



CITY COUNCIL AGENDA REPORT



DEPARTMENT: Administrative Services

MEETING DATE: December 17, 2019

PREPARED BY: Alex Kung, Deputy Administrative Services Director
Amy-Rose Hanna, Management Analyst

AGENDA LOCATION: AR-1

TITLE: Administrative Policy No. 2.09 Relating to the Discontinuation of Water Service for Non-Payment, Resolution No. 2019-71; and Amendment to Monrovia Municipal Code Chapter 13.04.090 and 13.04.170, Introduction and First Reading of Ordinance No. 2019-17

OBJECTIVE: To adopt a water service discontinuation policy for non-payment, and introduce an Ordinance related to changes to the Monrovia Municipal Code to comply with Senate Bill 998 ("SB 998")

BACKGROUND: On September 28, 2018, Governor Jerry Brown signed SB 998 – the Water Shutoff Protection Act, which requires all public water agencies to adopt a written policy on water shut-off procedures. The provisions of SB 998 require water agencies to implement additional notification procedures and extend the delinquency period before water service may be disconnected.

Under SB 998, public water systems with more than 200 connections are required to adopt a written policy on residential water service shut-off for nonpayment by February 1, 2020. Some of the key provisions required to be included in the Policy are as follows:

1. The City may not disconnect residential water service until a customer has been delinquent for at least 60 days.
2. The City is required to mail a written notice at least 7 business days (10 calendar days for renters) prior to shut-off. The notice must include information on the delinquent charges subject to shut-off, the payment date to avoid shut-off, the City's contact information to resolve the delinquency, a description of the City's alternative payment arrangement options, and information on the City's utility bill review and appeal process.
3. The City is prohibited from disconnecting residential water service under certain medical and financial circumstances. Additionally, the City is prohibited from disconnecting residential water service during any pending appeal or alternative payment arrangement request.
4. The City's Policy must be made available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by 10% of the service area.

The provisions of SB 998 require amendments to the City's procedures and the Monrovia Municipal Code as they relate to the City's billing and water shut-off procedures, described in greater detail below.

ANALYSIS: Under existing regulations and the Monrovia Municipal Code, the City's utility billing and water shut-off procedures are compliant with the Health and Safety Code and Public Utilities Code. However, beginning February 1, 2020, the City will need to implement new water service shut-off procedures that comply with the delinquency periods and other requirements provided in SB 998.

AR-1

To summarize the impacts of SB 998, staff prepared the below comparison between the City's current procedures and the newly-required procedures. Please note that an additional 42 days will be added to the City's existing delinquency/shut-off period, as follows:

Current Billing and Shut-off Procedures:

1. The City of Monrovia generates utility bills monthly. Bills are due in 19 days.
2. If not paid by the 19th day, a delinquent notice is mailed to the customer with a final due date of 14 days.
3. If not paid by the 14th day, a shut-off notice door hanger is posted on the property on the 35th day.
4. If not paid within 5 days of posting the door hanger, water will be disconnected on the 41st day.

In total, water is disconnected in 41 days.

Proposed Billing and Shut-off Procedures (Pursuant to SB 998):

1. The City of Monrovia generates utility bills monthly. Bills are due in 19 days. *Note: There is no change in our current procedures.*
2. Due to the extensive noticing required by SB 998, the City will no longer send delinquent notices on the 19th day. The customer will receive the next month's bill, which will reflect a past due amount, if the previous bill is not paid by the time that the next month's bill is generated.
3. If not paid by the 70th day, the City will mail a shut-off notice.
4. If not paid by the 77th day, a shut-off notice door hanger will be posted on the property.
5. If not paid by the 82nd day, water will be disconnected on the 83rd day.

In total, water is disconnected in 83 days.

Please note that these are approximate days that may fluctuate with holidays; however, the City will always be in compliance with the noticing requirements of SB 998.

Furthermore, SB 998 specifically requires public water agencies to establish a formal bill review and appeal process and offer alternative payment arrangements.

Bill Review and Appeal Process

Although customers may appeal their bill under current practice, SB 998 requires the City to formally adopt appeal procedures. Under the Policy, formal procedures will be adopted that allow customers to appeal their utility bill charges within 60 days of their original bill due date. This appeal process is further described in Section V.D (Page 8) of the attached policy.

