

PORT O'CONNOR IMPROVEMENT DISTRICT BILLING ADJUSTMENT POLICY

Adopted December 10, 2019

Under certain circumstances, including—but not limited to leaks and meter malfunctions, the water and/or sewer service accounts of the District's customers may require special handling or adjustments. To ensure proper recordkeeping and oversight, it is the District's policy that no bill shall be adjusted or reduced for any charges previously billed without the express approval of the District's Board of Directors, except in the following instances where the General Manager and/or District Manager (the "Managers") are granted the authority to adjust a customer's bill:

- (1) **Erroneous Bills**—The Managers have the power and authority to adjust any customer water and/or sewer service account upon discovery of an error by the District in meter reading, data entry, billing computation, printing, mailing or other similar District operations.
- (2) **Returned Check Charge**—The Managers have the power and authority to eliminate a charge for a returned check for (i) a banking error with written acknowledgement of the error from the bank; (ii) the suspension or closing of the customer's bank account due to a lost or stolen check book, debit card or for circumstances beyond the customer's control, but only if the District is notified within three business days of the occurrence, receives proper documentation evincing the suspension or closing, and receives an alternate form of payment.
- (3) **Unusual Water/Sewer Bills**—The Managers have the authority to adjust up to two (2) months of water and/or sewer billings to a customer (along with any associated charges associated with late payments while adjustments are determined) under circumstances where it is known or shown that a sudden and unforeseen event or accident has occurred, such as line breakages, freeze or storm damage, fire and the like that results in water and sewer billing which exceeds the customer's documented usage for the same period of time in preceding years, or if such usage is not available, then the customer's average billing since commencement of service. In order to adjust the billings, the Managers shall have received satisfactory evidence of (i) the nature and duration of the event; (ii) the customer's diligence in making repairs, replacing faulty or leaking fixtures, and in preventing water loss; and (iii) evidence that indicates that the customer through the exercise of ordinary care and diligence could not have avoided such event or accident.

If an adjustment is made, it will appear as a credit on the customer's billing statement; no refunds will be issued by the District.

METHOD OF CALCULATING ADJUSTMENTS:

The adjustments to the current bill will be a percentage reduction in water used above the customary water usage not to exceed 50%

LIMITATIONS:

A customer shall only be entitled to ONE (1) billing adjustments in a calendar year. It is the customer's responsibility to keep their plumbing system in good working order.

Any adjustments in excess of \$500 must be submitted to the District's Board of Directors for approval, together with the submitting Manager's billing adjustment recommendation and all supporting documentation. The customer shall be notified in advance of the time, date, and place of the District's Board of Director meeting at which the adjustment will be considered and shall be invited to attend and make a presentation at the meeting.

No adjustment can be made that would make the final amount billed for water less than the actual cost of the gallons of water consumed, as reflected on the monthly bill, to be less than the cost of the District to purchase or produce the water.

For purposes of this policy, the following are not considered sudden and unforeseen events beyond the reasonable control of a customer:

- (i) Careless or excessive irrigation or water usage practices;
- (ii) Theft or misappropriation by others of water or sewer services through the customer's plumbing facilities;
- (iii) Filling, draining, or constructing swimming pools, spas, recreational decorative ponds, fountains or similar facilities
- (iv) Chronic or extended term leaks or malfunctions of the customer's plumbing facilities
- (v) Unexplained usage where the customer's water meter is registering accurately
- (vi) Instances of high water usage which are unexplained or are attributable to the carelessness, neglect or willful conduct of the customer
- (vii) Visible leaks such as faucet and hose leaks
- (viii) Actions that are in violation of the District's rules and regulations

DISTRICT NOTIFICATION OF POTENTIAL LEAK:

If the Managers or their authorized representatives or staff notify the customer of a suspected leak of issue with the customer's plumbing facilities and no action is taken by the customer within one week of notification, then the customer's bill will not be eligible for adjustment.

REQUIRED DOCUMENTATION:

All customers must remit documented proof of corrective action to be eligible for billing adjustments. A written request for a billing adjustment must be submitted simultaneously with the documented proof

of corrective action. This paperwork must be submitted within three months of the corrective action to be eligible for a billing adjustment.

SEWER ACCOUNT ADJUSTMENTS ONLY:

The sewer portion of a customer's account may be adjusted for averaging calculations and/or billing adjustments, within the authorized limits, to the extent a customer can satisfactorily demonstrate that all or a portion of such excess water usage was not discharged into the District's sanitary sewer system. This adjustment may be made even in the absence of a sudden and unforeseen event. For example, if the water usage was to fill a swimming pool, then an adjustment on the sewer component of the bill would be appropriate.

RIGHT TO APPEAL:

Nothing herein shall be deemed or construed to limit or curtail the right of a customer to appeal to the Board of Directors of the District any billing adjustment decision as to the adjustment of such customer's account.

ACTIONS DO NOT CONSTITUTE A PRECEDENT. Cases will be reviewed and adjustments granted on an individual incident basis. In no way will the actions of the Manager or Board be construed as setting a precedent for the Applicant's future requests or any other customer request.