

Amendment to Water Theft Penalty Ordinance 1st Reading

Board Meeting
August 8, 2017

Agenda

- Background
- Water Theft Actions
- Theft Types
- Penalty Impacts
- Ordinance Modifications
- Next Steps

Water Theft Penalty Ordinance

- Board adoption April 28, 2015
 - Drought, protect water supply
- Penalty for illegal use of water
 - Deter water theft
- 41% reduction of broken locks, field action

WARNING!

DO NOT RESTORE YOUR WATER SERVICE!

WATER THEFT IS A CRIME and under EBMUD's Water Theft Ordinance #365-15, you could be subject to financial penalties!

DO NOT open, or tamper with any residential water meter that has been turned off.

DO NOT have any unauthorized connections to EBMUD's water system.

DO NOT attempt to take water illegally from a public fire hydrant.

ALL of these actions constitute **water theft**, and could subject you to criminal and/or financial penalties.

EBMUD's **WATER THEFT ORDINANCE** can be found in its entirety on EBMUD's website at www.ebmud.com/water-theft

Under the Water Theft Ordinance, the following penalties apply:

\$1,000 First Violation

\$2,000 Second Violation within 12 months of the prior violation date

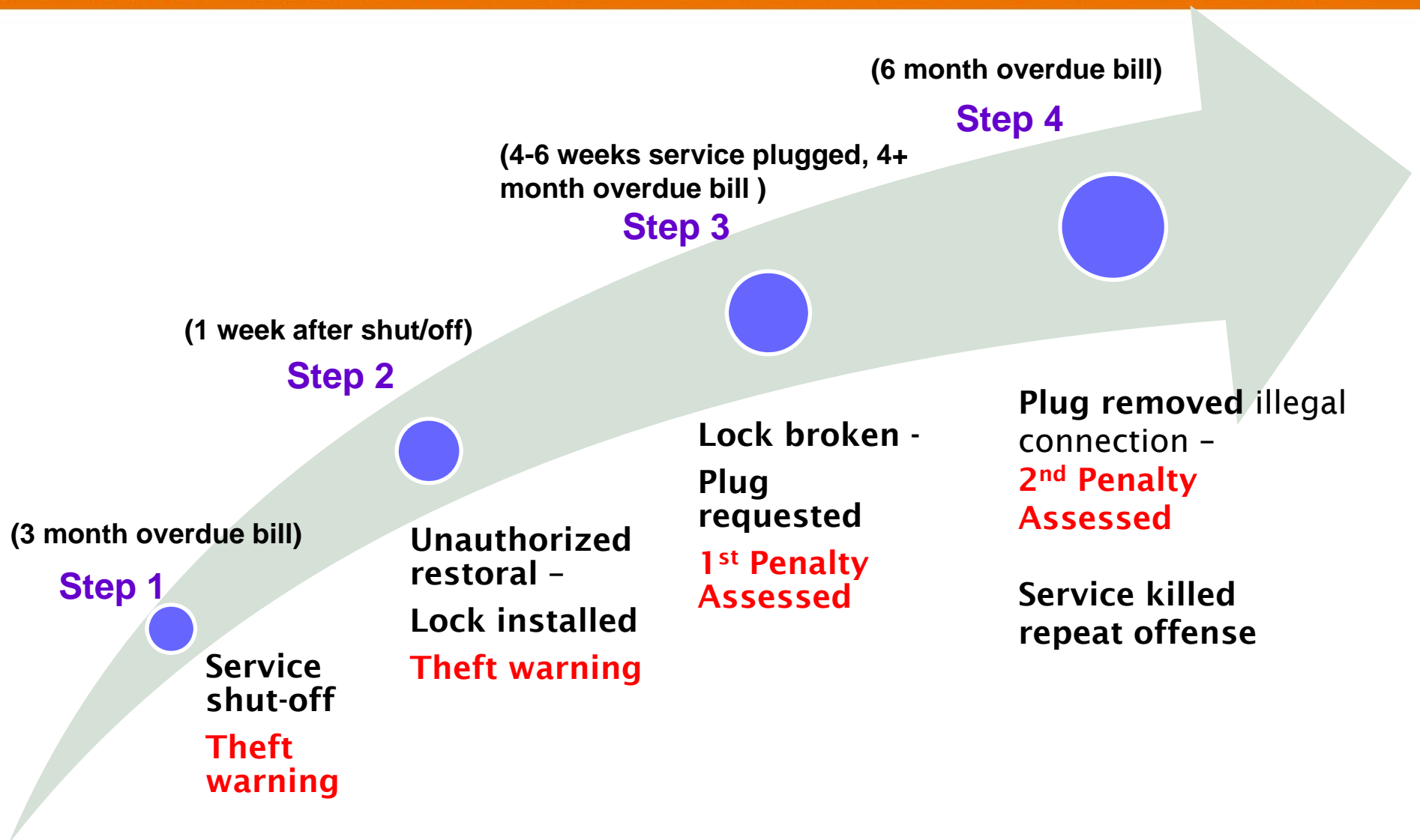
\$3,000 Each additional violation within 12 months of the prior violation date