Alternative Payment Arrangement Process

Although the City currently offers payment arrangements under our current practice, SB 998 requires that certain payment arrangement provisions be included in the Policy. To that end, the Policy will allow customers to submit a request for alternative payment options within 60 days of their original bill due date. Through this process, the City may offer, at its discretion, the following options: 1) amortization of the unpaid balance; 2) alternative payment schedule; 3) reduction of unpaid balance; or 4) temporary deferral of payment/time extension. This Alternative Payment Arrangement process is further described in Section V.C (Page 5) of the attached Policy.

Additionally, as a result of SB 998, the City's utility bill template will be updated and redesigned to reflect the impacts described above. Utility customers can expect to see the redesigned bill in February 2020. The City will also be coordinating an outreach flyer with the January 2020 utility bills, in an effort to inform all utility customers of the upcoming changes to the bill format.

Resolution No. 2019-71 has been prepared for the adoption of Administrative Policy No. 2.09 Relating to the Discontinuation of Water Service for Non-Payment.

Ordinance No. 2019-17 has been prepared to amend Chapter 13.04.090 and 13.04.170 of the Monrovia Municipal Code. The changes to Chapter 13.04.090 removes the imposition of security deposits for establishing water service. This change cleans up language to reflect existing practice. The changes to Chapter 13.04.170 codify the City's Policy on the Discontinuation of Water Service for Non-Payment.

ENVIRONMENTAL IMPACT: There is no environmental impact associated with the approval of Resolution No. 2019-71 and Ordinance No. 2019-17.

FISCAL IMPACT: The financial impact of adopting the Policy on the Discontinuation of Water Service for Non-Payment is unclear at this time. Costs associated with translation services are estimated between \$5,000 and \$8,000, and funds have been appropriated in the FY 2019-20 Water Fund budget. Savings will be realized as a result of eliminating the delinquent notice; however, these savings will be offset by additional shut-off notices that are required, as well as additional staff time required to implement the policy. Furthermore, the impact on revenues due to a lengthier delinquency period is uncertain. Staff will reassess the impacts after the implementation of SB 998, and will return to Council if additional adjustments are needed at a later time.

OPTIONS: The following options are presented for consideration:

1. Adopt Resolution 2019-71, approving Administrative Policy 2.09 as presented, and approve amendments to Monrovia Municipal Code Sections 13.04.090 and 13.04.170.
2. Provide direction or request additional information from staff before taking action, which may delay the implementation of the revised Administrative Policy No. 2.09 before the February 1, 2020 deadline.

RECOMMENDATION: Staff recommends the City Council select Option 1, to approve the Policy on the Discontinuation of Water Service for Non-Payment, and approve amendments to Monrovia Municipal Code Sections 13.04.090 and 13.04.170.

COUNCIL ACTION REQUIRED: If the City Council concurs, the appropriate action would be a motion to adopt Resolution No. 2019-71 and introduce, waive further reading, and read by title only Ordinance No. 2019-17.

RESOLUTION NO. 2019-71

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA, ADOPTING ADMINISTRATIVE POLICY NO. 2.09 REGARDING THE DISCONTINUATION OF WATER SERVICE FOR NON-PAYMENT

THE CITY COUNCIL OF THE CITY OF MONROVIA DOES hereby resolve as follows:

WHEREAS, State Senate Bill 998, adopted by the California Legislature, requires all municipal water agencies to adopt a Policy on Discontinuation of Water Service for Non-Payment no later than February 1, 2020, and

WHEREAS, by this Resolution, the City Council is adopting a Policy on the Discontinuation of Water Service for Non-Payment, which establishes procedures for water service shut-off, alternative payment arrangements, an appeal process for utility bills and provisions for restoring water service following service shut-off in accordance with SB 998 and all other provisions of applicable law; and

WHEREAS, the City Council is concurrently amending Monrovia Municipal Code Section 13.04.170 (Discontinuance of Service by City) through Ordinance No. 2019-17 in order to implement said Policy and the water shut-off requirements of Senate Bill 998 and make other conforming amendments to the Municipal Code; and

WHEREAS, the City Manager and Administrative Services Director are responsible for the periodic review and revision of the Policy on Discontinuation of Water Service for Non-Payment.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA DOES RESOLVE AS FOLLOWS:

SECTION 1. The City Council hereby adopts the attached Administrative Policy No. 2.09 as the official City of Monrovia Policy on Discontinuation of Water Service for Non-Payment.

