

MEMORANDUM

Date: April 3, 2020
To: Finance Committee
From: Tom Hennig, Director of Administration
Subject: Suspension of Water Meter Lockoffs

RECOMMENDED ACTION

Provide background on the suspension of water utility shutoffs during the COVID-19 crisis and authorize staff to enter into Pay Agreements with customers that are having difficulty with paying their monthly statement charges due to the current crisis.

BACKGROUND

There are nearly 2,750 water meters within the District. On April 2, 2020, the California Governor issued a moratorium on water utility shutoffs due to nonpayment via Executive Order N-42-20. This order included a requirement to unlock the water for occupied homes with the water currently shutoff.

DISCUSSION

District Code, Chapter 14, addresses Water-related codes. Section 13.07 Disconnection, outlines the steps involved in shutting off a water meter when payment becomes delinquent. When an account becomes more than 45-days delinquent, the District office issues a ten-day letter. This letter outlines the District Code and informs the customer of their rights and the planned action to be taken by the District when the bill is not paid. If the account continues to remain delinquent, the customer is sent a three-day warning of the plans to shut off their water, If the bill is not paid by 11:00 a.m. on the third day, Utility Staff are issued work orders to place a lock on the water meter. When the customer elects to turn the water back on, they are required to pay the entire amount due plus a reconnection fee of seventy-five (\$75.00) dollars. These payments often exceed six-hundred (\$600) dollars.

As of today, there are no occupied homes within the District that have the water locked-off. Going forward, District staff are prepared to begin entering into pay agreements with customers who request payment deferrals as a result of the crisis. Without any experience, we are estimating these payment agreements could be active for up to six-months for customers who are devastated by the virus or by the economics of losing their jobs. We will provide monthly pay agreement status reports to the Finance Committee.

SUMMARY

Based on the discussion and possible direction from the Finance Committee, staff is prepared to begin offering pay agreements to the customers who request a deferral in paying their utility bill.