

Agenda Report

Fullerton City Council

MEETING DATE: AUGUST 19, 2025

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: KINGSLEY OKEREKE, INTERIM DIRECTOR OF

ADMINISTRATIVE SERVICES

PREPARED BY: TONETTE SMART, DEPUTY DIRECTOR OF

ADMINISTRATIVE SERVICES

JULIO ORTEGA, REVENUE OPERATIONS MANAGER

SUBJECT: RESIDENTIAL WATER SERVICE DISCONTINUATION

POLICY UPDATE PURSUANT TO SENATE BILL 998

SUMMARY

Staff requests City Council approve the updated City of Fullerton Policy regarding residential water service discontinuation pursuant to Senate Bill 998, also known as the Water Shutoff Protection Act. as amended in 2023.

PROPOSED MOTION

Adopt Resolution No. 2025-XXX.

RESOLUTION NO. 2025-XXX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, ADOPTING A RESIDENTIAL WATER SERVICE DISCONTINUATION POLICY FOR THE FULLERTON MUNICIPAL WATER UTILITY PURSUANT TO THE WATER SHUTOFF PROTECTION ACT (SENATE BILL 998) AS AMENDED IN 2023

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

None.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statements:

- Public Safety
- Infrastructure and City Assets.

FISCAL IMPACT

No significant costs associated with implementing the updated policy. The approved water utility budget would absorb any administrative costs to implement and translate the policy into the required languages.

BACKGROUND AND DISCUSSION

California Governor Newsom signed Senate Bill 998 in September 2018 to add California Health and Safety Code (HSC) Division 104, Part 12, Chapter 6 (commencing with Section 116900) relating to water, known as the Water Shutoff Protection Act (Act). The City of Fullerton Water Utility is an urban water supplier not regulated by the Public Utilities Commission and must comply with this chapter commencing February 1, 2020 regarding discontinuing service for residential water service accounts. The Act also requires water systems provide deferred payment and alternative payment schedule options to customers behind on payments to avoid a shutoff. (HSC Section 116906(a)(1) and (a)(2)). The City must make these options available to all customers with a delinquent bill may and previously required customers to provide a primary care physician certification or proof of income.

California amended the Water Shutoff Act in 2023, clarifying customers may enter alternative payment arrangements without meeting specific conditions. The amended Health and Safety Code Section 116906 now states:

- (a) A covered water system that serves 200 or more service connections shall have a written policy on discontinuation of residential service for nonpayment available in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in its service area. A covered water system that serves fewer than 200 service connections shall have a written policy on disconnection of residential service for nonpayment available in English, any language spoken by at least 10 percent of the people residing in its service area, and, upon request of a customer, any of the languages listed in Section 1632 of the Civil Code. Nothing in this section shall be construed to prevent a covered water system from making the policy available in any other language. The policy shall include all the following:
 - 1. A plan for deferred or reduced payments that is available for any customer regardless of whether they meet the conditions of subdivision (a) of Section 116910. The plan for deferred or reduced payments that is available to any customer regardless of whether they meet the conditions of subdivision (a) of

Section 116910 is not required to reduce the total amount due for water service provided.

- 2. Alternative payment schedules that are available for any customer regardless of whether they meet the conditions of subdivision (a) of Section 116910.
- 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.

The amended Water Shutoff Protection Act Section (a)(2) clarifies that customers may use an alternative payment arrangement without meeting specific conditions such as a primary care physician certification and demonstration that the customer does not have the financial means to pay the bill.

Policy Application

The City updated the Policy on Discontinuation of Residential Water Service (Attachment 2) to exclude the special conditions previously required, in compliance with the amendment.

Policy Requirements

The City must make the Policy available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean and any other language spoken by at least ten percent of the people residing in the service area.

Next Steps

Staff would post the Policy to the City website and translate the Policy into the required languages following approval of this item.

Attachments:

- Attachment 1 Draft Resolution 2025-XXX
- Attachment 2 Policy on Discontinuation of Residential Water Service (Redline)

cc: Interim City Manager Eddie Manfro