

ORDINANCE 674-AC

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEEDLES DELETING CHAPTER 22 WATER OF THE NEEDLES MUNICIPAL CODE AND RESCINDING ORDINANCE 628-AC AND ADDING A NEW CHAPTER 22 ENTITLED WATER SERVICES, REGARDING THE TERMS AND CONDITIONS FOR THE SALE OF WATER SERVICES

SECTION 1. CEQA. The City Council finds that the actions contemplated by this Ordinance are exempt from the California Environmental Quality Act ("CEQA") pursuant to 15061(b)(3), CEQA review is not required because there is no possibility that this Ordinance may have a significant effect upon the environment and the proposed text amendments constitute a minor alteration in a land use limitation under CEQA Guidelines Section 15305.

SECTION 2. Severability. The City Council hereby declares that if any provision, section, paragraph, sentence, or word of this Ordinance is rendered or declared to be invalid or unconstitutional by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, such invalidity shall not affect the other provisions, sections, paragraphs, sentences, or words of this Ordinance, and to this end the provisions of this Ordinance are severable. The City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance enforced.

SECTION 3. Prosecution of Prior Ordinances. Neither the adoption of this Ordinance nor the repeal of any other ordinance of this District shall in any manner affect the prosecution of any violation of any District ordinance or provision of the District ordinances, committed prior to the effective date hereof, nor be construed as a waiver of any penalty or the penal provisions applicable to any violation thereof.

SECTION 4. The City Council hereby deletes Chapter 22 WATER of the Needles Municipal Code and rescinds Ordinance 628-AC, adding a new Chapter 22 entitled WATER SERVICES, regarding Terms And Conditions for the sale of Water Services.

SECTION 5. Effective Date and Publication. The Mayor shall sign and the City Clerk shall certify to the passage of this Ordinance and cause the same or a summary thereof to be published within 15 days after adoption in accordance with Government Code Section 36933. This Ordinance shall take effect 30 days after adoption in accordance with Government Code Section 36937.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NEEDLES, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS::

The following TERMS AND CONDITIONS and any changes authorized by the City Council or law will apply to the sale of water services within the City of Needles under the established rate or rates authorized by the City Council and currently applicable at time of sale.

1. GENERAL

- 1.1 Water service will be supplied in accordance with these Terms and Conditions and any changes required by the City or law, and such applicable rate or rates as may from time to time be authorized by the City. However, in the case of a Customer whose service requirements are of unusual size or characteristics, additional or special rate and contract arrangements may be required.
- 1.2 These Terms and Conditions shall be considered a part of all of the City water rate schedules, except where specifically changed by written agreement by the City.
- 1.3 In case of conflict between any provision of a rate schedule and the Terms and Conditions, the provisions of the rate schedule shall apply.
- 1.4 The failure of the City to insist upon strict performance of any of the provisions in the Terms and Conditions, or to exercise any of the rights or remedies provided in the Terms and Conditions, or any delay in the exercise of any of the rights or remedies, shall not release the Customer from any responsibilities or obligations imposed by Law or by the Terms and Conditions, and shall not be deemed a waiver of any right of the City to insist upon strict performance of the Terms and Conditions.

1.5 These Terms and Conditions have been amended to implement the requirements of SB 998 which adds Chapter 6 (commencing with Section 116900) to Part 12 of Division 104 of the Health and Safety Code, relating to water. The provisions of SB 998 to the extent in force and effect shall apply to the provision of water service by the City notwithstanding the absence of such provisions in these Terms and Conditions or anything to the contrary in these Terms and Conditions.

1.6 Definitions:

- (a) "Residential service" means water service to a residential connection that includes single-family residences, multifamily residences, mobilehomes, including, but not limited to, mobilehomes in mobilehome parks, or farmworker housing.

