

## CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: John Buchanan MEETING DATE: 4/7/2022

AGENDA SECTION: Consent Agenda DEPARTMENT: Finance

**TITLE OF ITEM:** Approval of Leak Adjustment Policy Revision – John Buchanan, Finance

Director

## **SUGGESTED MOTION(S):**

I move City Council approve the amendment of the Leak Adjustment Policy as presented.

## **SUMMARY:**

The Leak Adjustment Policy was last updated in 2021. Since the current policy was implemented, staff have encountered several instances that did not qualify for a leak adjustment. There were several large leaks which exceeded the maximum adjustment; some that exceeded the maximum because they had water and sewer service; and some that did not qualify based on meter size or account type (master meter). Staff has reviewed these instances and have come up with suggestions to modify the policy to allow more customers to qualify for the adjustment. Staff requests that these changes be effective for any leak adjustment requests submitted on or after January 1, 2022.

- 1. Residential water service is currently billed on an increasing rate tier based on usage to encourage water conservation. Billing large leaks at the lowest tier would make it more likely that the maximum allowable adjustment would cover the cost of the leak and reduce the cost to the customer if the cost exceeded the adjustment.
- 2. If applicable, sewer usage will be adjusted off and billed at the flat rates detailed in the policy and will not count against the maximum allowable adjustment.
- 3. Remove the meter size and master meter restrictions. We do not believe these restrictions provide any additional benefit to the City and are frustrating for customers.

**BUDGET IMPACT:** \$

Is this expenditure approved in the current fiscal year budget?

If no, describe how it will be funded.

## **ATTACHMENTS:**

Leak Adjustment Policy