



NEWS RELEASE

FOR IMMEDIATE RELEASE:
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City Utility Billing Changes in Cal Water Service Area Require Record Owner of Property as Account Holder

STOCKTON, Calif. – Starting March 7, 2019, a new City ordinance will require utility accounts to be in the name of the record owner if the property is in the California Water Service (Cal Water) area. Existing accounts that are billed to tenants will be changed to owner-only billing by 2021. This change does not apply to accounts in the City of Stockton water service area.

“Non-water accounts in the Cal Water service area owe more than \$12 million for services already delivered,” said Chief Financial Officer Matt Paulin. “Such significant past due amounts have a negative effect on the utilities and jeopardize future operations. In the City’s water service area, water can be shut off to compel payment when an account becomes overdue or delinquent. Past due accounts in the City’s water service area are about 1 percent. In the Cal Water service area, water cannot be shut off and nearly 17 percent of the accounts are now past due. The City attempts to collect through mailed notices, phone calls, posted notices at the service address, and referral to a collection agency.”

The significant increase in delinquencies occurred in recent years due a change in billing practices initiated by Cal Water. At City Council direction, a task force was formed a year ago with the aim of improving collections. The task force includes representatives from

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the community, rental property association, realtor association, solid waste haulers, and Cal Water. The task force recommended the change to owner-only billing, because accounts billed in the name of the property owner can be subject to a lien on the property and ultimately collected through the property tax roll, if needed.

In the City's water service area, the City bills residential customers for water, sewer, stormwater, garbage and recycling on a unified bill. Commercial and industrial customers receive a bill from the City for sewer (wastewater) and stormwater, and a solid waste bill directly from the provider/hauler.

The account holder is responsible for payment. Tenants that are account holders are responsible for all charges, until the change is made to owner-only billing at their service address. Accounts currently billed to tenants that do not include City of Stockton water service will change to owner-only billing when the City:

- receives a request to start or stop service,
- the property owner requests the change, or
- makes the change from tenant to owner-only billing for the service address.

Accounts remaining in the tenant name after 18 months will be changed by the City to owner-only billing.

Property owners are not responsible for delinquent service charges and penalties billed in the name of the tenant. As owner-only accounts are established, a \$125 deposit will also be collected for each service address. Under the new ordinance, property owners can choose have bills mailed to the service address in care-of the tenant or another responsible

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party such as a property manager. However, under owner-only billing, the record owner will remain responsible for all charges.

“Going forward, the City will establish accounts in the name of the property owner,” continued CFO Paulin. “If property owners contact us directly or provide written authorization for a property manager or agent to make changes on their behalf, we can make the change upon request. Property owners with multiple properties may choose to initiate the change, so all of their accounts are coordinated for payment.”

For additional information, please contact City of Stockton Utility Billing at 209-937-8295 or visit www.stocktonca.gov/startservice.

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