payable upon receipt according to the Glendora Municipal Code 14.12.050, the customers have 42 days to make payment on that bill, as indicated by the due date on the bill.

C. Delinquent Accounts

1. If payment is not received by the 42nd day after the billing date, the City will assess a 10% penalty and mail a reminder to pay notice to customers on the 43rd day.
 - a. As a courtesy to the City’s water customers, a penalty on a water account may be waived, upon request, once every twelve (12) months, depending on the customer’s payment history at the sole discretion of the City.
 - b. Waiver of Delinquent Fees for Low Income Customers
 - i. If any member of the customer’s household is 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, the City is required to waive the penalty charge on delinquent bill once every 12 months.

c. Waiver of Delinquent Notices and Fees to the State of California

- i.** The State of California, because of a sound financial base and variations in budget approval and warrant payment procedures, will not be sent delinquent notices or assessed a late fee for delinquent payment of existing accounts.
- 2.** Delinquent bills must be paid (i.e. received, not simple postmarked) by the sixtieth (60th) day after the billing date in person to the City or on City's website. Postmarks are not acceptable.

D. Extensions to Pay Delinquent Bills

- 1.** Each account in good standing may be granted an extension to pay the amount owed. The extension does not prevent the account from having a penalty assessment (if applicable), but it will temporarily postpone water service disconnection.
- 2.** The City may grant an extension for a maximum of fourteen (14) calendar days from the date service is to be discontinued.
- 3.** The customer must request the extension in writing before the scheduled turn-off date.
- 4.** Each customer may be granted a maximum of two (2) extensions per calendar year.
- 5.** A customer shall only receive one (1) extension per billing cycle.
- 6.** Extension requests received after a turn-off work order has been created will not be accepted.
- 7.** If a payment is not received by the agreed-upon date for the extension, water service will be disconnected, provided the rest of this policy was followed, and the account will be subject to a reconnection fee.
- 8.** All accounts having shown a repeated failure to satisfactorily make payment in a timely manner can have their extension privileges revoked by the City. Any extension request can be denied, and the customer will be contacted to inform them of the revocation. "Extension Revocation" status will remain in effect until the Assistant Director – Finance authorizes the account to be released from this status.

E. Disconnection of Water Service

- 1.** Accounts are subject to disconnection of water service if payment is not received by 5:00 pm on the sixtieth (60th) day after the billing date.
- 2.** Written Disconnection Notice
 - a.** The City shall not discontinue water service for non-payment until payment by the customer has been delinquent for at least sixty (60) days. The City will make a reasonable, good faith effort to contact the customer in writing at least seven (7) business days before discontinuation of water service for non-payment. The City will contact the customer by written disconnection notice at the address where service is provided. The written disconnection notice (provided in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and

- any other language spoken by at least 10% of the City’s customers) will include all of the following:
- i. Customer's name and address
 - ii. Amount that is past due
 - iii. Date by which payment or payment arrangements are required to avoid discontinuation of service
 - iv. Description of the process to dispute or appeal a bill
 - v. Description of the process to apply for an amortization plan
 - vi. City phone number and a web link to the City's written collection policy
- b. If the written disconnection notice is returned through the mail as undeliverable, the City will make a reasonable, good faith effort to visit the residence and leave a notice of discontinuance for non-payment in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least 10% of the City’s customers.
3. Notice to Tenants/Occupants in an Individually Metered Residences. The below 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 and is responsible for payment of the water bill.
- a. At least ten (10) calendar days prior if the property is a multi-unit residential structure or mobile home park, or seven (7) calendar days prior if the property is a detached single-family dwelling, to the possible discontinuation of water service, the City 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, without having to pay any of the then delinquent amounts.
 - c. The written notice must be in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least 10% of the City’s customers
 - d. The City 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 City’s requirements and rules.
 - i. However, if one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the City’s satisfaction, or there is a physical means to selectively discontinue service to those tenants/occupants who have not met the City’s requirements, then the City may make service available only to those tenants/occupants who have met the requirements.
4. The City will provide customers with information on how to restore service after experiencing a service discontinuation.

