

City of Calistoga

UTILITY BILLING ADJUSTMENT POLICY

Policy Authorization

Effective Date July 20, 2017

Revision Dates (1) _____ (2) _____

Authorization _____


Dylan Feik, City Manager

OVERVIEW

This Utility Billing Adjustment Policy ("Policy") establishes guidelines for providing billing adjustments for property-side water leaks and unexplained usage.

PURPOSE

The purpose of this Policy is to provide an administrative remedy for adjustment to bills for excessively large water usage, which is defined as an amount in excess of 50% of the normal usage for a billing period based on previous years. An adjustment may be made in the form of a credit for up to 30% of the water use charges deemed to be in excess of normal usage for the billing period.

POLICY

The authority for all billing adjustments is established by the adoption of this Policy.

A. Property Side Leak Adjustments

A property-side leak is any loss of water due to frozen and/or deterioration of pipes, fittings or equipment, the existence of which is not immediately observed by the customer or City employees and said loss emanates from the plumbing on the customer's side of the water meter serving the customer's property ("Property Side Leak"). Customers are responsible for all aspects of the water distribution system on the customer's side of the City water meter, including but not limited to all fittings, piping, valves, hose bibs and appurtenances.

In order to qualify for a billing adjustment due to a property-side leak ("Property Side Leak Adjustment"), any defects in the distribution system which are the responsibility of the customer must be repaired by the customer solely at his or her expense.

The customer is responsible for monitoring higher than expected usage as reflected on the customer's bill. Customers must investigate higher than expected usage to determine if the usage was caused by a Property-Side Leak. A customer who has

observed or has actual knowledge of a Property Side Leak and has not reported it within 60 days from the bill due date for the period in which the loss occurred will not be eligible for a Property Side Leak Adjustment.

No adjustment or credit will be applied to the utility bill for Property Side Leaks, damage, deterioration or other factors beyond the control of the City, unless a customer complies with all requirements set forth below in Section A.1 – Property Side Leak Adjustment Requirements.

1. Property Side Leak Adjustment Submission Requirements

The Administrative Services Director, or another person delegated the responsibility for adjusting utility billings, may adjust the water usage portion (excluding service charge) and any resulting wastewater usage portion (excluding service charge), on a customer's bill(s) due to a Property Side Leak if all of the following submission requirements are met:

1. The customer notifies the City, in writing, within 60 days from the bill due date and submits a request for billing adjustment. The written request for a billing adjustment includes either the form issued by the City ("Billing Adjustment Form") or a letter from the customer ("Billing Adjustment Letter") certifying:
 - a. The name, address, and telephone number of the person discovering the leak.
 - b. The date the leak was discovered.
 - c. The nature and location of the leak.
 - d. The date the leak was repaired.
 - e. The name, address, and telephone number of the person repairing the leak.
 - f. A description of the repair work performed and associated receipts.
2. The request for Property Side Leak Adjustment can cover no more than two consecutive billing periods.
3. The customer has not received a Property Side Leak Adjustment for a Property Side Leak in the past twenty-four months. The twenty-four month period begins the first month of the billing period following the last billing period for which a Property Side Leak Adjustment for a Property Side Leak was received.
4. A partial payment of at least 50% of the original water bill amount must be submitted on or before the due date of the bill.
5. The excess usage resulting from the Property Side Leak must be more than 50% of the normal usage for the billing period, based on billings from prior years.
6. The customer must provide repair bills or other appropriate documentation acceptable to the City substantiating the repair of the Property Side Leak.

The City may deny a request for a Property Side Leak Adjustment if the above requirements are not met or if there are insufficient bases for granting the adjustment

as described below. If so, the City will mail a denial letter and the customer must pay any balance owed within the due date set by the City.

2. Basis for Granting Property Side Leak Adjustment

Once a customer submits a Billing Adjustment Form or Billing Adjustment Letter, the Public Works department shall investigate the property-side leak and prepare a report for review by the Finance Department. The report shall contain the conditions and causes of the excess water use and the timeliness of a repair after detection of the problem.

The City shall not grant a request for Property Side Leak Adjustment if, as a result of its investigation, the Public Works department determines that the excessive water use was due to the willful or neglectful acts of a customer, his/her agent, or tenant, or because of broken, damaged, leaky or open fixtures. No adjustment or credits will be given for leaks which develop as a result of changing or maintaining the water meter, unless it can be shown that the City was negligent in performing the meter change or maintenance. Water billing charges for usual and ordinary water use are not subject to adjustment. This includes any water used for filling swimming pools, spas or other ordinary but otherwise non-routine water uses.

