

Finance Department Policies & Procedures

Utility Billing

900-04

Vacant Single-Family Residence Sewer Rate

Revised: **07/01/2014**

Purpose:

The City recovers the cost of providing sewer conveyance and treatment services via a sewer service charge. The purpose of this policy is to establish a fair and equitable means of assessing the sewer service charge on vacant single-family residential homes.

Background:

The City's sewer service charge consists of fixed charges (base charge and sewer facility replacement charges) as well as variable commodity charges based on assumed sewer flows. The fixed charge varies by meter size, while the variable charges vary by customer class. For commercial, industrial, and multi-family residential customers, the variable charge is based on actual water consumption. For single-family residential customers, the variable charge is calculated based on a two-month winter average of the previous year's water consumption (see Finance Department Policy 900-01). Rather than billing based on the prior-year's winter average consumption, it is appropriate for the City to establish a policy for billing vacant single-family residential properties that recognizes and accounts for the reduction in consumption during the term of the vacancy.

The majority of the City's sewer costs are fixed and will not vary significantly due to short-term reductions in residential sewer discharges. Moreover, when a new home or development physically connects to the City's sewer system and pays the initial sewer capacity charge, that user is effectively reserving capacity within the sewer collection/conveyance system and regional treatment facility. The fixed monthly meter charge is designed to recover fixed costs associated with this reserved capacity - those costs related to serving a customer regardless of sewer discharge. As such, if a single-family residential customer meets the definition of a "vacant home," waiving the commodity charge to reflect zero sewer discharge is a reasonable accommodation and better reflects the cost burdens that a vacant home places on the system. The fixed monthly charges will continue to be billed.

Policy:

A reduced sewer service charge (Vacancy Rate) may be requested by owners of single-family residential properties.

The Vacancy Rate shall be calculated by waiving the volumetric commodity charge; the fixed monthly service charge will continue to be billed. The Vacancy Rate shall only apply for the duration that the house remains vacant.

I. Property Owner Responsibility to Inform the City of Vacancy and Inhabitation

The City does not directly bill for water usage and is not able to monitor sewer discharges from single-family residential customers. It is therefore the responsibility of the property owner to contact City staff to request an adjustment to reflect property vacancy.

In addition, it is the property owner's responsibility to inform the City when the residence is reinhabited. If the property owner fails to inform the City when the property is re-inhabited, the property owner will be back billed for any term during which the house was inhabited but billed the Vacancy Rate. Standard delinquent payment penalties and charges shall apply, retroactive to the date the base sewer service charges would have otherwise been incurred and billed. The City reserves the right to periodically inspect properties receiving the Vacancy Rate to confirm continued eligibility (see Chula Vista Municipal Code §13.06.030).

II. Demonstration of Eligibility (Proof of Vacancy)

The following shall be considered acceptable demonstration of eligibility. This list is not exhaustive, and alternative documentation may be considered.

- 1. Provide water utility bills showing < 1 hundred cubic feet (HCF) water consumption per month for the preceding two consecutive months.
- 2. Provide a San Diego Gas & Electric (SDG&E) utility bill indicating service has been discontinued to the property.
- 3. Provide a copy of an executed San Diego Gas & Electric (SDG&E) Continuity of Service Agreement for the subject address, and an SDG&E utility bill indicating the account has been transferred from the tenant to the property owner or manager.
- 4. Provide a copy of an executed Sweetwater Authority Water District Customer Reinstatement Request for the subject address, and a Sweetwater Authority bill indicating the account has been transferred from the tenant to the property owner or manager.
- 5. Provide proof of military deployment.
- 6. Provide an approved demolition permit issued by the City of Chula Vista.

III. Term of Vacancy Rate – Annual Application Required

Vacancy Rates for vacant single-family residential properties shall be approved for a term of one year. Following the one year term, the Vacancy Rate shall expire, unless the property owner reapplies and provides current documentation demonstrating continued vacancy.

If no application is received prior to the one-year expiration date, the rate will automatically reset to the default new single-family residential rate. Any subsequent requests for application of the Vacancy Rate will not apply retroactively, but will instead be effective as of the date of the request.

Procedures:

Not applicable.

Forms:

Request for Vacant Residential Sewer Rate

Government Code References:

Chula Vista Municipal Code §13.06.030: Inspection and sampling - General

Policy History:

1. Issued 07/01/2014