

CITY OF HANFORD

WATER SERVICE DISCONTINUATION POLICY

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This Policy constitutes the City of Hanford's (City) written policy on discontinuation of residential water service for purposes of California Health and Safety Code Section 116906.

1. **Delinquent Payment of Water Service Charges.** Pursuant to Hanford Municipal Code (HMC) Section 13.04.050, a water service charge payable by a residential water service customer that is not paid within fifteen (15) calendar days of the date of a City-issued utility services bill will be deemed delinquent. Delinquent amounts shall be subject to the following fees (collectively "Fees"): (a) a late fee established by the City Council; (b) other fees, fines, and interest established by the Council Resolution.
2. **Discontinuance of Services.**
 - a. Except as otherwise provided, if a residential customer fails to pay water service fees in full or fails to request a payment plan by 5:00 p.m. on the sixtieth (60th) calendar day following the date on which a water service charge becomes delinquent, the City may, in addition to other remedies, discontinue water and other City-provided services received by the customer.
 - b. No less than seven (7) business days prior to the discontinuance of services for nonpayment, the City will contact the customer by phone or in writing as required by Health and Safety Code Section 116908.
 - c. If a customer falls within the financial hardship parameters of Health and Safety Code Section 116910, the City's discontinuance of utility services shall occur only in the manner described in that section.
 - d. The City will not discontinue residential service for nonpayment if all of the following conditions exist:
 - (1) The customer demonstrates that he or she is financially unable to pay for residential service within the City's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the City's normal billing cycle if 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 the customer declares that the household's annual income is less than two hundred percent (200%) of the federal poverty level; and
 - (2) The customer is willing to enter into an amortization agreement or alternative payment schedule consistent with the City's Discontinuation Policy, with respect to all delinquent charges.

3. **Payment Plan.**

- a. A customer requesting a payment plan shall be offered the following terms, which will be set forth in a written Payment Agreement signed by the customer:
 - i. Payment of one-quarter (1/4th) of all outstanding utility services balances upon the customer's signature of the Payment Agreement; and
 - ii. The remainder of the outstanding balances will be paid in six (6) equal monthly installments, beginning on the first (1st) day of the calendar month immediately following the customer's execution of a Payment Agreement; provided however, if such date is less than fifteen (15) calendar days from the Payment Agreement's effective date, the first (1st) payment shall be due on the first (1st) day of the following calendar month. For example, if a Payment Agreement reflects an effective date of February 20, the first (1st) installment payment shall be due on April 1. The unpaid amount will be subject to fees established by the City Council by resolution, which shall be payable with each monthly installment. A customer's signature of a Payment Agreement will not excuse the customer from the obligation of timely paying new utility service charges contained in bills issued by the City while the customer's Payment Agreement remains in effect. The city may, however, extend installment payments up to twelve (12) months for customers described in Hanford Municipal Code Section 13.04.050.D.2.h.
- b. A Payment Agreement containing these terms shall be signed by the accountholder or authorized account signer and submitted in person by the accountholder to the City's Finance Department within three (3) business days of the customer's receipt of the Agreement from the City. The City shall proceed with the process to discontinue services provided to a customer if the customer fails to execute and return the Payment Agreement within such three (3) business day period.
- c. With the exception of customers falling within the parameters of Health and Safety Code Section 116910, the City may, without providing further written notice, discontinue all City services provided to a customer who is subject to a payment plan under either of the following circumstances:
 - i. The customer fails to comply with his or her Payment Agreement; or
 - ii. While a Payment Agreement remains in effect, the customer fails to pay his or her then-current residential service charges before they become delinquent.

The discontinuance of services to customers who fall within the parameters of Health and Safety Code Section 116910 will only occur, however, in accordance with the terms of that section.
- d. A customer who is a party to a Payment Agreement must remain current on all City service bills issued during the payment plan period and will not be eligible for payment plan terms if he or she becomes delinquent on a subsequent service bill issued before the pending Payment Agreement is paid in full.

- e. A customer will be eligible for one (1) Payment Agreement during each twelve (12) month period, which will be measured from the effective date of a customer's prior Payment Agreement; provided however, a customer who falls within the parameters of Health and Safety Code Section 116910 will not be subject to this limitation.
- 4. **Appeal of Bill Amounts.** A customer who feels that an amount billed by the City is inaccurate may appeal the amount. The appeal process is established in HMC Section 13.04.110., a copy of which is attached hereto as Exhibit "A."
- 5. **Contacting the City.** Customers may contact the following phone number to discuss options for avoiding the discontinuation of City-provided utility services for nonpayment: (559) 585-2510.

EXHIBIT "A"

Hanford Municipal Code Section 13.04.110.C.

C. Appeals.

1. Any customer may appeal water charges. To appeal service charges, a customer must, except as otherwise provided herein, submit the following items to the director of finance within fifteen (15) calendar days of the date of the bill disputed bill: (i) a written notice of appeal; (ii) the amount payable under the disputed bill; and (iii) an appeal fee, which fee will be established by the city council. The failure to submit these items during such time period shall result in a waiver of appeal rights and shall constitute a failure to exhaust administrative remedies. The notice of appeal shall set forth in detail all facts supporting the customer's objection to a bill.

2. Notwithstanding the provisions of subsection 1. above, a customer who is financially unable to deposit the amount of the disputed bill and/or pay the appeal fee may file a request for a waiver of all or a portion of the required deposit and appeal fee. A waiver request must be submitted to the director of finance with the customer's notice of appeal, along with a sworn declaration and other supporting documents and materials showing the customer's actual financial inability to pay the appeal deposit and/or appeal fee. The customer bears the burden of demonstrating to the satisfaction of the director of finance the customer's actual inability to deposit the amount of the disputed bill and/or pay the appeal fee. If the director of finance determines that a waiver is warranted, the deposit and appeal fee will be waived or partially waived. If the director of finance finds that a waiver is not warranted, the customer must, within three (3) business days of the customer's receipt of the director of finance's written decision, deposit the amount of the disputed bill and pay the appeal fee for the customer's appeal to be processed.

3. Upon the director of finance's receipt of a notice of appeal, deposit of the amount of the disputed bill, and appeal fee (or the director of finance's determination to waive the deposit and/or fee), he or she shall set the matter for hearing before the hearing officer or hearing body designated by the city manager. The hearing officer or hearing body shall hold a hearing on the customer's appeal on the date specified by the director of finance and shall receive evidence presented by the appealing party and city staff. After the hearing, the hearing officer or hearing body may uphold or adjust the amount of the disputed bill. The hearing officer or hearing body shall cause to be issued a written determination on the customer's appeal within fifteen (15) calendar days of the date of appeal hearing. An aggrieved customer may seek judicial review of the hearing officer's or hearing body's decision on the customer's appeal by filing a complaint with the Superior Court of Kings County, California during the period identified by California [Code of Civil Procedure](#) Section 1094.6.