Before awarding a Property Side Leak Adjustment, the City must be satisfied that the problem that resulted in a request for a Property Side Leak Adjustment has been properly repaired or resolved. All repairs must be completed within thirty (30) days of inspection unless otherwise approved by the Public Works Director. The City will place a hold on the customers' account in order to ensure the repair of the leak has had an effect on water consumption. This process can take anywhere from one (1) to three (3) billing cycles.

If the customer satisfies all submission requirements in Section A.1, the results of the City's investigation support the customer's request for a Property Side Leak Adjustment, and the City is satisfied that the problem that resulted in the request has been resolved, then the Administrative Services Director may approve a Property Side Leak Adjustment. If a customer is approved for a Property Side Leak Adjustment, the City will make an adjustment to the account and a credit will be given as set forth below.

3. Credit Amount and Outstanding Balances

If the Administrative Services Director grants a Property Side Leak Adjustment, a credit will be provided for up to 30% of the water use charges deemed to be in excess of normal usage for the billing period. A Property Side Leak Adjustment may be approved that provides a credit for up to two consecutive billing periods.

Please note that any credit provided does not usually cover the remaining amount due on the bill(s). Customers are responsible for any difference between the credit amount and remaining balance after the Property Side Leak Adjustment has been made, and shall

pay the difference by the date set by the Administrative Services Director.

B. Unexplained Usage Adjustment

Customers can apply for one unexplained usage billing adjustment for the life of the account ("Unexplained Usage Adjustment"). This adjustment is available in addition to the Property Side Leak Adjustment allowed once per twenty-four month period described above. Any Unexplained Usage Adjustment approved may provide for a credit for up to two consecutive billing periods.

The customer must request an Unexplained Usage Adjustment in writing within 60 days of the bill due date, specifying their service address, utility account number, and the billing period for which they are requesting an Unexplained Usage Adjustment. The customer must also submit a partial payment of at least 50% of the original water bill amount on or before the due date of the bill. Unlike the Property Side Leak Adjustment requirements, the customer need not provide information regarding a leak or leak repair, or provide repair bills in order to be eligible for the Unexplained Usage Adjustment.

For Single-Family Residential customers, the unexplained usage must reach Tier 3 (or higher) and be at least 50% higher than normal usage compared to same billing period in previous years to qualify for an Unexplained Usage Adjustment. For Multi-Unit Residential, Commercial and Industrial customers, the unexplained usage must be at least 50% higher than normal usage compared to same billing period in previous years to qualify for an Unexplained Usage Adjustment.

If the Administrative Services Director grants an Unexplained Usage Adjustment, a credit will be calculated in the same manner as the credit for the Property Side Leak Adjustment described under Section A. 3 above.

The Administrative Services Director may also approve a subsequent Unexplained Usage Adjustment per the lifetime of the account, or an Unexplained Usage Adjustment that covers more than two consecutive billing periods, if the following requirements are met:

- (1) the customer demonstrates that the cause of the excess usage was not due to a Property Side Leak, but was due to some other condition unrelated to the fault of the customer; and
- (2) the Public Works Director, after investigation of the customer's request, determines that a subsequent Unexplained Usage Adjustment, or an adjustment covering more than two consecutive billing periods, is warranted.

PROVISIONS FOR APPEAL OF PROPERTY SIDE LEAK OR UNEXPLAINED USAGE ADJUSTMENTS

Any customer who is dissatisfied with any determination made pursuant to this Policy by the Director of Public Works or Administrative Services Director may, within 10 days after such determination, appeal to the City Manager by giving written notice to the City Clerk, setting forth the determination with which the customer is dissatisfied. The City Manager, or his or her designee, shall cause notice to be given to the customer of the time and place fixed by the City Manager for hearing such appeal, at least 10 days prior to such hearing. Such hearing shall be held within 90 days of the timely filing of a written notice by the customer. The determination of the City Manager, or his or her designee, shall be conclusive and final, with no further right to appeal to the City Council.

In the event the customer wishes to pursue an appeal under this provision, the customer must deposit all outstanding charges and balances with the Finance Department before bringing an appeal.

WHO IS COVERED

This Policy applies to all customers of the City of Calistoga who have a utility billing account with the City.

RESPONSIBILITIES

The Finance Department is responsible for the administration and enforcement of the Policy.