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- To limit the reconnection fee imposed on low income customers;
- Waive interests for low income customers once every twelve months;
- Report the number of annual disconnections of water services on its website; and
- Provide all notices in English, Chinese, Spanish, Tagalog, Vietnamese, Korean, and any other language spoken by at least ten percent (10%) of the people residing in the service area; and

WHEREAS, the City and Utility Authority provides water services to more than 200 service connections and accordingly, must comply with Senate Bill 998 requirements by February 1, 2020; and

WHEREAS, the City and Utility Authority desires to comply with all of the requirements of Senate Bill 998 by revising the City's and Utility Authority's the rules and regulations established by Resolution No 5074.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIALTO DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and incorporated herein by this reference.

Section 2. Resolution No 5074 is hereby repealed.

Section 3. The City Council hereby approves and adopts the regulations set forth in "Exhibit A," governing the water enterprise of the City of Rialto in accordance with the provisions of and under the authority of Title 12, Chapter 12.04 of the Rialto Municipal Code, and the general laws of the State of California.

Section 4. This Resolution supersedes any prior resolution relating to the rules and regulations for the City's and Utility Authority's water enterprise.

Section 5: The City Clerk and Utility Authority Board Secretary shall certify to the adoption of this resolution, which shall take effect upon adoption.

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PASSED APPROVED AND ADOPTED this ____ day of _____, 2020.

Deborah Robertson, Mayor

ATTEST:

BARBARA McGEE, City Clerk

APPROVED AS TO FORM:

FRED GALANTE, City Attorney

1 **Exhibit A**

2
3 **POLICY FOR WATER SERVICE ENTERPRISE**
4

5
6 **I. Application of Policy and Telephone Number.**

7 This policy shall apply to all water service accounts (hereinafter "Policy"). Further assistance
8 concerning the payment of water bills and the potential establishment of the alternative payments set
9 forth in this policy to avoid discontinuation of service can be obtained by calling 909-820-2546 during
10 normal business hours.
11

12 **II. General Revenues.**

13 A. General revenues collected through service charges, connection charges, and penalties
14 and interest thereon, shall be placed in the water fund, and shall be used for the
15 acquisition, construction, reconstruction, maintenance and operation of water or water
16 works facilities, to repay principal and interest on bonds issued for the construction or
17 reconstruction of such water facilities, to repay federal, state or other loans or advances
18 made for the construction of such water facilities; provided, however, that such
19 revenues shall not be used for the acquisition or construction of new local street mains
20 or laterals as distinguished from transmission and distribution water lines.

21 B. Enforcement of these rules and regulations pertaining to the operation, expansion,
22 improvement, repair and safeguarding of the water system is the responsibility of the
23 City Manager or his/her designee. Any discretionary determinations required to be
24 made in accordance with these rules and regulations and not specifically delegated to
25 another City official herein shall be the responsibility of, and such responsibility is
26 hereby delegated to, the City Manager or his/her designee, to be exercised in
27 accordance with the purposes and intentions of this Policy.
28

- 1 C. Matters pertaining to finance, including customer deposits, billings and collection of
2 charges and delinquent accounts are the responsibility of the Chief Financial
3 Officer/Finance Director of the City. The Chief Financial Officer/Finance Director may
4 implement such other administrative financial and collection practices as she may deem
5 advisable in order to comply with, and otherwise provided the same are consistent with,
6 the intentions and purposes of the financial rules and regulations set forth herein.
7

