



CITY OF COALINGA

The Sunny Side of the Valley

RESOLUTION NO. 3947 CITY OF COALINGA RESIDENTIAL UTILITY BILLING POLICY 2020 PROPOSAL

SECTION 1: PURPOSE

The City Council of the City of Coalinga adopts the policy to:

- a. Establish a comprehensive policy for City billing practices and provide customers notice of their payment duties and obligations;
- b. Facilitate timely payment processing for City customers;
- c. Establish administrative actions for the collection of delinquent accounts, including notifications, fee assignments and disconnection of services;
- d. Ensure that customers that meet their obligation of timely payments do not bear additional cost;
- e. Establish procedures for City customers to dispute the accuracy of any utility bill, late fee, or other enforcement mechanism used by the City for the collection of utility charges.

SECTION 2. PAYMENT DUE

Payment for services shall be due and payable on or before the 25th day following each applicable billing month. If the 25th day falls on a weekend or a holiday, the due date will be the first business day after the 25th day. All bills that remain unpaid at 5:30 p.m. on the 25th of said month shall be deemed delinquent.

Accounts are subject to disconnection of services, per Section 5 of this Policy, 60 days after the due date shown on the bill ("Disconnection of Services").

Small Balance Accounts

Any balance of \$9.99 or less may be carried over, and added to, the next billing period without being assessed a late fee or incurring further collection action.

SECTION 3: LATE FEES

- a. Payments received after the due date will be assessed a 5% interest with a minimum of \$2.50 on any unpaid balance of more than \$9.99. The City will continue to assess an additional 5% interest for each month the balance remains unpaid. If a balance remains unpaid, the City will assess a \$15 Final Notice Penalty providing notice to the customer of delinquency and pending termination at least seven (7) business days prior to the Disconnection of Services Date.
- b. The City will waive interest charges on delinquent bills once every 12 months for a residential customer who declares that their household income is below 200 percent of the federal poverty line.

- c. Each customer shall be responsible for paying reasonable expenses of collection, including, but not limited to, attorney's fees and costs should it become necessary to use such measures to collect the charges on the customer's account.

Declaration of Low-Income Status

Any residential customer that claims their household income is below 200 percent of the federal poverty line must sign an affidavit provided by the City. The affidavit renewal date for any residential customer claiming low-income status is July 1.

SECTION 4: ALTERNATIVE PAYMENT ARRANGEMENTS

Any customer who is unable to pay for utilities services within the normal payment period may request an alternative payment arrangement to avoid disruption of services. The City will consider all circumstances surrounding the request and make a determination as to whether the payment arrangement is warranted.

Payment arrangements that extend into the next billing period are considered an amortization plan, which must be in writing and signed by the customer. An amortization plan will amortize the unpaid balance over a period defined by the customer, not to exceed 12 months from the original date of the bill. The amortized payments will be combined with, and subject to the due date of, the customer's regular bill. The customer must comply with the terms of the amortization plan and remain current as charges accrue in each subsequent billing period. The customer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan. Failure to comply with the terms of an amortization plan will result in the issuance of a written disconnection notice.

SECTION 5: DISCONNECTION OF SERVICES

The City shall not discontinue utilities services for non-payment until payment by the customer has been delinquent for at least 60 days. The City will make a reasonable, good faith effort to contact the account holder or other responsible party by USPS mail delivery regarding the outstanding charges. Additionally, the City must provide notice to the customer of delinquency and pending termination at least seven (7) business days prior to the Disconnection of Services Date. The written disconnection notice will be mailed to the customer. The written notice will include:

- Name and address of the delinquent customer
- The amount of the delinquency
- Date by which payments or arrangements for payment is required to avoid disconnection of services and charges
- Procedure by which the customer may initiate a complaint or request an investigation concerning services or charges
- Procedure by which the customer may request the implementation of a payment plan for the unpaid charges
- Procedure for the customer to obtain information on the availability of financial assistance
- The telephone number of a City employee who can provide additional information or institute arrangements for payment

If contact with a customer is not able to be made through telephone or mail, the City will attempt to contact an adult residing at the residence. If no contact is able to be made, the City will leave a notice of shutoff in a conspicuous place at the residence.

If a payment arrangement is breached by the residential customer, the City shall issue a 5-day written disconnection notice which will be posted at the residence, and shutoff shall occur no sooner than 60 days after the bill's original due date.

A shutoff processing fee of \$45 will be assessed to all customers who have failed to pay the past due balance by the due date specified on the written disconnection notice.

If the account remains delinquent after 90 days, the City will remove the meter. Once the account is paid in full, the fee to replace the meter is as follows: \$100 (1" meter), \$140 (1 ½" meter), \$160 (2" meter), \$180 (3" meter), \$200 (4" meter).

