



PARADISE IRRIGATION DISTRICT

6332 Clark Road, Paradise CA 95969 | Phone (530)877-4971 | Fax (530)876-0483

AGENDA

SPECIAL MEETING PARADISE IRRIGATION DISTRICT BOARD OF DIRECTORS 6332 CLARK ROAD, PARADISE, CA 95969

TUESDAY, MARCH 30, 2021 – 9:00 AM

- ❖ *In accordance with California Governor Gavin Newsom's Executive Order (EO) N-29-20 relating to the convening of public meetings in response to the COVID-19 pandemic, the Paradise Irrigation District will be closing the Board of Directors Meeting to members of the public and non-essential District staff. The following options are available for members of the public to participate in the meeting:*

Via Zoom Meeting: <https://us02web.zoom.us/j/88192841237>

Telephone: +1 669 900 6833 US (San Jose)

Meeting ID: 881 9284 1237

To improve participation during the meeting, we will be accepting public comments from Zoom Meeting participants during the meeting. The Board cannot take action on any matter not on the agenda. Public comments specific to an agenda item will be read directly after the agenda item and before the Board votes on an item.

Via Email or Telephone: Public comment will be accepted by email with the subject line PUBLIC COMMENT ITEM NO. ____ to gborrayo@paradisewater.com or telephone (530) 876-2039 by 8:30 a.m. on the day of the meeting.

Via Livestream to view the meeting. Join us at <https://Facebook.com/pidwater>.

1. OPENING:

- a. Call to Order
- b. Roll Call

2. PUBLIC PARTICIPATION:

Individuals will be given an opportunity to address the Board regarding matters not scheduled on the agenda, although the Board cannot take action on any matter not on the agenda. Comments will be limited to 5 minutes per speaker. Opportunity for public comment on agenda items will be provided at the time they are discussed by the Board with comments limited to 5 minutes per agenda item.

3. OPEN SESSION:

(Pages 3-15)

a. Revision to Policy & Procedures, Chapter 7.7.3 Discontinued Service (Mickey Rich):

Review and consider additional options relating to proposed revisions to the current Discontinued Service Policy under PID Policy & Procedures Chapter 7.7.3. *Action may be taken.*

4. CLOSED SESSION:

a. REAL PROPERTY NEGOTIATIONS (California Government Code Section 54956.8)

Property subject to negotiations: PG&E Miocene Canal

District Negotiators: Minasian Law Firm and Tom Lando, PID Interim District Manager

Other Party: Pacific Gas & Electric Company

Under Negotiation: District negotiators will be given direction regarding price and terms relating to potential interest in real estate negotiations for the purchase of real property or interests in real property.

- b. CONFERENCE WITH LABOR NEGOTIATORS: Conference with PID Labor Negotiator Representative Tom Lando regarding Unrepresented Position, Interim District Manager (California Government Code § 54957.6).
- c. CONFERENCE WITH LABOR NEGOTIATORS: Conference with PID Labor Negotiator Representative Tom Lando regarding Unrepresented Position, Temporary Assistant District Manager (California Government Code § 54957.6).
- d. CONFERENCE WITH LABOR NEGOTIATORS: Conference with PID Labor Negotiator Representative Tom Lando regarding Unrepresented Position, Finance & Accounting Manager (California Government Code § 54957.6).
- e. CONFERENCE WITH LABOR NEGOTIATORS (Government Code § 54957.6):
PID Labor Negotiator Representative: Tom Lando, Interim District Manager.
Employee Organization: Management Unit represented by Teamsters Local 137

5. RETURN TO OPEN SESSION:

a. Announcement from Closed Session

- (Page 16) b. **Consultant – Financial Consulting Services** (Manager Tom Lando): Consideration to authorize a contract with Ross Gilb to provide financial consulting services in an amount not to exceed \$100 per hour for a maximum of 10 hours per week and authorize the Interim District Manager to execute an agreement for this contract assignment. *Action may be taken.*
- (Pages 17-20) c. **General Fund and Payroll Check Signers** (Ross Gilb): Approval of proposed update to general fund and payroll check signers under Chapter 13.3 Accounting and Finance, of the Paradise Irrigation District Policy & Procedures Manual. *Action may be taken.*
- d. **Proposed Organizational Restructure – Management Unit** (Manger Tom Lando): Consideration to authorize approval of the proposed Side Agreement between Paradise Irrigation District and Teamsters Local 137 for reorganization of the PID Management Unit and authorize the Interim District Manager to execute the agreement on behalf of the District. *Action may be taken.*

6. ADJOURNMENT



PARADISE IRRIGATION DISTRICT

"Paradise Irrigation District (PID) is dedicated to the business of producing and delivering a safe, dependable supply of quality water in an efficient, cost effective manner with service that meets or exceeds the expectation of our customers."