2. ESTABLISHMENT OF SERVICE

- 2.1 Application for Service - Customer requesting water service may be required to appear at City's place of business to produce proof of identity and sign City's standard form of application for service or a contract before service is supplied by City.
- 2.1.1 In the absence of a signed application or contract for service the supplying of water service by the City and acceptance thereof by Customer shall be deemed to constitute a service agreement by and between the City and Customer for delivery, acceptance of and payment for service, subject to City's applicable rates and rules and regulations.
 - 2.1.2 Where service is requested by two or more individuals, City shall have the right to collect the full amount owed City from any one of the applicants.
- 2.2 Service Establishment Charge - A service establishment is determined by the cost of services 0 for residential and nonresidential water service will be assessed each time City is requested to establish, reconnect or reestablish water service to Customer. Billing for the service establishment charge may be rendered as a part of the Customer's first bill.
- 2.3 Grounds For Refusal Of Service - City may refuse to establish or reestablish service if any of the following conditions exist:
- 2.3.1 Applicant has an outstanding amount due with the City and is unwilling to make payment subject to Sections 8.2, 8.3, 8.4 and 8.5.
 - 2.3.2 A condition exists which in City's judgment is unsafe or hazardous.
 - 2.3.3 Applicant has failed to make the security deposit requirements set forth by City as specified under 2.4., 2.5 or 2.6.
 - 2.3.4 Applicant is known to be in violation of City's rate schedule.
 - 2.3.5 Applicant fails to furnish to City funds required to serve Applicant and which have been specified as a condition for providing service.
 - 2.3.6 Applicant falsifies his or her identity for the purpose of obtaining service.
 - 2.3.7 Service is already being provided at the address for which Applicant is requesting service.
 - 2.3.8 Service in the name of another Customer currently living with the applicant at the same address for which service is being requested has been terminated for nonpayment and a delinquent balance is still outstanding.
 - 2.3.9 Prior Customer was terminated for any of the below reasons and continues to reside on the premises for which applicant requests service.
 - a). Failure to pay a delinquent bill for utility service.
 - b). Failure to maintain deposit requirements.
 - c). Failure to pay for a bill to correct a previous under billing.
 - d). Failure to comply with curtailment procedures imposed by the City during service shortages.

- e). Failure to provide reasonable and safe access to City's equipment and property. Breach of written contract between City and Customer.

2.3.10 Applicant has failed to obtain all required permits and/or inspections indicating that Applicant's facilities comply with local construction and safety codes.

2.4 Establishment of Residential Credit or Security Deposit

2.4.1 Residential Establishment of Credit - City may not require a security deposit from a new Applicant for residential water service if Applicant is able to meet any of the following requirements:

- 2.4.1.1 Applicant has had service of a comparable nature with City at another service location within past two (2) years and was not delinquent in payment to any utility during the last twelve (12) consecutive months, or disconnected for nonpayment, or has not had an unpaid final bill.
- 2.4.1.2 Applicant can provide a letter regarding credit or verification from a utility where service of a comparable nature was received within the last two years, and the letter states that the Applicant had a satisfactory payment history at time of service discontinuation, and such service was for at least 12 consecutive months.
- 2.4.1.3 Applicant provides a guarantor, satisfactory to the City, to secure payment of bills for the service when requested.

2.4.2 Residential Establishment of Security Deposit - When credit cannot be established as provided for in Section 2.4.1 hereof or when it is determined that Applicant left an unpaid final bill owing to another utility, Applicant may be required to place a cash deposit to secure payment of bills for service.

2.5 Establishment of Nonresidential Credit or Security Deposit

2.5.1 Nonresidential Establishment of Credit - City may not require a security deposit from a new Applicant for Nonresidential water service, if Applicant is able to meet any of the following requirements:

- 2.5.1.1 Applicant has had service for at least one year of a comparable nature with City at another service location within the past two years, and was not delinquent in payment to any utility during the last twelve (12) consecutive months, or disconnected for nonpayment, or has not had an unpaid final bill.
- 2.5.1.2 Applicant can provide a letter regarding credit or verification from a utility where service of a comparable nature was last received which states Applicant had a satisfactory payment history at time of service discontinuation, and such service was for at least 12 consecutive months.

2.5.2 Nonresidential Establishment of Security Deposit - Except as provided in §2.5.1, all nonresidential Applicants may be required to:

- 2.5.2.1 Place a cash deposit to secure the payment of bills for service as prescribed herein, or
- 2.5.2.2 Provide a noncash security deposit in the form of a Surety Bond, Irrevocable Letter of Credit or Assignment of Moneys in an amount equal to the required security deposit.

2.6 Re-establishment of Security Deposit

2.6.1 Residential - City may require a residential Customer to establish or reestablish a security deposit if Customer becomes delinquent or if the customer has been disconnected for nonpayment during the last twelve (12) months, or when Customer's financial condition may jeopardize the payment of their bill as determined by appropriate credit information.

- 2.6.2 Nonresidential - City may require a nonresidential Customer to establish or reestablish a security deposit if the Customer becomes delinquent or if the Customer has been disconnected for nonpayment during the last twelve (12) months, or when the Customer's financial condition may jeopardize the payment of their bill, as determined by a credit investigation, financial reorganization notice or bankruptcy filing.

