SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-H**

FROM: Ed Fortner, General Manager

Meeting Date: February 7, 2020

SUBJECT: Discuss/Action Resolution 20-07, Amending the Following Sections of the Sweetwater Springs Policies and Procedures:

Section 3020.160 - Credit and Security Deposit Requirements
Section 3070.10 - Due Date on Bills
Section 3080.30 - Notice Procedures for Termination
Section 3080.40 - Termination Procedures

RECOMMENDED ACTION:

Approve Resolution 20-07.

FISCAL IMPACT:

Unknown, but minor.

DISCUSSION:

At the last meeting we discussed new requirements under SB 998, the Water Shutoff Protection Act. Effective in February 2020, the Water Shutoff Protection Act is intended to minimize the number of Californians who have their water service turned off for inability to pay. The District is already in compliance with much of the new Act's requirements, but there are two areas of our delinquency process that require modification: (1) The Act mandates that a customer's water cannot be turned off for non-payment until a bill is at least 60 days delinquent, which is a little longer than we currently allow; and (2) Customers who demonstrate a serious health issue requiring water and an inability to pay must now have the option to pay via an alternative payment schedule of up to 12 months.

Staff has reviewed the District's water shutoff policies with an eye toward any non-compliance with the new laws and found the following policies required amendments:

Policy 3020.160 - Credit and Security Deposit Requirements
Policy 3070.10 - Payment of Bills
Policy 3080.30 - Notice Procedures for Termination
Policy 3080.40 - Termination Procedures

Resolution 20-07 amends those policy sections. If approved, the revised policies would be effective with the February 15, 2020 billing.

Beyond the changes to our policies, it should be noted that the District's compliance with the Water Shutoff Protection Act will also require some changes to our forms and notices, and to our website.

Resolution 20-07

A Resolution of the Board of Directors of the Sweetwater Springs Water District Amending the following Sections of the Sweetwater Springs Policies & Procedures:

Section 3020.160 - Credit and Security Deposit Requirements
Section 3070.10 - Due Date on Bills
Section 3080.30 - Notice Procedures for Termination
Section 3080-40 - Termination Procedures

WHEREAS, Section 3000 et al. describes the District's Water Code of Operations; and

WHEREAS, in 2019 the Legislature enacted SB998, Water Shutoff Protection Act; and

WHEREAS, certain portions of Section 3000 require amendment for good faith compliance with the Act.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Sweetwater Springs Water District, Sonoma County, California, that:

Section 1. Section 3000 et al. of the Sweetwater Springs Water District Policies & Procedures, is hereby amended as follows:

Policy Number: **3020.160**
Policy Title: **Credit and Security Deposit Requirements**

2080. . . . In addition, a customer shall be required to pay a security deposit in order to continue to receive water service in the event the customer incurs two consecutive Turn-Off Notices. Such security deposit shall be in he amount of one hundred fifty dollars ($150.00).

<u>In addition, any customer who participates in the Alternative Payment Plan shall be required to pay a security deposit as part of the Plan if they do not already have one</u>.

Policy Number: **3070.10**
Policy Title: **Due Date on Bills**

All bills for water service shall be deemed due when rendered and shall ~~become~~ be eligible for delinquency fees ~~delinquent~~ twenty-five (25) days after the date shown on the bill, except that governmental agencies shall become delinquent forty days after the date shown on the bill. Bills will be due and ~~become delinquent~~ delinquency fees added as stated in this section without regard to actual delivery. Consumers are required to ascertain their own indebtedness and billing status if bills are not received on schedule.

Policy Number: 3080.30
Policy Title: Notice Procedures for Termination

. . . e. A statement, in case of termination for nonpayment of a residential water bill, that the customer may initiate a written protest or request an investigation concerning services or charges, or may request amortization or payment arrangements of any unpaid charges ~~if a written request for such action is delivered to the district within fifteen (15) days of receiving the disputed bill or within ten 91) days of the mailing of the notice described herein.~~ However, such request must be made prior to the date a Turn Off Notice is posted pursuant to Section 3080.40(b).

Policy Number: 3080.40
Policy Title: Termination Procedures

. . . b. If the district does not receive a timely written protest or request for investigation or amortization, or request for payment arrangements, and the reason for termination remains, the district shall place at each location scheduled for termination of services a ~~forty-eight(48) hour~~ Turn-Off Notice ~~notice~~ prior to termination of service. ~~The forty-eight (48) hour notice of termination of service~~ The Turn-Off Notice shall include the information set forth in Sections 3080.30 (a)-(d). More than one Turn-Off Notice may be posted at a location if that location has more than one living unit.

c. The district may terminate service for non-payment any time after 60 days after the date the bill was rendered. ~~The district may terminate service at any time at or after the date forth in the last notice of termination.~~ However, the district may only terminate service for delinquency of payment in accordance with Section 3080.70.

d. A Turn Off Notice service charge shall be assessed by the District when an employee is dispatched to place a notice at a customer's service address for shut-off for non-payment. A Turn Off Notice service charge of twenty-five dollars ($25.00) shall be charged against the account. Waiver of Turn Off Notice service charges for good cause shall be at the discretion of the General Manager. In the event more than one Turn Off Notice is placed at a customer's service an additional charge of ($15.00) for each additional Turn Off Notice shall be charged against the account.

Section 2. Severance Clause. If any section, subsection, sentence, clause or phrase or word of this resolution is for any reason held to be

unconstitutional, unlawful or otherwise invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this resolution. The Sweetwater Springs Water District Board of Directors hereby declares that it would have passed and adopted this resolution and each and all provisions thereof irrespective of the fact that any one or more of said provisions be declared unconstitutional, unlawful or otherwise invalid.

Section 3. Effective Date. This ordinance shall become effective on February 15, 2020.

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted and passed by the Board of Directors of the SWEETWATER SPRINGS WATER DISTRICT, Sonoma County, California, at a meeting held on February 6, 2020, by the following vote.

Director	**Aye**	**No**
Sukey Robb-Wilder	_____	_____
Tim Lipinski	_____	_____
Rich Holmer	_____	_____
Gaylord Schaap	_____	_____

_____
Rich Holmer
President of the Board of Directors

_____
Attest: Julie A. Kenny
Clerk of the Board of Directors