F. Reconnection of Water Services

1. A reconnection fee shall be paid to the City prior to reconnection of water service (GMC 14.20.180).

2. All outstanding charges, including the reconnection fee and applicable penalties are due prior to the reconnection of water service.
3. Reconnection of water service taking place between the hours of 5:00 p.m. and 8:00 a.m. the next business day, are considered “after hours” reconnections.
 - a. Accounts that request reconnection “after hours” will be charged the “after hours” reconnection fee (GMC 14.20.180).
 - b. Accounts that request reconnection of service “after hours” are required to pay the entire balance due plus the “after hours” reconnection fee by 10 a.m. the next business day. Those that fail to do so will have the service disconnected again and will be subject to an additional reconnection fee.
4. If water service has been discontinued and is to be reconnected, then any reconnection fees during the City’s normal operating hours cannot exceed \$50, and reconnection fees during non-operational hours cannot exceed \$150 for customers with a household income below 200% of the federal poverty line or if the customer or any member of the customer’s 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.

G. Conditions Prohibiting Discontinuation

1. Services shall not be discontinued for residential service for nonpayment if **all** of the following conditions are met:
 - a. Certification by Primary Care Provider
 - i. The customer or tenants of the customer submits certification by a Primary Care Provider, as defined in Welfare and Institutions Code Section 14088(b)(1)(A), who certifies that the termination of service will be life-threatening or pose a serious threat to the health and safety of any resident of the premises where water service is provided.
 - b. Customers Financially Unable to Pay
 - i. The customer shall demonstrate that he or she is financially unable to pay for residential service within the normal billing cycle. The customer is deemed “financially unable to pay” if any member of the customer’s 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 the customer declares that the household’s annual income is less than 200 percent of the federal poverty level.
 - c. Alternative Payment Schedule
 - i. The customer must enter into a written amortization agreement, alternative payment schedule, partial or full reduction of unpaid balance, or a temporary deferral of payment, consistent with Section I, below, with respect to all delinquent charges.
2. The burden of proving compliance with the conditions described in Section G(1) is on the customer. In order to allow the City sufficient time to process any request for assistance by a customer, the customer is encouraged to provide the City with the

necessary documentation demonstrating the medical issues, financial inability, and willingness to enter into any alternative payment arrangement as far in advance of any proposed date for discontinuation of service as possible. Upon receipt of such documentation, the City, shall review that documentation and respond to the customer within seven (7) calendar 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, in which the City will allow the customer to participate. If the City has requested additional information, the customer shall provide that requested information within five (5) calendar days of receipt of the City’s request. Within five (5) calendar days of its receipt of that additional information, the City shall either notify the customer in writing that the customer does not meet the conditions under Section G(1), or notify the customer in writing of the alternative payment arrangement, and terms thereof, in which the City will allow the customer to participate.

H. Appeals

- 1.** A customer shall be limited to two (2) unsuccessful appeals in any twelve (12) month calendar period and if that limit has been reached, the City is not required to consider any subsequent appeals commenced by or on behalf of that customer.
- 2.** Water service shall not be discontinued while an appeal is pending.
- 3.** Appeal to the Appeal Officer
 - a.** A customer has the right to request an appeal of a water service bill or charge. The request must be filed in writing to the City’s Water Billing Division no later than fifteen (15) calendar days after the billing date displayed on the bill. The City is not required to consider untimely appeals.
 - b.** Appeals will be considered by the Assistant Finance Director or Assistant Public Works (“Appeal Officer”), to be determined by the nature of the appeal. A disputed account will not be accepted as justification for nonpayment of a bill, and a service will be subject to late fees and/or penalties unless payment in full is made pending a settlement of the dispute.
 - c.** The customer shall be notified in writing of the Appeal Officer’s decision. At the same time, the customer will be advised of the right to further appeal before the City Manager, Public Works Director or Administrative Services Director.
- 4.** Appeal to the City Manager, Public Works Director or Administrative Services Director
 - a.** Further appeals will be considered by the City Manager, Public Works Director or Administrative Services Director, to be determined by the nature of the appeal. Any such appeal must be filed in writing within two (2) calendar days after the Appeal Officer’s decision is rendered to the City’s Water Billing Division. The City is not required to consider untimely appeals. The customer will be notified of the decision by the City Manager, Public Works Director or Administrative Services Director. The decision of the City Manager, Public Works Director or Administrative Services Director shall be final and binding.

