

CITY OF OWOSSO

GUIDELINES FOR ADJUSTMENTS TO WATER OR SEWER USAGE CHARGES

This is a guideline to enable water billing staff to directly address routine situations and better serve our customers without having to route the customer to a supervisor that might entail delays and inconvenience for the customer. It is not a hard and fast rule. If circumstances do not fit the guideline, the issue should be brought to supervision for discussion, direction, or a final determination.

A. QUESTIONS OF METER ACCURACY

New water meters are tested and certified accurate by the meter manufacturer. Typical water meters for retail water sales rely on the water flow through the meter for registration on a sealed register similar to a car odometer. As meters age and wear they tend to under-register and finally stop registering altogether. Additionally, the meter mechanism may become jammed from corrosion or mineral scale detached from older pipes and also fail to register usage. For meters with a remote read device, the remote read may fail to register usage due to a broken or disconnected wire between the actual meter and the remote device. Usage is determined from the actual meter's sealed register reading, and the remote device reset to match the actual meter register. If there is evidence or reasonable suspicion of any bypass or tampering with any metering device, the situation should be reported to a supervisor for investigation and follow-up.

In the event of no usage on an active account, or reduced usage over a billing quarter, attributable to a stopped meter, the City will attempt to fix or replace the meter as soon as practicable. If the actual usage cannot be determined for a billing quarter, the usage charges will be based on the customer's previous average use for the appropriate quarter. If the customer does not cooperate in scheduling an appointment for meter change-out prior to the next billing quarter, the estimated usage charge for that next quarter may be based on two times the previously metered average use until access is allowed for meter change-out. Customer usage following the meter change-out may be reviewed and appropriate adjustments made to the previous quarter's estimate of usage charges.

If a customer questions the metered water usage, the City shall first verify by inspection that the meter was properly read. For meters with a secondary remote readout, a reading from the actual sealed register shall be obtained and is the official read. If the secondary remote read-out was different than the actual sealed register reading, then that remote read-out will be adjusted to read the same as the sealed register, and the read from the sealed register shall be the basis for the water and sewer billing.

If a customer still questions the meter accuracy, they may request a meter be tested and the City shall follow the City Code provisions, which are copied below.

Sec. 34-74. Inaccurate meters.

A consumer may require that the meter be tested. If the meter is found accurate, a charge as prescribed by resolution of the council will be made. If the meter is found defective, it shall be repaired or an accurate meter installed and no charge shall be made.

(Code 1977, § 2.29)

Sec. 34-75. Accuracy required.

A meter shall be considered accurate if, when tested it registers not to exceed five (5) percent more or five (5) percent less than the actual quantity of water passing through it. If a meter registers in excess of five (5) percent more than the actual quantity of water passing through it, it shall be considered "fast" to that extent. If a meter registers in excess of five (5) percent less than the actual quantity of water passing through it, it shall be considered "slow" to that extent.

(Code 1977, § 2.30)

Sec. 34-76. Bill adjustment.

If a meter has been tested at the request of a consumer and shall have been determined to register "fast," the city shall credit the consumer with a sum equal to the percent "fast" multiplied by the amount of all bills incurred by the consumer, within the three (3) months prior to the test, and if a meter so tested is determined to register "slow," the public services department may collect from the consumer a sum equal to the percent "slow" multiplied by the amount of all the bills incurred by the consumer for the prior three (3) months. When the department on its own initiative makes a test of a water meter, it shall be done without cost to the consumer, other than his or her paying the amount due the city for water used by him or her as above provided, if the meter is found to be "slow."

B. LEAKS IN THE CUSTOMER SERVICE PLUMBING SYSTEM

The customer is responsible for maintaining their plumbing system including promptly identifying and correcting plumbing leaks that result in wasted water and high water and sewer bills. For example, a toilet left running at a 1 gallon per minute fill rate can waste over 1400 gallons per day or about 130,000 gallons over a 90 day billing quarter. The resulting water & sewer bill can be hundreds of dollars higher than normal if leaks are not promptly identified and corrected.

However, from time to time plumbing leaks will occur and result in significantly higher than normal water and sewer usage charges even with due care and proper response by the customer. For example, (1) an underground leak between a pit meter by the curb and the house from which the water does not surface but seeps into well drained sandy soil and is not detected until the meter read indicates high usage, (2) an outside hose bibb is turned on and let run by vandals while the customer is away, (3) a hot water tank leak to a basement drain that goes undetected for a reasonable period, (4) a furnace humidifier stuck in the on position with excess water routed directly to a drain, (5) a toilet leak that the customer was not aware of, or is identified by a plumber or our service technician. In such situations the City will consider adjusting water and/or sewer usage charges in accordance with the guidelines that follow. Generally, a customer should not expect more than one such adjustment in a year's time.

Routine outside water use for lawn irrigation, car washing, etc. is not a "leak" and not subject to adjustment of charges. To avoid sewer usage charges on lawn irrigation water a customer has the option of arranging for a separately metered water only service account. However, the customer will have plumbing expenses, including the cost of the additional meter, and an additional quarterly demand charge associated with such service so we recommend a case by case determination of whether a separately metering outside water use is cost-effective for a customer requesting that option.

Step 1. Identify whether there has been a significant increase in metered usage.

