



CITY OF PORTOLA UTILITY BILLING POLICY

I. Utility Charges are the Responsibility of the Property Owner

- A. All utility charges billed by the City of Portola are the responsibility of the owner of the property where the service is provided irrespective of who occupies the premises.
- B. The City of Portola reserves the right to collect any unpaid debt resulting from utility charges from the owner of the property, regardless of whether the charges were incurred by the property owner or another party. The process for collection of any unpaid debt will be determined by the City and may include termination of service until the debt is paid, debt collection proceedings against the property owner and/or the placement of a lien and/or assessment on the property.
- C. Utility services will be billed to the property owner. The property owner may elect to complete an authorization form that will allow the City to send a copy of the billing to a tenant or property manager and receive payment from a tenant or property manager. Authorizing a tenant or property manager to receive a billing and make payment does not relieve the property owner of the ultimate responsibility for the utility charges.

II. Commencement of Services

- A. When property that is connected to the City's water distribution system and/or sewer collection system is acquired or changes ownership, the property owner shall complete an "Application and Agreement for Utility Services" form within thirty (30) days of acquisition. All applications must be made, in person, via fax, e-mail or some other electronic means, during the City's business hours. The City requires this application to be completed and submitted at least twenty-four (24) hours prior to the requested effective date and time of service.
- B. A deposit in the amount equal to two (2) months of the current Base Rate billing will be charged, collected and held by the City unless a waiver of the deposit is requested and granted based on the following conditions.

- 1) Credit worthiness determined by previous utility account in good standing with the City of Portola.
 - 2) Successful completion of a credit check, using criteria established by the City from time to time, through a third party credit rating service engaged by the City.
- C. The deposit will be held by the City for one (1) year from the date utility service began, at which time the account will be reviewed and if payment history shows the account is in good standing, with no more than three (3) penalties over a one (1) year period, the deposit will either be credited to the account or, if a tenant is on the account, refunded by check and mailed to the property owner at the address on file.
- D. When service is terminated and a deposit is being held by the City, the deposit will be credited toward the final bill and any excess refunded to the property owner.
- E. Deposit refunds will be processed through the City's accounts payable procedures and schedules.
- F. A deposit may not be transferred to another utility account unless final payment on the account has been paid in full.
- G. A transfer fee will be included on the first monthly bill. Any changes to the information, i.e. name, mailing address, phone number or e-mail address provided on the application shall be submitted in writing either in person, by fax, e-mail or some other electronic form.
- H. If an applicant for utility service has an outstanding balance from a previous service with the City the applicant shall be required to satisfy the outstanding debt prior to commencement of new service.

III. Monthly Billing

- A. Utility charges shall be billed on the first working day of each month and will include charges incurred during the previous month. Billings may include previously billed and unpaid charges, penalties, interest, late charges and service related fees.
- B. Utility charges are due and payable on the date the billing is mailed. Charges are deemed late at 5:00 PM on the twentieth (20th) day following the mailing of the bill. If not paid within the previously stated twenty (20) days, a penalty of ten percent (10%) of the amount due will be assessed. Failure to receive the bill does not waive the charges or the penalty.

- C. Upon assessment of the penalty, the property owner will be mailed a 2nd notice of delinquency stating the amounts that must be paid to the City and that water service will be discontinued after sixty (60) days.

IV. Termination of Service by the City

- 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 shall send the customer a Delinquent Account Notice (first notice of disconnection) approximately forty (40) days but in no event less than seven (7) business days before termination of service for non-payment. The first disconnection notice will be mailed to the mailing address and/or addresses 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 first written disconnection notice will include:

- Customer's name and address
- Amount that is past due
- Date by which payment or payment arrangement is required to avoid termination of service
- Description of the process to make a payment arrangement or establish hardship of ability to pay
- Description of the process to dispute and appeal a bill
- City of Portola phone number and web address to the City of Portola's written *Utility Billing Policy*

- B. For residential tenants/occupants in an individually metered residence the City will make a reasonable, good faith effort to inform the 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 Portola 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 water service at that address and pay all required deposits. In order for the amount due on the delinquent account to be waived and a separate account to be created, the tenant/occupant must provide verification of tenancy in the form of a rental agreement-

