

CITY OF SAN BERNARDINO MUNICIPAL WATER DEPARTMENT
300 North "D" Street
San Bernardino, CA 92418

RULE AND REGULATION NO. 8
APPLICATION FOR SERVICE, CREDIT, AND DEPOSIT

A. SERVICE APPLICATION

1. Pursuant to Chapter 2.28 of the San Bernardino Municipal Code, the City of San Bernardino has approved the Rules and Regulations of the Board of Water Commissioners.
2. Each prospective customer or their authorized agent shall apply for service, establish credit as defined in Section B. Establishment and Re-establishment of Credit, and pay a deposit, if required, as stated in Section C. Deposits.
3. The Department's requirements for water service, by rate classification, must be met before an application will be approved. If the water main service connection or meter required for service has not been installed and/or paid for in full, the applicant will be informed of the terms and conditions which must be met before an application for service will be approved.
4. Pursuant to Article IX, Section 163(1) of the City Charter, and Municipal Code Sections 8.24.250 (C) and 13.32.520 (C), each applicant for service will be required to complete an application which will contain the following information as applicable:
 - Full legal name of applicant, spouse, partnership or corporation
 - Date application for service is made
 - Date customer took possession of service location
 - Service address
 - Billing address
 - Telephone number
 - Relationship to service address, i.e., owner, tenant, subtenant, property manager, etc.

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- Proof of prior residence that is acceptable to the Department
 - Information to establish credit of applicant (See Section B. Establishment and Re-establishment of Credit)
 - Such other information or documentation as the Department may reasonably require. For example, title documentation, quitclaim deed, letter of authorization, Doing Business As (D.B.A.), rental agreement, etc.
5. In the event that the customer is either a corporation or a partnership, the Department considers the customer to be the corporation or partnership as it exists at the time of application. The Department must be notified of any dissolution, merger, consolidation, reorganization, change of principals or sale of said business entity. Any of these actions shall be deemed a termination of service and the new organization must make an application for service and establish credit.
 6. The application is a request for service. It does not, in itself, require the Department to provide service to the applicant. The Department reserves the right to deny service if the application is not wholly accurate or complete. The customer of record will be responsible for all charges incurred by such service, regardless of circumstance.
 7. The application for service signifies the customer's willingness and intention to comply with all City of San Bernardino Municipal Water Department rules and regulations, which may be subject to change. A copy of our rules and regulations shall be available for public viewing at the fifth floor customer service receptionist desk.
 8. After the Department accepts the application for service, the customer assumes exclusive and total responsibility and liability for all charges incurred from either the requested service date or the actual date of possession, whichever is earlier. If two (2)

or more persons submit a joint application for service, they shall be jointly and severally liable thereunder and shall be billed by means of a single monthly bill mailed to the person they designated on the application to receive the bill.

9. All requests for water service must be made at least one (1) business day prior to start of service.
10. The customer(s) of record is responsible for the account until such time they notify the Department to discontinue service. A minimum of one (1) business day advance notice is required. Customers terminating service by telephone or in person shall be issued a unique confirmation number at the time of the request, which will assist the customer as well as the Department if there are any future questions as to final date of responsibility. Customer(s) who dispute the final date of responsibility and fail to provide the Department with the termination confirmation number will not be released from their obligation. Customer(s) will be so informed and will be requested to retain this number with their records.
11. If a former customer has an outstanding delinquent balance owed to the Department and thereafter makes application for new service, service shall not be granted until the past due balance is paid. A deposit may also be required prior to establishment of service at the new address. (See Section B. Establishment and Reestablishment of Credit)
12. Any person who seeks to submit an application for service at a location in which they have already resided but were not the customer of record shall not be granted service until all outstanding balances for service are paid in full. A deposit may also be required prior to establishment of service. (See Section B. Establishment and Re-establishment of Credit)

13. Any person(s), partnership, corporation or entity using water without making proper application for such service shall be responsible for all charges associated with the service. The amount of such charges shall be determined by the Department, based on meter reading or estimated consumption for the time the service was used. Liability for all charges is in addition to any other civil or criminal penalty authorized by law. When the Department finds that the service is being used without proper application, the Department may discontinue service without notice. Further, the Department shall not provide service until such time as all outstanding charges are satisfied and a proper application for service has been submitted and accepted.

