

HARPETH VALLEY UTILITIES DISTRICT

**POLICY REGARDING ADJUSTMENTS OF WATER
AND WASTEWATER USAGE CHARGES FOR LEAKS**

ADOPTION DATE: January 28, 2008

EFFECTIVE DATE: January 28, 2008

RESPONSIBLE FOR

**ADMINISTERING POLICY: GENERAL MANAGER, ASSISTANT GENERAL MANAGER,
BOARD OF COMMISSIONERS**

BACKGROUND

It is accepted water and wastewater utility practice in the United States, and the policy of the District, that the customer is responsible for the proper provision, monitoring, operation, maintenance, repair and replacement of all water and wastewater utility service lines and components of the customer's water and wastewater system on the customer's side of the water meter and wastewater line inspection point. This includes leakage. A customer who has a leak on the customer's side of the water meter or who is seeking a leak adjustment should realize that a water or wastewater leak allowing drinking water to escape or wastewater to go untreated is wasteful and a potential public health hazard.

LIMITATIONS

The District is subject to various state and federal regulations and bond covenants and has no discretion to adjust bills in a manner which would violate these regulations or covenants. This policy has no application to the District's municipal or utility district customers.

PUBLIC NOTICE

A copy of this policy shall be available at the business office of the District for customer inspection during regular business hours.

POLICY STATEMENT

Any customer who has a leak on the customer's side of the water meter or who is seeking an adjustment of water or wastewater usage charges for leaks shall be treated in accordance with this policy.

1. Customer's Responsibility to Monitor, Investigate and Repair Leaks

The customer is responsible for monitoring higher than expected usage as reflected on the customer's bill. Higher than expected usage must be investigated by the customer and any leaks promptly repaired by the customer. A customer who has observed or has actual knowledge of a leak on the customer's side of the water meter is required to promptly repair the leak (a) as a pre-condition to the District's consideration of a request for a leak adjustment and (b) to avoid termination of water and wastewater service.

2. Meter Reading Error

If an investigation of a meter and meter records establishes that a meter was misread, then the bill will be revised based on the corrected reading proportioned to the number of days between the readings. If there was a failure of the meter or the meter reading device, a new bill will be issued using an estimated reading based on an average of the past twelve (12) months billings prior to the period covered by the bill in question.

3. Proper Meter Reading

If an investigation of a meter and meter record establishes that a meter was properly read and that there was no failure of meter or meter reading device, the bill will remain valid and payable.

4. Testing of the Customer Meter

If the customer questions the accuracy of the meter, the customer may pay the bill in question plus a meter testing deposit of fifty dollars (\$50.00) for 5/8" x 3/4" meters and three hundred and fifty dollars (\$350.00) for all other meters up to and including two inch (2") meters. The District will remove the meter and test it at the District's shop or at the District's election have the meter tested by a third party. For meters larger than a two inch (2") meter, the District will obtain an outside consultant to test the meter if the customer agrees to pay for the testing.

If the meter proves to have an accuracy within guidelines established for used meters by the American Water Works Association (AWWA), it is deemed to be accurate. If the meter tests accurate, the customer's meter testing deposit will be non-refundable. If the meter does not meet AWWA accuracy standards, the District shall refund the meter testing deposit to the customer, repair or replace the meter, and make an adjustment to the charges in accordance with the test results, if feasible, or, if not feasible, based upon an average of the twelve (12) months billings prior to the period covered by the bill in question.

5. Request for an Approval of Adjustment

A written request from the customer for a leak adjustment of a water or wastewater bill must be submitted for review to the District within ninety (90) days of the due date of the bill requested to be adjusted before an adjustment may be considered or approved. The written request shall be accompanied by either a plumber's Affidavit or a letter from the customer certifying: (1) the name, address, and telephone number of the person discovering the leak; (2) how the leak was discovered; (3) the date the leak was discovered; (4) the nature and location of the leak; (5) the date the leak was repaired; (6) the name, address, and telephone number of the person repairing the leak; and (7) a description of the repair work performed.

All requests for billing adjustments must be received in writing at the business office of the District during regular business hours.

6. Leaks Qualifying for Adjustment and Calculation of Billing Adjustment

A request for adjustment of a water or wastewater bill for a leak must meet all other requirements of this policy. If all other requirements of this policy are met, the following leaks may qualify for adjustment: (1) a leak within an underground water service line between the meter and exterior of a building (2) a leak within or under a building if the leak was due to a ruptured water service line or similar sudden release of water from a water service line or (3) a leaking commode or faucet. The District does not adjust any water or wastewater bills as a result of faucets or hoses left running, pressure washing, or similar water usages.

Only one (1) bill, or two (2) consecutive bills if the leak affected two (2) billing cycles, will be adjusted in any consecutive twelve (12) month period. The District may consider additional requests for an adjustment within a consecutive twelve (12) month period upon the customer's refunding of all prior adjustments within that period in order that the customer receives the benefit of the largest adjustment within any consecutive twelve (12) month period.