For this procedure a significant increase in usage is two times or more the normal consumption expected during the billing period, and generally in excess of 24 meter units per quarter for a residential customer. In response to a customer inquiry or on discovering high metered usage prior to billing, the first step is to verify the meter read. If practical, obtain, a direct read from the sealed register to cross check a read from a remote or radio transmitter device. If this follow-up read indicates an ongoing leak, the water service technician, with the customer's consent, can provide some assistance in identifying a leak without additional charge to the customer within the time frame of a routine service call.

Step 2. Determine the nature of the leak(s) and that it has been corrected.

Determine if the leaked water went to the wastewater system as in the case of a toilet leak or leak to a basement floor drain. Prior to adjusting sewer charges we will also need to verify that there are no illicit connections such as a footing drain sump pump discharge line or roof drains contributing non-metered water flows to the wastewater system. This should preferably be done in conjunction with verifying the meter read and leak investigation under step 1. Alternatively, you can rely on a City inspection report, if completed within the last year, or we will need to arrange for an inspection prior to making an adjustment.

Verification that the leak has been fixed can be evidenced by a return to normal usage and verification by the service technician in the field or the customer's submittal of plumbing receipts for work done to correct a leak or eliminate the leaking equipment.

Step 3. Determine the bill adjustment amount

a. Water Usage Charge Adjustment

The customer is charged the full water usage rate for their normal average water use. If a residential customer does not have a billing history, assume 24 meter units per quarter for average water use (for other cases consult with a supervisor). The metered water use above the average attributed to an identified and corrected leak can be charged at an incremental usage rate estimated at 50% of the full usage charge rate. This alternate usage rate covers the incremental or variable costs for producing and supplying this "one time", excess water use (i.e. costs for power, chemicals, etc. but not other fixed costs such as personnel, capital infrastructure, etc.).

For example, if the customer's average water use was 30 units per quarter, and they had a bill for 100 units in a quarter due to a toilet leak that was corrected by the homeowner, the water usage adjustment to an already issued bill would generally be accomplished with a credit to the account of $[100 \text{ units} - 30 \text{ units (average)}] \text{ times } 50\% \text{ of the water usage rate.}$

b. Sewer Usage Charge Adjustment

Staff is not authorized to adjust sewer usage charges for a customer until receiving clearance that the customer's building has no un-metered illicit discharges to the wastewater system, such as a footing drain sump pump or roof drain connection.

In cases where there is sufficient information to determine that the water from the plumbing leak did not go to the wastewater system, the sewer usage charge is to be based on the customer's average metered usage at the full sewer usage rate. If there is not a billing record for the customer, the average residential usage is estimated at 24 units per quarter (confer with a supervisor for other users).

In cases where the leaked water went to the wastewater system, or if the nature of the leak could not be verified, the customer's average usage is charged at the full sewer usage rate, but the "excess" sewer usage above the average can be charged at an "incremental" usage rate estimated at 50% of the full rate similar to the water adjustment.

c. Other Considerations

The leak adjustment is to cover an event with the understanding that the event may continue beyond the initial quarter if the leak is not detected until some time after the ending meter read and/or issuance of the high bill. Determination of the "leak period" and resulting adjustments may require additional consultation with a supervisor but should otherwise be consistent with the above guidelines.

If the customer promptly questions a high bill prior to the bill due date, the account can be exempted from late penalty charges if the customer proceeds in good faith to correct the leak and pay at least the average quarterly charge amount. Staff can also follow payment arrangement procedures for such higher than normal bills allowing the customer additional time to pay the adjusted bill without late penalty charges, with the goal of bringing the account balance to zero prior to the issuance of the next quarterly bill.

A supervisor (Utility Director, Finance Director, Treasurer) shall review and approve adjustments before they are applied to an account.

C. POOL FILL SEWER USAGE CHARGE ADJUSTMENT

Customers with backyard pools may request an adjustment to the sewer usage charge to account for significant water volumes (in excess of 12 meter units in a period of one or more consecutive days) that go through the house meter and used for the initial filling of a swimming pool for which the pump out or drainage will not be directed to the wastewater system. Such adjustments are generally limited to no more than one a year. If a customer desires to avoid sewer usage charges on water used to top off or otherwise go to the pool on an ongoing basis, they will need to arrange for a separately metered water only service account as is the practice for lawn irrigation systems.

Staff is not authorized to adjust sewer usage charges for a customer until receiving clearance that the customer's building has no un-metered illicit discharges to the wastewater system, such as a footing drain sump pump or roof drain connection. Generally, this will require an inspection that would also include verification of water meter reading and pool volume. A \$20 service call charge (at 2009 rates) would apply. Therefore, there is no cost savings to a customer unless they would be using over 12 units (1200 cubic feet) of water for the pool fill. This equates to about a 20 foot circular pool 4 feet in depth, or a 15' x 20' pool 4 feet in depth.

If the customer desires to proceed, a service call is scheduled for the inspection and verification of pool volume and start meter reading. The sewer use adjustment would generally be based on calculated pool fill volume but should be cross checked with the initial and following quarterly meter reads for consistency. The resulting sewer credit and service call charge would then be applied to the account.

Proposed for Owosso City Council Review and approval at the December 21, 2009 Meeting

By: Gary Burk, Utilities Director
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