



# Staff Report

**TO:** Board of Directors

**FROM:** Chip Close, Water Operations Manager  
Aurora Tipton, Customer Service Administrator

**DATE:** November 09, 2022

**SUBJECT:** Revisions to Sections 6.01 of the Rules and Regulations

***OPERATIONS***

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**RECOMMENDATION:**

Open a workshop to review and receive input on proposed changes to District Rules and Regulations, Section 6.01, Terms of Payment.

**BACKGROUND:**

In response to customer concerns regarding the short turnaround from mailing of customer statements to the due/delinquency date printed on the bill, staff is recommending changes to District Rules and Regulations, Section 6.01. This change would increase the delinquency date from ten days after issuance to 25 days after issuance.

In addition, staff recommends eliminating hand delivery of a final turn off notification to the property. Instead, final turn off notification would be mailed to the billing address on file, with a duplicate copy mailed to the service address, where applicable. Hand delivering notices to the property poses an undue safety risk to staff due to the potential for negative interaction with residents or animals and creates traffic hazards related to frequent stops. In compliance with Senate Bill 998, customers deemed financially unable to pay for service under the terms of payment and who fail to pay after entering into an amortization agreement, would still receive hand delivered notice as outlined in 6.01.01(c).

The changes to Section 6.01 would also give customers more time between statement issuance and turn off increasing the turn off date from 70 days after statement issuance to 90 days after statement issuance.

These changes meet the requirements of Senate Bill 998.

**BUDGETARY IMPACT:**

None at this time

Attachments (4):

- Draft NID Water Service Rules and Regulations Section 6.01, Red Lined
- Draft NID Water Service Rules and Regulations Section 6.01
- Draft Final Notice, Red lined
- Draft Final Notice

## 6.01

## TERMS OF PAYMENT

By these Rules and Regulations, the District intends to comply with the requirements imposed by Public Utility Code §16481.1 and Health and Safety Code § 116916. The procedures outlined in those statutes, as may be amended from time to time, take precedence over these Rules and Regulations.

### 6.01.01 Treated Water and Annual Raw Water

(a) Policy on Payment of Bills and Service Discontinuation. Sections 6.01.01, 6.03, 6.07 and 6.09 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 delinquency notice shall be available in English, the languages listed in Section 1632 of the Civil Code, 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.

(b) Payment of Bills. All water charges are due and payable on issuance of the statement and are delinquent if not paid by the due date printed on the bill, which will be ten-twenty-four (1024) days from issuance. thereafter. If not paid:

Twenty-five eight (258) days from issuance - A delinquency penalty charge at the rate of 1 ½ percent, will be applied to each account's unpaid balance and ~~monthly thereafter until paid.~~ Forty-five (45) days from issuance—Aa courtesy delinquency notice will be ~~mailed~~printed on the customer's regular statement. Penalty charges and statement delinquency notices will be posted monthly thereafter until paid. ~~Delinquency notices will be mailed to the occupant and to the landowner. The delinquency notice issued 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.~~

**Sixty-Fifty-Five (6055) days from issuance** - A final turn-off notice shall be ~~hand delivered~~ mailed to the customer named on the account. If the customer's mailing address is not the address of the property to which residential service is provided, the notice will also be sent to the service address, addressed to "occupant" service address and posted in a prominent and conspicuous location.

-If the final turn-off notice is returned as undeliverable, notice of imminent discontinuation of service for non-payment shall be posted in a prominent and conspicuous location at the property at least 7 business days prior to termination of service.

Any delinquency notice issued 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. A service charge as shown in Schedule 6-A shall be added to the account and included in the delinquent balance.

**Seventy-Ninety (790) days from issuance** - Water service may be discontinued if the delinquent account balance has not been paid prior to the scheduled turn-off date. A charge, as shown in Schedule 7-A shall be made for turn-on. Once a service has been discontinued, the entire account balance must be paid prior to service being restored.

Customers can contact District customer service staff by calling 530-273-6185, to discuss options for averting discontinuation of service for nonpayment, including possible deferral and amortization.

Written request delivered to District customer service staff is the sole procedure by which residential customers may request a reduction in service charges. Reduction of service charges will be granted not more than once annually.

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.

(c) Request for deferral or amortization for eligible customers. 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 provides proof 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 permitted 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 the District customer service staff.