8 **III. Rates and Charges of the Water Enterprise.**

- 9 A. Applicants for water service shall pay an account opening fee and a deposit in an
10 amount corresponding to the size of the water meter for new developments and two
11 times the past occupant's monthly average of past 12 months for existing properties,
12 both as set forth in the Schedule of Fees, prior to the establishment of service for each
13 address or location of a water meter if there is more than one meter at any address. The
14 Chief Financial Officer/Finance Director, or his/her designee, may waive any
15 requirement for the payment of a deposit if the applicant is able to show that the
16 applicant has a satisfactory payment history within the City of Rialto. A
17 customer/applicant who has had continuing water service in the City for a period of no
18 less than two (2) years, and who has not been disconnected for late payment, shall be
19 presumed to have a satisfactory payment history with the City and may not be required
20 to make a water service deposit on his or her account. For residential accounts where a
21 deposit has been received by the City, such deposit shall be credited to the customer of
22 record on the subsequent utility billings following a period of two (2) years when the
23 customer has not been disconnected for non-payment of water charges during that
24 period. Any water billing indebtedness of a customer owed to the City from a different
25 address must be paid in full prior to approval of a water service application for that
26 customer. Water service deposits are not transferable to other dwellings, properties or
27 persons.
28

1 B. Minimum monthly service charges, monthly consumption quantity charges, special
2 charges and meter rates. All minimum monthly service charges, monthly consumption
3 quantity charges, special charges as specified in this section, and meter rates, are hereby
4 adopted and shall be charged as further set forth in the Schedule of Fees.

5
6 Special Charges and Related Regulations.

- 7 a. Fire Protection Rates. Private fire lines used exclusively for fire
8 protection, whether said lines be connected with automatic sprinkling
9 systems or hose attachments (other than fire hydrants), fire hydrant
10 water, rental of meters for fire hydrants and deposits for rental of meters,
11 shall be charged as set forth in the Schedule of Fees.
- 12 b. Fire Hydrant Meter Regulations. The return of a deposit for a fire
13 hydrant meter is subject to the payment for water used at the applicable
14 rate and the return of the meter is satisfactory condition. A reduction
15 from such deposit shall be made to cover the cost of any necessary
16 repairs to, or replacement of, any damaged meter or for any other fees
17 and charges due at the time of return of the meter.
- 18 c. Meter and Meter Installation Rates. Rates for meters, meter installation
19 and connection charges and Development Impact Fees shall be imposed
20 as set forth in the Schedule of Fees.
- 21 d. Meter Regulations. Additionally, the following regulations shall apply to
22 meters installed within the City:
- 23 i. All new dwellings and all new industrial, business or
24 professional buildings shall be supplied with a 3/4-inch water
25 meter or larger.
- 26 ii. All fire service connections shall be equipped with at least a
27 single detector check meter assembly. This assembly shall be
28

1 installed, annually tested, and repaired or replaced as appropriate
2 by the customer.

3 iii. The connection charges and/or Development Impact Fees shall
4 be paid to the City in advance by the applicant for each
5 connection at the rate set forth in the Schedule of Fees.

6 iv. One service call will be made for each connection during each
7 billing cycle at no charge. Any additional service calls during the
8 same billing cycle shall be charged as set forth in the Schedule of
9 Fees, unless the City determines, in its sole discretion, that the
10 service call was necessitated by improperly functioning City
11 equipment.
12

13 **IV. Collection of Water Charges.**

14 A. Water bills are due and payable upon their deposit in the United States mail by the City,
15 which date shall be considered the billing date, and are delinquent twenty-five (25)
16 days after the billing date. Water bills are subject to discontinuation of service if not
17 paid within sixty (60) days from the date of delinquency.

18 B. If an account is delinquent for non-payment of a bill, applicable delinquent charges as
19 set forth from time to time shall be added to the next billing cycle.

20 C. If payment for a bill rendered is not made on or before the twenty-fifth (25th) day
21 following the delinquency, a notice of disconnection will be mailed to the water service
22 customer at least ten (10) business days prior to disconnection. The notice of overdue
23 payment shall contain the following:

- 24 1. Customer's name and address;
- 25 2. Amount of delinquency;
- 26 3. Date by which payment or arrangement for payment must be made in order to
27 avoid discontinuation of service;
- 28

