

ORDINANCE NO. 2025-02

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF FROSTBURG, MARYLAND ENTITLED “AN ORDINANCE TO REPEAL AND RE-ENACT WITH AMENDMENTS SECTION 6-7 OF THE CITY CODE PERTAINING TO THE CITY’S LEAK ADJUSTMENT POLICY FOR WATER LEAKS FOR THE PURPOSE OF ESTABLISHING A LEAK PROTECTION PROGRAM, WHEREBY CUSTOMERS WHO ARE RENDERED INELIGIBLE FOR RELIEF UNDER THE LEAK ADJUSTMENT POLICY CAN OBTAIN RELIEF BEYOND THAT WHICH IS AVAILABLE UNDER THE LEAK ADJUSTMENT POLICY.”

WHEREAS, the City’s Leak Adjustment Policy is set forth in Section 6-7 of the City Code;

WHEREAS, the Mayor and City Council decided to establish a Leak Protection Program whereby responsibility for the adjustment of the water bill portion of utility bills for certain residential customers will be shifted from the City under the Leak Adjustment Policy to a third-party service provider under the Leak Protection Program;

WHEREAS, the benefits afforded by third-party service providers under the Leak Protection Program will exceed those which are provided by the City under the Leak Adjustment Policy;

WHEREAS, customers who are eligible to participate in the Leak Protection Program will be required to pay a small fee to receive Leak Protection Program benefits;

WHEREAS, customers eligible for relief under the Leak Adjustment Policy will be permitted to opt out of the Leak Protection Program, but said customers will remain ineligible for relief under the Leak Adjustment Policy; and

WHEREAS, it is expected that the Leak Protection Program will benefit the City and eligible customers.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF FROSTBURG:

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF FROSTBURG, MARYLAND that Section 6-7 of the Frostburg City Code be and are hereby repealed and reenacted with amendments, to read as is set forth in the attached Exhibit A:

SECTION 2: BE IT FURTHER ORDAINED, that this ordinance shall take effect on August 1, 2025.

THE MAYOR AND CITY COUNCIL OF
FROSTBURG

By: _____
Todd J. Logsdon, Mayor

ATTEST:

Lydia Claar, Acting Deputy City Administrator

Introduced: April 15, 2025
Public Hearing: May 20, 2025
Adopted: May 20, 2025
Effective: August 1, 2025

EXHIBIT A

Sec. 6-7. Leak Adjustment Policy; Leak Protection Program.

- (a) *Leak Adjustment Policy.* The city's Leak Adjustment Policy for adjusting utility bills for water leaks is set forth in this subsection. Customers who are eligible for the Leak Protection Program described in subsection (b) hereafter shall not be eligible for relief under this Leak Adjustment Policy.
- (1) *Application for adjustment.* Water service leak adjustments may be granted once every four (4) years. Applications for leak adjustments shall be submitted to the director of finance utilizing city-approved forms. To be eligible for relief, the customer must submit the application within forty-five (45) days of the billing date for the monthly billing period for which the relief is sought. The application will require that the customer submit documentation showing that: (i) there was a leak, (ii) the leak has been repaired, and (iii) the leak was not caused by the gross negligence of the customer, including, but not limited to, allowing the pipes or water meter to freeze. Examples of evidence that a leak was repaired may include a plumber or handyman invoice, proof of parts purchased, before and after photos, or other written explanations. The director of finance or the city administrator shall decide whether an application may be granted.
- (2) *Calculation of adjustment.* The leak adjustment shall be calculated in the following manner:
- (i) Determine the average water consumption of the most recent twelve (12) months that reflect normal usage. If a customer has owned or leased the property for less than twelve (12) months, annual consumption for this calculation will be the greater of thirty-eight thousand (38,000) gallons or actual metered consumption from the date the customer acquired title or commenced leasing the property.
 - (ii) Determine the estimated leak volume by subtracting the average water consumption from the total water consumption of the current billing period.
 - (iii) Multiply the estimate leak volume by fifty percent (50%).
 - (iv) Add the reduced estimated leak (step iii) to the average consumption (step 1) to determine the leak-adjusted amount of water.
- Standard water rates apply to the leak-adjusted consumption.
- (3) *Additional adjustments.* For multi-tenant commercial properties or multifamily units, the city administrator may grant one (1) additional leak adjustment within a four-year period preceding the date of an application for relief, provided the leak did not occur in a separately metered unit owned or occupied by a person or persons who were given relief during the four-year period preceding the application for a leak adjustment. Additional leak adjustments may be approved by the mayor and city council on a case-by-case basis. A leak adjustment shall only apply to the bill for one (1) billing cycle. The leak adjustment applies to the water and sewer charges for that particular billing cycle.
- (b) *Leak Protection Program.* The city may establish a Leak Protection Program by contracting with companies in the business of providing indemnification to customers who have experienced water leaks. Customers eligible for the Leak Protection Program shall be automatically enrolled in it. All customers will be notified of the leak protection program with their utility bill prior to implementation of the program. The monthly fee for participation in the Leak Protection Program shall be set forth in the City's Schedule of Municipal fees and the fee will be separately listed on the monthly utility service bill. Customers may opt out of the Leak Protection Program. Such customers shall remain ineligible for relief under the Leak Adjustment Policy.