Upon the restoration of service, reconnection fees for customers that are deemed unable to pay in the normal billing cycle shall not exceed \$50 for reconnection ("turn-on") during normal operating hours, and shall not exceed \$150 for reconnection during nonoperational hours ("after hours). Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

(d) Termination of Water Service to Residential Occupants Served through a Master Meter.

The District serves water to residential occupants through a master meter and individual meters in multi-unit residential structures and mobile home parks, where the owner, manager, or operator is listed as the customer of record. 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 by posting copies of the notice in each common area and at each point of access to the structure or mobile home park or similar such area.

eff. 6/93; rev. 6/11/03, rev. 8/10/05, rev. 09/12/07; rev. 02/27/19; rev 01/22/2020

**6.01.02 Seasonal Irrigation Service**

(a) Inside District Applicants. One-third of the total charges are due by April 1 or prior to receiving water. If there is a new owner, payment is due with the application.

eff. 03/11/98

One-third of the total charges due June 15, and if not paid by July 15, a notice of termination of service shall be mailed and a ten percent late payment penalty shall be added. If payment is not received by July 22, service may be turned off.

One-third of the total charges due August 15, and if not paid by September 15, a notice of termination of service shall be mailed and a ten percent late payment penalty shall be added. If payment is not received by September 22, service may be turned off.

A charge, as shown on Schedule 7-A, shall be made for turn-on.

(b) Outside District Applicants. One-half of the total charges are due by April 1 or prior to receiving water. If there is a new owner, payment is due with application.

One-half of the total charges due June 15, and if not paid by July 15, a notice of termination of service shall be mailed and a ten percent late payment penalty shall be added. If payment is not received by July 15, service may be turned off.

A charge, as shown on Schedule 7-A, shall be made for turn-on

rev 01/22/2020

(c) Delinquencies. Applicants who are delinquent in the payment of water charges shall pay charges prior to District's acceptance of application for subsequent seasonal irrigation service or make satisfactory agreement with District for payment of same. An additional ten percent late payment penalty shall be added to all seasonal irrigation water accounts remaining unpaid on February 15.

eff. 6/11/03

**6.01.03 Standby**

All standby charges are due and payable on issuance of the statement. Standby charges are delinquent four months after issuance and may be transferred to the County Tax Rolls for collection.

eff. 6/11/03

**6.01 TERMS OF PAYMENT**

By these Rules and Regulations, the District intends to comply with the requirements imposed by Public Utility Code §16481.1 and Health and Safety Code § 116916. The procedures outlined in those statutes, as may be amended from time to time, take precedence over these Rules and Regulations.

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(a) Policy on Payment of Bills and Service Discontinuation. Sections 6.01.01, 6.03, 6.07 and 6.09 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 delinquency notice shall be available in English, the languages listed in Section 1632 of the Civil Code, 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.

(b) Payment of Bills. All water charges are due and payable on issuance of the statement and are delinquent if not paid by the due date printed on the bill, which will be twenty-four (24) days from issuance. If not paid:

**Twenty-eight (28) days from issuance** - A delinquency penalty charge at the rate of 1 ½ percent, will be applied to each account’s unpaid balance and a courtesy delinquency notice will be printed on the customer’s regular statement. Penalty charges and statement delinquency notices will be posted monthly thereafter until paid.

**Fifty-Five (55) days from issuance** - A final turn-off notice shall be mailed to the customer named on the account. If the customer’s mailing address is not the address of the property to which residential service is provided, the notice will also be sent to the service address, addressed to “occupant”.

If the final turn-off notice is returned as undeliverable, notice of imminent discontinuation of service for non-payment shall be posted in a prominent and conspicuous location at the property at least 7 business days prior to termination of service.

Any delinquency notice issued 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. A service charge as shown in Schedule 6-A shall be added to the account and included in the delinquent balance.

**Ninety (90) days from issuance** - Water service may be discontinued if the delinquent account balance has not been paid prior to the scheduled turn-off date. A charge, as shown in Schedule 7-A shall be made for turn-on. Once a service has been discontinued, the entire account balance must be paid prior to service being restored.

Customers can contact District customer service staff by calling 530-273-6185, to discuss options for averting discontinuation of service for nonpayment, including possible deferral and amortization.

