



Council Report

Report Number: CORP2024-006
Meeting Date: April 30, 2024
Title: **High Water Bill Relief – 5 Princes’ St. E., Fenelon Falls**
Author and Title: Linda Liotti, Manager, Revenue and Taxation

Recommendation(s):

That Report CORP2024-006 **High Water Bill Relief – 5 Princes’ St E, Fenelon Falls**, be received; and

That Council deny the request for financial relief of the high water bill incurred at **5 Princes’ St. E., Fenelon Falls**, and billed during the period October 1-December 31, 2023.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

At the Committee of the Whole meeting on March 5, 2024, a deputation seeking financial relief from a high water bill was presented by Mr. Gregory Kerr (authorized agent) on behalf of his mother, Ms. Karen Haire, property owner of 5 Princes' St. E. in Fenelon Falls.

Further, at the Council Meeting on March 19, 2024, the following resolutions were carried:

CR2024-111

Moved By Councillor Perry

Seconded By Councillor Richardson

That high water bill request from Karen Haire and Gregory Kerry be referred to Staff for review and report back at the Regular Council Meeting of April 30, 2024.

Carried

CR2024-112

Moved By Councillor Warren

Seconded By Councillor Richardson

That the deputation of Karen Haire and Gregory Kerr, **regarding a High Water Bill Request**, be received.

Carried

This report addresses that direction.

Rationale:

The scenario presented does not qualify for relief under the High Water Bill Adjustment policy, as per Section 3, which states:

3. A Reading Error
 - 3.1 Occasionally a reading error will occur and result in a higher than normal bill for a customer. When this happens, the correct reading shall be entered and the customer will be notified of the adjustment, if applicable.

- 3.2 Where the reading error was a prior period resulting in a low bill and then a higher bill in the subsequent billing cycle, the customer will be provided the details of the error, and if requested, will be provided an extended period of time to pay the higher bill without late payment charges. Repayments should not extend beyond 6 months.

The Utility Billing division received an email from Ms. Haire on January 3, 2024, advising that she had received a letter from City alerting her that the most recent water meter reading (Dec 12, 2023) was showing high consumption. In her email she advised the following:

- Home is brand new (occupied in Oct 2022)
- Home has a single occupant (senior)
- Her son was the Project Manager during construction and upon receipt of City's letter alerting high consumption (Dec 2023), he investigated and confirmed there were no interior or exterior leaks
- A request for a water meter technician to conduct an on-site visit to confirm proper operation of the water meter

The City's response to the email received, advised that standard procedure was followed by sending notification of high consumption. Several emails were exchanged between the Utility Billing division staff, Mr. Kerr/Ms. Haire regarding the matter between January to March 2024.

Mr. Kerr/Ms. Haire expressed that the issue was not a question of when the high consumption occurred (i.e. during the period of March 1-June 20, 2023 or October 1-Dec 30, 2023), rather, that the meter had registered 875.0 m³ of water consumption, which they felt was an unreasonable amount of water to be consumed in the billing period.

The key facts are as follows:

1. Water Reading - Correction

- Utility billing staff corrected the decimal placement after two check reads were taken on November 30 (reading 932.8) and December 12th (reading 935.4) which alerted high consumption.
- Further analysis was undertaken by staff uncovering a decimal placement anomaly for the June 12, 2023 read. The read used for billing was 89.8 versus 898.1.
- The data correction produced a high bill for the Oct 1-Dec 31, 2023 billing period, when in fact the water was consumed during the **April 1-June 30, 2023 billing period.**

- The below table has two yellow highlighted rows which demonstrate how the consumption and bill would have shown with the decimal corrections.

Read Date	Billing Period	Usage Days	ORIGINAL Decimal Placement			CORRECTED Decimal Placement			BILLING INFORMATION					
			Prior Read	Current Read	Consumption (m ³)	Prior Read	Current Read	Consumption (m ³)	What was billed			What SHOULD have been billed		
									Consumption (m ³)	Metered Charges	Bill Amount	Consumption (m ³)	Metered Charges	Bill Amount
12-Dec-23	Oct 1 - Dec 31, 2023	92	91.6	935.4	843.8	916.9	935.4	18.5	843.8	\$3,873.04	\$ 4,070.29	18.5	\$ 84.92	\$ 282.17
11-Sep-23	Jul 1 - Sept 30, 2023	91	89.8	91.6	1.8	898.1	916.9	18.8	1.8	\$ 8.26	\$ 205.51	18.8	\$ 86.29	\$ 283.54
12-Jun-23	Apr 1 - Jun 30, 2023	101	23.1	89.8	66.7	23.1	898.1	875.0	66.7	\$ 303.29	\$ 498.97	875.0	\$ 4,013.38	\$ 4,209.06
3-Mar-23	Jan 1 - Mar 31, 2023	86	9.2	23.1	13.9	9.2	23.1	13.9	13.9	\$ 61.99	\$ 254.44	13.9	No Change	\$ 254.44
7-Dec-22	Oct 1 - Dec 31, 2022	49	0	9.2	9.2	0	9.2	9.2	9.2	\$ 41.04	\$ 195.84	9.2	No Change	\$ 195.84
19-Oct-22	Installation of Meter								935.4		\$5,225.05	935.4		\$ 5,225.05
									Fixed Charges are not adjusted					

Account notes show that no inquiry was made by Mr. Kerr/Ms. Haire regarding the unreasonably low water consumption (1.8 m³ for 91 days) utility bill issued for the period of Jul 1-Sept 30, 2023.