2.7 Security Deposits

- 2.7.1 Residential security deposits must be a minimum cash deposit of one hundred and fifty dollars (\$150.00), or two times the combined estimated monthly billing for water, wastewater and solid waste collection services whichever is the greater.
- 2.7.1.1 Deposits will automatically be refunded after 12 months of service provided Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the previous twelve (12) consecutive months, unless Customer has filed bankruptcy.
- 2.7.2 Nonresidential security deposits may be either cash or noncash, as described in 2.7.2.1, and must be a minimum deposit of five hundred dollars (\$500.00), or two (2) times Customer's combined estimated monthly billing for water, wastewater and solid waste collection services.
- 2.7.2.1 Deposits and noncash deposits on file with the City will be reviewed after twenty-four (24) months of service and will be refunded or released provided Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the previous twelve (12) consecutive months, unless the Customer's financial condition warrants extension of the security deposit. Deposits not returned within the first twenty four month period, shall be reviewed annually to determine if Customer qualifies for return of the deposit
- 2.7.3 City reserves the right to increase or decrease the security deposit amount when the Customer's rate for monthly charges changes by more than ten (10) percent. Separate security deposits may be required for each location.
- 2.7.4 Customer security deposits shall not preclude City from terminating agreement for service or suspending service for any failure in the performance of Customer obligation under the agreement for service.
- 2.7.5 Cash deposits held by the City shall not earn interest. Deposits on inactive accounts may be applied to the final bill and the balance if any, will be refunded to the Customer of record within sixty (60) days.
- 2.7.6 If Customer terminates service with City, the security deposit may be credited to Customer's final bill.

- 2.8 Facility Extensions - Installations requiring the City to extend its facilities in order to establish water service will be made in accordance with City's Conditions Governing Extensions of Water Services.

3. RATES

- 3.1 Rate Information - City shall provide a copy of the rate schedule to the Customer, when requested. In addition, City shall notify Customers of any change in rate schedules affecting those Customers.
- 3.2 Rate Selection - Customer's service characteristics and service requirements determine the selection of the applicable rate schedule. City will use reasonable care in initially establishing service to the Customer under the most advantageous rate schedule applicable to the Customer. However, City cannot guarantee that the most economic applicable rate will be applied. City will not make any refunds in any instances where it is determined that Customer would have paid less for service had Customer been billed on an alternate applicable rate or provision of a rate.

4. BILLING AND COLLECTION

- 4.1 Customer Billing

- 4.1.1 Customer service installations will normally be arranged to accept only one type of standard service at one Point of Delivery to enable service measurement through one meter. If Customer requires more than one type of service, or total service cannot be measured through one meter according to City's norm practice, separate meters will be used and separate billing rendered for the service measured by each meter.
- 4.1.2 The City normally meters and bills each premise separately, however, adjacent and contiguous premises not separated by private or public property or right-of-way and operated as one integral unit under the same name and as a part of the same business, will be considered a single premise.
- 4.1.3 When regular, accurate meter readings are not available or the water usage has not been accurately measured, the City may estimate the Customer's water usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use, and general characteristics of the Customer's use and operation.
- 4.1.4 Where a meter error is discovered as a result of a meter test, the City may render an adjusted bill to the Customer for the amount of the undercharge, and shall issue a refund or credit to the Customer's account for the amount of the overcharge. Such adjusted bill shall be computed as follows:
- 4.1.4.1 **Fast Meter:** If a meter is registering more than 2% fast, the City shall refund to the homer the amount of the overcharge based on the corrected meter readings or the utility's estimate of the water usage either for the known period of the meter error or, if the period of error is not known, for the period during which the meter was in use, in either situation for a period not exceeding one year.
- 4.1.4.2 **Slow Meter:** If a meter for residential service is registering more than 25% slow, or a meter for any other class of service is registering more than 2% slow, the City may bill the Customer for the amount of the undercharge based on corrected meter readings or the City's estimate of the water usage either for the known period of meter error or, if the period of the meter error is not known, for the period the meter was in use, in either situation the billing shall not exceed three months for residential service and one year for any other class of service.
- 4.1.4.3 **Nonregistering Meter:** If a meter is found to be nonregistering, the City may bill the Customer for the amount of the underbillings based on the City's estimate of the water service used but not registered, for a period not exceeding three months.
- 4.1.5 Water service bills will be rendered in combination with wastewater bills when the premise(s) is connected to the City's wastewater treatment and collection system.
- 4.1.6 Customer's receiving a combination water/wastewater/solid waste service bill may not pay the services separately.
- 4.1.7 **BUDGET BILLING**
Every October customers except for solar customers who have been at their location for a 12-month period can enroll in the budget bill plan, which spreads out the costs of the utility bill evenly over a 12-month period, customers must be at a zero balance and not on a payment arrangement. Budget bills will settle-up every September, if the customer has used over their budget bill allotment and cannot pay their overage, they will be taken off the budget bill and put on a 12-month long-term payment arrangement, once the payment arrangement is fulfilled the customer can go back on the budget bill the next October. Budget bills will be recalculated every September to the amount the customer has used the year before the budget bill amount will either be higher or lower than the customer was paying the year before. Customers must sign a document of understanding when they enroll in the budget bill plan.
- 4.1.8 Adjustment of Bills for Billing Error

- 4.1.8.1 A billing error is an error by the City which results in incorrect billing charges to the Customer. Billing errors may include clerical errors by a City representative such as applying the wrong rate, wrong billing factor or an incorrect calculation. Billing error does not include unauthorized use, failure of the customer to notify the City of changes in operation, or failure of the Customer to take advantage of a rate or condition of service which the Customer is
- 4.1.8.2 Where the City overcharges or undercharges a Customer as the result of a billing error, the City may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, for the period of the billing error, but not to exceed three years in the case of an overcharge, and, in the case of an undercharge not to exceed three months for residential service and one year for any other class of service.