SECTION 2. Administrative Policy No. 2.09 promulgates the appropriate policy and regulation with respect to the City's water shut-off procedures and implements Section 13.04.170 of the Monrovia Municipal Code, as amended by Ordinance No. 2019-17.

SECTION 3. Administrative Policy No 2.09 is in full compliance with the State Senate Bill 998, codified in the Health and Safety Code, Division 104, Part 12, Chapter 6: Discontinuation of Residential Water Service.

SECTION 5. The attached Administrative Policy and this Resolution supersede all prior established water policies and resolutions for the termination of service based on non-payment of water that conflict with this Policy.

SECTION 6. This resolution shall become effective on the date of adoption.

PASSED, APPROVED AND ADOPTED this 17th day of December, 2019.

Tom Adams, Mayor
City of Monrovia

ATTEST:

APPROVED AS TO FORM:

Alice D. Atkins, MMC, City Clerk
City of Monrovia

Craig A. Steele, City Attorney
City of Monrovia

ADMINISTRATIVE POLICY

SUBJECT: Policy on Discontinuation of Water Service for Non-Payment

EFFECTIVE DATE: February 1, 2020

I. Policy Objective:

Adopt water service discontinuation procedures that comply with Senate Bill 998 and the requirements of Health and Safety Code, Division 104, Part 12, Chapter 6: Discontinuation of Residential Water Service, and Public Utilities Code, Division 5: Utilities Owned by Municipal Corporations.

II. Authority

Monrovia Municipal Code Chapter 13.04.170 Discontinuation of Service by City

City Council Ordinance No. 2019-17
(Introduced December 17, 2019, Adopted January 7, 2020)

III. Assigned Responsibility

City Manager and the Administrative Services Director

IV. Applicability:

City Manager, Administrative Services Director, and Administrative Services Department Staff

V. General Policy:

The City Council has adopted this Policy on Discontinuation of Water Service for Non-Payment (the "Policy") in order to establish water shut-off procedures that comply with Senate Bill 998 and the requirements of the Health and Safety Code and Public Utilities Code.

Notwithstanding any other policy or rule of the City, this Policy shall apply to the City's discontinuation of water service for non-payment under the provisions set forth herein. In the event of any conflict between this Policy and any other policy or rule of the City, this Policy shall prevail.

The General Policy includes the following sections:

- A. Application of Policy & Contact Info
- B. Discontinuation of Water Service for Non-Payment & Required Notice
- C. Alternative Payment Arrangements
- D. Appeals
- E. Restoration of Service
- F. Notification Service

A. APPLICATION OF POLICY; CONTACT TELEPHONE NUMBER:

This Policy shall apply to residential water service for non-payment. Commercial and industrial utility service accounts are also subject to this Policy, with exceptions to the health conditions and financial inability provisions described in Section V.B(3-4) of this Policy, the landlord-tenant provisions described in Section V.B(5) of this Policy, and the alternative payment arrangement provisions described in Section V.C(1-4) of this Policy.

The City can be reached at (626) 932-5517 for assistance concerning the payment of utility bills and options to avoid discontinuation of service.

B. DISCONTINUATION OF WATER SERVICE FOR NON-PAYMENT:

1. Rendering and Payment of Bills: Bills for water service will be rendered to each customer on a monthly basis. Bills for water service are due and payable on presentation to the customer. Payment may be made online, by phone, by mail or in person at City Hall located at 415 S. Ivy Avenue, Monrovia, CA, 91016. However, it is the customer's responsibility to ensure that payments are received by the City in a timely manner.
2. Overdue Bills: A bill becomes delinquent nineteen (19) days after presentation to the customer. Water service may be discontinued if a bill remains delinquent for at least sixty (60) days, subject to the following rules:
 - a. Shut-Off Notice: If payment for a bill is not made on or before the sixtieth (60th) day following the date the bill becomes delinquent, then the City may discontinue service provided that the City mails a notice of overdue payment ("Shut-Off Notice") to the utility service customer at least ten (10) calendar days prior to the discontinuation of service date as identified in the Shut-Off Notice.