DATE: March 30, 2021

TO: PID Board of Directors

FROM: Tom Lando, Interim District Manager
Mickey Rich, Temporary Assistant District Manager

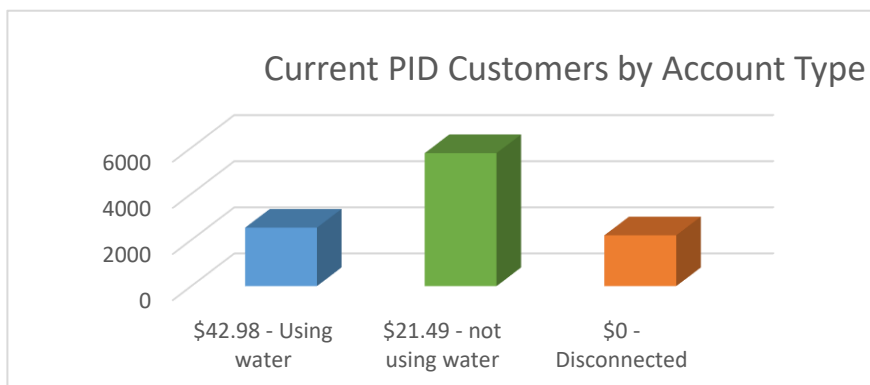
RE: Reconsider Revision to Policy & Procedures, Chapter 7.7.3 Discontinued Service

This policy change does not affect customers who currently pay a monthly water bill for their property.

We hear the community's concerns about potential costly fees to reconnect their water service and are dedicated to presenting options that will cover the costs of the District but do not create an obstacle to receiving water.

Expiring Policy: Directly after the 2018 Camp Fire, the Board voted to temporarily amend the disconnect policy to include a maximum cost to reconnect of \$500.00 based on labor, equipment, and material cost to reconnect which would expire December 31, 2020. The Board extended the policy through March 31, 2021. To date, approximately 2300 customers have disconnected their service. For those who reconnect, the current cost can be well below the \$500.00 maximum.

Meanwhile, there are approximately 5700 customers who have not disconnected, are not actively using water and continue to pay into the system. The District received two years backfill funding from the State but is unlikely to receive a third year.



Recent Policy: The board changed the policy on March 17, 2021 to not retain capacity for disconnected accounts which would mean a customer returning to the district would be subject to the same costs, policies, and procedures as a new connect.

The policy contains a “safety net” for three-years from date of original disconnect that would allow a property owner to resume water service by paying the deferred \$21.49 monthly maintenance fees (Maximum of \$773.64) with interest. This reconnect would be subject to an engineering review confirming there were no additional upgrades required to service the property.

Possible Options:

1. Keep the current policy and seek grant funding to assist customers in resuming water service.
2. Change the policy to include a maximum reconnect charge of \$750.00 or other amount within the three years or other length of time.
3. Pursue adding the system maintenance fee as an annual assessment.
4. Leave the 2018 policy in place and look for more positive incentives for our current customers.

March 13, 2021

MAR 17 2021
cc: Tom
Mickey
Ross

Paradise Irrigation District
ATTN: Tom Lando, District Manager
6332 Clark Road
Paradise, CA 95969

RE: Account # [REDACTED]
Account # [REDACTED]

Dear Mr. Lando,

It has come to my attention that we were not required to pay for service at our property during the time my family was not able to live on our properties. This was from the time of the fire until the district installed their backflow prevention device on each of our properties in preparation for us to move onto our properties.

Based on your recent determination that the reconnection/reinstallation fee is not required for those who chose not to pay their bill from Paradise Irrigation District from the time of the fire until they are ready to build, and that they will not be required to pay all the back bills in order to have you install a backflow prevention device ~~~ I, on behalf of my family, request that the monies we paid to Paradise Irrigation District to avoid having our meters removed and having to pay the reconnection/reinstallation fee, be refunded to us. This would be from the time of the fire until you installed the backflow prevention devices on our properties.