4.2 Collection Policy - It is the policy of the City to discontinue water service to Customers by reason of nonpayment of bills only after notice and a meaningful opportunity to be heard on disputed bills. Residential service may only be disconnected in accordance with Sections 8.2, 8.3, 8.4 and 8.5. The City's application for service and all bills shall contain an address and phone number where Customers may direct billing concerns.

- 4.2.1 All bills rendered by the City are due and payable no later than nineteen (19) days from the billing date. Any payment not received within this time frame shall be considered past due and delinquent.. All delinquent bills shall be subject to the provisions of the City's termination procedure. City reserves the right to suspend or terminate Customer's service for:
- a). nonpayment of delinquent service bills;
 - b). nonpayment of service establishment charges;
 - c). nonpayment of security deposits;
 - d). nonpayment of returned check charges;
 - e). nonpayment of late charges;
 - f). nonpayment of collection charges;
 - g). and/or to declare past due service bill amounts, past due service establishment charges, past due security deposits, past due returned check charges, and past due collection charges subject to a late charge at the rate of eighteen percent (18%) per annum.
- 4.2.2 If Customer has one or more utility services with City and one or more of such services are terminated for nonpayment and Customer is-unwilling to make arrangements with City for payment, City shall be entitled to transfer the balance due on the terminated service(s) to any other active utility account of Customer. The failure of the Customer to pay the active account shall result in the suspension or termination of service thereunder. However residential water service shall not be discontinued, because of nonpayment of other classes or types of water service.

4.3 Responsibility for Payment of Bills

- 4.3.1 Customer is responsible for the payment of bills for water service until service is ordered discontinued, and the City has had two (2) working days' time to process request.
- 4.3.2 Any water service charge remaining unpaid after notice and an opportunity to be heard shall be sent to collections.
- 4.3.3 When an error is found to exist in the billing rendered to the Customer, City will correct such an error to recover or refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of three years from the date the error is discovered. Any refunds to Customers resulting in adjusted billings will be made promptly upon discovery by City. Under billings by City shall be billed to Customer who may be given up to one year to pay if the under billing is less than one thousand dollars (\$1000.00), and up to year and half years to pay if under billing is more than one thousand dollars (\$1000.00), without late payment penalties. If the account is billed on a special contract, or service has been established but no bills have been rendered, Customer shall be limited to six months to pay under billings for residential accounts and three months for nonresidential accounts.

- 4.4 Returned Checks - If City is notified by the Customer's bank that the bank will not honor a check tendered by Customer for payment of any bill, City may require the Customer to make payment in cash, by money order, certified check or other means which guarantee the Customer's payment to the City.
- 4.4.1 Customer shall be charged a fee of twenty-five dollars (\$25.00) for the first instance and thirty-five dollars (\$35.00) for any instance thereafter for the first year where Customer tenders payment of a bill with a check which is not honored by Customer's bank. Only one twenty five dollar (\$25.00) fee shall be charged for each instance when a customer has a check which was dishonored for both the City wastewater and water service payment.
- 4.4.2 The tender of a dishonored check shall in no way:
- a) relieve Customer of the obligation to render payment to City under the original terms of the bill;
 - b) or, defer City's right to terminate service for nonpayment of bills.
- 4.5 To avoid discontinuation of service, Customer may make payment in full, including any necessary deposit in accordance with Section 2.5 or, may make acceptable payment Arrangements as provided in Section 8.4.
- 4.6 Payment Assistance and Counseling - The City will provide the following services to Customers unable to pay their bills.
- 4.6.1 The City will offer installment payment plans to allow Customers to amortize past due and current amounts over a reasonable period of time. Customers who default on installment payment plans may not qualify for future installment payment arrangements.
- 4.6.2 Customer making payments on an installment payment plan must keep the account current as charges for service accrue.
- 4.6.3 City will furnish Customer upon request, information on the availability of alternate sources of financial assistance.

