



5.02 Discontinuance of Service for Delinquent Bills (SB 998)

The following procedure for termination of service for nonpayment of bills shall be followed:

5.02.1 Delinquent

Unpaid water bills shall become delinquent thirty (30) days after the billing date.

5.02.2 Notice of Delinquency

If a customer's account is not paid 35 days after the billing date (5 days delinquent), a \$10 penalty and 1% interest charge will be applied to the past due balance on a monthly basis until paid. A written notice of delinquency shall be mailed to the service address and the owner of record.

5.02.3 Notice of Impending Disconnection

If a customer's account is not paid 60 days after delinquent:

- (1) A written notice of delinquency and impending termination shall be mailed to the service address and the owner of record. The written notice shall specify the date of service termination, which shall be no less than seven (7) days after the date on which the written notice is mailed. This notice shall include information on appeals, extensions, alternative payment plans, and critical compliance dates. If the mail is returned as undeliverable, then notice shall be personally delivered to the residence.
- (2) An additional penalty charge of \$10 shall be applied to the past due balance.
- (3) Water service shall not be discontinued while any appeal is pending.
- (4) Water service shall not be discontinued for certain customers if certain conditions are met. See 5.02.4 below.

5.02.4 Alternative Payment Plans

Customers more than 5 days delinquent (35 days after billing date) will be provided options for alternative payment plans to avert discontinuance of service for nonpayment. Such plan can include payment deferral, amortization agreements, or alternative payment schedules. In addition, customers that demonstrate certain public assistance, care provider certificates and income levels are eligible for deferred or alternative payment plans and will not have their water disconnected if they enter into a deferred or alternative payment plan and remain in compliance with that plan. Customers can inquire about payment options by calling the District office at (209) 532-5536.

If a customer does enter into an alternative payment plan with the District, and that customer fails to comply with that agreed upon payment plan, amortization agreement, or alternative payment schedule for 60 or more days, a final notice will be posted in a prominent and conspicuous location at the property no less than five (5) days prior to disconnection.

5.02.5 Landlord-Tenant Relationships

Customers who are tenants and whose account becomes delinquent due to the failure of the dwelling owner to keep the account current, will be notified of any impending disconnection at least 10 days prior to disconnection, and will have the option to become directly billed for District services, without being required to pay any amount which may be due on the delinquent account.

5.02.6 Service Discontinuance – Service Charges

When water service is discontinued for non-payment, the meter shall be placed in the locked-off position. Service charges listed in Exhibit B.7.2, B.7.3, and B.7.4 shall apply. After a sixty (60) day period, if the delinquent bill is not paid or the dwelling at the service site is vacant, the account may be subject to a property lien which will be filed with the County Recorder's Office and the meter shall be removed. The customer or property owner continues to be responsible for the minimum monthly service charges and without limitation any surcharges, penalties and interest accruing to the service connection up to and after the time when the meter is turned off. When the meter is removed, the customer or property owner also continues to be responsible for the minimum monthly service charges and all surcharges, penalties and interest accruing to the service connection up to and after the time the meter is removed.

5.02.7 Interest and Penalties

A delinquent account shall continue to accrue interest from the delinquent date at the rate of 1% per month until the past due amount, plus interest and penalties, is paid in full. However, customers that demonstrate certain public assistance and income levels will not have interest accrue against their delinquent account.