Exceptions to Disconnection of Services

The City will not discontinue services in the following instances:

- a. On Saturday, Sunday, legal holiday, or hours during which business offices of the City's Financial Services Department are not open to the public;
- b. If the customer disputes the bill and during the pendency of an investigation into the customer's dispute or complaint;
- c. When the customer has been granted an extension of the period to pay the bill (however, termination may be applicable if the extension period expires);
- d. If the customer is compliant with an amortization agreement and the customer also keeps the account current as charges accrue in each subsequent billing period;
- e. A licensed physician or surgeon has certified that termination of services will be life-threatening to the customer, and the customer certifies they are financially unable to pay for service in the normal payment period, and the customer is willing to enter into an amortization agreement for all charges that the customer is unable to pay prior to delinquency.

Notice to 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 utilities service account is in arrears and subject to disconnection at least 10 days before utilities services are shut off. 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 utilities services at that address. In order for the amount due on the delinquent account to be waived, the listed tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of rent payments.

Notice to 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 of a multi-unit complex, by means of written notice hung on the door of each residence, when the utilities account is in arrears and subject to disconnection at least 10 days before utilities services are shut off. The written notice will advise the tenant/occupant that they have the right to become customers of the city without having 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 utilities at the address(es) served by the master meter. If one or more of the occupants are willing and able to assume responsibility for the subsequent charges for services to the satisfaction of the City, or if there is a physical means, legally available to the City, of selectively terminating services to those occupants who have not met the requirements for services, the City will make services available to the occupants who have met those requirements.

SECTION 7: RE-ESTABLISHMENT OF SERVICE:

The City will reconnect services as soon as practicable, but, at a minimum, will restore services before the end of the next regular business day following payment of any past due amount and delinquent fees attributable to the termination of service and at no additional charge. Utilities services that are turned on by any person other than City personnel or without City authorization may be subject to fines, additional charges, and fees. Any damages that occur as a result of unauthorized restoration of services are the responsibility of the customer.

Services restored after 5:30 p.m. Monday through Thursday, or on Fridays, weekends, or holidays will be charged an after-hours \$100 reconnection fee.

Returned Checks for Previously Disconnected Services

In the event a customer tenders a non-negotiable check as payment to restore utilities services previously disconnected for non-payment and the City restores service, the City may promptly disconnect service without providing further notice.

Any customer issuing a non-negotiable check as payment to restore services turned off for non-payment will be required to pay cash, money order or cashier's check to restore future service disconnections for a period of 12 months from the date of the returned payment.

SECTION 8: REQUEST FOR RELIEF

- a. Any customer of the City may file a written request with the Finance Department disputing any fee or charge assessed by the City or service disconnection within five (5) days of the fee becoming due or utilities becoming disconnected. Time limitations prescribed by this subsection shall not apply within the first ninety (90) days of this policy's adoption.
- b. Within thirteen (13) days of submitting the request in writing, the customer may make a request for an extension of the payment period of a bill asserted to be beyond the means of the customer to pay in full during the normal period for payment.
- c. The Finance Department shall review all written requests for relief and either deny the request or grant the relief requested or a portion thereof. Factors for consideration shall include:
 1. Billing errors
 2. Faulty meter or a misread meter
 3. Consideration of whether the customer shall be permitted to amortize the unpaid balance of the account over a reasonable period of time
 4. Any other factor deemed relevant by the Finance Department

SECTION 9: APPEALS

- a. Any customer of the City who disputes the finance department's final decision under Section 7 of this policy, may appeal the decision by filing a "Notice of Appeal" no later than fifteen (15) days from the date of the Finance Department's final decision. Appeals of the finance department's decision shall be heard by the Public Works Director or the Public Works Director's designee.
- b. No customer shall be entitled to a hearing before the Public Works Director or designee without first requesting relief pursuant to Section 8.
- c. The Notice of Appeal shall set forth the basis for the appeal and all facts upon which the appeal is based.
- d. Within fifteen (15) days of receiving the Notice of Appeal, the Public Works Director or designee shall notify the appellant of the time and place for the hearing. The Public Works Director or designee shall provide notice of the hearing to the appellant no later than fourteen (14) days prior to the hearing.
- e. The customer may present evidence demonstrating that the utility bill is inaccurate, or the amount owed is improper. The Finance Department may present evidence that demonstrates the accuracy of the utility bill and evidence that justifies the amount of the utility bill.
- f. The Public Works Director or designee may affirm the amounts assessed by the Finance Department, reduce any portion of the delinquent amount or penalties, or find that the imposition of the penalty is not warranted. When reducing the amount sought by the utility bill, the Public Works Director or designee shall make a finding on the record that the reduction is in the public' interest.
- g. The Public Works Director's or designee's decision shall be final, and outstanding balances shall be due immediately, unless otherwise extended by the Public Works Director or designee.