5. SERVICE RESPONSIBILITIES OF CITY AND CUSTOMER

- 5.1 Responsibility: Use of Service or Apparatus - City and Customer assume all responsibility on their respective sides of the Point of Delivery for water service supplied and taken, as well as for any apparatus used in connection therewith. The Point of Delivery shall be where the Customer's piping connects to the City water meter equipment.
- 5.1.1 Customer and City each shall save the other harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from the water service or the use thereof on their respective sides of the Point of Delivery. City shall, however, have the right to suspend or terminate service in the event City should learn of service use by Customer under hazardous conditions or for illegal purposes.
- 5.1.2 Customer shall exercise all reasonable care to prevent loss or damage to City property installed on Customer's premise for the purpose of supplying service to Customer.
- 5.1.3 Customer shall be responsible for payment of loss or damage to City property on Customer's premises arising from neglect, carelessness or misuse, and shall reimburse City for the cost of necessary repairs or replacements.
- 5.1.4 Customer shall be responsible for payment for any equipment damage and/or estimated unmetered usage resulting from unauthorized interfering, tampering or by-passing City's meter.
- 5.1.5 Customer shall be responsible for notifying City of any failure in City's equipment.
- 5.2 Service Interruptions: Limitations on Liability of City - City shall not be liable to Customer for any damages occasioned by fluctuations, interruptions or curtailment of water service except where caused by City's willful misconduct or gross negligence. City may, without incurring any liability therefore, suspend Customer's water service for periods reasonably required to permit City to accomplish repairs to or changes in any of City's facilities.

- 5.2.1 In the event of a national emergency or local disaster resulting in disruption of normal service, City may, in the public interest, interrupt service to other Customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
- 5.3 City Access to Customer Premises - City's authorized agents shall have safe access to Customer's premises at all reasonable hours to install, inspect, read, repair or remove its meters; to install, operate or maintain other City property, and to inspect and determine the connected water use. Neglect or refusal on the part of the Customer to provide such access shall be sufficient cause for discontinuance of service by City, and assurance of access may be required before service is restored.
- 5.4 Easements - All suitable easements and right-of-way required by the City for any portion of the extension which is on premises owned, leased or otherwise controlled by Customer shall be furnished in City's name by the Customer without cost to Ci and in reasonable time to meet proposed service requirements. All easements and right-of-way obtained on of City shall contain such terms and conditions as are acceptable to the City.

6. METERING AND METERING EQUIPMENT.

- 6.1 Customer Equipment - Customer shall install and maintain all water distribution equipment beyond the Point of Delivery. Except for City's meters and special equipment, Customer's entire installation must conform to all applicable construction and health standards and safety codes, and if an inspection or permit is required by law or by City, the same must be furnished by Customer.
- 6.1.1 Customer shall provide in accordance with City's current service standards, at no expense to City, and close to the Point of Delivery, a sufficient and suitable space acceptable to City's representative for the installation of City's metering equipment.
- 6.1.2 Customer shall provide and maintain a clear and unobstructed work space that extends a minimum radius of three (3) feet from the face of the water meter enclosure, and a clear and unobstructed walkway to the meter location of a minimum width of three feet. The water meter enclosure work space shall have a level surface and a minimum clearance of 6 feet 6 inches to any overhead obstruction.
- 6.1.3 Customer shall, at his own expense, relocate meter or meters to a new and approved location whenever the existing meter or meters become inaccessible or work space cannot be maintained.
- 6.2 Service Connections
- 6.2.1 City will not install nor maintain any piping and equipment on Customer's side of the Point of Delivery.
- 6.2.2 For the mutual protection of the Customer and City, only authorized employees of City are permitted to turn on or turn off the water service from any building or premise, or to connect or disconnect the water meter between the City's water distribution system and Customer's water distribution system. Such employees carry credentials which they will show upon request.
- 6.2.3 Customer shall not tap, cut or move any City water system equipment unless written permission to do so has been granted by the City Manager or his representative.
- 6.2.4 If City finds a premise turnoff valve that is damaged or broken because of tampering or improper operation by Customer, the City may replace the valve and install a gate valve on the Customer's side of the meter. The cost of both valves and labor will be billed to the Customer.
- 6.3 Measuring Customer Service - All the water sold to the Customer will be measured by a commercially acceptable measuring device owned and maintained by the City.
- 6.3.1 The readings of City's meters will be conclusive as to the amount of water used by the Customer unless, there is evidence of meter tampering or water diversion, or unless a test reveals City's meter is in mar by more than plus or minus two percent (2%).

- 6.3.2 If there is evidence of meter tampering or water diversion, Customer will be billed for the estimated water used that would have been registered had all water usage been properly metered.
- 6.3.3 If any meter after testing is found to be more than two percent (2%) in error, either fast or slow, proper correction shall be made of previous readings and an adjusted bill shall be tendered per 4.1.4. Customer will be billed for the estimated water usage that would have been registered had the meter been operating properly.
- 6.3.4 City shall, at the request of Customer, reread Customer's meter within ten (10) working days after such request by Customer. The cost of such rereads, which is \$10, may be charged to Customer, provided the original reading was not in error.

6.4 Meter Testing

- 6.4.1 City shall test its meters regularly in accordance with a meter testing and maintenance program.
- 6.4.2 City will individually test a meter upon Customer's request. If meter is found to be within the two percent (2%) limit, City may charge customer \$25.00 for the cost of the meter test. The results of the test will be furnished to the Customer within a reasonable time after the test.
- 6.4.3 Customer shall have the right to observe any individual meter test he has requested., or to have present an expert or other representative appointed by him.

