

WATER AND SEWER LEAK CREDIT POLICY

A. PURPOSE

- A.1 The purpose of this policy is to define a credit policy to be followed when a customer has incurred unusual charges as a result of a leak or other problem on the customer's side of the water meter causing the loss of metered water; and
- A.2 The excess water usage was of such a nature and at such a location to not have been discovered with the customer's reasonable diligence, or has occurred as a result of a condition beyond normal and reasonable control of the customer or other parties responsible for the use, care, and maintenance of fixtures and devices that are a part of the customer's water service system.
- A.3 Although there is no obligation for the City to adjust an account when the water has been metered properly, it is the City's desire to encourage customers to make prompt and permanent repairs and to show consideration for the unusual circumstance by sharing the cost of the excessive usage charges.

B. CONDITIONS

- B.1 Adjustments will not be allowed for water loss arising from carelessness, negligence or lack of due diligence on the part of the customer, as
- B.2 It is the customer's responsibility to promptly discover and stop the loss of water. In addition,
- B.3 The customer is responsible to repair or arrange to have repaired the fixture or device causing the water loss.

C. CUSTOMER RESPONSIBILITY

- C.1 The customer must submit a Water & Sewer Adjustment Request Form, and provide information describing the abnormal situation or circumstances that resulted in the loss of water. This should include the cause of the water loss, when the problem was discovered, what action was taken to stop the loss of water, and the arrangements made for repairs.
- C.2 Once a repair is completed, the customer must provide evidence of leak repair to support the condition that the repair is a quality job of a permanent nature, such as:
 - C.2.1 Plumber's repair bill, or
 - C.2.2 A letter from plumber or repair company, or
 - C.2.3 A list of materials used with receipts if the customer performed the repair.
- C.3 The customer must sign up for *EyeOnWater* and provide evidence to confirm enrollment. The instructions on the process can be obtained from City Hall.

D. ADJUSTMENT PROCEDURE

- D.1 Upon receipt of the customer's statement describing the water loss and/or copies of invoices or receipts documenting repair, and the confirmation of EyeOnWater enrollment, City administrative and Public Works staff will evaluate the circumstances surrounding the water loss.
- D.2 The City will calculate the adjustment under the following guidelines.

- D.2.1 Average Billings: All adjustments for water and/or sewer charges will be based upon the previous twelve (12) months average usage billings for the customer's service location.
 - D.2.1.1 If a twelve-month average is not available (new residential customer), the average will be based on 3,000 gallons of usage per person in the household.
 - D.2.1.2 For seasonal users (customers with fixed and predictable patterns of consumption, usually due to irrigation), the adjustment will be based on the corresponding month(s) from the year immediately preceding, where no abnormal water loss or meter malfunction was recorded during the corresponding month(s).
 - D.2.1.3 Vacant Locations – In situations where the location is vacant and the owner/manager has requested utility service to be turned on to make repairs or renovations for the next occupant and a leakage arises, an adjustment may be made based on 1,000 gallons per month average normal consumption where there is no usage history for reference.
- D.2.2 Usage in the leakage month(s) must be at least 3,000 gallons to qualify for an adjustment; or
- D.2.3 Usage in the leakage month must exceed 200% (double) of normal usage.
- D.3 Adjustments for Water Charges
 - D.3.1 The adjustment for water charges shall be 50% of the amount in excess of the average usage billing for the customer based on the above guidelines;
- D.4 Adjustments for Sewer Charges
 - D.4.1 In situations where the excess water consumed was returned to the City's wastewater system, an adjustment for sewer charges shall be 50% of the amount in excess of the average usage billing for the customer based on the above guidelines.
 - D.4.2 In situations where the excess water consumed was not returned to the City's wastewater system, the adjustment for sewer charges shall be 100% of the amount in excess of the average usage billing for the customer based on the above guidelines. Examples of this type of leak include, but are not limited to, the following:
 - D.4.2.1 leaks underground under a structure, or in walls,
 - D.4.2.2 frozen and burst pipes,
 - D.4.2.3 irrigation system leaks,
 - D.4.2.4 vandalism to plumbing that is documented with a police report.
- D.5 No adjustment shall be made for a period in excess of two (2) billing periods, and not more than one (1) such adjustment will be granted per property, per owner.
- D.6 No adjustment shall be made when the request for the adjustment is received more than sixty (60) days after the billing date of the bill to be adjusted in the case of an active customer, or thirty (30) days after the billing date of a final bill. Exceptions will only be made if there is proof for extraordinary mitigating circumstances, e.g., the customer was in the hospital or out of town during the period in question.

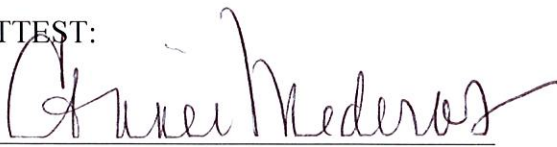
- D.7 All abnormal water loss calculations shall be documented by administrative staff, and shall include a complete and adequate description of the problem and justification for the adjustment.
- D.8 All proposed adjustments will be reviewed and approved or denied by the City Council before a credit adjustment is made to the customer's account.
- D.9 A copy of the documentation will remain in the utility billing files until the property is sold.
- D.10 Once the adjustment has been made to the customer's account, the utility biller will notify the customer that the adjustment has been made.
- D.11 For abnormal situations involving the loss of metered water that fall outside the guidelines outlined above, adjustment requests will be reviewed on a case-by-case basis. Such circumstances include, but are not limited to,
 - D.11.1 large leaks that have gone undetected by the customer for more than the allowable 2-month adjustment period because of construction or landscape aspects of the property, or
 - D.11.2 leaks reported beyond the 60-day period for active accounts, or 30-day period for final accounts because of extenuating circumstances.
- D.12 If the correct documentation is provided, these adjustment requests will be reviewed and approved as follows:
 - D.12.1 Documentation will be given to the City Clerk who will review the application to ensure that it meets the guidelines outlined above.
 - D.12.2 The application will then be reviewed by Council at the next regular council meeting for approval.
 - D.12.3 Late fees will not be added to the account during the waiting period.


E. IMPLEMENTATION

- E.1 The Council shall be responsible for the implementation and interpretation of this policy

Adopted by the Morristown City Council this 3rd day of October, 2022.

ATTEST:


Connie Medeiros, City Clerk


Tony Lindahl, Mayor