

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.

Amended 01/16/19: §7.7 & 7.8
Amended 05/20/20: §7.8
Addition 03/17/21: §7.10
Amended 06/16/21: §7.7.1 & §7.7.3
Amended 02/16/22: §7.8.3
Amended 02/15/23: §7.7.3; Addition §7.7.5
Amended 03/15/23: §7.7.3
Amended 04/19/23: §7.7.3; Addition §7.7.6
Amended 03/20/24: §7.10

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 or 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 –

Beginning July 1, 2023, property owners who previously discontinued service, will be responsible for \$2,000.00 of the cost of LEMO (Labor, Equipment, Materials, and Overhead) for the meter, backflow prevention device, meter remote meter reading appurtenances, and installation of a new service line from the District Main to the property line, due at the time that water service installation is requested at the property. As of July 1, 2023, property owners will be responsible for paying the capacity fee, less a credit of \$4,376 per equivalent $\frac{3}{4}$ ” meter (see ‘capacity fee credits’ chart, below) at the time of reestablishing a ready-to-serve or active account. Situations in which a service line may need to be replaced include, but are not limited to:

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- 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 Discontinued Service, the Service Line will not be replaced.

Capacity Fee Credits

Meter Size	Capacity Fee Credit
¾"	\$4,376.00
1"	\$7,293.00
1-1/2"	\$14,587.00
2"	\$23,339.00
3"	\$43,760.00
4"	\$72,933.00

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.

7.7.5 Customer Disconnections of Water Service –

Owners will not be granted a discontinuance of service after May 1, 2023, except in the case where the lot has been legally merged with a lot that has established water service within the District.

7.7.6 Water Service Disclosure –

On and after July 1, 2023, and prior to the transfer of ownership of a parcel from a seller to a buyer or from one owner to another, the seller shall first request and complete a water service status disclosure which includes the buyer's acknowledgement signature from the Paradise Irrigation District as a condition of opening escrow.

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

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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 thirty (30) 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 ten percent (10 %) with a minimum of 10 (ten) dollars and a maximum of thirty (30) dollars per billing 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

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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 and late penalties. 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.

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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

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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

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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.

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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

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sixty days after the date of staff's determination. The Board will consider the appeal and make its decision at a noticed public meeting.

7.10 CUSTOMER ASSISTANCE PROGRAM (CAP)

This rate assistance program provides a \$10.00 per month reduction from the total service charge for active residential customers and up to one water service account for vacant land property owners. The subsidy amount comes from the unallocated portion of the 1% annual property taxes collected within the District.

- a. Each December the District Manager will determine if the District has sufficient unallocated "non-rate revenue" from PID's share of property taxes to be received for the subsequent year.
- b. On a first-come-first-served basis, the specified number of qualifying applicants who apply and provide qualifying documentation, on or after the first working day of December of each year, will be designated to receive a \$10.00 per month reduction in their otherwise applicable total service charge to their residential user classification billing for the succeeding calendar year.
- c. Applications will NOT be accepted without a copy of the qualifying documentation. Both documents (PID application and proof of income) must be submitted simultaneously.
- d. There will be no retroactive credits given.
- e. Customers receiving the CAP discount will be required to re-certify every year.

Any of the following proofs of income may be submitted with the application:

- a. Proof of enrollment in PG&E's CARE program.
- b. CalWORKs, CalFresh, general assistance, or Medi-Cal (or non-California state equivalent).
- c. Supplemental Security Income/State Supplementary Payment Program.
- d. California (or state equivalent) Special Supplemental Nutrition Program for Women, Infants, and Children.
- e. Proof that the household's annual income is less than 200 percent of the federal poverty level.

The Board reserves the right to modify the terms and conditions of the program at any time at a regular or special meeting.

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