6.5 Master Metering

- 6.5.1 Resale of Water - Customer shall not resell water from the City to any person except,
 - a) where water is purchased at rates specifically applicable to resale service, or
 - b) where the charge to the tenants is absorbed in the rental for the premises or space occupied, or
 - c) where the customer is owner, lessee or operator of an multi-family housing or similar facility, and submeters and resells water to tenants at the same rates and charges that the City would charge for the service if supplied by it directly, or
 - d) qualifies for submeter resale under the criteria identified in Section 6.5.4.
- 6.5.2 Mobile Home Parks - Master metering may be allowed for new construction of residential mobile home parks, provided water service is included as part of the basic rent payment.
- 6.5.3 Residential - Apartment Complexes - Condominiums and Other Multiunit Residential Buildings - Master metering may be allowed for new construction of apartment complexes, provided water service is included as part of the basic rent payment. City shall refuse service to all new construction of condominiums, unless the condominiums are individually metered.
- 6.5.4 RV Parks, Marinas, Small Craft Harbors, and Similar Type Service - Master metering will be allowed at RV parks, marinas, small craft harbors and similar type of services. The master meter Customer may submeter individual spaces, slips or berths. An "extended stay" or permanent residential, commercial, recreational, or similar facilities shall be individually metered by the City. Existing master metered facilities shall be exempt from these requirements, except for any new facilities that are added to the RV park, marina, small craft harbor, etc. after the effective date of these Terms and Conditions. The rates and charges to the submeter user must not exceed those that would be applied if user was purchasing water directly from the City.

7. SERVICE CONNECTIONS

Customer shall install and maintain all premise water connections. The City shall maintain the interconnection of the Customer's distribution system to the water meter. Such installations shall comply with requirements of the City's Conditions Governing Extensions of Water Service.

8. TERMINATION OF SERVICE

8.1 Customer Initiated Termination - A Customer requesting termination of water service must provide the City with at least two working days' notice and a disconnect date. The Customer shall remain responsible for all service use until two working days after the disconnect notice or the requested disconnect date, whichever is later.

8.2 Termination Policies.

a) The City shall make available its policies on discontinuation of residential service for nonpayment available in English, the languages listed in Section 1632 of the California Civil Code, and any other language spoken by at least 10 percent of the people residing in the City's service area. The policies are set forth in these Terms and Conditions are intended to cover the following subjects and may be interpreted or supplemented by additional written policies established by the City Manager or his or her designee:

- (1) A plan for deferred or reduced payments.
- (2) Alternative payment schedules.
- (3) A formal mechanism for a customer to contest or appeal a bill.
- (4) A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

b) These policies shall be available on the City's Internet Web site and shall be provided to customers in writing, upon request.

8.3 Termination of Residential Service. Notwithstanding anything to the contrary, the City shall not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least sixty (60) days. Delinquency shall be measured from the due date as provided in the bill or the City's other policies. No less than seven business days before discontinuation of residential service for nonpayment, the City shall contact the customer named on the account by telephone or written notice.

a) Telephonic Contact. When the City contacts the customer named on the account by telephone pursuant to section 8.3(a), it shall offer to provide in writing to the customer the City's policy on discontinuation of residential service for nonpayment. The City shall offer to discuss options to avert discontinuation of residential service for nonpayment, including, but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal.

b) Mailed Notice. When the urban and community water system contacts the customer named on the account by written notice pursuant to section 8.3(a), the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, all of the following information in a clear and legible format:

- (1) The customer's name and address.
- (2) The amount of the delinquency.
- (3) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.
- (4) A description of the process to apply for an extension of time to pay the delinquent charges.
- (5) A description of the procedure to petition for bill review and appeal.
- (6) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with the written policies provided pursuant to subdivision (a) of Section 8.2.

c) Personal Contact. If the City is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the City shall make a good faith effort to visit the residence and leave, or make other

arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment and the City's policy for discontinuation of residential service for nonpayment.

- d) Stay Pending Appeal. If an adult at the residence appeals the water bill to the City or any other administrative or legal body to which such an appeal may be lawfully taken, the City not discontinue residential service while the appeal is pending.

8.4 Payment Alternatives.

- a) The City shall not discontinue residential service for nonpayment if all of the following conditions are met:
 - (1) The customer, or a tenant of the customer, submits to the City the certification of a primary care provider, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.
 - (2) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to Section 8.2, with respect to all delinquent charges.
- b) If the conditions listed in section 8.4(a) are met, the City shall offer the customer one or more of the following options at the discretion of City provided that repayment shall occur within 12 months year:
 - (1) Amortization of the unpaid balance.
 - (2) Participation in an alternative payment schedule.
 - (3) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
 - (4) Temporary deferral of payment.