I anxiously await your reply to show equality to those of us who struggled to pay your monthly fee while being displaced by the fire until we could start the rebuild on our property.

Sincerely,

Susie C. Prater
Susie C. Prater

[REDACTED]

[REDACTED]

Date: March 26, 2021

To: PID Board of Directors

From: Bill Taylor – WTP Superintendent

Re: Post Fire - District Re-Activation Policy

Directors, I write this memo as both a customer of the District and an employee. I understand that you may be re-evaluating the policy you just made regarding the re-activation of parcels that have chosen to be removed from the water district.

After the fire, my wife asked me if we should disconnect so that we would not have to pay a bill for something we were not even able to use. I explained to her that at this time the District needed customers the most it ever has. If all the customers felt that way, the District would cease to be. We made the decision to continue to pay the sealed rate and continue to do so to this day.

Many friends and hundreds of customers would often ask me what they should do. My response to them was always the same. The District needs your support; by paying the sealed rate you help to keep the District viable. I also explained that if they were to disconnect, they would face fees, which could be very costly to reconnect. I would explain to them that even if they were not planning on keeping their property, staying connected would make their property value higher than those that disconnected due to those fees. I know I was not the only person telling people this, I know that most all the employees of the District were telling the same when asked.

A while after the fire, we were in a management meeting and discussed that there were some property owners that were needing to come back into the District because they were rebuilding. From what I recall and confirmed by asking others that were in on those meetings, we decided that if they paid the back months of sealed rate (as if they had not disconnected) and an administration fee, we would allow them back into the District. This seemed more than fair, they caught up with what our other customers had been paying all along, plus a fee for having to do the paperwork of removing them and reinstalling them.

Just recently, I heard that somewhere along the line, the decision was made at the office to change to only charging an administration fee and no back months of sealed rate. When I heard this, I was furious. If people can connect to the District for only \$30, why am I and all our customers paying the sealed rate each month?

At this point I have paid about \$600 to remain in the District along with many other customers. At a bare minimum, those who chose to disconnect should have to pay those back months the same as we have to be able to connect back into the system.

I would love to know who is complaining about the new policy, is it the loyal customers that have continued to pay to keep the District afloat, or is it those who abandoned the District in its time of need????

Property owners that were customers on that parcel prior to the fire, I have some compassion for and feel that it is more than fair to charge the back months of sealed rate plus admin fee, just like we initially did. They made what may have been a rash decision under duress and as such, if they pay what the rest of us have, I am good with that and would guess that most paying customers are.

New property owners that have purchased a lot that was disconnected know what they bought; they do not have any room to complain. They purchased a lot without any water service and now should pay just as any other property that was never part of the District.

As Directors, I ask you to consider this. If the policy is changed to charging a person anything less than those who have been paying all along, what are you going to do to make things right for our loyal customers? They paid based on wanting to help the District, being told by the District that it would be cheaper in the long run to continue to pay, etc. What are you going to treat your loyal customers like.....????

Thanks for taking the time to read my letter. Please contact me if you have any questions; you should have my personal cell number and can call at any time.

Bill Taylor

CHAPTER 7

WATER RATES, OPERATING FEES AND BILLING PROCEDURES

7.1 WATER RATES

A current schedule of prevailing water rates, service charges, and operating fees shall be determined and approved by the Board and shall be available upon request at the District office. A current schedule of these rates, charges, and fees shall be included in Appendix A.1 of this manual.

7.2 PUBLIC NOTIFICATION OF WATER RATE CHANGES

Revisions to water rates, service charges, and operating fees shall normally be established as required through the public hearing process. To the extent possible, water rate changes will become effective with the next billing date which will be at least thirty (30) days following the date on which the Board approved the rate change. The District will endeavor to make public notification of the rate changes through the news media and on customer water bills, space permitting. Emergency rate changes may become effective at the discretion of the Board.

7.3 SERVICE CALL CHARGE

A charge may occur for each service call where it is done for the convenience of the user or made necessary through non-payment of charges or to enforce the rules of the District. A current schedule of these rates, charges, and fees shall be included in Appendix A.1 of this manual.