If the customer's address is not the address of the property to which the service is provided, the Shut-Off Notice must also be sent to the address of the property served, addressed to "Occupant."

The Shut-Off Notice must contain the following:

1. Customer's name and address;
2. Amount of delinquency;
3. Date by which payment or arrangement for payment must be made in order to avoid discontinuation of service;
4. Description of the procedure by which the customer can request an extension of time to pay the delinquent bill or deferred, amortized, reduced, or alternative payment schedule (see Section V.C as described further in this Policy); and
5. Description of the procedure to petition for review and appeal of the bill giving rise to the delinquency (see Section V.D as described further in this Policy).

The City may alternatively provide notice to the customer of the impending discontinuation of service by telephone. If that notice is provided by telephone, the City shall offer to provide the customer with a copy of this policy and also offer to discuss with the customer the options for alternative payments, as described in Section V.C, below, and the procedures for review and appeal of the customer's bill, as described in Section V.D, below.

- b. Unable to Contact Customer: If the City is not able to contact the customer by written notice (e.g., a mailed notice is returned as undeliverable) or by telephone, the City will make a good faith effort to visit the residence and leave, in a conspicuous location, a door hanger notice of imminent discontinuation of service for non-payment, along with a copy of this Policy.
 - c. Turn-Off Deadline: Payment for utility service charges must be received in the City offices no later than 6:00 p.m. on the date specified in the Shut-Off Notice. Postmarks are not acceptable.
 - d. Water service will not be discontinued on any Saturday, Sunday, legal holiday, or at any time outside the City's normal business hours.
3. Conditions Prohibiting Discontinuation: The City shall not discontinue residential water service under the following circumstances:
- a. During any appeal of the City's decision to discontinue service;
 - b. During the pendency of an investigation by the City of a customer dispute or complaint;
 - c. During any period of when the customer is in compliance with a duly authorized alternative payment arrangement in accordance with Section V.C. of this Policy.
 - d. Where all of the following conditions are met:
 - (1) Health Conditions – The customer or tenant of the customer submits certification from 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 the resident;
 - (2) Financial Inability – The customer demonstrates he or she is financially unable to pay for utility service within the City's normal billing cycle. The customer is deemed "financially unable to pay" if any member of the customer's household is: (a) a current recipient 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 (b) the customer declares the household's annual income is less than 200% of the federal poverty level; and

- (3) Alternative Payment Arrangements – The customer is willing to enter into an amortization agreement, alternative payment schedule or a plan for deferred or reduced payment, consistent with the provisions of Section V.C as described further in this Policy.
4. Process for Determination of Conditions Prohibiting Discontinuation of Service:

The burden of proving compliance with the conditions described in Section V.B(3)(d), above, is the responsibility of the customer. In order to allow the City sufficient time to process any request for assistance by a customer, the customer must submit a written request to the City within sixty (60) calendar days of the original bill due date. Upon receipt of such written request, the Administrative Services Director or his or her designee shall review that documentation and respond to the customer within seven (7) business days to either request additional information, including information relating to the feasibility of the available alternative arrangements, or to notify the customer of the alternative payment arrangement, and terms thereof, under Section V.C, below, in which the City will allow the customer to participate. If the City has requested additional information, the customer shall provide that requested information within five (5) business days of receipt of the City's request. Within five (5) business days of its receipt of that additional information, the City shall either notify the customer that the customer does not meet the conditions under Section V.B(3)(d) above, or notify the customer of the alternative payment arrangement, and terms thereof, under Section V.C below, in which the City will allow the customer to participate. The City shall not discontinue water service at any point during the review process described above.
5. Landlord-Tenant Scenarios:
 - a. Individually-Metered Units:

The below procedures apply to individually metered detached single-family dwellings, multi-unit residential structures, mobile home parks, or permanent residential structure in a labor camp where the property owner or manager is the customer of record.
 - i. Required Notice:
 1. If the property is multi-family residential, single-family residential or a mobile home park, then at least 10 calendar days prior to the possible discontinuation of water service, the City must make a good faith effort to inform the tenants/occupants at the property by written notice that the unit's account is delinquent and water service will be discontinued.
 2. The written notice must also inform the tenants/occupants that they have the right to become customers to whom the service will be billed (see Section V.B(5)(a)(ii) below), without having to pay any of the delinquent amounts.

3. Notwithstanding the foregoing, if the dwelling unit is a detached single-family dwelling unit, then the City will give notice to the occupant of service discontinuation at least ten (10) calendar days prior to the proposed discontinuation.

ii. Tenants/Occupants Becoming Customers:

1. Should the tenant/occupant wish to become the customer, thereby taking over the utility account, the City shall require the occupant to verify that the existing account customer who is in arrears is the landlord, manager, or agent of the dwelling unit. This verification may include a lease or rental agreement, rent receipts, or other government document. Upon verification of such documentation, the City shall allow the occupants to take over the utility account without assuming responsibility for the prior delinquent charges of the landlord, manager, or agent of the dwelling unit.
2. The City is not required to make service available to the tenants/occupants unless each tenant/occupant agrees to the terms and conditions for service and meets the City's requirements and rules, unless one (1) or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the City's satisfaction.
3. Alternatively, if the City is able to selectively terminate service to certain occupants, then the City may elect to selectively terminate service to those occupants who do not meet such terms and conditions.
4. When required, residence and proof of prompt payment of rent or other credit obligation is an acceptable means of establishing credit with the City.

b. Master Metered Units:

The City shall follow the procedures in accordance with Section 10009.1 of the Public Utilities Code for instances where water is provided through a master meter to residential occupants in a multiunit residential structure, mobile home park, or permanent residential structure in a labor camp and the owner, manager, or operator of the structure or park is the customer of record.

C. ALTERNATIVE PAYMENT ARRANGEMENTS:

For any customer who meets the three conditions under Section V.B(3)(d), above, in accordance with the process set forth in Section V.B(4), above, the City shall offer the customer one of the following alternative payment arrangements, to be selected by the City at its discretion:

1. Amortization of the unpaid balance;
2. Alternative payment schedule;
3. Reduction of unpaid balance; or
4. Temporary deferral of payment/time extension.

The Administrative Services Director, or his or her designee, shall, in the exercise of reasonable discretion, select the most appropriate alternative payment arrangement after reviewing the information and documentation provided by the customer and taking into consideration the customer's financial situation and City's payment needs. Furthermore, the City has the discretion to set parameters and terms related to the payment options, in addition to limiting the number of payment arrangements that can be offered to a customer to a maximum of two (2) times per fiscal year.

1. Amortization: Any customer who is unable to pay for utility service within the City's normal payment period may enter into an amortization plan with the City on the following terms:
 - a. Term/Repayment Period: The customer shall pay the unpaid balance over a period not to exceed up to twelve (12) months, unless additional time is required and the customer demonstrates undue hardship to the satisfaction of the City, as determined by the Administrative Services Director or his or her designee. Under an Amortization Plan, the unpaid balance shall be divided by the number of months in the amortization period and that amount shall be due on a monthly basis until all payments have been made under the Amortization Plan. The agreed upon schedule shall be set forth in writing and be provided to the customer.
 - b. Compliance with Plan: The customer must comply with 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. Where the customer fails to comply with the terms of the amortization plan for sixty (60) days or more or is otherwise in breach of the plan's agreement for sixty (60) days or more, then the City may discontinue water service to the customer's property no sooner than five (5) business days after the City posts at the customer's residence a final door hanger notice of its intent to discontinue service.
2. Alternative Payment Schedule: Any customer who is unable to pay for utility service within the City's normal payment period may enter into an alternative payment schedule for the unpaid balance in accordance with the following:
 - a. Term/Repayment Period: The customer shall pay the unpaid balance over a period not to exceed twelve (12) months, unless additional time is required and the customer demonstrates undue hardship to the satisfaction of the City, as determined by the Administrative Services Director or his or her designee. Under an Alternative Payment Schedule, the unpaid balance may be repaid in periodic installments (weekly,

monthly, bi-monthly, quarterly, or other frequency). The agreed upon schedule shall be set forth in writing and be provided to the customer.

- b. Compliance with Plan: The customer must comply with the agreed upon payment schedule and must remain current as charges accrue in each subsequent billing period. The customer may not request a longer payment schedule for any subsequent unpaid charges while paying delinquent charges pursuant to a previously agreed upon schedule. Where the customer fails to comply with the terms of the agreed upon schedule for sixty (60) days or more or otherwise breaches the agreement setting for the schedule for sixty (60) days or more, then the City may discontinue water service to the customer's property no sooner than five (5) business days after the City posts at the customer's residence a final notice of its intent to discontinue service.
3. Reduction of Unpaid Balance: Any customer who is unable to pay for utility service within the City's normal payment period may, if the City has selected this alternative, receive a reduction of the unpaid balance in an amount determined by the City provided that any such reduction shall be funded from a source that does not result in additional charges being imposed on other City customers. Furthermore, the City may consider reducing an unpaid balance only in extreme circumstances. The proportion of any reduction shall be determined by the customer's financial need, the City's financial condition and needs and the availability of funds to offset the reduction of the customer's unpaid balance.
 - a. Repayment Period: The customer shall pay the reduced balance by the due date determined by the Administrative Services Director or his or her designee.
 - b. Compliance with Reduced Payment Date: The customer must pay the reduced balance on or before the Reduced Payment Date, and must remain current in paying in full any charges that accrue in each subsequent billing period. If the customer fails to pay the reduced payment amount for sixty (60) days or more or otherwise breaches the agreement setting for the reduced payment amount for sixty (60) days or more, then the City may discontinue water service to the customer's property no sooner than five (5) business days after the City posts at the customer's residence a final notice of its intent to discontinue service.
4. Temporary Deferral of Payment/Time Extension: Any customer who is unable to pay for utility service within the City's normal payment period may have payment of the unpaid balance temporarily deferred for a period determined by the City. The City shall determine, in its discretion, how long of a deferral shall be provided to the customer.
 - a. Repayment Period: The customer shall pay the unpaid balance by the deferral date (the "Deferred Payment Date") determined by the Administrative Services or his or her designee.

- b. Compliance with Deferred Payment Date: The customer must pay the reduced balance on or before the Deferred Payment/Extension Date, and must remain current in paying in full any charges that accrue in each subsequent billing period. If the customer fails to pay the unpaid payment amount sixty (60) days after the Deferred Payment Date or remains in breach of the agreement setting forth the terms of the deferral for sixty (60) days or more, then the City may discontinue water service to the customer's property no sooner than five (5) business days after the City posts at the customer's residence a final notice of its intent to discontinue service.

D. APPEALS:

Should a utility customer request to appeal their most current bill, the City will make every effort to resolve the matter with the customer before following the formal appeal procedure described below. Furthermore, the City may provide alternative options to resolve the matter by offering the following alternative payment arrangements in accordance with the conditions described in Section V.C. (1-4) of this Policy: 1) amortization plan, 2) alternative payment schedule, 3) reduction of unpaid balance or 4) temporary deferral of payment.

The formal procedure for a utility customer to appeal their bill is described below.

1. Time for Appeal: A utility customer must initiate the appeal or complaint within sixty (60) calendar days of the original bill due date.
2. Appeal Process: Following receipt of an appeal or complaint requesting for an investigation, the Administrative Services Director, or his or her designee shall review the information provided by the customer and the information on file. Following this review process, the Administrative Services Director, or his or her designee, shall render a decision as to the accuracy of the water charges and shall provide the customer with a brief written summary of the decision.
 - a. If water charges are determined to be incorrect, a corrected invoice will be provided and payment of the revised charges will be due within fourteen (14) calendar days of the invoice date for revised charges. If sixty (60) calendar days have passed from the original bill date and the *revised utility charges* remain unpaid, water service will be disconnected within ten (10) calendar days after notice is properly given.
 - b. If the water charges in question are determined to be correct, the water charges are due and payable at the time the Administrative Services Director, or his or her designee's decision is rendered. If sixty (60) calendar days have passed from the delinquency date and the *correct utility charges* remain unpaid, water service will be disconnected within ten (10) calendar days after notice is properly given.
 - c. Any further appeal of the decision of the Administrative Services Director, or his or her designee, shall be processed in accordance with Section 10010 (d) of the Public Utilities Code.

3. Pending Appeal: Water service to any customer shall not be discontinued at any time during which the customer's appeal to the City is pending.

E. RESTORATION OF SERVICE:

In order to resume or continue service that has been discontinued by the City due to non-payment, the customer must pay a fee established by resolution of the City Council, pursuant to Municipal Code Section 13.04.230. The City will endeavor to make such reconnection as soon as practical as a convenience to the customer. The City shall make the reconnection no later than the end of the next regular working day following the customer's request and payment of any applicable fee.

Notwithstanding the foregoing, if the customer's household income is below 200 percent of the federal poverty line or meets any of the other financial inability provisions contained in Section 116910 (a) 2 of the Health and Safety Code, then the fee shall not exceed the fees identified in Section 116914 (a)(1) of the Health and Safety Code.

F. NOTIFICATION SERVICE

In accordance with section 10010.1 (c) of the Public Utilities Code, the City maintains a notification service, upon request, for residential customers who are 65 years of age or older, or who are dependent adults as defined in Section 15610 of the Welfare and Institutions Code.

DATED: _____

BY: _____

Dylan Feik
City Manager

APPROVED AS TO FORM:

ATTEST:

BY: _____

Craig A. Steele
City Attorney

Alice D. Atkins, MMC
City Clerk

ORDINANCE NO. 2019-17

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
MONROVIA, CALIFORNIA, AMENDING SECTIONS 13.04.090
AND 13.04.170 OF THE MONROVIA MUNICIPAL CODE**

WHEREAS, the City is required to adopt a water service discontinuation policy that complies with the procedures and requirements of Senate Bill 998, codified in the Health and Safety Code, Division 104, Part 12, Chapter 6: Discontinuation of Residential Water Service; and

WHEREAS, the City is also subject to certain provisions of Article 1, Chapter 1, Division 5, of the Public Utilities Code that address billing for and discontinuation of residential water service; and

WHEREAS, Section 13.04.170 of the Monrovia Municipal Code sets forth the City's current Policy on the Discontinuation of Water Service for Non-Payment; and

WHEREAS, the City Council desires to amend Section 13.04.170 and the Policy on the Discontinuation of Water Service for Non-Payment in order to comply with the requirements of Senate Bill 998 and the Health and Safety Code; and

WHEREAS, the Policy on the Discontinuation of Water Service for Non-Payment establishes procedures for water service shut-off, alternative payment arrangements, an appeal process for utility bills and provisions for restoring water service following service shut-off; and

WHEREAS, the City desires to amend Section 13.04.090 of the Monrovia Municipal Code to remove the imposition of security deposits for establishing utility service.

**THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA DOES ORDAIN AS
FOLLOWS:**

SECTION 1. Sections 13.04.090 and 13.04.170 of the Monrovia Municipal Code are hereby amended to read as follows (throughout this ordinance text to be added is underlined; text to be deleted is shown in strikethrough):

~~“§ 13.04.090-REFUNDABLE SECURITY DEPOSITS~~ OWNER'S GUARANTEE.

~~(A) The following applicants for city utility service shall be required to submit a security deposit based on the credit worthiness of the applicant as determined by the Director of Public Works as follows:~~

~~(1) Residential property owners single-family: Nonresidential applicants and residential applicants who have never received Monrovia's utility service shall make a deposit of \$25.~~

~~(2) Residential property owners multi-family: Nonresidential applicants and residential applicants who have never received Monrovia's utility service shall make a deposit of \$25 per dwelling unit. The maximum calculated deposit shall not exceed \$250.~~

~~(3) Residential property renters: Residential applicants who have never received Monrovia's utility service shall make a deposit of \$25.~~

~~(4) Commercial/industrial property owners and renters: Commercial or Industrial applicants in whose name service is provided who have never received Monrovia's utility service shall make a deposit in an amount equal to twice the average billing for the last 12 months the service was active. In the case of new development, the Director of Public Works shall determine the security deposit based upon an estimate of water usage and the applicant's credit worthiness. The minimum deposit required under this division is \$25, and the maximum is \$500.~~