14. In the event that a master-metered residential service, which is in the owner's name, is discontinued due to nonpayment, the tenants shall be notified of their right to become customers, upon making an acceptable application for service. The new customer of record will not be required or obligated in any way to accept responsibility for or to pay any portion of the existing balance due. The Department, however, is not required to make service available to the residents unless each resident agrees to the terms and conditions of service as described in the City of San Bernardino Municipal Water Department Rules and Regulations. Specific terms of agreement are:
 - a. All current adult tenants must be listed at the time of application, by:

15. Full name
 - Apartment or unit number
 - Acceptable identification, such as driver's license, state identification cards and social security number.
 - b. The person or persons who apply for service shall be responsible and liable for all charges for the

life of the account. In the event this account is discontinued due to delinquency non-pay, service shall not be restored until such time as all outstanding charges and fees are paid in full, which may include an additional request for deposit. No other application will be accepted from any other tenant, until such time all outstanding charges and fees are paid in full.

- c. Deposit requirements must be paid prior to service.
(See Section C. Deposit)

B. ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

1. Establishment of Credit

- a. Residential Single Family Water Service: Each applicant for service will be required to establish and maintain a satisfactory guaranty, by way of deposit, for payment of all current and future charges in connection with such service. However, the deposit may be waived where it appears to the Department that the applicant's credit, based on the Department's criteria, is sufficient to assure payment of all charges as they become due. The Department's criteria is, in order of priority: 1. Twelve (12) consecutive months of good payment history as defined herein with the Department, and 2. Creditworthiness as established by a national credit-reporting agency.

The deposit requirement will be waived if the applicant has a minimum of twelve (12) consecutive months of good payment record with the Department and the account is not closed for more than two (2) years from the date of the current application. Good payment history is defined as an account which over the most recent twelve (12) months has:

- No delinquency shut-offs

- No final disconnection (48 hour) notices
- No returned checks for non-sufficient funds
- No tampering
- No cross-connections
- No unauthorized use of service
- No bankruptcy, any chapter
- No fraud or attempted fraud

If the customer does not have either a past account with us or a past account that meets our criteria for good payment history, then the customer has the option to authorize the Department to validate their creditworthiness as determined by a credit profile from a national credit reporting agency.

- This credit report shall be at the Department's expense.
- If the deposit waiver is denied based, in part or whole, on the credit report, the applicant shall be issued a letter from the Department informing them of their rights as required by the National Fair Credit Reporting Act.

Information required for applicants to establish and maintain creditworthiness include, but is not limited to the following:

- Date of birth
- Spouse or second applicant's date of birth
- Employer's name, address, telephone number
- Spouse or second applicant's employer's name, address, telephone number
- Driver's license number and social security number
- Spouse or second applicant's driver's license and social security number
- Tax identification number

- Such other information and/or documentation as the Department may reasonably require. For example, State of California identification, valid passport, etc.

The furnishing of the social security or driver's license number is voluntary. If the social security number is not volunteered, then the customer must provide a deposit equal to three (3) months average billing. If the driver's license is not available, then the customer will be required to provide other acceptable identification, such as a State of California identification card or other documentation acceptable to the Department.

Unless the guaranty (deposit) is required, each applicant's credit shall be deemed established and thereafter maintained in good standing. However, a guaranty may be required if the account experiences any of the following over the current twelve (12) month period:

- One (1) delinquency shut-off
- Two (2) final disconnection (48 hour) notices
- Two (2) returned checks
- Any incident of tampering
- Any incident of cross-connection or other unauthorized use of service
- Bankruptcy, any chapter
- Fraud or attempted fraud
- If information is obtained which indicates that the customer's credit has become impaired, such as a pending sale of property, bankruptcy, foreclosure, etc.