7.4 DUPLICATE BILLING CHARGE

At landowner's request, the District will send a duplicate billing to a second address (this does not change the landowner's responsibility for meter charges). A charge for this service will be added to the bill. A current schedule of these rates, charges, and fees shall be included in Appendix A.1 of this manual.

7.5 SPECIAL METER READING CHARGE

A charge shall be made for any special reading requested by the owner. A current schedule of these rates, charges, and fees shall be included in Appendix A.1 of this manual.

7.6 EXAMINATION OF METERS CHARGE

Upon executing an application and depositing an inspection fee, any customer may request that his meter be examined and tested to determine its accuracy. The inspection fee shall be fixed from time to time by the Board and be available upon request at the District office.

If such examination and test shows the meter to register over five percent (5%) more water than actually passed through it, the inspection fee will be returned to the customer and the bill for the preceding billing period and current billing period will be adjusted. If a water meter is not registering in excess of five percent (5%), the inspection fee will be retained by the District.

At the customer's request, arrangements will be made for the customer to be present while the test is being made.

7.7 READY TO SERVE CHARGE

7.7.1 Authorization –

Proper authorization shall be required to seal or unseal a water meter. A service call charge shall apply to seal a water meter. There will be no charge to unseal a water meter. During the period a meter is sealed, one-half the monthly water service charge shall apply. That same charge will also apply to sealed meters converted from the discontinued category of “temporarily removed meter”.

7.7.2 Tampered Meters or Delinquent Bill –

If meters are tampered with in any way or if a customer refuses to pay a delinquent water bill, the Manager may at his discretion have the meter removed and the fee for removing the meter shall be as fixed from time to time by the Board and be available upon request at the District office.

7.7.3 Discontinued Service –

If a property owner chooses to discontinue service and not pay the sealed meter rate (Discontinued Service) ~~due to the effects of the Camp Fire, the~~ property owner will not be required to pay a meter removal charge. The District will not reserve capacity for the property. If service is later reactivated, the property owner may then be responsible for the cost of LEMO (Labor, Equipment, Materials, and Overhead) for the installation of a new service line from the District Main to the property line (Service Line) in an amount not to exceed \$500. Situations in which a service line may need to be replaced include, but are not limited to:

~~A. If leak occurs on the Service Line to a property with Discontinued Service, the line will not be replaced, but turned off at the District Main.~~

~~B. If the District is replacing a mainline that serves a property with Discontinue Service, the Service Line will not be replaced.~~

~~7.7.4 Reactivating Service –~~

~~A property owner reactivating service on a parcel with a Service Line that is still pressurized will be charged the same rate as a ¾" Meter Installation on a Developer Financed Service Line or LEMO, whichever is applicable. A property owner reactivating service will be subject to the fees, policies and procedures for a new application for service.~~

~~If service is reactivated within three (3) years of the date of discontinuance and an engineering review confirms there is sufficient system capacity to provide service, the applicant may resume service by paying the accrued monthly ready-to-serve fee equal to the number of months of disconnect plus an interest rate set to the prime rate of the District's Bank plus 2%.~~

7.8 BILLING PROCEDURES

7.8.1 Billing Period –

Section 7.8 of this policy shall constitute the District's policy on discontinuation of water service in accordance with California law. These sections of the policy and the formal shutoff notice shall be available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least ten percent (10%) of the people residing in the District's service area. The policy shall be posted on the District's website. The District shall annually report the previous year's number of discontinuations of residential service for inability to pay on its internet website and report this information, if required, to the State Water Resources Control Board.

Customer accounts are billed every other month. The District will endeavor to read meters on the same working date every month. Variations to this practice will be in accordance with industry-accepted practices. Customers may make advance payments to maintain water service during their absence. The billing will reflect the current credit balance until expended. Monies placed on deposit will not bear interest.

7.8.2 Service –

The District reserves the right to refuse or discontinue service to any customer who is delinquent in payment of water charges, in accordance with District policy, unless and until such payments have been paid in full. This rule shall be effective notwithstanding the fact that the customer may not be the same person who owned the property when the delinquent charges were incurred.

Where service is at risk of being discontinued, payment may be accepted from a tenant. When this occurs, the District will have no reimbursement responsibilities to any party.