Water Theft Occurrences

411 total occurrences (May 2015-July 2017)

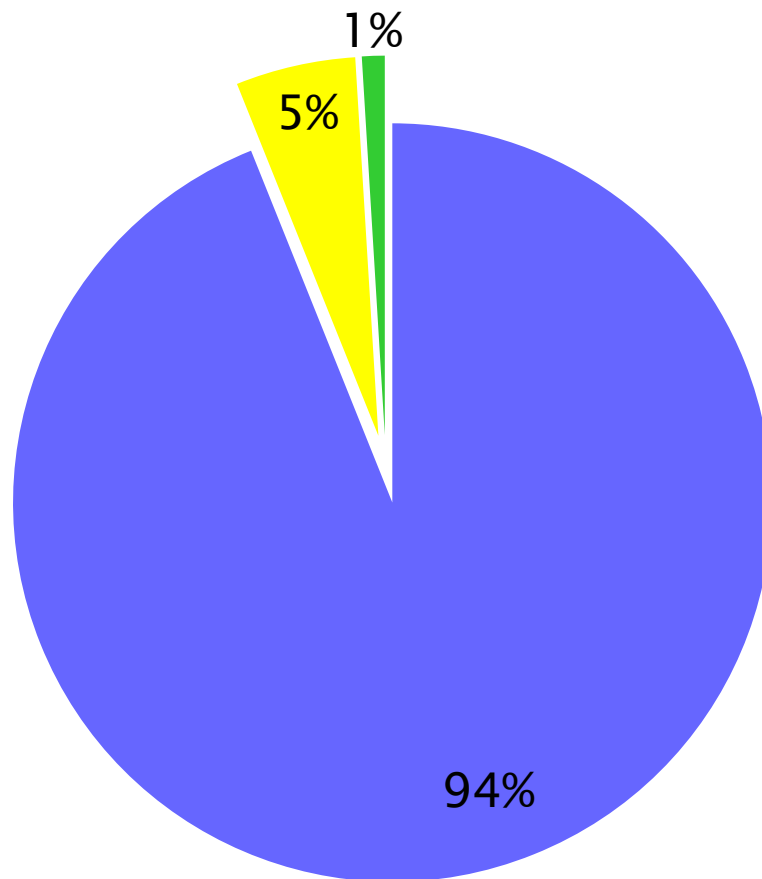
- 227 penalties charged (169 accounts)
- 144 (35%) no responsible party
- 61 accounts had multiple occurrences
- Oakland majority of theft