- C. For tenants/occupants in a multi-unit complex served through a master meter; the City will make a reasonable, good faith effort to inform the occupants when the water service account is in arrears and subject to disconnection at least ten (10) days before water service is shut off. A written notice will be hung on the door of each residence. The written notice will advise the tenant/occupant that they have the right to become customers of the City 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 water service at all the addresses served by the master

meter and pay all required deposits. If one or more of the occupants are willing and able to assume responsibility for the subsequent charges for water service to the satisfaction of the City the service will not be discontinued unless or until the new account becomes delinquent for a period of sixty (60) day at which point the account will be subject to the normal service discontinuation procedures.

- D. If the first 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.
- E. Failure to pay current residential service charges for sixty (60) days or more or comply with the terms of an agreed upon payment plan for sixty (60) days or more will result in the issuance of a final disconnection notice. The final disconnection notice will be in the form of a door hanger delivered to the premises no less than ten (10) days in advance of discontinuance of service.
- F. All delinquent water service charges and associated fees must be received by the City by 5:00 PM on the day specified in the disconnection notice.
- G. The City will disconnect water service by turning off and in some cases locking the meter. Public works staff will not, under any circumstances, accept payments from customers. Furthermore, Public Works staff shall not postpone a shut-off that has been scheduled by the billing department.
- H. The customer will be charged a fee to re-establish service in the billing system regardless of whether the meter has physically been turned off.
- I. If a customer disputes a bill they can appeal. Appeals must be in writing and must be filed no later than ten (10) days after a delinquency notice has been issued or fifteen (15) days after the initial bill. If a customer disputes the water bill and exercises their right to appeal to the City Manager, the City will not disconnect water service for non-payment while the appeal is pending.
- J. The City shall not discontinue residential water service if ALL of the following conditions are met:
 - 1. The customer or tenant of the customer submits certification of a primary care provider that discontinuation of water service would (i) be life threatening, or (ii) pose a serious threat to the health and safety of a person residing at the property.
 - 2. The customer demonstrates he or she is financially unable to pay for water service within the water system's normal billing cycle. The consumer is deemed "financially unable to pay" if any member of the customer's household is: (i) a current recipient of one 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 consumer declares the household's annual income is less than 200% of the federal poverty level; the customer will be required to produce copies of necessary paperwork and sign under penalty of perjury under the laws of the State of California that all information submitted to the City is factual and correct; and

3. The customer is willing to enter into a payment plan of 1/3 of the past due amount with payment of the remaining 2/3 balance of the past due amount within fifteen (15) days.
- K. The City and customer are only allowed to enter into one (1) payment plan at a time during a twelve (12) month period.
 - L. The customer may not request a longer payment schedule for any subsequent unpaid charges while paying delinquent charges pursuant to a previous agreed upon payment plan. If the customer fails to comply with the terms of the agreed upon payment plan for sixty (60) days or more, or fails to pay the current water service charges for sixty (60) days or more, the City may discontinue water service to the service address five (5) business days after the City posts a final written notice of its intent to discontinue service at the service address.
 - M. The customer may be eligible for a one (1) time waiver of an assessed penalty. The penalty will be equal to a single (one month) penalty. This one-time waiver of the assessed penalty will only be waived once in a twelve (12) month period.
 - N. Termination notice will be posted at the property and will state the date and time the service will be terminated. If payment is not received in full by the date and time listed on the termination notice, an additional shut-off processing fee will be assessed.

V. Termination of Service by the Property Owner

- A. At the time an ownership of property is transferred, the property owner shall complete a "Utility Services Termination Request." The City will then, on the effective date, shut the water service off at the property.
- B. If a property owner wishes to temporarily shut off the water, for a period not fewer than sixty (60) days, the property owner shall complete the "Utility Services Termination Request" and the City will shut off the water service at the property. The service availability charge will continue to be billed to the property owner.

