

Arrowhead Mutual Services Company
P.O Box 77
Sky Forest, CA 92385
(909) 337-4259
www.avmsc.com

Account #
Past due amount: \$
Due by:

WATER SERVICE DISCONNECTION NOTICE

This notification is to inform you that your account is past due. To avoid service interruption, the full past-due amount noted above is due by the date shown.

A \$20.00 termination notice fee has been applied to your account. If we do not receive the above amount by the due date, an additional \$80.00 turn off/turn on fee will be applied to your account and your water service will be shut off.

You may make a payment by phone at (909) 337-4259 or in person during business hours Monday-Friday from 7:30am-4:00pm or log into AVMSC's website at: www.avmsc.com to make a payment and/or review AVMSC shut off policy.

After hours (4:00pm -7:30am) or weekend calls to turn water back on will result in an additional charge of \$100.00 to your account.

Customer Services
Arrowhead Villas Mutual Service Co.

A. Introduction

This policy enumerates Arrowhead Villas Mutual Service Company's administrative actions for the collection of delinquent accounts, including notifications, fee assignments and discontinuation of service. This policy will be made available to the public on the AVMSC website. AVMSC can be contacted by telephone at (909) 337-4259 to discuss options for averting discontinuation of water service for non-payment under the terms of this policy.

Furthermore, as an urban or community water system that supplies water to more than 200 connections, AVMSC is further governed, effective by law April 1, 2020 by Senate Bill No. 998 and Health and Safety Code 116900-116926.

B. Delinquent Accounts

Delinquent accounts are hereafter identified as any account that remains unpaid (and without having made payment arrangements or established an alternative payment schedule) by close of business day 25 days after issuance of the water bill. The following rules apply to the collection of delinquent accounts:

C. Late Fees

If payment for a bill is not received by close of business on the 25th day after the bill is issued, a late fee will be assessed.

D. Waiver of Interest Charges

For customers who fall under 200 percent of the federal poverty level, AVMSC will waive the interest charges on delinquent bills once every 12 months.

E. Alternative Payment Arrangements

Any customer who is unable to pay for water service within the normal payment period may request an alternative payment arrangement to avoid late fees or disruption of service. AVMSC will consider all circumstances surrounding the request and make a determination as to whether the payment arrangement is warranted. AVMSC will choose which option(s) to apply and will set the repayment terms, which shall normally not exceed 12 months.

- Amortization of the unpaid balance.
- Participation in an alternative payment schedule.
- A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
- Temporary deferral of payment.

Payment arrangements that extend into the next billing period are considered an amortization plan. An amortization plan will amortize the unpaid balance over a period defined by AVMSC, not to exceed 12 months. The amortized payments will be combined with, and subject to the due date of the customer's regular bill. The customer must comply with the terms of 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. Failure to comply with the terms of an amortization plan or any other payment arrangement will result in the issuance of a written disconnection notice. The disconnection notice will be in the form of a door tag delivered to the premises no less

than 5 business days in advance of discontinuance of service. The notice will not entitle the customer to any investigation or review by AVMSC.

F. Customers That Cannot be Disconnected for Non-Payment

For customers that satisfy **ALL** the following, AVMSC will not disconnect water service.

- A licensed primary care provider certifies that the discontinuation of water service will pose a serious or potentially fatal threat to a resident.
- The customer has the inability to pay based on the receipt of certain public assistance by someone in the household (CalWORKs, CalFresh, general assistance, Medi-Cal, Special Supplement Nutrition Program for Women, Infants, and Children) or a declaration from the customer that the household is below 200 percent of the federal poverty level.
- The customer demonstrates inability to pay and customer is willing to enter into an alternate payment arrangement.

As such, AVMSC must offer to the customer one or more of the following options:

- Amortization of the unpaid balance.
- Participation in an alternative payment schedule.
- A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
- Temporary deferral of payment.

AVMSC can discontinue water service to the above-mentioned customer if either the following apply:

- a) The customer fails to comply with an alternative payment arrangement for delinquent charges for 60 days or more.
- b) While undertaking an alternative payment arrangement, the customer does not pay his or her current residential service charges for 60 days or more.

Water may be discontinued no sooner than 5 business days after AVMSC posts a final notice of intent to disconnect in a prominent and conspicuous location at the property. The final notice will not entitle the customer to any investigation or review by AVMSC.

G. Written Disconnection Notice

AVMSC shall not discontinue water service for non-payment until payment by the customer has been delinquent for at least 60 days or more. AVMSC will make a reasonable, good faith effort to contact the customer in writing at least 15 days before discontinuation of water service for non-payment. The written disconnection notice will be mailed to the mailing address designated on the account. If the mailing address and the address of the property to which water service is provided are different, a second notice will be delivered to the service address. The written disconnection notice will include:

- Customer's name and/or occupant and address.
- Amount that is past due.
- Date by which payment or payment arrangements are required to avoid discontinuation of service.
- Description of the process to apply for a payment arrangement.
- Description of the process to dispute or appeal a bill.
- AVMSC telephone number and a web link to AVMSC's written collection policy.

a) *Notice to Residential Tenants/Occupants in an Individually Metered Residence*

AVMSC will make a reasonable, good faith effort to inform the occupants, by means of written notice, when the water service account is in arrears and subject to disconnection at least 10 days before water service is shut off. The written notice will advise the tenant/occupant that they have the right to pay delinquent and current bills on the house account for the length of their residence at that property. For the amount due on the delinquent account to be waived, the tenant/occupant must provide verification of tenancy in the form of a rental agreement or proof of rent payments.