4. Description of the process to apply for an extension of time to pay the amount owing;
 5. Description of the procedure to petition for review and appeal of the bill; and
 6. Description of the procedure by which the customer may request a deferred, amortized, reduced or alternative payment schedule.
- D. If payment for a bill rendered is not made on or before five (5) days prior to disconnection, a disconnection notice will be provided to the water service customer.
- E. If the City is not able to contact the customer by written notice (e.g., a mailed notice is returned as undeliverable), the City will make a good faith effort to visit the residence and leave, or make other arrangements to place in a conspicuous location, a notice of imminent discontinuation of service for non-payment, and a copy of this Policy.
- F. If an account remains delinquent after the disconnection date on the disconnection notice, and a notice has been provided as required, services will be disconnected. Customer will receive a courtesy door tag informing them of the disconnection and information on how to restore residential service.
- G. Collection procedures and/or legal action as permitted by law, may be instituted to recover any amount outstanding after the deposit has been applied to the bill.

V. Penalties

- A. All amounts considered delinquent shall accrue penalties as set forth from time to time by Resolution, or in the Schedule of Fees until paid in full.
- B. Any person tampering with or damaging a meter or other portion of the water system shall be responsible for all costs of restoration of the system and may be billed accordingly.
- C. Any person, firm, business or corporation needing water from an active service connection without having first applied for service will be responsible for all charges accrued since the previous close out meter reading at the service meter, plus any additional charges.

1 **VI. Conditions Prohibiting Discontinuation of Water Service.**

2 The City shall not discontinue residential water service if all of the following conditions are
3 met:

- 4 A. Health Conditions. The customer or tenant of the customer submits certification of a
5 “Primary Care Provider,” as defined in Welfare and Institutions Code Section
6 14088(b)(1)(A), that discontinuation of water service would (i) be life threatening, or
7 (ii) pose a serious threat to the health and safety of a person residing at the property.
- 8 B. Financial Inability. The customer demonstrates he or she is financially unable to pay for
9 water service within the City’s billing cycle. The customer is deemed “financially
10 unable to pay” if any member of the customer’s household is: (i) a current recipient of
11 the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State
12 Supplementary Payment Program or California Special Supplemental Nutrition
13 Program for Women, Infants and Children; or (ii) the customer declares the
14 household’s annual income is less than 200% of the federal poverty level.
- 15 C. Alternative Payment Schedules. The customer enters into a written amortization,
16 alternative payment schedule, partial or full reduction of unpaid balance, or temporary
17 deferral of payment, consistent with the provisions of Section VII below and makes
18 payments as required by that agreement, schedule, or plan, as applicable.

19
20 **VII. Determination of Conditions Prohibiting Discontinuation of Service.**

21 The burden of proving compliance with the conditions described in Section VI is on the
22 customer. In order to allow the City sufficient time to process any request for assistance by a
23 customer, the customer is encouraged to provide the City with the necessary documentation
24 demonstrating the medical issues under Section VI(A), financial inability under Section VI(B) and
25 willingness to enter into any alternative payment arrangement under Section VI(C) as far in advance of
26 any proposed date for discontinuation of service as possible. Upon receipt of such documentation, the
27 City, shall review that documentation and respond to the customer within seven (7) calendar days to
28 either request additional information, including information relating to the feasibility of the available

1 alternative arrangements, or to notify the customer of the alternative payment arrangement, and terms
2 thereof, in which the City will allow the customer to participate. If the City has requested additional
3 information, the customer shall provide that requested information within five (5) calendar days of
4 receipt of the City's request. Within five (5) calendar days of its receipt of that additional information,
5 the City shall either notify the customer in writing that the customer does not meet the conditions
6 under Section VI, or notify the customer in writing of the alternative payment arrangement, and terms
7 thereof, in which the City will allow the customer to participate.

