



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
May 21, 2024

TOPIC: Ordinance Amending the Municipal Code to Comply with the State of California's Water Shutoff Protection Act

AGENDA TITLE

Introduction and First Reading of an Ordinance Amending the City of Santa Ana Municipal Code Article II (Solid Waste Collection Regulations) of Chapter 16 (Garbage, Trash and Weeds), Article XII (Sanitation Services Users Charge) of Chapter 18 (Health and Sanitation), and Article II (Water) of Chapter 39 (Water and Sewers) to Comply with the Water Shutoff Protection Act

RECOMMENDED ACTION

Introduce and approve a first reading of an ordinance to amend Chapter 16 Article II (Solid Waste Collection Regulations), Chapter 18 Article XII (Sanitation Servicer User Charge), and Chapter 39 Article II (Water and Sewers) of the Santa Ana Municipal Code.

ORDINANCE NO. NS-XXXX entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA ANA AMENDING ARTICLE II OF CHAPTER 16, ARTICLE XII OF CHAPTER 18, AND ARTICLE II OF CHAPTER 39 OF THE SANTA ANA MUNICIPAL CODE TO COMPLY WITH THE WATER SHUTOFF PROTECTION ACT

GOVERNMENT CODE §84308 APPLIES: No

DISCUSSION

The City of Santa Ana provides water service over a 27.2 square-mile service area transported through 480 miles of transmission and distribution pipelines. The City is focused on delivering the highest-quality and best-testing tap water to more than 45,000 customers, both residential and commercial. The costs associated with providing such water continually increase and it is the timely payment of water bills that help ensure the City's water supply is well-maintained and funded for future operation.

Currently, the City's Municipal Code states that water service may be discontinued if a water bill was delinquent for more than thirty (30) days after the presentation date of a water bill. In 2018, however, the State of California established the Water Shutoff Protection Act (SB 998) as a means to increase protections to residents associated with

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the disconnection of water services due to nonpayment. Additionally, during the COVID-19 pandemic, the State and City placed an emergency moratorium on water shutoffs for any reason, including nonpayment. These moratoriums, though, have expired. Furthermore, the City sought out means and strategies to aid the community during the pandemic, and still to this day, by participating in several programs to provide financial assistance to water customers including:

- California Extended Water and Wastewater Arrearage Payment Program (CWWAPP): The California State Water Resources Control Board utilized federal funds to provide relief to community water and wastewater systems for unpaid bills which covered water and wastewater debt from residential and commercial customers accrued between March 4, 2020 through December 31, 2022 (originally through June 15, 2021, but extended on July 10, 2023 by Governor Newsom).
 - To date, the City has received approximately \$1,178,025 in CWWAPP funding for 2,700 residential and commercial water utility accounts.
 - Effective December 2023, the City submitted a second application to the State Water Resources Control Board to request additional CWWAPP Extended Program funding in the amount of \$1,795,368 for approximately 3,600 residential and commercial water utility accounts. On March 19, 2024, the City was informed that its application has been approved for payment disbursement.
- California Low Income Household Water Assistance Program (LIHWAP): Established by Congress in December 2020, a federal program that provides one-time financial assistance to low-income Californians to help manage their residential water utility costs with the maximum arrearage benefit set at \$15,000 as of April 2023.
 - To date, approximately 400 Santa Ana residents have applied, qualified, and received \$507,000 in program benefits.
- Coronavirus Aid, Relief, and Economic Security Act (CARES Act): The Santa Ana CARES Utility Assistance Grant was launched in August 2020, and was designed to assist households within Santa Ana that were impacted by COVID-19. The Santa Ana CARES Utility Assistance Grant provided \$500 for qualifying Santa Ana households that required assistance towards meeting their financial obligations related to eligible past-due utility bills including water bills.
 - Through the CARES Utility Assistance Grant Program, the City issued 1,857 totaling \$928,500 in grant issuance.

Unfortunately, funding for these financial assistance programs is limited and have either expired or are set to expire soon. As a result of emergency state and local moratoriums on water shutoffs expiring, the City seeks to resume water shutoffs for nonpayment in compliance with the requirements of Senate Bill 998. The legislation stipulates that

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urban and community water systems must observe the following requirements and limitations for water shutoffs:

- Adopt a written policy on the discontinuation of water service that is compliant with the Act
- Post the water shutoff policy on the system's website
- Refrain from shutting off water service for nonpayment for at least 60 days after the billing due date and follow the specified procedures when pursuing water shutoffs. The procedures include, but are not limited to, providing notice in advance of any shutoffs for nonpayment, offering an appeals process for residents to contest a planned shutoff, and the ability to arrange for alternate payment schedules or other means of accommodating financial hardship
- Refrain from shutting off water service in certain specified conditions, such as a serious threat to life or health and safety of residents with severe financial hardship

A written policy regarding water shutoffs was already posted to the City's website on February 1, 2020 and an amended version will be posted on July 1, 2024. In addition to the policy, it is necessary to update the City's Municipal Code to be compliant with the Water Shutoff Protection Act and to permit the City to resume enforcement actions for nonpayment of water bills. The requested amendment will explicitly define the due date, clarify transfer of responsibility, and lay out the procedure for notifying delinquent residential accounts.

The Water Shutoff Protection Act does not impact water shutoffs due to circumstances other than nonpayment. Therefore, staff recommends approval of the ordinance.

FISCAL IMPACT

There is no fiscal impact associated with this action. All administrative fees and charges are collected through the City's municipal utility billing services.

EXHIBITS

1. Ordinance

Submitted By: Kathryn Downs, FMSA Executive Director

Approved By: Alvaro Nuñez, Acting City Manager