

**CITY OF GASTONIA WATER AND SEWER  
POLICY FOR ADJUSTMENT OF CUSTOMER ACCOUNTS FOR ABNORMAL  
SITUATIONS INVOLVING LOSS OF METERED WATER**

**PURPOSE**

The purpose of this policy is to provide a credit adjustment to the water and/or sewer account of a customer who has experienced an abnormal situation involving the loss of metered water. The excess water metered will have 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.

**CONDITIONS**

It is the customer's responsibility to promptly discover and stop the loss of water. In addition, the customer is responsible for making arrangements to repair or have repaired the fixture or device causing the water loss. 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 billing charges.

**CUSTOMER RESPONSIBILITY**

1. The customer must 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.
2. Once a repair is completed, the customer must provide a copy of the plumber's bill or a statement of materials purchased if the customer performed the repair. This will support the condition that the repair is a quality job of a permanent nature.

**ADJUSTMENT PROCEDURE**

- 1) Upon receipt of the customer's statement describing the water loss and/or copies of invoices or receipts documenting repair, a City Customer Service Representative will evaluate the circumstances surrounding the water loss.
- 2) The Customer Service Representative will calculate the adjustment under the following guidelines.

Average Billings:

- a) All adjustments for water and/or sewer charges will be based on the previous twelve (12) months average billings for the customer's service location.
- b) 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.
- c) 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) 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. Also, the leakage usage month(s) must be at least 3,000 gallons to qualify for an adjustment.

#### Adjustments for Water Charges

The adjustment for water charges shall be 50% of the amount in excess of the average billing for the customer based on the above guidelines.

#### Adjustments for Sewer Charges

- a. 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 billing for the customer based on the above guidelines.
- b. 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 billing for the customer based on the above guidelines. Examples of this type of leak include, but are not limited to, the following:
- leaks underground under a structure, or in walls,
  - frozen and burst pipes,
  - irrigation system,
  - vandalism to plumbing that is documented with a police report.
3. No adjustment shall be made for a period in excess of two (2) billing periods, and not more than one (1) such adjustment for any given thirty-six (36) month period per customer will be granted.
4. 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.
5. Adjustments will not be allowed for water loss arising from carelessness, negligence or lack of due diligence on the part of the customer, as it is the customer's responsibility to promptly discover and stop the loss of water.
6. All abnormal water loss calculations shall be documented by the Customer Service Representative, and shall include a complete and adequate description of the problem and justification for the adjustment.
7. All proposed adjustments will be reviewed and approved or denied by the Billing Administrator before a credit adjustment is made to the customer's account.
8. In accordance with Customer Service procedures, a copy of the documentation will remain in the Customer Service Department for a period of thirty-six (36) months.

9. Once the adjustment has been made to the customer's account, the Customer Service Representative will notify the customer that the adjustment has been made.
10. For abnormal situations involving the loss of metered water that fall outside the guidelines outlined above, these adjustment requests will be reviewed on a case-by-case basis. Such circumstances include, but are not limited to, more than one legitimate repairable leak within a 36-month period for the same customer, 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 leaks reported beyond the 60-day period for active accounts or 30-day period for final accounts because of extenuating circumstances.

If the correct documentation is provided, these adjustment requests will be reviewed and approved as follows:

Adjustment Amounts up to \$1,000 by the Revenue Administrator.

Adjustment Amounts greater than \$1,000 but less than \$5,000 by the Director of Financial Services

Adjustment Amounts greater than \$5,000 by the City Manager

#### **IMPLEMENTATION**

The City Manager, or his or her designee, shall be responsible for implementation and interpretation of this policy.

Adopted by City Council:

December 4, 2012