H. Telephone or Personal Contact; Forty-eight (48) Hour Notice of Termination

AVMSC will make a reasonable, good faith effort to notify the customer at least seven (7) business days in advance of disconnection of water service for non-payment. The means of notification will be by telephone or in person. AVMSC will offer to provide a copy of this policy and discuss options to avert discontinuation of water service. If AVMSC is unable to make contact by telephone or in person, AVMSC shall visit the residence and leave a notice of termination of service and a copy of this policy at least 48 hours prior to termination.

I. Disconnection Deadline

All delinquent water service charges and associated fees must be received by AVMSC by 4:00pm on the day specified in the written disconnection notice.

J. Disconnection of Water Service for Non-Payment

AVMSC will disconnect water service by turning off, and in some cases locking off, the meter. AVMSC will not disconnect water service due to non-payment on a Saturday, Sunday or legal holiday, or at any time during AVMSC's office is not open to the public.

K. Re-establishment of Service

In order to resume or continue service that has been disconnected for non-payment, the customer must pay the balance and any late fees in full. AVMSC will endeavor to

reconnect service as soon as practicable but, at a minimum, will restore service before the end of the next regular working day following payment of any past due amount and delinquent fees attributable to the termination of service. Water service that is turned on by any person other than AVMSC personnel, or without AVMSC authorization, may be subject to fines or additional charges or fees. Any damages that occur as a result of unauthorized restoration of service will be the responsibility of the customer.

L. Re-establishment of Service After Business Hours

Service restore after 4:00pm Monday through Friday, or on weekends or holidays, will be charged an after-hours fee of \$100.00 The after-hours fee is in addition to the past due amount. AVMSC staff responding to service calls are not permitted to collect payment but will instruct the customer to contact the billing department before noon the following business day. Services that are off and locked cannot be re-established after hours.

Sometimes water service is discontinued because the service is a new account and AVMSC has not received a request to establish service. If service is being restored after regular business hours because the customer has yet to establish service, the customer must agree to contact the billing department to establish service the next business day and the after-hours fee will be waived. If service is discontinued for any reason not identified above, the service should be restored as quickly as possible and the customer advised to contact the billing department to resolve the issue. No after-hours fee will be charged in this instance.

M. Notification of Disposition of Returned Check

Upon receipt of a returned check taken as payment of water service or other charges, AVMSC will consider the account not paid. AVMSC will send a letter notifying the customer of the returned check and any associated return check fee(s). The customer will have ten (10) days from the date of the letter to make payment restitution and/or payment arrangements.

Water service will be disconnected if the amount of the current bill, returned check and the returned check charge are not paid on or before the date specified in the regular notice of termination. All amounts paid to redeem a returned check and the returned check charge must be in cash, credit card or certified funds.

N. Returned Checks for Previously Disconnected Service

In the event a customer tenders a non-negotiable check as payment to restore water service previously disconnected for non-payment and AVMSC restores service, AVMSC may promptly disconnect service without providing further notice. No 48-hour notice of termination will be given in the case of non-negotiable check tendered for payment of water charges that were subject to discontinuance.

AVMSC may require any customer issuing a non-negotiable check as payment to restore service turned off for non-payment may be required to pay cash, credit card or certified funds to restore future service disconnections for a period of 12 months from the date of the returned payment.

O. Disputed Bills

The customer can dispute the water bill on or before the due date of their bill by submitting a completed Dispute Form to the AVMSC Office. The form will be available at the AVMSC Office and on the AVMSC website. Upon request by telephone or in person AVMSC will provide the Dispute Form for the customer to complete. The completed form must contain the date of the dispute, customer name, account number, service address, mailing address, contact telephone number, and/or email, and the reason for the dispute. The customer may also submit a letter containing all the required information. After AVMSC has received the completed form or letter, it will be date stamped and reviewed by a manager. The review will include consideration of whether the customer may receive alternative payment arrangements as stated above. The customer should expect a written response within 2 weeks. Services will not be disconnected during the dispute process. AVMSC may review untimely bill disputes, but such disputes are not subject to appeal or a delay in the disconnection process.

P. Appeal Process

A customer whose timely dispute has resulted in an adverse determination by AVMSC may appeal the determination to the Board of Directors. The customer may file the appeal by submitting an appeal form or written letter to the AVMSC Office within ten (10) business days of AVMSC's mailing of its determination. Upon receiving the appeal form or letter, AVMSC will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the meeting at least ten (10) days before the meeting. The decision of the Board shall be final. Services will not be disconnected during the appeal process.

Q. Reporting of Annual Residential Disconnections

AVMSC shall report the number of annual discontinuations of residential service for inability to pay on the AVMSC website and report it to the State Water Resources Control Board.