VI. Returned Check

- A. When a check is returned unpaid, a return check fee shall be applied to the account. The City will then, as soon as practical, deliver to the property owner a notice giving the property owner 48 hours to pay the check amount and the returned check fee. Failure to pay the full amount by the date specified shall result in disconnection. To have services restored, the same process shall be followed as stated under section IV. “Termination of Service by the City” NO CHECKS WILL BE ACCEPTED to cover a check returned unpaid. ONLY cash, money order, or debit/credit card payments will be accepted. Once a check is returned unpaid for a second time in the history of the account, check payments will no longer be accepted as payment, regardless of who wrote the check.
- B. In the event a customer tenders a non-negotiable check as payment to restore water service previously disconnected for non-payment and the City restores service, the City 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 charges that were subject to discontinuance.

VII. Tenant/Property Management Authorization Form

- A. If a property owner wishes to have the City provide the utility bill to a tenant or property manager, the property owner must complete a “Tenant/Property Management Authorization Form.” This form authorizes the City to send bills and receive payment from someone other than the property owner. Authorizing a tenant or property manager to receive a billing and make payment does not relieve the property owner of the ultimate responsibility for the utility charges.

VIII. Service Availability Charge

- A. All property connected to the City’s water distribution and/or sewer collection system will be billed a monthly service availability charge regardless of usage or occupation.
- B. The water service availability charge is equal to the monthly water meter charge as set by the City Council in the City of Portola Fee Schedule.
- C. For residential units the sewer availability charge will take effect when the monthly water meter usage is zero.
- D. Commercial, government, school, church and mixed use units will be charged the monthly sewer base charge unless the property owner has completed a “Utility Services Termination Request” and the City turns off the utility service at the meter. This utility service termination is only available for periods greater than sixty (60)

days. Once the utility service is terminated the account will be charged the sewer service availability charge until such time that service is resumed.

IX. Refuse Collection Service

- A. Upon commencement of utility service with the City, all units that are occupied, as defined in the City's Franchise Agreement for Refuse Collection and the City of Portola Municipal Codes, and as noted by the property owner on the application for service are required to have refuse collection service. Billing information will be forwarded to the City's franchise refuse collection company. Refuse collection billing will be processed by the franchisee in accordance with requirements of the franchise agreement.

X. Landfill Closure and Solid Waste Fees

- A. Utility bills for service within the limits of the City of Portola include monthly fees for landfill closure and administration of the City's solid waste enterprise. Single family and multifamily residential units will be billed these monthly fees for each residential unit. Commercial units will be billed these monthly fees for each water service connected to the unit. Mixed use units will be billed these monthly fees for each residential unit and for each water service connected to a commercial unit.
- B. These monthly fees are charged to all utility accounts unless the account is being charged the service availability charge in accordance with Section VIII, above.

XI. Miscellaneous

- A. The water meter is the property of the City of Portola. Property owners, tenants, property managers, plumbers and contractors are not authorized to operate City owned valves or interfere with water meters.
- B. In the event water is turned on at the meter by the City when the property owner or agent is not present and the meter indicates water is flowing, the City will turn the water back off and the customer will be notified. The City will assist the customer to determine when the water meter may be turned on.
- C. All requests relating to utility service shall be routed through City Hall. City employees working in the field are not authorized to take service calls or accept payments.

XII. Definitions

- A. Account in Good Standing – A utility account that for a period of at least twelve (12) months has not had a penalty assessed more than three (3) times.
- B. Base Rate Billing – The water meter rate, monthly sewer rate, landfill closure fee and solid waste administration fee.
- C. Landfill Closure Fee – A fee imposed to fund the state mandated closure and post closure of the Portola Landfill.
- D. Return Check Fee – A fee imposed on an account when a check is returned to the City by the bank.
- E. Service Availability Charge – Water and sewer monthly charges that are billed to all properties connected to the City’s water/sewer system regardless of usage or occupation.
- F. Service Fee – A fee imposed for providing additional service to an account, including but not limited to: shut-off for repairs.
- G. Shut-off Processing Fee – A fee imposed to an account for the shut-off process due to non-payment.
- H. Solid Waste Fee – A fee imposed to cover the City’s expenses related to the solid waste fund.
- I. Transfer Fee – The fee applied to each account at the time an account is activated.
- J. Utility Charges – All fees and rates associated with water and sewer service provided to a customer by the City of Portola, including; monthly base fees, water consumption rate, sewer volume charge, service calls, transfer fee, reconnection fee, landfill closure and solid waste administration fee.