If any water bill, or a wastewater bill involving a leaking commode or faucet, is approved for adjustment, the customer will pay an adjusted bill in an amount equal to the average of the previous six (6) months' metered usage not including the highest and lowest usage months within that six (6) month period plus the then current lowest rate charged by the District per one thousand (1000) gallons of water for all water and wastewater services for the difference in the amount of water actually metered on the bill to be adjusted and the average metered during the previous six (6) months as calculated above. If the customer has not received six (6) previous bills, the customer shall pay the minimum monthly charge for water and wastewater services plus the then current lowest rate charged by the District per one thousand (1000) gallons of water for all water and wastewater services in excess of one thousand (1000) gallons of water metered on the bill to be adjusted.

If a wastewater bill involving a leak within an underground water service line between the meter and exterior of a building, or involving a leak within or under a building if the leak was due to a ruptured water service line or similar sudden release of water from a water service line is approved for adjustment, the customer will pay an adjusted wastewater bill as calculated in the immediately preceding paragraph, but without payment for the difference in the amount of water actually metered on the bill to be adjusted and the average metered during the previous six (6) months as calculated above.

7. Requirement of Actual Leak

The District shall not consider or approve any adjustment to a water or wastewater bill unless an actual physical leak caused the extraordinary usage for which an adjustment in the bill is requested, and the leak is located, documented, and repaired.

8. **Requirement of Written Request for Adjustment Within Ninety (90) Days**

The District shall not make adjustments of water or wastewater bills when the written request for an adjustment is submitted for review to the District more than ninety (90) days after the due date of the bill.

The District shall not extend the due date of a water or wastewater bill as a result of the customer submitting a request for an adjustment of a bill for a leak.

9. **Approval by General Manager, or his Designee, or Assistant General Manager**

All requests for adjustments shall be approved by the District's General Manager, or his designee, or Assistant General Manager before an adjustment is given. When the General Manager, or his designee, or Assistant General Manager reasonably determines that the customer requesting an adjustment of a water or wastewater bill for a leak had actual knowledge of a leak, or with due diligence would have suspected or known of a leak, and did not take reasonable and timely steps to investigate, locate, and repair the leak, the General Manager, or his designee, or Assistant General Manager shall not approve the request for an adjustment.

PAYMENT ARRANGEMENTS FOR OVERAGE DUE FOR LEAKS

If requested by contacting the Customer Service Department, a customary may pay the balance due after any approved adjustment due to a leak in six (6) equal monthly payments. The customer must pay the customer's monthly bill in addition to 1/6 of the leak adjustment balance by the due date shown on the bill. Failure to do so will result in disconnection and disqualification of the payment arrangement.

RECORD KEEPING REQUIREMENTS

The General Manager or his designee shall keep a written record of the customer billing adjustment request and the action taken by the District.

RECORD KEEPING DURATION

All records of billing adjustments shall be kept for a minimum of five (5) years.

REVIEW BY GENERAL MANAGER AND STAFF

The Board of Commissioners hereby authorizes the General Manager, or District personnel designated in writing by the General Manger, or the Assistant General Manager to approve or disapprove billing adjustment requests in accordance with the provisions of this policy that amount to no more than fifteen hundred dollars (\$1,500.00). If the action taken is unacceptable to the customer, the customer shall be advised of the customer's right, upon the customer's request, to have the billing adjustment request heard and acted upon by the Board of Commissioners. If so requested by the customer, the customer's request for a billing adjustment shall be scheduled for consideration at the Board of Commissioner's next regularly scheduled meeting and the customer shall be informed of the time and place of the meeting.

Billing adjustment requests in excess of fifteen hundred dollars (\$1,500.00) shall be reviewed by the General Manager, or his designee, or by the Assistant General Manager and referred for hearing as set forth above, with a recommendation, to the Board of Commissioners for approval or disapproval in accordance with the provisions of this policy.

REVIEW BY THE BOARD OF COMMISSIONERS

When a customer appears at a Board of Commissioners meeting regarding a billing adjustment request without previously submitting the facts regarding the request to the General Manager or office staff, the Board of Commissioners may delay hearing or ruling on the request until the next regular meeting of the Board of Commissioners to allow the General Manager, office staff, attorney or others to locate and prepare materials concerning the request for adjustment.

REVIEW BY THE UTILITY MANAGEMENT REVIEW BOARD

If, in the opinion of the customer, a decision by the Board of Commissioners on the customer's billing adjustment request is not in keeping with the provisions of this policy, the customer has thirty (30) days from the date of the Board of Commissioners' meeting where the request was ruled upon in which to file a written complaint with the Utility Management Review Board (UMRB). The UMRB is a statewide board set up, in part, to hear customer complaints. The UMRB may refuse to hear any complaint that has not first been presented to the Board of Commissioners.

Information about UMRB hearings or procedures may be handled by telephone: (615) 532-0472.

Written complaints may be mailed to the UMRB at the following address:

Utility Management Review Board
L & C Tower, 8th Floor
401 Church Street
Nashville, Tennessee 37243-1533

NOTICE TO ALL CUSTOMERS

All notices, statements, requests and other communications from the District to the customer shall be deemed sufficient and properly given if in writing and delivered personally, if in writing and attached in plain view on the front or main door of the customer's dwelling, or if sent by U.S. mail. Customer's refusal to accept any notice or communication shall be deemed receipt.

OMISSIONS

In the absence of specific rules or policies, the disposition of billing adjustment requests shall be made by the Board of Commissioners in accordance with its usual and customary practice.