- b. Non-Residential Water Service: Each applicant will be required to establish and maintain a satisfactory guaranty, by deposit, for payment of all current and future charges in connection with such service (**See Section C. Deposit**). However,

if the applicant is or has been a recent customer of the Department, (within three (3) years or less), and has established a good payment history for the most recent twenty-four (24) month period, their credit may be deemed sufficient to assure payment of any charges as they become due. The account criteria is as follows:

- Any delinquency shut-offs
- One (1) or less final disconnection (48 hour) notices
- One (1) returned check for non-sufficient funds within twenty-four (24) billing cycles.
- Any tampering
- Any cross-connections
- Any unauthorized use of service
- Any bankruptcy, any chapter
- Any fraud or attempted fraud

Unless the guaranty is required, each applicant's credit shall be deemed established and thereafter maintained in good standing. A future guaranty would be required if the account should experience any of the following:

- One (1) delinquency shut-off
- Two (2) final disconnection (48 hour) notices within the current twelve (12) billing cycles
- Two (2) returned checks for non-sufficient funds
- Any tampering
- Any cross-connection
- Any unauthorized use of service
- Bankruptcy, any chapter
- Fraud or attempted fraud
- If information is obtained which indicates that the customer's credit has become impaired.

- c. Temporary Construction Water Meter Service: Each applicant will be required to establish and

maintain a satisfactory Guaranty, by deposit for payment of all charges in connection with such service as well as the replacement cost of the meter. (**See Section C. Deposit**). The customer is responsible for the meter, its proper working order and all consumption, (metered as well as estimated), and is fully liable for any damages or loss arising out of the use of said meter.

2. Re-establishment of Credit

Any customer may be required to re-establish credit in any of the following cases:

- On the day the Department schedules field staff to shut-off water service for delinquency non-pay
- If the account is scheduled for delinquency shut off
- If the water service has been discontinued for violation of Water Department Rules & Regulations
- If the applicant's credit has not been maintained as required by this Rule
- If, for any reason, the guaranty furnished by the customer becomes inadequate pursuant to the provisions of this Rule
- If the account has two (2) or more final disconnect notices
- If the Department has ever placed a lien on any of the customer's properties
- If the customer has an outstanding balance from any previous account with the Department

C. DEPOSITS

1. Residential Single Family Accounts: If a guaranty is required by the Department to initiate service, as defined in **Section B. Establishment and Re-establishment of Credit**, the Department may require a deposit equal to three times the estimated average monthly bill inclusive of all services billed.

Deposit Refund (Residential): Any residential single family customer who has established a good payment history for the most recent twenty-four (24) month period, their credit shall be deemed sufficient to assure payment of any charges as they become due. Their existing deposit shall be returned to them or applied to their account. The good payment criteria is as follows:

- No delinquency shut-offs
- No final disconnection (48 hour) notices
- No returned checks for non-sufficient funds within twenty-four (24) billing cycles
- No tampering
- No cross-connections
- No unauthorized use of service
- No bankruptcy, any chapter
- No fraud or attempted fraud

2. Non-Residential Accounts: If a guaranty is required by the Department to initiate service, as defined in **Section B. Establishment and Re-establishment of Credit**, we will require a deposit equal to four (4) times the average monthly bill, inclusive of all services billed. If, for any reasons, the guaranty furnished by the customer becomes inadequate, the Department reserves the right to collect such additional deposit as we deem necessary to guaranty all future bills.

Deposit Refund (Non-Residential): Any non-residential customer who has established a good payment history for the most recent twenty-four (24) month period, their credit shall be deemed sufficient to assure payment of any charges as they become due. Their existing deposit shall be returned to them or applied to their account. The good payment criteria is as follows:

- No delinquency shut-offs
- No final connections (48 hour) notices
- No returned checks for non-sufficient funds within twenty-four (24) billing cycles
- No tampering

- No cross-connections
 - No unauthorized use of service
 - No bankruptcy, any chapter
 - No fraud or attempted fraud
3. Temporary Construction Meter Water Service: All applicants must pay a security deposit based upon replacement cost of said meter, by meter size. The standard 2-1/2 inch meter deposit is \$1550.00. All larger sizes shall be quoted upon demand. In addition, all construction meters may require an additional deposit equal to four (4) estimated usage.

Deposit Refund (Temporary Construction Meter Water Service): When the account is terminated and the meter returned to the Department, the deposit shall be refunded, after paying any outstanding balances owed. If the meter is lost, stolen or damaged, the customer is fully liable for all costs required to either repair and/or replace said meter. The costs for the repair and/or replacement for said meter will be deducted from the deposit.

4. No interest shall be paid on deposits collected by the Department.

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