Sample Water Theft Action Timeline



Water Theft By Type

■ Meter Tampering ■ Lateral Diversion ■ Use of Fire Hydrant



Meter Tampering

Unauthorized restoration of service due to nonpayment



Standard Lock



Special S-Lock

Lateral Diversion

Unauthorized service connection to illegally obtain water service



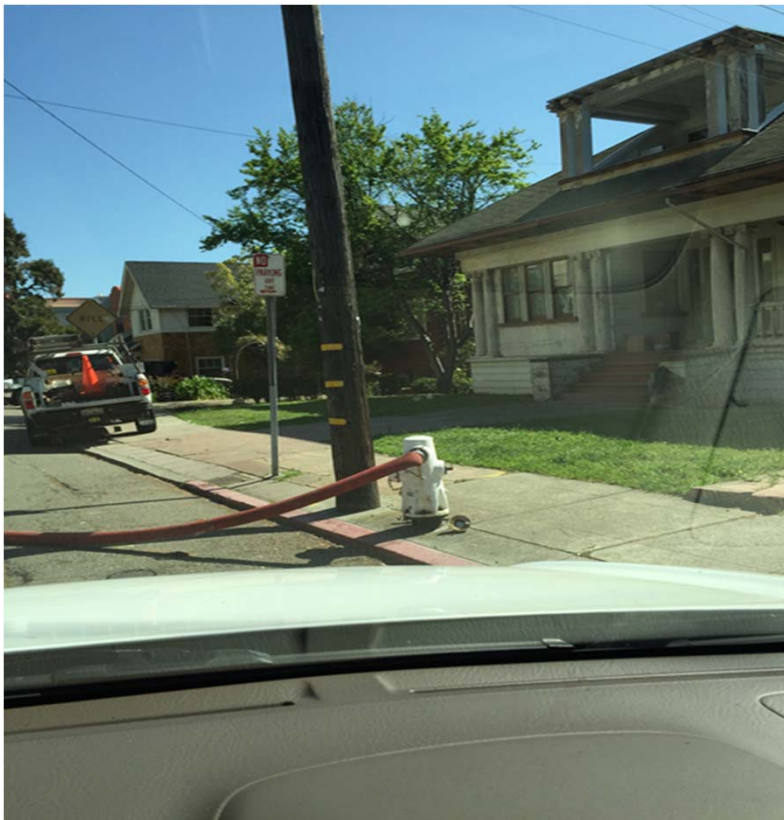
Backyard connection from adjacent parcel



Illegal connection

Hydrant Water Theft

Unlawfully obtaining water through a fire hydrant or use of hydrant meter; may include the illegal resale of water



Sample Bill with Water Theft Penalty



EAST BAY MUNICIPAL UTILITY DISTRICT

EBMUD 1-866-40-EBMUD

YOUR ACCOUNT NO. IS: 12345678001

Next Read Date is 05/02/2017
Your Payment is Due by 03/23/2017

Delivering reliable, high quality water takes financial stewardship.
Learn how EBMUD reinvests in our water and wastewater systems to better serve you.
Visit ebmud.com/stewardship.

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Jane Doe
1234 JENKINS WAY
RICHMOND, CA 94806-1734

Bill Date: 03/08/17

Billing Period

From
12/30/16

To
3/1/17

For: 1234 Jenkins Way
Private Residence

PREVIOUS CHARGES AND CREDITS

PREVIOUS AMOUNT DUE
LATE PAYMENT PENALTY

WATER CHARGES - EBMUD

WATER SERVICE CHARGE
WATER FLOW CHARGE 11 UNIT @3.16
WATER THEFT PENALTY

AMOUNT

TOTAL

352.04

5.28

357.32

41.38

34.76

1,000.00

76.14

1,000.00

PLEASE SEE REVERSE SIDE
FOR BILLING EXPLANATION

Please Pay This Amount Now Due

1,433.46

Water Theft Penalty Ordinance Options

Theft Type	No Change to Ordinance	Option A - Reduce Tampering and Diversion	Option B - Eliminate Tampering	Option C - Eliminate Ordinance	ADDITIONAL Option D – Reduce Tampering	¹ Other charges imposed
Meter Tampering	\$ 1,000/ \$ 2,000/ \$ 3,000	\$ 200/ \$ 400/ \$ 800	No Penalty Charge ¹	No Penalty Charge ¹	\$ 200/ \$ 400/ \$ 800	Trip Chgs \$ 92 Lock 59 Plug <u>402</u> \$ 553
Lateral Diversion	\$ 1,000/ \$ 2,000/ \$ 3,000	\$ 200/ \$ 400/ \$ 800	\$ 1,000/ \$ 2,000/ \$ 3,000	No Penalty Charge ¹	\$ 1,000/ \$ 2,000/ \$ 3,000	¹ Lateral \$ 6,200
Unauthorized Hydrant Use	\$ 1,000/ \$ 2,000/ \$ 3,000	\$ 1,000/ \$ 2,000/ \$ 3,000	\$ 1,000/ \$ 2,000/ \$ 3,000	No Penalty Charge ¹	\$ 1,000/ \$ 2,000/ \$ 3,000	¹ Site visit \$ 222