5. If water charges in question are determined to be incorrect, the City will provide a corrected invoice and payment of the revised charges and will be due within ten (10) calendar days of the invoice date for revised charges. If the revised charges remain unpaid for more than sixty (60) calendar days after the corrected invoice is provided, water service will be disconnected; provided that the City shall provide the customer with any required notices.
6. If the water charges in question are determined to be correct, the water charges are due and payable within two (2) business days after the appeal decision is rendered. In the event the charges are not paid in full within two (2) business days after the appeal decision is rendered, the City shall disconnect water services after the expiration of the original sixty (60) days set forth in the written disconnection notice, provided the City provided the customer with any required notices.
7. 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 City.

I. Alternative Payment Arrangements

1. Any customer who is unable to pay for water service within the normal payment period may request an alternative payment arrangement to avoid the disruption of service. The City shall offer customers one or more of the following alternative payment arrangements, to be selected by the City in its sole discretion: (i) amortization of the unpaid balance; (ii) alternative payment schedule; (iii) partial or full reduction of unpaid balance; or (iv) temporary deferral of payment. The City, shall, in the exercise of its sole 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 City's payment needs.
2. A customer is limited to one (1) alternative payment arrangement at a time, two (2) times per calendar year. If a customer meets the conditions set forth in Section G(1), the customer may enter into one (1) alternative payment arrangement at a time, as many times as necessary per calendar year.
3. Amortization: If the City selects this alternative payment arrangement, the customer shall enter into a written amortization plan on the following terms:
 - a. Amortization plan shall be in writing and signed by the customer.
 - b. Amortization plan will require a 20% down payment and amortize the remaining unpaid balance over a period decided by the City, not to exceed 12 months from the date of the bill.
 - c. Amortized payments will not be combined with, and subject to the due date of, the customer's regular bill, but rather due in monthly installments.
4. Alternative Payment Schedule: If the City selects this alternative payment arrangement, the customer shall enter into a written alternative payment schedule for the unpaid balance in accordance with the following terms:
 - a. Alternative payment schedule shall be in writing and signed by the customer.
 - b. The customer shall pay the unpaid balance, with any administrative fee and interest applicable, over a period determined by the City, not to exceed twelve (12) months from the date of the bill.

- c. The City shall develop an alternative payment schedule for the customer. That alternative schedule may provide for periodic lump sum payments that do not coincide with the 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 over the period established by the City.
5. Reduction of Unpaid Balance: If the City selects this alternative payment arrangement, the customer shall enter into a written reduction of unpaid balance owed by the customer, not to exceed thirty percent (30%) of that balance without approval of and action by the City Council; provided that any such reduction shall be funded from a source that does not result in additional charges being imposed on other customers. The proportion of any reduction shall be determined by the customer's financial need, the City's financial condition and needs and the availability of funds to offset the reduction of the customer's unpaid balance. The customer shall pay the reduced balance by the due date set by the City.
6. Temporary Deferral of Payment: If the City has selected this alternative payment arrangement, the customer shall have payment of the unpaid balance temporarily deferred for a period of up to six (6) months after the payment is due. The alternative payment arrangement shall be in writing and signed by the customer. The City shall determine, in its discretion, how long of a deferral shall be provided to the customer. The customer shall pay the unpaid balance by the deferral date determined by the City.
7. The customer must comply with all the terms of the alternative payment arrangement selected by the City, **and** remain current as charges accrue in each subsequent billing period. The customer may not request further alternative payment arrangements of any subsequent unpaid charges while paying delinquent charges pursuant to an alternative payment arrangement. If a customer fails to comply with the terms of an alternative payment arrangement for sixty (60) calendar days or more, or fails to pay the customer's current water service charges for sixty (60) calendar days or more the City will issue a written disconnection notice. The disconnection notice will be in the form of a door hanger delivered to the premises no less than five (5) business days in advance of discontinuance of service. The written notice must be in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least 10% of the City's customers.