7.8.3 Delinquent Accounts –

Bills are due and payable on the date set forth in the bill. All charges shall become delinquent if not paid within twenty-five (25) days after the date the bill is issued ("billing date"). If the bill is not paid prior to the next billing, there shall be added thereto and become a part of such charges, and be collected by the District, a penalty of two percent (2 %) per month on delinquent balances. Application of such penalty shall continue until the account is current, or to the time when the unpaid and delinquent charges are added to the annual assessment of the District as provided in the Water Code.

Water services may be discontinued if an account remains delinquent seventy (70) days after the bill is mailed. If delinquent charges are not paid fifty (50) days from original billing date, a fifteen (15) day notice shall be mailed to the customer and a Fifteen Day Notice fee shall be applied to the account. The Fifteen Day Notice fee shall be established in the Fees and Charges approved by the Board of Directors.

A formal shutoff notice shall be mailed seven (7) business days prior to the scheduled delinquency shutoff. If the formal shutoff notice is returned through the mail as undeliverable, then District staff shall make a good faith effort to visit the residence and leave the shutoff notice in a conspicuous location.

The formal shut-off notice generated in accordance with this section shall include the following: 1) the customer's name and address, 2) the amount(s) delinquent, 3) the date by which payment or arrangement for payment is required in order to avoid discontinuation of service, 4) a description of the process to apply for an extension of time to pay the delinquent charges, 5) a description of the procedure to petition for bill review and appeal, and 6) a description of the procedure by which the customer may request a deferred, reduced or alternative payment schedule, including an amortization of the delinquent service charges.

If all delinquent charges are not paid, or payment arrangements have not been made within seventy (70) days from the original billing date, on the seventy-first date of delinquency, services will be terminated and a Meter Seal Fee shall be applied whether or not the meter was physically shut off. The Meter Seal Fee shall be established in the Fees and Charges approved by the Board of Directors.

All delinquent amounts and previously billed charges shall be paid before service will be reinstated.

Request for Deferred or Alternate Payment Schedule:

Written request, with supporting documentation, delivered to District customer service staff is the sole procedure by which residential customers may request deferred or alternative payment schedules, including amortization of service charges. Eligible customers are those that make written request and provide (1) certification of a primary care provider that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of a resident of the customer's service address; and (2) the customer demonstrates that they are financially unable to pay for water service. A customer will be deemed financially unable to pay for service within the normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition

Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level. Customers satisfying all of the foregoing criteria will be entitled to defer payment of delinquent charges by entering into an amortization agreement to allow the customer to pay the delinquent charges amortized over a three (3) month period, in addition to current charges that accrue for service each month. The amortization period in the agreement may be longer than three (3) months when District staff deems necessary, but shall not exceed twelve (12) months. If the customer fails to pay under the agreement for at least sixty (60) days, service may be discontinued with at least five (5) business days' notice posted at a prominent and conspicuous location at the property. Requests for deferral and amortization of bills are available to residential customers only and should be made prior to discontinuation of service by contacting Paradise Irrigation District at its office located at 6332 Clark Road, Paradise, California, telephone number 530-877-4791.

Appeal of Bill:

If a customer believes their bill, a charge thereon, or a determination of delinquency is incorrect the customer should immediately contact District staff by phone at 530-877-4971 or in person at the District's office located at 6332 Clark Road, Paradise. If the customer still believes the bill is incorrect after contacting District staff by phone or in person, they may promptly appeal a bill in writing to the District Manager no later than five (5) business days of receipt of a disputed courtesy or final delinquency notice. Customer appeal rights will lapse and be summarily rejected if not delivered and received by the District, in writing, within five (5) business days of the courtesy or final delinquency notice. Timely written appeals must state the reason(s) why the customer believes the bill is incorrect and may be mailed or delivered in person. The District Manager shall render a decision on written appeals in a timely manner, and the District Manager's decision will be considered final with respect to all charges then existing on the disputed bill. The District Manager may request additional information from the appealing customer and/or may conduct a hearing, if the District Manager believes such process will help in rendering a decision on the customer's appeal. The District Manager's decision, including the District Manager's findings, shall be provided to the customer in writing. Service shall not be discontinued while a written appeal is pending before the District Manager.

Written appeal to the District Manager is the sole procedure by which a customer may request reduced fees. The District Manager may grant such request, in the District Manager's discretion, only upon a finding that there was an error in computation of the customer's fees. Potential reduction in fees are available to residential services only.