8 9 **VIII. Alternative Payment Schedules.**

10 The City shall offer customers one or more of the following alternative payment arrangements,
11 to be selected by the City in its sole discretion: (i) amortization of the unpaid balance under
12 Subdivision (A); (ii) alternative payment schedule under Subdivision (B); (iii) partial or full reduction
13 of unpaid balance under Subdivision (C); or (iv) temporary deferral of payment under Subdivision (D).
14 The City, shall, in the exercise of its sole discretion, select the most appropriate alternative payment
15 arrangement after reviewing the information and documentation provided by the customer and taking
16 into consideration the customer's financial situation and City's payment needs. A customer is limited
17 to one (1) alternative payment arrangement at a time, two (2) times per calendar year. If a customer
18 meets the conditions set forth in Section VI, the customer may enter into one (1) alternative payment
19 arrangement at a time, as many times as necessary per calendar year. The selected alternative payment
20 arrangement shall be set forth in writing and be provided to the customer.

21 A. Amortization. If the City has selected this alternative, the customer shall enter into a
22 written amortization plan on the following terms:

- 23 1. Term. The customer shall pay the unpaid balance over a period not to exceed
24 twelve (12) months, as determined by the City provided, however, that the City,
25 in its reasonable discretion, may apply an amortization term of shorter or longer
26 than twelve (12) months to avoid undue hardship on the customer and the City.
27 The unpaid balance, together with any applicable administrative fee and any
28 interest to be applied, shall be divided by the number of months in the

1 amortization period and that amount shall be added each month to the
2 customer's ongoing monthly bills for water service.

- 3 2. Compliance with Plan: The customer must comply with the amortization plan
4 and remain current as charges accrue in each subsequent billing period. The
5 customer may not request further amortization of any subsequent unpaid
6 charges while paying delinquent charges pursuant to an amortization plan.
7 Where the customer fails to comply with the terms of the amortization plan for
8 sixty (60) calendar days or more, or fails to pay the customer's current service
9 charges for sixty (60) calendar days or more, the City may discontinue water
10 service to the customer's property at least five (5) business days after posting at
11 the customer's residence a final notice of its intent to discontinue service.

- 12 B. Alternative Payment Schedule: If customer has met the both A & B requirements under
13 Section VI, Condition of Prohibiting Disconnection, and the City has selected this
14 alternative, the customer shall enter into an alternative payment schedule for the unpaid
15 balance in accordance with the following:

- 16 1. Repayment Period: The customer shall pay the unpaid balance over a period
17 not to exceed twelve (12) months, as solely determined by the City; provided,
18 however, that the City, in its reasonable discretion, may extend the repayment
19 period for longer than twelve (12) months to avoid undue hardship on the
20 customer.
- 21 2. Schedule: The City shall develop an alternative payment schedule for the
22 customer. That alternative schedule may provide for periodic lump sum
23 payments that do not coincide with the established payment date, may provide
24 for payments to be made more frequently than monthly, or may provide that
25 payments be made less frequently than monthly, provided that in all cases the
26 unpaid balance and administrative fee shall be paid in full over the period
27 establishing under Subdivision (1), above.

1 3. Compliance with Plan: The customer must comply with the agreed upon
2 payment schedule and remain current as charges accrue in each subsequent
3 billing period. The customer may not request a payment schedule for any
4 subsequent unpaid charges while paying delinquent charges pursuant to a
5 previously agreed upon schedule. Where the customer fails to comply with the
6 terms of the agreed upon schedule for sixty (60) calendar days or more, or fails
7 to pay the customer's current service charges for sixty (60) calendar days or
8 more, the City may discontinue water service to the customer's property at least
9 five (5) business days after posting at the customer's residence a final notice of
10 its intent to discontinue service.

11 C. Reduction of Unpaid Balance: If the customer has met the both A & B requirements
12 under section VI, Condition of Prohibiting Disconnection, and City has selected this
13 alternative, the customer shall receive a reduction of the unpaid balance owed by the
14 customer, not to exceed thirty percent (30%) of that balance without approval of and
15 action by the City Council; provided that any such reduction shall be funded from a
16 source that does not result in additional charges being imposed on other customers.
17 The proportion of any reduction shall be determined by the customer's financial need,
18 the City's financial condition and needs and the availability of funds to offset the
19 reduction of the customer's unpaid balance.

20 1. Repayment Period: The customer shall pay the reduced balance by the due date
21 determined by the City (the "Reduced Payment Date").