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satisfying all of the foregoing criteria will be permitted 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 the District customer service staff.

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NEVADA IRRIGATION DISTRICT  
1036 W. MAIN ST  
GRASS VALLEY, CA 95945-5424  
PHONE: (530) 273-6185

Account Number: 22222-01  
Account Name: Occupant  
Service Address: ANY ROAD, 12346  
Account Balance: \$1,287.07  
Due Date: Friday, October 21, 2022  
Amount Enclosed: \$ \_\_\_\_\_

Occupant  
12346 ANY ROAD  
AUBURN CA 95602-0000

Make checks payable to: **Nevada Irrigation District**

NEVADA IRRIGATION DISTRICT  
1036 W MAIN ST  
GRASS VALLEY, CA 95945-5424

*Please return this portion with your payment*

**~~COURTESY DELINQUENCY NOTICE~~ FINAL NOTICE**

Account Number	22222-01	Account Balance	\$1,287.07
Account Name	Occupant	Due Date	Friday, October 21, 2022
Service Address	ANY ROAD, 13400		

This is a courtesy-final notice informing you that your account is currently delinquent, and is scheduled to be disconnected. If satisfactory payment or payment arrangements have not been made by **5:00 p.m on Friday, October 21, 2022**, NID will begin collection efforts, **including suspending your water service.**

If you believe your bill or this notice of is incorrect you should immediately contact Customer Service at (530) 273-6185. If you still believe your bill or notice is incorrect after contacting Customer Service, you may appeal it in writing to the District's office within fifteen (15) business days of this courtesy notice, stating the reason(s) why you believe the bill or notice is incorrect.

If you are unable to pay, you may qualify for an extension or alternative payment schedule. Call Customer Service at (530) 273-6185 to discuss alternative payment options, including an amortization of your delinquent balance, and to determine whether you are eligible for these programs.

If satisfactory payment or payment arrangements have not been made by **5:00 p.m on Friday, October 21, 2022**, one or more of the following may apply:

- ~~You will receive a final turn-off notice.~~
- Additional fees and penalties will apply.
- Your service may be shut-off.
- The entire account balance (including all fees) must be paid before service can be restored.
- Payment must be made by 4pm Monday -- Friday in order to have the service restored the same day. Otherwise, an after-hours turn-on charge will be assessed.

If your records indicate a recent payment, please contact the Customer Service Department at (530) 273-6185.

다음은 최종 서비스 중단 통지서입니다. 이 통지서를 한국어로 보시려면 다음 사이트를 방문하십시오: <https://nidwater.com/contact-us>  
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It ay isang magalang na paunawa ng pagkadelingkwente. Upang makita ang paunawang ito sa Tagalog bisitahin ang <https://nidwater.com/contact-us>  
這是「禮節性欠費通知」。欲以中文檢視此通知，請造訪 <https://nidwater.com/contact-us>  
Đây là thông báo nhắc nhở nợ quá hạn. Để xem thông báo này bằng Việt Nam hãy truy cập <https://nidwater.com/contact-us>

NEVADA IRRIGATION DISTRICT 1036 W MAIN ST GRASS VALLEY, CA 95945-5424 (530) 273-6185

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NEVADA IRRIGATION DISTRICT  
1036 W. MAIN ST  
GRASS VALLEY, CA 95945-5424  
PHONE: (530) 273-6185

Account Number: 22222-01  
Account Name: Occupant  
Service Address: ANY ROAD, 12346  
Account Balance: \$1,287.07  
Due Date: Friday, October 21, 2022  
Amount Enclosed: \$ \_\_\_\_\_

Occupant  
12346 ANY ROAD  
AUBURN CA 95602-0000

Make checks payable to: **Nevada Irrigation District**

NEVADA IRRIGATION DISTRICT  
1036 W MAIN ST  
GRASS VALLEY, CA 95945-5424

*Please return this portion with your payment*

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## FINAL NOTICE

<b>Account Number</b>	22222-01	<b>Account Balance</b>	\$1,287.07
<b>Account Name</b>	Occupant	<b>Due Date</b>	Friday, October 21, 2022
<b>Service Address</b>	ANY ROAD, 13400		

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NEVADA IRRIGATION DISTRICT 1036 W MAIN ST GRASS VALLEY, CA 95945-5424 (530) 273-6185