Termination of Water Service to Residential Occupants including those Served through a Master Meter or Individually Metered Tenants of Multi-Unit Residential Structures Implementing Public Utility Code Section 16481.1 B and Health and Safety Code § 116916 (b)

Paradise Irrigation District serves water to residential occupants through a master meter and individual meters in single-family and multi-unit residential structures and mobile home parks, where the owner, manager, or operator is listed as the customer of record.

These rules and regulations establish the procedure by which the District will inform the residential occupants of their rights when the master meter account or individual meter account is in arrears and service to the master meter or individual meter is threatened with termination.

1. Notice to Residential Occupants

Where the owner, manager or operator of a multi-unit residential structure or mobile home park or similar facility is listed by the District as the customer of record and the account is in arrears, every good faith effort will be made to inform the residential occupants by means of a written notice posted on the door of each residential unit at least fifteen (15) days prior to service termination that service will be terminated on a date specified in the notice. If it is not reasonable or practicable to post the notice on the door of each residential unit, two copies of the notice will be posted in each common area and at each point of access to the structure or mobile home park or similar such area. The notice will be in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by at least ten percent (10%) of the people residing in the District's service area.

The notice will inform the residential customers of the following:

- a. That they have the right to become utility customers of the District to whom the service will be billed; and
- b. That they can become utility customers in this way without being required to pay the amount due on the delinquent account; and
- c. That in order to prevent the termination of service or to re-establish service, the residents must contact the District to sign up for service as set forth below.

2. Guidelines for Residential Occupants to Become Utility Customers of Paradise Irrigation District

Residential occupants of a multi-unit residential structure, mobile home park, or similar facility can become utility customers of the District and avoid termination of service, or reestablish service by becoming utility customers. The residential occupant should contact Paradise Irrigation District at its office located at 6332 Clark Road, Paradise, telephone number 530-877-4971, to request service.

The District may request the residential occupant to demonstrate creditworthiness as a condition for establishing credit. Creditworthiness will be established by the residential occupant by providing proof of prompt payment of rent or other similar credit obligations which have accrued during a six-month period of time prior to application for service.

The residential occupant may also want to contact the Community Legal Information Center at 25 Main Street, Suite 102, Chico, telephone 530-898-4354, which has been recommended by the Butte County Bar Association to provide legal advice in connection with these matters.

The District is not required to make service available to the residential occupants unless each residential occupant or a representative of the residential occupants agrees to the terms and conditions of service and meets the requirements of these Rules and Regulations. If one or more of the residential occupants, or a representative of the residential occupants are willing and able to assume responsibility for subsequent charges to the master meter account to the satisfaction of the District, service will be made available to the residential occupants who have met those requirements or on whose behalf those requirements have been met. A representative of the residential occupants does not include a tenants' association.

3. Liberal Construction

The District will liberally construe these Rules and Regulations to accomplish the purpose of ensuring that service to the residential occupants of a multi-unit residential structure, mobile home park or similar facility provided service through a master meter is not terminated due to non-payment unless the District has made every reasonable effort to continue service to the residential occupants.

End Discontinuance of Water Policy

Property owners shall be responsible for and receive all water statements regardless of whether or not the property or premises is being rented or leased by others. Only property owners shall be allowed to make application for water service. A property owner may request duplicate bills be sent to the tenant for a fee. The property owner will remain responsible for unpaid charges. The Duplicate Billing Fee shall be established in the Fees and Charges approved by the Board of Directors.

The District reserves the right to refuse or discontinue service to any customer who is delinquent in payment of water charges unless and until such payments have been paid in full. This rule shall be effective notwithstanding the fact that the applicant may not be the same person who owned the land when the delinquent charges were incurred.

All delinquent water bills and charges for service remaining unpaid at the time of setting the annual tax rate may be added to and become part of the annual assessment levied by the District as provided for in the Water Code of the State of California.

The District Billing Clerk with approval of the District Manager may file a lien against the property for delinquent water bills and charges for service. The District Billing Clerk, with the approval of the District Manager, may require a deposit, up to the equivalent of the charge for 150 days maximum use, in the event of a bankruptcy after the date of order for relief. The deposit may be applied to 20 percent of each bill until the deposit is reduced to the equivalent of 30 days (1 billing period) maximum use. This reduced deposit shall remain for one year at which time it may be credited to succeeding bills until depleted.