¹ Other charges applicable under EBMUD's rates and charges apply

Option D

Meter Tampering	Lateral Diversion	Unauthorized Hydrant Use
\$200/\$400/\$800	\$1000/\$2000/\$3000	\$1000/\$2000/3000
Less volume loss	Public health and safety	Public health and safety
Existing standard service	Water Quality	Water Quality
	Damage to facilities	Large volume loss
		Resale of water

Next Steps

- 2nd Reading on September 12, 2017
- Effective 31st day after adoption
- Update Ordinance
- Revise warning notices, update penalties

SB 623 FUND CONTRIBUTION COMPARISON
RETAIL WATER CUSTOMERS & AGRICULTURE

	Annual Revenue First 15 years	Annual Revenue After year 15
<u>Urban Retail Water Customers</u>	\$90M - \$110M*	\$90 - \$110M*
- \$1 per residential bill/month*		
- CII up to \$10/month*		
<u>Agriculture</u>	\$30M*	\$10M*
Annual Total	\$120M- \$140M	\$100M-\$110M
<u>Relative % contribution</u>		
Retail water customers	75%-79%	90%-92%
Agriculture	21%-25%	8%-10%

* As per 7/25/17 author's presentation to
 Bay Area Council Presentation

SB 623 FUNDING CATEGORIES & SWRCB ESTIMATES

CATEGORIES ELIGIBLE FOR FUNDING ASSISTANCE	SB 623 SWRCB FUNDING ESTIMATE*
<p><u>Public Water Systems</u> Development, implementation, and sustainability of long-term solutions, including, but not limited to:</p> <ul style="list-style-type: none"> - Planning - Construction - Operation and Maintenance (O&M) 	\$45 M annually (O&M)
<p><u>State Small Systems and Domestic Wells</u> Development, implementation, and sustainability of long-term solutions, including, but not limited to:</p> <ul style="list-style-type: none"> - Planning - Construction - O&M 	No SWRCB estimate
Provision of replacement water as a short-term solution	No SWRCB estimate
Identifying and providing outreach to Californians without access to safe drinking water who are eligible for assistance	No SWRCB estimate
Testing drinking water quality of individual domestic wells serving low-income households	No SWRCB estimate

* Estimate from SWRCB website at http://waterboards.ca.gov/water_issues/programs/hr2w/docs/data/safe_dw_om_needs_estimate_explanation.pdf

SB 623 AGRICULTURAL ASSESSMENT AND ENFORCEMENT PROVISIONS

	Agricultural Assessment	Enforcement Relief	Mitigation Requirements for Enforcement Relief to Apply
2018 - 2028	Pay applicable fee, assessment, or charge, in undetermined amount into the Safe and Affordable Drinking Water Fund	<p>Not subject to state board or regional board enforcement for “causing or contributing to an exceedance of a water quality objective for nitrate in groundwater</p> <p>Not subject to state or regional board enforcement for “causing or contributing to a condition of pollution or nuisance for nitrates in groundwater”</p>	<p>Pays fee, assessment, or charge in a timely manner</p> <p>In compliance with SWRCB or Regional Board orders, including, but not limited to:</p> <ul style="list-style-type: none"> - Requirements to implement best practicable treatment or control - Best efforts, monitoring, and reporting requirements - Timelines <p>In compliance with applicable program of implementation for achieving groundwater quality objectives for nitrate that is part of an applicable water quality control plan</p>
2028 - 2033	Pay applicable fee, assessment, or charge, in undetermined amount into the Safe and Affordable Drinking Water Fund	Not subject to state or regional board enforcement for “causing or contributing to a condition of pollution or nuisance for nitrates in groundwater”	<p>Pays fee, assessment, or charge in a timely manner</p> <p>In compliance with SWRCB or Regional Board orders, including, but not limited to:</p> <ul style="list-style-type: none"> - Requirements to implement best practicable treatment or control - Best efforts, monitoring, and reporting requirements - Timelines <p>In compliance with applicable program of implementation for achieving groundwater quality objectives for nitrate that is part of an applicable water quality control plan</p>