

**CITY OF AMERICAN CANYON  
WATER LEAK ADJUSTMENT POLICY  
(Revised March 2010)**

**Summary**

This policy provides for a billing adjustment for residential customers only who have experienced a large and unexpected increase in their water consumption due to fixture leaks, pipe breaks, vandalism, or similar occurrence(s). The billing adjustment is limited to a maximum of \$500 and is calculated at 60% of the excess water use over a maximum two month period. It is only available once every ten years for the same customer at the same location.

**Scope**

Water is a limited resource and it is the responsibility of all water customers to maintain their home irrigation systems, pipes and fixtures to minimize the unintended loss of water. Nevertheless, on rare occasions, unexpected water use can occur through no fault of the customer. It is a City policy to provide a partial credit to the water bill for eligible water loss.

A water customer shall be eligible for an adjustment, under this policy, if he or she has not had a prior adjustment for the same meter location in the prior ten years. Utility Billing Customer Service Staff shall determine if the water customer is eligible for an adjustment and then proceed to calculate the adjustment. If the excess water use is due to a leak at the meter connection, it is the City's responsibility and the limit on eligibility shall not apply.

This Water Leak Adjustment policy applies only to residential and commercial water customers as follows:

- 1 For excessive water use, due to fixture leaks, pipe breaks, vandalism or similar unexpected loss of water limited to a two month period. The policy does not apply to new landscaping irrigation, pool / spa filling or other similar uses of water.
1. To receive a credit, water customers must complete an Excess Water Use Adjustment Claim form and correct the cause of the excess water use prior to any adjustment to the water bill. Excessive water use is defined as greater than ten units (each unit is

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one hundred cubic feet or 748 gallons) over the average monthly use (calculated from the three prior years for the same month).

2. Is limited to once every ten years for the same customer at the same meter location.
3. Adjustments to water account billings are limited to the volume charges for water use and are based on the average monthly use. The credit to the customer's account will be 60% of the excess water use leaving 40% of the cost to be paid by the customer.
4. This policy is applicable only for leaks on the customer's side of the water meter. Any leaks on City water mains and connections leading up to the customer's meter and the meter connections will be the responsibility of the City. Customers will receive a 100% credit for excessive water use resulting from a faulty meter connection.

The calculation of the billing adjustment shall be based on the Tier 1 water rate applied to the excess use and limited to a maximum of \$500.

**Procedure:**

Eligible water customer who suspects or discovers a leak shall contact Utility Billing Customer Service Staff at 647.5343 to request an inspection by Public Works staff. As a customer courtesy, the cost of the first visit to the customer's property will be provided at no charge. If a second visit is required by the customer, a service charge will be added to the customer's account, currently \$37.

Finance Department Customer Service staff will prepare a work order requesting Public Works staff to contact the customer for a consultation and inspection of the property to determine if there is a leak. If a leak is found at the meter, it is a city responsibility and Public Works staff shall repair the leak, and request Utility Billing Staff to make an adjustment, if necessary, to the next billing. If there is no leak at the meter and with the customer's permission, Public Works staff will perform a brief survey of the property for any fixtures, pipes or irrigation systems that may visibly be leaking and shall inform customers of the results. Any repairs or a more comprehensive surveying or testing of the customer's water system is the responsibility of the customer. Public Works

staff shall write a note on the work order explaining the result of the visit and whether an adjustment to the customer's water bill is recommended.

In order to receive a leak credit, the customer must complete an Excess Water Use Adjustment form indicating the problem and provide a contractor's invoice, repair parts invoice or other documentation that the leak was repaired. These documents may be scanned and E-mailed to [waterpayments@cityofamericancanyon.org](mailto:waterpayments@cityofamericancanyon.org). Documentation may also be faxed to 643.2371. The Finance Director or his designee will be responsible for adjudicating the request and notifying the customer.

The billing adjustment shall be calculated only for the excess water use up to a two month period. The excess shall be calculated on a monthly basis and the average of the same months in the prior three years for the service at the meter location. The excess water use must be greater than ten units (each unit is one hundred cubic feet or 748 gallons) over the average monthly use. If the customer has not lived at the address for three years, then water usage from the prior customer will be used in the adjustment calculation.

If the excess water use is greater than ten units for the month, then the adjustment to the billing, for a one or two month period, shall be made as follows:

1. Schedule the excess consumption along with the same month(s) for the prior three years.
2. Determine the average monthly use over the past three years.
3. Subtract the average use from the total consumption to determine excess consumption. If amount is ten units or less, customer is not eligible for a credit.
4. If excess consumption is over ten units, multiply the excess consumption by the Tier 1 water rate to determine the cost of the excess water use. Multiply it by the Leak Credit of 60% to determine customer's credit.
5. Notify the customer of the adjustment and apply it on the next billing cycle.

See adjustment form and sample calculation on next pages.

**City of American Canyon  
Excess Water Use Adjustment Form**



<b>Customer Name:</b>
<b>Service Address:</b>
<b>Mailing Address if Different:</b>
<b>No.                  Street                  City                  ZIP</b>
<b>Water Service Account Number:</b>
<p>I have read the City's Water Leak adjustment policy and confirm that I am eligible for a credit based on the following situation:</p>

I certify that the above information is true and accurate. I have not had a water leak credit at the above service address for the past ten years and understand that there is only one credit allowed every ten years. I have attached invoices and receipts to document my request.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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FINANCE DEPARTMENT USE ONLY

Request Approved                   Not Approved

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### Water Leak Credit Calculation Example:

Assume leak in December 2009		December			
Consumption in Units		2009	2008	2007	2006
Total Consumption		180	19	15	18
Average Monthly Use over prior 3 years		17			
Excess Consumption		163			
Tier 1 Water Rate		\$ 2.41			
Cost of Excess Water Use		\$ 392.83			
City Credit Percentage		60%			
Customer Credit Excess Water		\$ 235.70			