

SUBJECT

BOARD RESOLUTION NO. 18-1698

Pertaining to the crediting of the billing account pertaining to the water service located at 792 Fairmount Avenue in the City of Saint Paul.

BACKGROUND INFORMATION

See attached Summary and Resolution.

RECOMMENDATION

Summary of Leak Incident at 792 Fairmount Ave, Saint Paul, MN

Ms. Jane McKim (customer), 792 Fairmount, received a water bill on February 16, 2018 totaling \$1,492.90. The bill consisted of \$627 for water (and water related services) and \$866 for sewer (and sewer related services). She also received a High Usage Water Alert on February 9, 2018 alerting her to the possibility of a water leak in her home. She was visiting relatives during this period so both the bill and the alert were in her mail when she returned on February 22, 2018.

Upon her return, the customer contacted SPRWS several times about the high bill. She spoke with Customer Service and Meter Operations and arranged to have a meter technician come to her home to try to locate the leak. This visit occurred on February 26, 2018. Upon polling the water meter and printing out the daily consumption results, it is apparent a continuous, approximately 2 gallon per minute leak occurred in her home between the dates of December 14, 2017 and February 6, 2018.

Where a customer desires to dispute a water bill, SPRWS offers the customer an opportunity to present their case to an impartial hearing officer. The customer filed for a hearing and met with the SPRWS hearing officer. During the hearing, she did not dispute the fact that the water was “used and flowed through the meter”. The hearing officer did not find in her favor and denied her request for forgiving the bill.

The customer then contacted Commissioner Rebecca Noecker and other members of the Board of Water Commissioners with a request that a portion of her bill be forgiven. In the correspondence, her main issues were:

1. By the time she received the “High Water Usage Alert” it was too late to help her from a high water bill. She perceived the current notification process as wasteful as it is too late.
2. She had previously received a “High Water Usage Alert” and followed all the steps as directed by SPRWS in its “High Water Usage Alert” to locate the source of the leak and found she did not have an on-going leak. With the current bill she again followed all the steps as directed by SPRWS to locate the source of the leak and found she did not have an on-going leak. Accordingly, she found the guidance confusing and unreliable.
3. Such a water bill is a significant hardship, the notification process is troubling and SPRWS should give consideration for the many, many years she has been a good customer and faithfully paid her water bills.

SPRWS operates a “drive-by” radio read, meter reading system and has a 3 month meter reading and billing interval for its residential accounts. If there is an undiscovered water leak inside of a customer’s property, the leak may not be identified until the meter is read and a bill is prepared. SPRWS sends out a courtesy high water usage alert after a meter reading indicates a possible leak. [In many cases, the leak is on-going so the high water usage alert is helpful.] The leak notification process in place is reactive and may not be timely due to the meter reading interval of three months. This can lead to a large, unexpected utility bill.

SPRWS currently (and at the time of this event) operates under a policy that the customer is responsible for all water that passes through the meter and has been measured in accordance with the meter manufacturer specification tolerances. Water meters are inside residences and are required to be accessible and available for reading or inspection at any time. Accordingly, customers have access to read and inspect the meters at any time. It is the responsibility of the owner to maintain the internal plumbing and therefore, they are responsible for any leaks.

As a result of the events at 792 Fairmount, a subcommittee of the Board of Water Commissioners has been formed to evaluate options that the Board can consider to deal with large bills incurred by customers due to leaks on their property. That evaluation has not been completed at the time of this agenda item.

Commissioner Noecker, has requested that the attached resolution be considered by the Board of Water Commissioners forgiving 50% of the water usage and water main replacement surcharge because of the late notice and confusing manner in which SPRWS notifies customers in the event of a suspected leak. The amount of water related charges requesting to be forgiven is \$301.46.

While SPRWS may include other utility charges with the water bill, it provides this billing as a service and on behalf of the entity/utility. SPRWS has no authority to adjust other utility charges such as sanitary sewer. Accordingly, if the customer desires to dispute the sanitary sewer charges incurred on this water bill, a request would need to be made to the City of Saint Paul Public Works department.