22 2. Compliance with Reduced Payment Date: The customer must pay the reduced
23 balance on or before the Reduced Payment Date, and must remain current in
24 paying in full any charges that accrue in each subsequent billing period. If the
25 customer fails to pay the reduced payment amount within sixty (60) calendar
26 days after the Reduced Payment Date, or fails to pay the customer's current
27 service charges for sixty (60) calendar days or more, the City may discontinue
28 water service to the customer's property at least five (5) business days after

posting at the customer's residence a final notice of its intent to discontinue service.

D. Temporary Deferral of Payment: If the City has selected this alternative, a customer shall have payment of the unpaid balance temporarily deferred for a period of up to six (6) months after the payment is due. The City shall determine, in its discretion, how long of a deferral shall be provided to the customer.

1. Repayment Period: The customer shall pay the unpaid balance by the deferral date (the "Deferred Payment Date") determined by the City. The Deferral Payment Date shall be within six (6) months from the date the unpaid balance became delinquent; provided, however, that the City, in its sole discretion, may establish a Deferred Payment Date beyond that six (6) month period to avoid undue hardship on the customer and City.

2. Compliance with Reduced Payment Date: The customer must pay the reduced balance on or before the Deferred 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 unpaid payment amount within sixty (60) calendar days after the Deferred Payment Date, or fails to pay the customer's current service charges for sixty (60) calendar days or more, the City may discontinue water service to the customer's property at least five (5) business days after posting at the customer's residence a final notice of its intent to discontinue service.

IX. Landlord-Tenant Scenario.

The below procedures apply to individually metered detached single-family dwellings, multi-unit residential structures and mobile home parks where the property owner or manager is the customer of record and is responsible for payment of the water bill.

A. Required Notice.

1. At least ten (10) calendar days prior if the property is a multi-unit residential structure, mobile home park, or a detached single-family dwelling, 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 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, without having to pay any of the then delinquent amounts.

B. Tenants/Occupants Becoming Customers.

1. 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.
2. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the City's satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the City's requirements, then the City may make service available only to those tenants/occupants who have met the requirements.

X. Appeal.

A customer shall be limited to two (2) unsuccessful appeals in any twelve (12) month calendar period and if that limit has been reached, the City is not required to consider any subsequent appeals commenced by or on behalf of that customer. For so long as the customer's appeal and any resulting investigation is pending, the City cannot discontinue water service to the customer.

- A. Initial Appeal. On or before the bill's due date, the customer has a right to initiate an appeal of any bill or charge. Such request must be made in writing and be delivered to the City's office. The request must include documentation supporting the appeal or the reason for the appeal.

1 Consideration of Appeal. Upon receipt of a request for an appeal, a review of the matter
2 will be conducted, and the customer will be advised of the result in either electronic
3 communication, verbal or in writing.

4 Meter Testing. In the event that the accuracy of a reading of water meter is disputed by
5 the customer, the City will test the meter in a manner approved by the American Water
6 Works Association or comparable standard after a deposit as outlined in the Schedule
7 of Fees is made by the customer. If the meter test is outside of acceptable standard set
8 by American Water Works Association or other comparable standard the deposit will
9 be returned and the bills reduced by the amount that the meter was inaccurate. If the
10 meter test is within acceptable standard set by American Water Works Association or
11 other comparable standard, then the deposit shall be placed in the water fund and the
12 disputed bills shall remain due and payable. Meter tests will be performed by
13 appointment as permitted by staff work schedule.

14 1. Incorrect Water Charges. If water charges in question are determined to be
15 incorrect, the Rialto Water Services will provide a corrected invoice and
16 payment of the revised charges and will be due within ten (10) calendar days of
17 the invoice date for revised charges. If the revised charges remain unpaid for
18 more than sixty (60) calendar days after the corrected invoice is provided, water
19 service will be disconnected; provided that the City shall provide the customer
20 with any required notices. Water service will only be restored upon full
21 payment of all outstanding water charges, penalties, and any and all applicable
22 reconnection charges.