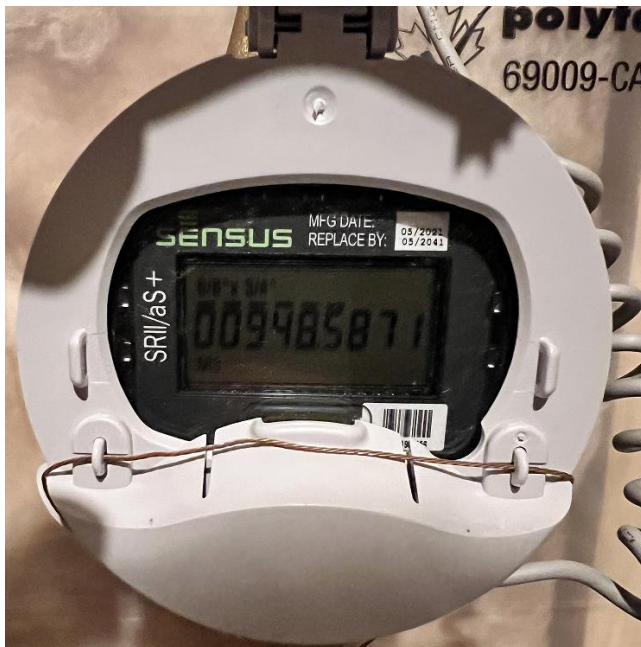
Further, account notes indicate no response was provided by Mr. Kerr/Ms. Haire regarding whether new sod or grass seed was laid in Spring 2023, requiring watering, resulting in an increase in consumption during the March to June period.

2. Unknown cause to the high consumption period between meter read dates of March 4 to June 12, 2023.

- Fundamentally, the water meter is engineered such that the water must flow through and displace the measuring component in the meter to capture the volume/consumption. The mechanism is not capable of speeding up or registering a significantly higher reading than the actual.
- All meters are calibrated and tested before they are shipped to the City and installed. The accepted standard requires that water meters be within 98.5 and 101.5% accuracy to be usable, resulting in a very low error rate of +/- 1.5%.
- The water meter was installed in October 2022. Based on historical water meter reads, it confirms the water meter is functioning accurately.

3. Water Meter Inspection

- Mr. Kerr/Ms. Haire requested an on-site inspection of the water meter, and this was completed by the City's water meter supplier (Wamco) on February 23rd, 2024.
- Findings of the inspection were reported as follows:
 - i. Water meter was installed correctly and programmed correctly (6 wheel);
 - ii. Water meter advanced normally when water was turned on and stopped when water was turned off; reading was confirmed to be within standard industry specifications;
 - iii. No lawn irrigation system (as per Mr. Kerr) and nothing visible to suggest one is installed;
 - iv. No water softener installed; and
 - v. Leak detector on meter was not indicating a current leak in the house
 - vi. Picture of current meter reading (948.5) confirming measuring mechanism is advancing normally since previous read taken on Dec 12, 2023 (935.4).



- Conclusions of the inspection:
 - i. The meter was in good working order;
 - ii. No evidence of meter malfunction, plumbing issues, or any other factors to support a false read;
 - iii. This is a positive displacement meter; the water must go through the meter to move the measuring element and show accumulation on the screen of the water meter;
 - iv. No current evidence of excessive water usage (pool, hot tub, skating rink), however, front and rear yards are fully grassed;

- v. Increased water consumption is typically experienced in the Spring for newly constructed homes occupied late in the previous year. Watering newly laid sod/grass seed, on average, will consume 7 m³ per hour (5/8" hose/sprinkler @60 p.s.i). Based on City water rates (2023) would cost approximately \$32.13 per hour.

4. Building/Property File Information

- October 19, 2022 – water meter installed by City staff.
- October 28, 2022 – occupancy granted by City's Building Division.
- August 24, 2023 – property inspected by MPAC for valuation purposes with pictures provided (below).
- MPAC notes indicate property owner provided December 1, 2022 as occupancy date.



Other Alternatives Considered:

If Council's inclination is to provide relief, with consideration that this scenario falls outside of the High Bill Adjustment policy, the adjustment would be calculated using Section 11.13 which states:

Section 11. Obvious or Hidden Leaks

11.13 The adjustment will be calculated as 50% of the difference between the high water bill and the average consumption, to a maximum of \$1,500 as per Section 13.1.

Section 13. Adjustment Cap

13.1 Adjustments under this policy will be capped at \$1,500 for all properties.

In this case, the relief calculation is based on 413.37 m³ which represents 50% of the difference between the high consumption of 843.8 m³ and average consumption of 17.07 m³, resulting in a one-time adjustment in the amount of \$1,500.00. The calculated amount of \$1,843.62 would be capped, as per the policy. The following resolution should be passed accordingly:

That Council approves providing relief under the High Water Bill Adjustment Policy of \$1,500.00, as a one-time exemption for the same property owners;

Or

If Council's inclination is to provide relief, with consideration that this scenario falls outside of the High Bill Adjustment policy, