

**POLICY REGARDING SUSPENSION
OF WATER SERVICE FOR NONPAYMENT**

[California Health & Safety Code §§ 116900-116926]

Adopted by Resolution No. 798 of the Board of Trustees of the Santa Ynez River Water Conservation District, Improvement District No.1 on April 21, 2020

1. **Application of Policy.** This Policy for Suspension of Water Service for Nonpayment (“Policy”) is adopted by the Santa Ynez River Water Conservation District, Improvement District No.1 (“District”) in accordance with the requirements of the California Water Shutoff Protection Act, California Health and Safety Code Section 116900 et seq. (the “Act”). Pursuant to the Act, this Policy is only required to apply to the District’s water service accounts that are used to provide residential water service, including Domestic and Rural Residential/Limited Agriculture accounts that provide service to single-family residences, multifamily residences, mobile homes, and farmworker housing. Notwithstanding the limiting provisions of the Act, various portions of this Policy are written to apply to all of the District’s accounts as a means of promoting administrative efficiency and parity among the District’s Customers.

2. **Contact Information.** For questions or assistance regarding water bills issued by the District, or regarding options for averting suspension of residential water service, Customers may contact District staff via telephone at (805) 688-6015 or via email at general@syrwd.org. Customers may also visit the District’s office in person at 3622 Sagunto Street, Santa Ynez, California 93460 during normal business hours (excepting holidays), Monday through Friday, from 9:00 a.m. to 5:00 p.m.

3. **Billing Period and Late Penalties.** Water bills issued by the District are due and payable to the District on or before the last business day of the month in which the bill is issued via mail and/or electronic mail. Bills not paid in full by the close of business on the due date are considered Past Due. Ten (10) calendar days after the Past Due date, the Customer will be sent a “Past Due and Pending Shutoff Notice” as further provided in Section 4.1 below, at which time a ten percent (10%) late penalty is assessed on the outstanding account balance. The District may consider Customer requests to waive a late penalty under extraordinary circumstances, provided that the request is made to the District no later than twenty (20) calendar days after the Past Due date, and provided further that a late penalty has not been waived for the requesting Customer within the previous twelve (12) month period. Decisions not to waive a late penalty are final and not subject to the review or appeal provisions of Section 6 below. The District will not assess a late penalty on a Past Due balance of twenty dollars (\$20.00) or less, where any balance at or below twenty dollars will be carried over and added to the Customer’s account for the next billing period.

4. **Suspension of Water Service for Nonpayment.** If all or any portion of a water service bill is Past Due for sixty (60) calendar days, the District may suspend water service to the service address.

4.1 Written Notice to Customers and Occupants. The District will provide a mailed notice to the Customer of record no less than seven (7) business days before suspension of water services. Pursuant to Health and Safety Code section 116908(a), such written notice may be provided early in the 60-day delinquency period and in the form of the Past Due and Pending Shutoff Notice described in Section 3 above. If the Customer’s address is not the address of the property to which service is provided, the notice also will be sent to the address of the property to which water service is provided, addressed to “Occupants,” provided that the District

shall not be responsible for sending notice to a property address that does not receive mail delivery from the U.S. Postal Service. The notice(s) will contain:

- (a) the name and address of the Customer of record;
- (b) the amount of the Past Due amount, including applicable penalties;
- (c) the date by which payment in full must be made to avoid suspension of service;
- (d) the process and deadline by which the Customer may request in writing an extension of time to pay the Past Due amount, including applicable penalties, or request an alternative payment schedule, an amortization arrangement, a temporary deferral of payment, or a reduction of payment under Section 4.3 or Section 5.1 below;
- (e) the process by which the Customer may request review and appeal of the bill for water service;
- (f) information that residential tenants or occupants, if not the Customer of record, may have the right to become Customers of the District without being required to pay any Past Due amounts on the account; and
- (g) the District's contact information.

4.2 Residential Tenants or Occupants. In cases where residential water service is provided through an individual or master meter to tenants or occupants of a residential structure, mobile home, or farmworker housing, and the District is informed that the owner, landlord, manager, or operator of said residence(s) is the Customer of record instead of the tenants or occupants, the District will attempt to inform the residential tenants or occupants of said residence(s) by written notice, at least ten (10) calendar days prior to suspension of water service, that the account is Past Due and that water service to the residence(s) is subject to suspension. The written notice will be addressed to "Occupants" and may be provided as the Past Due and Pending Shutoff Notice as described in Section 3 above. The notice will inform the residential tenants or occupants that they may have the right to become Customers of the District without being required to pay any Past Due amounts on the delinquent account. Further terms and conditions for tenants or occupants to become Customers of the District are provided in Section 8 below.

4.3 Additional Courtesy Notices Prior to Suspension of Service. In cases where a water service bill remains Past Due for more than fifty (50) calendar days and written notice of possible suspension of service for nonpayment already has been provided to a Customer pursuant to Health and Safety Code section 116908, which prior notice may include the Past Due and Pending Shutoff Notice described in Section 3 above, the District may, in its sole and absolute discretion, attempt to provide additional courtesy notice prior to suspension of water service to the service address, where such additional courtesy notice may include a manual telephone call, an automated call, a door tag, or other means determined by the District.

4.4 Special Medical and Financial Circumstances Under Which Residential Water Service Will Not Be Suspended.

- (a) The District will not suspend residential water service for nonpayment if all of the following conditions are satisfied:

- (i) the Customer, or a tenant of the Customer, submits to the District the certification of a licensed primary care provider, as that term is defined in Section 14088(b)(1)(A) of the California Welfare and Institutions Code, that suspension of residential water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided; and
 - (ii) the Customer demonstrates to the District through documentation that he or she is financially unable to pay for residential water service within the District's normal billing cycle, where the Customer is deemed financially unable to pay during the normal billing cycle if (a) 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 (b) the Customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level; and
 - (iii) the Customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, with respect to all Past Due charges, including applicable penalties, subject to terms acceptable to the District.
- (b) Any Customer who receives a Past Due and Pending Shutoff Notice described in Section 4.1 and desires to avoid suspension of service under this Section 4.4 shall be responsible for contacting the District to establish all of the conditions and provide the documentation set forth in Section 4.4(a) above. The Customer must contact the District as soon as practicable after receiving the Past Due and Pending Shutoff Notice.
- (c) If all of the conditions set forth in Section 4.4(a)-(b) are satisfied by the Customer, the District may, in its sole and absolute discretion, offer one or more of the following payment options to the Customer, as further described in Sections 5.2 through 5.5 below:
- (i) participation in an alternative payment schedule;
 - (ii) amortization of the unpaid balance;
 - (iii) temporary deferral of payment; or
 - (iv) partial reduction of the unpaid balance, provided that no reduction shall result in additional charges to other ratepayers.
- (d) The terms, conditions, and any other parameters of a payment option(s) offered by the District to a Customer pursuant to this Section 4.4 shall be established by the District in its sole and absolute discretion.
- (e) The payment option and terms provided by the District will result in payment by the Customer of all Past Due amounts, including applicable

penalties, to the District within twelve (12) months; provided, however, that a longer period may be established to account for extraordinary circumstances.

- (f) Notwithstanding the provisions of Sections 4.4(a)-(e) above, the District may suspend residential water service to a Customer where: (i) for sixty (60) calendar days or more the Customer fails to comply with the terms of an alternative payment schedule, amortization agreement, or a deferral or reduction of payment plan provided by the District; or (ii) while undertaking an alternative payment schedule, amortization agreement, or a deferral or reduction of payment plan provided by the District, the Customer fails to pay his or her current residential service charges for sixty (60) calendar days or more. In such cases, the District will post a final notice of intent to suspend residential water service in a prominent and conspicuous location at the property at least five (5) business days prior to the suspension of service. Any final notice and suspension of service under this Section 4.4(f) shall not be required to provide the information already provided to the Customer under Section 4.1 above, and shall not be subject to the review or appeal provisions of Section 6 below.
- (g) District decisions under the provisions of this Section 4.4 shall be delegated to and made by the District's General Manager and/or his or her designee.

5. Alternative Payment Arrangements and Related Procedures.

5.1 Procedures for Customers to Request Payment Plan Options. Separate and distinct from alternative payment arrangements that may be offered by the District to a Customer pursuant to the provisions and conditions of Section 4.4 above, the District may, in its sole and absolute discretion, and in response to a written request submitted by a Customer to the District in accordance with this Policy, offer one or more of the following payment options to a Customer, based on emergency or other extraordinary circumstances, where the Customer is unable to pay his or her Past Due amount in full, including applicable penalties, by the due date: (i) participation in an alternative payment schedule; (ii) amortization of the unpaid balance; (iii) temporary deferral of payment; or (iv) partial reduction of the unpaid balance, provided that no reduction shall result in additional charges to other ratepayers.

- (a) Any Customer who receives a Past Due and Pending Shutoff Notice may submit a written request to the District to pay the entire Past Due amount, including applicable penalties, through an alternative payment option. The Customer's written request must be submitted to the District within fifteen (15) calendar days of the Customer's receipt of the Past Due and Pending Shutoff Notice. Requests not submitted within the 15-day time period are deemed untimely and need not be accepted, reviewed, or decided by the District. For purposes of this Section 5.1(a), the District's Past Due and Pending Shutoff Notice shall be deemed received by a Customer five (5) calendar days after being issued by the District, and a Customer's written request for an alternative payment option shall be deemed submitted by the Customer on the postmarked date if delivered by mail, and on the date of transmittal if delivered by electronic mail or personal service to the District's office during normal business hours. In

no case shall a Customer's request for an alternative payment option under the provisions of Sections 5.2 through 5.5 below require the District to offer or approve a payment option to the Customer.

- (b) The terms, conditions, and any other parameters of a payment option(s) offered by the District to a Customer pursuant to this Section 5.1 shall be established by the District in its sole and absolute discretion.
- (c) To the extent a payment option is offered by the District, the terms of the option will result in payment in full by the Customer of the entire Past Due amount, including applicable penalties, to the District within twelve (12) months; provided, however, that a longer period may be established to account for extraordinary circumstances.
- (d) Notwithstanding the provisions of Sections 5.1(a)-(c) above, the District may suspend water service to a Customer where: (i) for sixty (60) calendar days or more the Customer fails to comply with the terms of an alternative payment schedule, amortization arrangement, or a deferral or reduction of payment plan provided by the District; or (ii) while undertaking an alternative payment schedule, amortization arrangement, or a deferral or reduction of payment plan provided by the District, the Customer fails to pay his or her current service charges for sixty (60) calendar days or more. In such cases, the District will post a final notice of intent to suspend water service in a prominent and conspicuous location at the property at least five (5) business days prior to the suspension of service. Any final notice and suspension of service under this Section 5.1(d) shall not be required to provide the information already provided to the Customer under Section 4.1 above, and shall not be subject to the review or appeal provisions of Section 6 below.
- (e) District decisions under the provisions of this Section 5, and Sections 5.2 through 5.5 below, shall be delegated to and made by the District's General Manager and/or his or her designee.

5.2 Alternative Payment Schedule. If approved by the District under Section 4.4 or Section 5.1 above, a Customer's payment of his or her Past Due amount, including applicable penalties, may be paid pursuant to an alternative payment schedule not to exceed twelve (12) months. The alternative payment schedule may allow periodic lump-sum payments that do not coincide with and may be more or less frequent than the District's established due date for regular monthly bills. The Customer shall be required to pay the entire Past Due amount, including applicable penalties, in full by the due date established by the District and must otherwise remain current on all water service rates and charges accruing during any and all billing periods subsequent to the alternative payment schedule provided by the District. The alternative payment schedule will be set forth in writing to and signed by the Customer. As a general rule, while subject to the terms of an alternative payment schedule, a Customer may not request a separate alternative payment schedule, amortization, temporary deferral, or payment reduction for a separate Past Due amount.

