

Staff Report

for the Board of Directors' Meeting of February 13, 2019

TO: Board of Directors

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

DATE: January 24, 2018

SUBJECT: Leak Adjustment Approval

OPERATIONS

RECOMMENDATION:

Approve an adjustment to customer account M2 33751-0, as allowed by the District's Rules and Regulations Section 4.10 (Leak Adjustment).

BACKGROUND:

The District allows for a reduction of fee's when a treated water customer experiences an excessive bill due to a leak during the billing cycle. The intent of the regulation is to provide an opportunity for customers to repair their system and receive a one-time in 5-year reduction on their bill.

The property owner of Nevada County APN 009-730-041-000 was notified by the District on November 1, 2018 of a possible leak. The customer located and repaired the leak on November 4, 2018. He then submitted a request for leak adjustment. The calculated adjustment of \$7,011.90 requires Board approval as it is greater than \$5,000.

BUDGETARY IMPACT:

A one-time loss in revenue of \$7,011.90

Attachments (2):

- Leak adjustment for Nevada County APN 009-730-041-000
- Rules & Regulations Section 4.10

**LEAK ADJUSTMENT
INSIDE DISTRICT**

January 24, 2019

Parcel Number: N009-730-041-000

Account Number: M2 33751-0

Current Billing for period:			\$8,429.50
	<u>HCF*</u>	<u>@</u>	<u>\$</u>
Current Usage	20	2.05	8,330.20
	3,128	2.65	
Normal Usage (Prior year)	20	1.93	253.60
	86	2.50	
Excess Usage @ production rate	3,042	0.35	1,064.70
Leak Adjustment			<u>\$(7,011.90)</u>
Adjusted billing			<u>\$ 1,417.60</u>

*HCF = hundred cubic feet

See section 4.10 of the District's Regulations Relating to Water service for policy.

Adjusted calculation is as follows:

- a) The normal usage for a comparable billing period subtracted from the total actual usage equals excess usage.
- b) The normal usage billed at the prevailing water rate plus the excess usage billed at the prevailing District's production rate for treated water is subtracted from the current charges. The resulting amount shall be the amount of adjustment granted.

**I AGREE TO ACCEPT THIS ADJUSTMENT AND UNDERSTAND NO FURTHER
CREDIT WILL BE ALLOWED WITHIN FIVE YEARS FROM THIS AGREEMENT.**

This Leak Adjustment may be executed in several counterparts, each of which shall be deemed an original and facsimile and electronic signatures, including pdf, shall be considered valid.

Owner's Signature _____ Date _____

Credit approved by: _____

W. Scott Miller, MD, President of the Board of Directors

Nevada Irrigation District
1036 W Main Street
Grass Valley, CA 95945

(530) 273-6185
customerservice@nidwater.com

PLEASE RETURN TO CUSTOMER SERVICE

4.10 LEAK ADJUSTMENT

An adjustment for treated water loss may be granted by the District per parcel, per owner, if:

1. The usage during the period is at least 2.5 times the usage for a comparable period of normal use and;
2. Adjusting the bill would result in a reduction of \$200 or more and;
3. Not more than one leak adjustment event, based on this section, shall be allowed to the same owner within a five-year period.

Adjustments can be granted for up to two consecutive billing periods per leak adjustment event. Request for adjustment must be made in writing by the property owner. Form 4-E is used to calculate the adjustment.

The Operations Manager shall have the authority to make adjustments up to \$2,000.

The General Manager shall have the authority to make adjustments between \$2,000 and \$5,000.

The Board of Directors shall have the authority to make adjustments of greater than \$5,000.

eff. 10/10/84, rev. 05/13/15, rev. 04/11/18