23 2. Correct Water Charges. If the water charges in question are determined to be
24 correct, the water charges are due and payable within two (2) business days
25 after the decision is rendered. At the time the decision is rendered, the customer
26 will be advised of the right to further appeal to the City. Any such appeal must
27 be filed in writing within five (5) business days after the decision is rendered.
28

3. Failure to Further Appeal. If the customer does not timely appeal to the City, and the water charges in question remain unpaid after five (5) business days after the decision is rendered, the City shall disconnect water services after the expiration of the original sixty (60) days set forth in the notice of overdue payment.
4. Overcharges. Any overcharges will be reflected as a credit on the next regular bill to the customer, or refunded directly to the Customer, at the sole discretion of the City.
5. Adjustments. Adjustments to customer accounts will not be recalculated beyond one (1) year.

B. Appeal to City. An appeal to the City must be made five (5) business days of receipt of the decision. Such request must be made in writing and be delivered to the City's office. The request must include documentation supporting the appeal or the reason for the appeal.

1. Incorrect Water Charges. If water charges in question are determined to be incorrect, the City will provide a corrected invoice and payment of the revised charges and will be due within ten (10) calendar days of the invoice date for revised charges. If the revised charges remain unpaid for more than sixty (60) calendar days after the corrected invoice is provided, water service will be disconnected; provided that the City shall provide the customer with any required notices. Water service will only be restored upon full payment of all outstanding water charges, penalties, and any and all applicable reconnection charges. The City's decision shall be final and binding.
2. Correct Water Charges. If the water charges in question are determined to be correct, the water charges are due and payable within two (2) business days after the City's decision is rendered. In the event the charges are not paid in full within two (2) business days after the City's decision is rendered, the City shall disconnect water services after the expiration of the original sixty (60) days set

1 forth in the notice of overdue payment, provided the City provided the customer
2 with any required notices.

- 3 3. Overcharges. Any overcharges will be reflected as a credit on the next regular
4 bill to the customer, or refunded directly to the Customer, at the sole discretion
5 of the City.

6
7 **XI. Restoration of Service.**

8 In order to resume water service that has been discontinued due to non-payment, the customer must
9 pay all delinquent charges, including any applicable penalties, security deposit, and a reconnection fee
10 established by the City. Any reconnection fees during the City's normal operating hours cannot exceed
11 \$50, and reconnection fees during non-operating hours cannot exceed \$150 for customers who
12 demonstrate (i) they that their household income is below 200% of the federal poverty level; or (ii) if
13 any member of the customer's household is a current recipient of the following benefits: CalWORKS,
14 CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or California
15 Special Supplemental Nutrition Program for Women, Infants and Children. Those reconnection fees
16 cannot exceed the actual cost of reconnection if that cost is less than the statutory caps. Those caps
17 may be adjusted annually for changes in the Consumer Price Index (CPI) –for the Riverside - San
18 Bernardino - Ontario area beginning January 1, 2021.

19
20 **XII. Meter Upgrading.**

21 Any person, business, or corporation (other than a single-family residences) whose service flow
22 exceeds the maximum continuous operating flow as recommended by the American Water Works
23 Association Standard, shall be required to upgrade the service to a size adequate to meet the demands
24 put upon the service. All costs for upgrading the service and the appropriate development fees shall be
25 borne by the customer.

26
27 **XIII. New Housing Tracts.**

1 In addition to the rates set forth herein, new housing tracts will be charged a flat rate fee for each lot
2 for construction water, as specified in the Schedule of Fees. This charge shall be paid in advance in
3 conjunction with the grading permit issuance and cover all water used as follows:

- 4 A. Meter services - a jumper shall be installed (in place of a water meter) at the beginning
5 of house construction for a maximum period of time of 120 days or until the lot
6 landscaping begins or house is finished, whichever occurs first. At that time, the water
7 meter shall be installed and be subject to all charges set forth in this Resolution and in
8 the Schedule of Fees.

9 ///