8.5 Failure to Abide by Payment Terms. Residential service may be discontinued no sooner than 5 business days after the urban and community water system posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:

- a) The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.
- b) While undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, the customer does not pay his or her current residential service charges for 60 days or more.
- c) If the City discontinues residential service for nonpayment it shall provide the customer with information on how to restore residential service.

8.6 Special Rules Applicable to Renters.

- a) If the City furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the City shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least ten (10) days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account. The City is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the City's rules and tariffs. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the urban and community water system, or if there is a physical means legally available to the City of selectively terminating

service to those residential occupants who have not met the requirements of the City's rules and tariffs, the City shall make service available to those residential occupants who have met those requirements. If prior service for a period of time is a condition for establishing credit with the City, residence and proof of prompt payment of rent or other credit obligation acceptable to the City for that period of time is a satisfactory equivalent.

- 8.7 Restoration of Service. City shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of the City. The City shall collect a reconnection of service fee for reconnection during normal operating hours at fifty dollars (\$50), but not to exceed the actual cost of reconnection if it is less. For the reconnection of residential service during nonoperational hours, the City shall set a reconnection of service fee at one hundred fifty dollars (\$150), but not to exceed the actual cost of reconnection if it is less

9. DISPUTED BILLS AND COMPLAINTS

- 9.1 Bill Inquiries and Complaint Investigations - A Customer may request a bill inquiry or complaint investigation by contacting the City's utilities office. An investigation will be completed by the City, and the Customer will be advised of the investigation's results and any action taken. If the Customer is seeking to set up an extended payment arrangement, the City will attempt to assist by offering an amortized payment schedule, and provided the Customer has not defaulted on a previous payment agreement.
- 9.2 Unresolved Bill Inquiries and Complaint Investigation - If a Customer is not satisfied with the investigation and/or action completed by the City's utilities office, the Customer should elevate the inquiry or complaint to the next level within the City staff, in the order recommended below.
- Utility Business Manager or Supervisor
Utility Manager
City Manager
- 9.3 Appeal To The Utility Board - A Customer who is not satisfied or believes the staff investigation results are incorrect or unfair, may appeal to the Needles Board of Public Utilities. The Board will hear only appeals that have not been resolved to the Customer's satisfaction, after the City Manager has finalized his review. A form to request an appeal is available at the utilities office, and must be submitted at least two weeks prior to a regularly scheduled Board meeting to ensure placement on the agenda. The Customer is encouraged to be present at the Board hearing, or to have a representative present
- 9.4 Appeal To The City Council - A Customer who remains unsatisfied after appealing their concerns to the Needles Board of Public Utilities, may appeal to the City Council for final resolution. The City Clerk will assist the Customer with scheduling the appeal. The Customer or his representative must be present at the Council meeting for the appeal to be heard and/or acted upon.
- 9.5 Payment Of Disputed Bills - A Customer who has requested an investigation or who is appealing a determination shall not have the water service disconnected for nonpayment of the disputed bill. If the Customer is disputing multiple months of billing, payment for one of the months being disputed may be withheld pending determination, but all remaining months being disputed must be paid to avoid being disconnected for nonpayment. A customer must pay subsequent bills to a disputed bill, to avoid being disconnected for nonpayment

10. **REMOVAL OF FACILITIES** - Upon the termination of service, City may without liability for injury or damage, dismantle and remove its facilities installed for the purpose of supplying service to the Customer, and City shall be under no further obligation to serve Customer. If, however, City *has* not removed its facilities within one (1) year after termination of service, City shall thereafter give Customer thirty (30) days written notice before removing its facilities, or else waive any re-establishment charge within the next year for the same service to the same Customer at the same location. For purpose of this Section, notice to the Customer shall be deemed given at the time such notice is deposited at the U.S. Postal Service, first class mail, postage prepaid, to the Customer at his/her last known address.

11. **PROHIBITED SERVICE USES** - Customer shall not use water service for the following uses or activities. This prohibition is necessary to prevent water shortages.

No Customer shall cause or permit water furnished to any property to run or to escape from any hose, pipe, valve, faucet, sprinkler or irrigation device, onto a sidewalk, street, gutter or to otherwise escape from the property, if such running or escaping can reasonably be prevented.

