
CITY OF PORT LAVACA

COUNCIL MEETING: APRIL 14, 2025

DATE: 03/17/2025

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: BRITTNEY HOGAN, FINANCE DIRECTOR

SUBJECT: AMENDMENT TO ORDINANCE FOR ADDING A HIDDEN WATER LEAK POLICY

Background:

The City currently has no policy in place to adjust a customer's bill for "hidden water leaks", which are leaks that are not visible or easily detectable. A typical example of a hidden leak is a slow leak under a concrete slab. By definition, hidden leaks are difficult to find and typically require a lot of investigation. The City recognizes that such leaks, once found may be costly for the homeowner to repair on top of having to pay a very high-water bill. The Finance Committee has considered this and recommended that staff propose a policy to provide some level of relief for our water customers that receive a high-water bill as a result of a truly hidden water leak. Such relief would require documentation that the leak has been fully repaired. Providing such incentives to repair water leaks promptly will reduce our overall water demand, which greatly assists in the City's goal of water conservation and drought management in addition to providing the customer with a form of relief.

The proposed policy allows a customer to request an adjustment to their account if they experience a water leak when there is no visible evidence of a leak underground, behind walls, or under a concrete slab or pavement.

The proposed policy as written provides an adjustment of 100% of what is calculated as the leak volume. Staff has found that 50% is the amount utilized by most Cities that have such a policy. It's worth noting that with the new DropCountr tool available and the commitment from Mueller that any downtime on our communication with meters should be limited to days not months, hidden leaks should not go unnoticed for an extended period of time.

Budgetary Impact:

Any water leak adjustments made within FY 2024-2025 will be used with the budgeted funds from the contingency line item in the Public Utility Fund. In future budget years the proposal is to set aside a dedicated line item in the budget specifically for these adjustments in the Public Utility Fund.

Recommendation:

Staff recommends City Council approve the amendment to the ordinance adding a policy for hidden water leak adjustments.