~~(B) Security deposit release.~~

~~(1) Utility user request: Security deposits required under division (A) of this section may be released by the city upon request by the utility user, provided that the user has not been delinquent in the payment of utility service charges for at least one year prior to the date of request. No interest shall be paid by the city on any security deposit.~~

~~(2) Closed service accounts: Refunds of security deposits will also be made upon discontinuation of service and payment of all outstanding utility charges.~~

~~(C) Unpaid accounts. Security deposits prescribed in this chapter may be applied to unpaid bills for utility service when such service has been discontinued and all outstanding charges have not been paid.~~

~~(D) Owner's guarantee. If the utility customer is a renter of residential or commercial property, prior to the establishment or re-establishment of utility service, the property owner shall execute a guarantee in writing that the bills for service to the property or the occupants thereof will be paid. This division shall only apply to service established or re-established on or after May 1, 1985."~~

"13.04.170 DISCONTINUANCE OF SERVICE BY CITY.

(A) A customer's bill shall be deemed delinquent if not paid within 19 days of presentation. The City may thereafter discontinue utility service if the customer's bill remains delinquent for at least 60 days, subject to the procedures set forth the City's Administrative Policy on Discontinuation of Water Service for Non-Payment, as adopted by the City Council, and applicable provisions of state law. ~~upon ten days written notice to the utility user, which period shall not commence until five days after mailing of such notice. Twenty-four hours prior to termination of service, the city shall attempt to notify the utility user by telephone or personal contact of the termination of service. If it is not possible to contact the utility user, notice shall be posted in a conspicuous place at the premises where service is provided not earlier than 48 hours prior to termination of service. After such notice utility service may be discontinued for any of the following reasons:~~

(B) At least ten (10) calendar days before discontinuing service, the City shall contact the customer by phone or mail. If it is not possible to contact the utility user by phone or mail is returned undeliverable within the required noticing period, a secondary notice shall be posted in a conspicuous place at the premises where service is provided. After such notice is provided, water service may be discontinued for any of the following reasons:

~~(1) Failure of the user to pay any delinquent bill for utility service within 15 days after the bill becomes delinquent, unless there is a bona fide dispute concerning the bill or any portion of the bill which relates to that service or unless circumstances exist outlined in Cal. Public Utilities Code § 10010(b);~~

~~(12) Failure to comply with the provisions of this chapter or any rules or regulations promulgated by the Director of Administrative Services, except those rules or regulations relating to non-payment of a bill;~~

~~(23) Refusal to allow authorized city personnel reasonable access to the premises for inspection or any other purpose related to maintenance or repair of such utility service.~~

(CB) City may discontinue water service without notice for any of the following reasons:

(1) If an unsafe or hazardous condition exists on the user's premises or if any apparatus, appliance, or equipment on the user's premises creates an immediate health or safety threat to the public or any person. Upon termination, the City shall notify the user of the reason for the discontinuance and the necessary corrective action to be taken by the user before service will be restored;

(2) If a water service is used without authorization and approval by City.

~~(C) A customer's water service may be discontinued if a bill for water service furnished at a previous address has not been paid within the time specified in division (A) of this section. If a customer receives water service at more than one location and a bill for service at any one location is not paid within the time specified in division (A) of this section, water service at all locations may be discontinued. In the event of discontinuance pursuant to this division, notice shall be given to the utility user in the manner provided in division (A) of this section.~~

(D) When a customer pays a bill after the time specified in division (A) of this section has expired, a \$5 late payment charge, as set forth by resolution of the City Council, shall be added to the bill which shall be due and payable at the time of payment."

SECTION 2. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remainder of this ordinance. The City Council hereby declares that it would have adopted this ordinance, and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections,

subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 3. The City Clerk shall certify to the adoption of this ordinance and cause the same to be published in the manner required by law within fifteen (15) days after its passage, and this ordinance shall become effective thirty (30) days after its passage.

INTRODUCED this 17th day of December, 2019

PASSED, APPROVED, AND ADOPTED this 7th day of January, 2020.

Tom Adams, Mayor
City of Monrovia

ATTEST:

APPROVED AS TO FORM:

Alice D. Atkins, MMC, City Clerk
City of Monrovia

Craig A. Steele, City Attorney
City of Monrovia