7.9 LEAK POLICY, ADJUSTMENTS, AND APPEALS

The customer is responsible for all water going through the meter. Leaks caused by frozen or broken pipes, damage, or other leaks on the customer's side of the meter shall be the responsibility of the customer. The District may, upon request of the customer, provide for a payment plan of up to one year, with no penalties, to assist customers in paying amounts billed that are attributed to a leak.

An identified leak will not result in a customer moving to a higher service charge classification so long as the leak is repaired in a timely manner. Upon request of the customer, the District will determine if a leak will result in a change in classification, based upon the circumstances, magnitude, and duration of the leak.

Online customer usage data and leak notification is available to customers. The customers are expected to respond to leak detection notifications from the District and repair leaks promptly.

The District may, upon written request of a customer supported by repair bills or other appropriate documentation, adjust such customer's bill in the case of loss of water due to circumstances beyond the reasonable control of such customer, such as a mechanical malfunction, blind leak, theft of water, vandalism, unexplained water loss or other unusual or emergency conditions. Adjustments shall not be made for faucet or toilet leaks.

The District will use its automated billing system to determine the amount of water usage attributable to the leak. Customers that fix leaks within seven days of the District's leak notification, may, upon the customer's request, and if the District determines that an adjustment is appropriate and reasonable under the circumstances, receive a credit for leak usage of up to seven days from the District's notification.

The District Manager, or his or her designee, may, in his or her sole discretion, grant an adjustment for usage attributed to the leak that occurred after the above-described seven-day period. In making such a determination, the District Manager, or his or her designee, may take into account the cause of water loss, any negligence or fault of the customer in connection therewith, and the difficulty of repair.

Any customer seeking relief under this policy must make a written request to the District as soon as possible and in no event later than ninety days after the closing date of the billing cycle in which the leakage occurred.

The District's determinations under this policy will be made by District staff in writing and mailed to the owner at the billing address on the District's records. Any person aggrieved by a staff determination may file a written appeal to the Board of Directors, no later than sixty days after the date of staff's determination. The Board will consider the appeal and make its decision at a noticed public meeting.



PARADISE IRRIGATION DISTRICT

"Paradise Irrigation District (PID) is dedicated to the business of producing and delivering a safe, dependable supply of quality water in an efficient, cost effective manner with service that meets or exceeds the expectation of our customers."

DATE: March 30, 2021
TO: PID Board of Directors
FROM: Tom Lando, Interim General Manager
RE: Consultant – Financial Consulting Services

Recommendation:

It is recommended that the Board authorize a contract with Ross Gilb to provide financial consulting services to the District for a maximum of 10 hours per week at a rate of \$100.00 per hour.

The recommended form of motion would be:

"I move to authorize a contract with Ross Gilb to provide financial consulting services in an amount not to exceed \$100 per hour for a maximum of 10 hours per week and authorize the Interim District Manager to execute an agreement for this contract assignment."

DATE: March 25, 2021
TO: Board of Directors
FROM: Ross Gilb, Finance & Accounting Manager
SUBJECT: General Fund and Payroll Check Signers
03/30/2021 Special Board of Directors Meeting

The individuals currently authorized as general fund and payroll check signers, per Chapter 13.3 of the Paradise Irrigation District Policy & Procedures Manual, include the Treasurer, District Manager, Office & Customer Service Manager, District Secretary, Board President, Board Vice-President, and any other individual authorized by resolution of the Board of Directors.

With recent changes in staffing, the District has experienced the need for greater flexibility in the individuals authorized to sign general fund and payroll checks. The recommended addition of the Assistant District Manager to the list of authorized individuals to sign general fund and payroll checks would meet this need while still allowing for proper internal controls over cash expenditures.

The recommended form of action is:

"I move to approve the proposed update to Chapter 13.3 Accounting and Finance, of the Paradise Irrigation District Policy & Procedures Manual."