J. Payment Processing

1. The City accepts payment by cash, check, money order, credit card (Visa or MasterCard), or electronic funds transfer. Payments are accepted in person at the Cashier's counter, in the night drop box, through the City's website, through the customer's bank bill-pay system, by mail, or through the City's ACH service.
2. All traditional cash and check payments received are processed and credited to the account on the same business day in which they are received.
 - a. All traditional cash and check payments sent to other City departments cannot be guaranteed to be processed and credited to the customer's account on the same business day.

3. All payments made by electronic funds transfer are credited to the customer's account on the date on which funds are received in the City's bank account.
4. All payments received by the City's website will be credited to the customer's account on the date on which the online transaction is completed, as long as payments are received by the City by 11:59 pm.
 - a. The City reserves the right to deactivate the website at any time for maintenance purposes.
5. Customers may make payments by check at any time in the night drop boxes located in the Glendora City Hall parking lot.
 - a. Payments are collected by Finance employees once a business day at 8:30 a.m.
 - b. Should a customer drop his/her payment in the night drop box after 8:30 a.m. on the due date of their regular bill, but before 8:30 a.m. on the next business day, the payment will be processed and credited to the account as of the due date of the bill. All other payments dropped in the night drop box will be credited to the account on the next business day.
6. Any customer with an active water account may apply for the ACH payment plan. The customer must complete the ACH application with a void check attached and submit it to the Finance Department. The process can take up to two (2) water billing cycles to become effective. If there are any customer concerns, they must contact the Finance Department a minimum of five (5) business days prior to the due date in order to ensure any necessary adjustments can be made in a timely manner. Customers must provide written notice to voluntarily terminate the ACH service.
7. "Cash Only" status accounts are required to pay with cash, money order, cashier's check, or credit card only. Applicable accounts will be flagged in the Utility Billing system with a descriptive note stating "Cash Only" and a brief explanation.
 - a. Accounts are subject to remain "Cash Only" until the Assistant Director - Finance approves release of this status, or a term of one (1) year, whichever comes first.
 - b. If an account has a history of "Cash Only" status, that account will be returned to "Cash Only" status if another payment is returned for NSF.

K. Non-Sufficient Funds

1. Accounts paid with a check returned for NSF will be subject to a \$25.00 fee for the first occurrence, or a \$35.00 fee for every subsequent occurrence in accordance with the limits set forth by CA Civil Code 1719(a)(1).
2. A "Blue Tag" will be processed to collect funds owed. If the "Blue Tag" is processed before 12 p.m., the amount of the check plus the NSF fee is due by the close of next business day.
3. If the "Blue Tag" is processed after 12 p.m., the amount of the check plus the NSF fee is due by the close of the second business day.
4. A flag will be added to the account indicating the amount and date payment is due.
5. All NSF checks plus appropriate fees are to be paid by cash, money order, cashier's check, or credit card.

6. If payment is not received by the appropriate deadline, a work order will be created to disconnect water service. At that point all funds and fees, including the reconnection fee, are due prior to reconnection of service.
7. Accounts that appeared on the most recent “Turn-Off List”, who have paid for reconnection with a check returned for NSF will be disconnected immediately. All outstanding balances and appropriate fees, including an additional reconnection fee, are required to be paid in cash, money order, cashier’s check, or credit card prior to the reconnection of water service.
8. Accounts with three (3) or more NSF’s within a one (1) year period are subject to “Cash Only” status.
9. Accounts paid with an ACH payment returned for NSF will be treated the same way as accounts paid with an NSF check.
 - a. After a second incidence of NSF payment or upon notification from the bank that the bank account is closed, the ACH payment plan will be removed from the account. Terms of Section K(8) will apply.

L. Manual Meter Read Fee

1. Accounts refusing to participate in the smart meter reader program are subject to a charge of \$45.86 per billing cycle.

M. Reporting Requirements

1. The City must report the number of annual discontinuations of residential service for the inability to pay on its website and to the State Water Resources Control Board.