- 11.2 Residential and nonresidential watering of grass, lawns, ground cover, open ground, shrubbery, crops, gardens and trees, including agricultural irrigation, in a manner or to an extent which allows substantial amounts of excess water to run off the area being watered, shall not be permitted. Minimum amount of run off which is a natural consequence of conservative watering, either by hand or mechanical sprinkler facilities, is permitted so long as such run off is not excessive.
- 11.3 All Customers shall conduct watering of landscape and lawns between 6:00 p.m. and 9:00 a.m. during the months of April through September. If a hand-held hose or drip irrigation system is used watering may be done at any time. City parks and the City golf course shall be exempt from this section, except these City facilities shall be expected to comply with these requirements, unless, because of some unforeseen necessity or for the benefit of public use watering is required. An exemption shall also be granted for discharge water from existing water-cooled air conditioners or coolers providing the discharge is to lawn or landscape areas and is not permitted to drain to streets.
- 11.4 Washing down of sidewalks, walkways, driveways, parking lots, patios, porches or other paved surfaces, shall be limited to five minutes twice a month for residential and nonresidential property shall be limited to five minutes per 500 square feet twice monthly. Flammable or other similar dangerous substances may be washed from said areas by direct hose flushing to remove immediate fire or sanitation hazards. Flammable or other similar dangerous substances shall not be washed into any wastewater collection system. In addition, public food service businesses may wash down surfaces as necessary to alleviate health, safety and sanitation hazards.
- 11.5 When not using a commercial automobile wash, the following shall apply. Automobiles shall be washed using a bucket during the washing process. A hose and nozzle which shuts off automatically when released shall be used for a quick rinse. Automobiles may not be washed on public streets.
- 11.6 No person shall permit water to leak from any facility on his or her premises; any leak shall be repaired in a timely manner.

12. BACKFLOW DEVICES

- 12.1 The City of Needles has the responsibility to protect the public water supply from contamination by implementing a cross connection control program. The City shall evaluate the potential health hazard to the public water supply which may be created as a result of conditions existing on the user's premises. The Customer shall be responsible for abatement of the cross connection(s) which exist on the Customers property, and shall install equipment according to City requirements at Customer expense.
- 12.2 The City shall establish cross connection requirements for the Customer, and shall use, but not be limited to, the following elements to determine such requirements:
 - 12.2.1 Nature of materials being handled on customer's premises.
 - 12.2.2 The probability of a back flow occurring on the premises.
 - 12.2.3 The degree of piping system complexity and potential for modification.
 - 12.2.4 Special Considerations:
 - 12.2.4.1 Premises where substances harmful to health are handled under pressure in a manner which could permit their entry into the public water system. This includes chemical or biological process waters and water from public water supplies which have deteriorated in sanitary quality.
 - 12.2.4.2 Premises having an auxiliary water supply, unless the auxiliary supply is accepted as an additional source by the City and is approved by appropriate health agencies.
 - 12.2.4.3 Premises that have internal cross connections that are not abated to the satisfaction of the City or a health agency.

- 12.2.4.4 Premises where cross connections are likely to occur, and entry is restricted so that cross connection inspections cannot be made with sufficient frequency or at sufficiently short notice to assure that cross connections do not exist.
- 12.2.4.5 Premises having a repeated history of cross connections being established or re-established.

- 12.3 Backflow preventers required by the City shall have passed laboratory and field evaluation tests performed by a recognized testing organization which has demonstrated their competency to perform such tests to the appropriate regulatory and health agencies.
- 12.4 The type of protection required to prevent backflow into the public water supply shall be commensurate with the degree of hazard that exists on the Customer's premises.
- 12.5 The Customer shall assure that adequate maintenance and periodic testing are completed, as required by the City, to ensure the backflow preventers are operating properly. The Customer shall maintain and have available to the City for inspection, upon request, records of all maintenance and testing completed for a minimum of three years.

- 13. **CURTAILMENT** - When the availability of service is restricted and a reduction of service is required to maintain the integrity of part or the total water system, the Customer will be notified by the City to reduce or terminate use of service. Such notifications may be made by mail, phone, or in-person. The City will curtail service on a proportionate basis, where possible. Customers, who refuse or do not comply with curtailment requirements, may be terminated by the City. A service re-establishment charge of \$200.00 will be assessed for a first time violation, \$500.00 for second violation, and \$1000.00 for a third violation. A Customer who violates curtailment requirements more than three times may not be allowed to reestablish service.
- 14. **SUCCESSORS AND ASSIGNS** - Agreements for service shall be binding upon and for the benefit of the successors and assigns of Customer and City, but no assignments by Customer shall be effective until Customer's assignee agrees in writing to be bound and until such assignment is accepted in writing by the City.
- 15. **WARRANTY** - There are no understandings, agreements, representations, or warranties, expressed or implied (including warranties regarding merchantability or fitness for a particular purpose), not specified herein concerning the sale and delivery of water services by the City to the Customer. These Terms and Conditions state the entire obligation of the City in connection with such services.

BE IT FURTHER ORDAINED that the aforesaid amendments and additions shall be and are hereby made to the City Code of the City of Needles, California to the extent stated only, but no further.

INTRODUCED AND READ for the first time and ordered posted at a regular meeting of the City Council of the City of Needles, California held on the 28th day of January 2025, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Janet Jernigan, Mayor

(Seal)

ATTEST: _____
Candace Clark, Interim City Clerk

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 11th day of February 2025, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Janet Jernigan, Mayor

(Seal)

ATTEST: _____
Candace Clark, Interim City Clerk

Approved as to form:

City Attorney John Pinkney