5.3 Amortization. If approved by the District under Section 4.4 or Section 5.1 above, a Customer's payment of his or her Past Due amount, including applicable penalties, may be amortized over a period not to exceed twelve (12) months. If amortization is approved, the Past Due amount, including applicable penalties, will be divided equally by the number of months in the amortization period, and that additional amount will be due along with the Customer's

regular monthly bills. The Customer shall be required to pay the entire Past Due amount, including applicable penalties, in full by the due date established by the District and must otherwise remain current on all water service rates and charges accruing during any and all billing periods subsequent to the amortization schedule provided by the District. The amortization schedule will be set forth in writing to and signed by the Customer. As a general rule, while subject to the terms of an amortization schedule, a Customer may not request a separate alternative payment schedule, amortization, temporary deferral, or payment reduction for a separate Past Due amount.

5.4 Temporary Deferral of Payment. If approved by the District under Section 4.4 or Section 5.1 above, a Customer's payment of his or her Past Due amount, including applicable penalties, may be temporarily deferred for a period not to exceed six (6) months after the amount was originally due. The Customer shall be required to pay the entire Past Due amount, including applicable penalties, in full by the due date established by the District and must otherwise remain current on all water service rates and charges accruing during any and all billing periods subsequent to deferred payment plan provided by the District. The deferred payment plan will be set forth in writing to and signed by the Customer. As a general rule, while subject to the terms of a temporary deferral of payment plan, a Customer may not request a separate alternative payment schedule, amortization, temporary deferral, or payment reduction for a separate Past Due amount.

5.5 Payment Reduction. Under extreme or emergency circumstances, a Customer may request a partial reduction of his or her Past Due amount, including applicable penalties; provided, however, that a partial reduction in excess of twenty-five percent (25%) of the unpaid amount requires approval by the Board of Trustees, and provided further that in accordance with the Act no such reductions shall be approved to the extent they may result in additional charges to other ratepayers. Any partial payment reduction will be set forth in writing to and signed by the Customer.

6. Procedures to Request Review or Appeal of a Bill for Water Service.

6.1 Deadline for Requesting Bill Review. A Customer may request review of a bill for water service by submitting a written request to the District within fifteen (15) calendar days of the Customer's receipt of the bill. Bill reviews under this Policy shall not include any review or challenge regarding the District's underlying water use rates or other charges as adopted by the Board of Trustees under separately applicable laws and procedures. For purposes of this Section 6.1, a bill shall be deemed received by a Customer five (5) calendar days after being issued by the District, and a Customer's written request for review shall be deemed submitted by the Customer on the postmarked date if delivered by mail, and on the date of transmittal if delivered by electronic mail or personal service to the District's office during normal business hours.

6.2 Review by District. A timely written request for review of a bill for water service will be reviewed and determined by the District's General Manager, who will provide written notification of the determination to the Customer.

6.3 Appeal to Board of Trustees. Any Customer who submits a timely written request for review of a bill pursuant to Section 6.1 above may appeal the District's determination made under Section 6.2 above to the District's Board of Trustees by submitting a written notice of appeal to the District, which written appeal must be received by the District within fifteen (15) calendar days of the Customer's receipt of the District's determination under Section 6.2. For purposes of this Section 6.3, the District's determination shall be deemed received by a Customer five (5) calendar days after being issued by the District, and a Customer's written

notice of appeal shall be deemed submitted by the Customer on the postmarked date if delivered by mail, and on the date of transmittal if delivered by electronic mail or personal service to the District's office during normal business hours. Upon receiving a notice of appeal, the District will schedule the matter to be heard by the Board of Trustees at an upcoming Board meeting. Written notice of the date, time, and place of the appeal to be heard by the Board will be provided to the appealing Customer at least ten (10) calendar days before the Board meeting. The decision of the Board shall be final.

6.4 Water Service Pending Appeal. In the event a Customer timely submits a written appeal of a water bill matter to be heard by the Board of Trustees, the District will not suspend water service to the Customer while the appeal is pending.

