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**TO:** Chairperson, Committee of the Whole

**SUBJECT:** Reversal of Utility Overage Charges Contrary to Existing Policy

**DATE:** May 5, 2023

**FROM:** Chief Administrative Officer

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## **BACKGROUND**

A property owner of Lot 2, Plan 10983 has recently sought council intervention to seek a reversal of the utility overage charges for June 2022. On receipt of the original written request, the affected owner was asked to provide as stipulated in the Water Leak Policy a receipt from a licensed plumber. The response in writing from the owner was "I turned off the connection which I believe controls that line as soon as I discovered the leak which did not require a plumber". Without any "repairs" it appears the mere closing of a valve resulted in water wastage being instantly eliminated. As the resident put it "This was as simple as turning a light switch off". There have been no overages since.

The Town introduced a metering programme, through grants, that became effective for billing purposes on January 1<sup>st</sup>, 2014. From a summary of the usage history for this property, it is obvious water usage for this complainant immediately dropped to within the allowable limits, except in a few instances after, as soon the overage charges became applicable. The owner for some inexplicable reason was able to in 2017 extricate himself from overage charges of \$224.66 by blaming the Town for a water leakage that occurred on private property and beyond the location of the water meter.

## **Council Observation**

There is the perception that staff may be misinterpreting the existing policy on Water Utility Leaks. If that is the case, staff may well have also been guilty in other instances unless council wants to give the policy a wider interpretation. The policy is attached for your perusal. This policy, it appears, has flummoxed, or utterly confused some of us.

Water leaks occur when there is damage to the water supply system or wastewater system on a property. In this case, Public Works determined that once the valve was turned off on the property the issue of excess water usage was promptly resolved without the necessity of a plumber. Leaving a valve open or a tap running does not really meet the common definition of a leak unless council wants to broaden the meaning of "leak" to include those.

In any case, only the following points are applicable for a leak adjustment under the current policy on water leaks:

- Adjustments will only be granted for leaks in the main underground water line(s) between the water meter and the residence or building(s).
- Tangible proof by way of receipts from a qualified plumbing contractor verifying that all leaks have been repaired must be made before an adjustment for one-month billing is made.
- Only one leak adjustment per property for an existing building shall be permitted. A leak adjustment application letter must be submitted within 30 days of the leak notification date. Proof of leak repairs with plumber's invoice must be submitted with the request for a credit adjustment.

There should be no forgiveness for the over usage charge for something that could and should have been avoided and which had no basis to qualify as a water leak. However, if council is desirous of broadening the requirements under which a reduction can be issued or have council determine the appropriateness of a claim each time, then the current policy needs to be revised or eliminated entirely so staff may not have to suffer the indignation of a council query or a reversal of a decision legitimately and fairly made on the basis of an existing council policy. Our water consumption plan which we are required to submit for each application on a water or sewer grant application may after all have no basis in fact if the policy is amended. Loud and persistent complaints alone should not be the bases for reversals of overage billings under the current policy.



Joseph A. Fernandez

# **TOWN OF LAKE COWICHAN**

## **COUNCIL POLICY**



**DATE APPROVED:** February 22<sup>nd</sup>, 2022  
**APPROVED BY:** R.016/22 (5)  
**SUBJECT:** Water Utility Leak and Bill Adjustments

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### **1. Purpose**

Property owners may experience leaks in their water systems resulting in higher-than-normal water consumption. This policy outlines the circumstances under which property owners can apply for a leak adjustment and the methodology that will be used to calculate the amount of the adjustment.

### **2. Policy**

- Adjustments will only be granted for leaks in the main underground water line(s) between the water meter and the residence or building(s).
- Leak adjustments on utility bills will not be made for the following:
  - irrigation and/or sprinkler systems on a property;
  - in-ground or above ground pools, ponds, and fountains;
  - any auxiliary lines connected to the main water line(s); and
  - premises left abandoned or vacated without reasonable care for the plumbing system.
- Tangible proof by way of receipts from a qualified plumbing contractor verifying that all leaks have been repaired must be made before an adjustment for one-month billing is made. The Town of Lake Cowichan Utility Section reserves the right to inspect the repair prior to considering a leak adjustment.
- If in the normal course of business, the Town of Lake Cowichan becomes aware of abnormal water consumption or any evidence of leaks on any property, the Town of Lake Cowichan will, on a "best effort basis", notify the customer thereof, but accepts no responsibility for failure to do so. Notification may be made by phone message, door hanger, or an insert notification mailed with the utility bill.
- Once the Town receives notification that the leak or leaks between the water meter and the residence have been fixed, the water meter will be re-read to ensure that the leak has been repaired.

## Water Utility Leak and Bill Adjustment Policy

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- A leak adjustment credit equal to the overage water and sewer billing for the month with the highest usage will be applied to the utility account.
- The property owner shall still be responsible for the allowable maximum amount of water consumed at the current retail water rate as previously billed on the annual invoice. Normal sewer charge consumptions will also apply for the affected period.
- Leak adjustments shall not be considered for water lost subsequent to 30 days from a property owner becoming aware of a leak or being notified of a possible leak by the Town of Lake Cowichan. Property owners must take immediate action after detection or notification of a water leak to prevent further loss of water. No allowance will be made for utility bills or notification claimed to be lost or not received.
- Only one leak adjustment per property for an existing building shall be permitted. A leak adjustment application letter must be submitted within 30 days of the leak notification date. Proof of leak repairs with plumber's invoice must be submitted with the request for a credit adjustment.
- All consumers must keep their service pipes, stop cocks, and other plumbing fixtures on their premises in good repair and order at their own expense.
- Adjustments will only be issued when the utility account is in good standing and no previous amounts due are outstanding.