CHAPTER 13
BUDGET, AUDITS, ACCOUNTING AND FINANCE

13.1 BUDGET

- A. By May 1st of each year, the Treasurer shall present to the Finance Committee an outline of concepts for the revenue, operating, and capital budget amounts. Final drafts of the budget shall be submitted for committee review prior to presenting to the Board.
- B. On or before the first regularly scheduled meeting of the Board in July, the Treasurer shall prepare for the ensuing year, and file with the Board, tentative revenue, operating, and capital budgets, together with specific District goals and work programs and any other supporting data required by the Board.
- C. The tentative budget shall be reviewed and considered by the Board at any regular meeting or special meeting called for that purpose. The Board may make any changes considered advisable in the tentative budget, pursuant to statute and generally acceptable accounting standards. The District will continue normal expenditures of funds during the period of time from the first day of each fiscal year through the date the Board adopts that fiscal year's budget, unless specifically instructed by the Board to do otherwise.
- D. After review, the Board shall adopt operating and capital budgets for the fiscal year period. Upon final adoption, the operating and capital budgets shall be in effect for the budget year, subject to any later amendment. During the budget year, and at a minimum during the mid-year review, the Board may, in any regular meeting or special meeting called for that purpose, review the operating and capital budget for the purpose of determining if the budget amounts need to be amended.
- E. During the budget process and at the mid-year budget review, the Treasurer shall discuss District reserving requirements for debt service obligations and short and long-term replacement, capital projects, connection fee requirements and other reserving obligations. This review shall also include any discussions regarding debt service bond covenant requirements impacting the District.
- F. Any department, with the approval of the Manager and Treasurer, may utilize funds designated for another department's use within a budget line item.

13.2 INDEPENDENT AUDITOR

- A. The independent auditor has the responsibility of reporting whether the District's financial statements are prepared in conformity with auditing standards accepted in the United States of America, the state Controller's Minimum Audit Requirements for California Special Districts, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United

States. Copies of the annual audit report shall be filed with the California State Controller's Office and shall be filed as a public document in the office of the District.

- B. Every three years, the District shall select its auditor by a competitive request for proposal process. Contracts shall be issued for three-year terms and in accordance with Section 12.4.5 of this manual. The District shall not retain the same auditor for more than six consecutive years.

13.3 ACCOUNTING AND FINANCE

A. General Fund and Payroll Check Signers

Any two of the following individuals shall sign general fund and payroll checks: Treasurer, District Manager, Assistant District Manager, Office & Customer Service Manager, District Secretary, Board President, Board Vice-President, or any other individual authorized by resolution of the Board of Directors.

1. General Fund Checks

On a day-to-day basis, the ~~required~~-preferred signers shall be a combination of at least two of the following: Treasurer, Office & Customer Service Manager, Assistant District Manager, or District Manager, with the internal control preference being the Treasurer and Office & Customer Service Manager in accordance with the Procurement Policy.

A complete descriptive register of general checks issued in a given month shall be prepared by accounting personnel and provided in the agenda packet for Board review and acceptance by no later than the Board meeting of the following month.

2. Payroll Checks

On a day-to-day basis, the ~~required~~-preferred signers shall be a combination of at least two of the following: Treasurer, Office & Customer Service Manager, District Secretary, Assistant District Manager and/or District Manager.

13.4 CAPITALIZATION VERSUS EXPENSE

Single item purchases with at least an anticipated useful life of three years and exceeding \$10,000 each shall be capitalized as a fixed asset. The purchase of these fixed assets shall be included on the District's statement of net assets and depreciated over the asset's estimated useful life. The purchase of fixed assets for less than \$10,000 shall be expensed. Other expenditures, for \$10,000 or more, which provided a significant increase in future service potential of a fixed asset shall also be capitalized as part of the existing asset. To meet the criteria for a capital expenditure, the purchase should extend the useful life of an

asset, increase the quantity of service provided by an asset, or increase the quality of service by an asset. Capital expenditures may include the following: additions (enlargements, expansions or extensions of existing assets), replacements and improvements, and rearrangement and relocation of an asset.

Expenditures for normal repairs and maintenance shall not be considered as capital expenditures.

13.5 PETTY CASH

A petty cash fund in the amount of \$1,000 will be maintained for the purpose of providing cash for miscellaneous cash purchases, front counter drawer customer transactions, certain employee reimbursements in accordance with Sections 11.2 and 11.13 of this Policy Manual, and for Paradise Lake permit fee sales. Access to petty cash shall be limited to the Office & Customer Service Manager, the Accounting Technician, and Utility Billing Technician.