7. Specific Programs for Low-Income Customers.

7.1 Reconnection Fee Limits and Waiver of Interest. For Customers who receive residential water service and can demonstrate to the District, through verifiable documentation described in Section 7.2 below, a household income below 200 percent of the federal poverty level, the District will:

- (a) Limit any reconnection of service fees to the actual costs of reconnection, not to exceed fifty dollars (\$50) during normal operating hours and one hundred fifty dollars (\$150) during non-normal operating hours. These limits are subject to an annual adjustment for changes in the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U) beginning January 1, 2021; and
- (b) Waive interest charges on delinquent bills once every 12 months for matters that have been referred to collections.

7.2 Qualifications. For purposes of Section 7.1 above, the District will deem a Customer receiving residential water service to have a household income below 200 percent of the federal poverty level if (a) any member of the 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 (b) the Customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

8. Procedures for Occupants or Tenants to Become Customers of the District for Purposes of Receiving Residential Water Service.

8.1 Applicability. This Section 8 shall apply only when the property owner, landlord, manager, or operator of a residential service is listed as the Customer of record instead of the actual tenants or occupants of the residence(s) receiving the water service, and the service is subject to suspension due to nonpayment.

8.2 Agreement to District Terms and Conditions of Service. The District may make residential water service available to the actual residential tenants or occupants of a service address if one or more tenant or occupant agrees to assume financial responsibility for subsequent charges to the account and agrees to the terms and conditions of water service according to requirements of the District's Rules and Regulations. In cases where more than one residential address or residential unit is served by a single or master meter, the District may make residential water service available to the separate residence(s) if one or more of the tenants or occupants being served by the meter agrees to assume financial responsibility for

subsequent charges to the account and agrees to the terms and conditions of water service according to requirements of the District's Rules and Regulations; provided, further, that if a physical and legal means is available to the District to selectively suspend residential water service to those tenants or occupants who do not agree to assume financial responsibility for subsequent charges to the account or who otherwise do not meet applicable requirements, the District may make service available to the tenants or occupants who agree to assume financial responsibility for subsequent charges to a separate account(s) in accordance with the District's Rules and Regulations.

8.3 Verification of Occupancy or Tenancy. To be eligible to become a Customer of the District without paying the Past Due amount on a delinquent account, the tenant(s) or occupant(s) seeking to become a new Customer must verify that the existing Customer of record for the delinquent account is or was the owner, landlord, manager, or operator of the residential dwelling(s). At the discretion of the District, verification documents may include, but are not limited to, a lease or rental agreement, rent receipts, a government agency document indicating that the tenant(s) or occupant(s) are renting the property, or other evidence of a tenancy or occupancy relationship with the Customer of record for the delinquent account.

9. **Language for Policy and Certain Written Notices.** This Policy and all written notices provided under Section 4 and Section 5 above shall be provided in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by ten percent (10%) or more of the Customers within the District's service area.

10. **Other Remedies.** In addition to suspension of water service, the District may pursue any and all other remedies available in law or equity for nonpayment of water rates, service charges, and applicable penalties, including, but not limited to, filing a claim or legal action, or referring the unpaid amount to collections. In the event a claim or legal action is decided in favor of the District, the District shall be entitled to the payment of all costs and expenses, including but not limited to attorneys' fees and costs, consultants' fees and costs, and accumulated interest.

11. **Suspension of Water Service for Other Customer Violations.** The District reserves the right to suspend water service for any and all violations other than nonpayment as set forth in this Policy, including but not limited to violations of District ordinances, policies, Rules and Regulations, or other applicable federal, state, or local laws.

12. **Fees and Charges Incurred.** Except as otherwise expressly stated in this Policy, any rates, fees, charges, penalties, or other liabilities incurred by a Customer and due to the District under any District ordinances, policies, Rules and Regulations, or other applicable federal, state, or local laws shall remain due and payable as set forth therein.

13. **Decisions by District Staff.** Any decision which may be taken by the District's General Manager under this Policy may be taken by his or her designee.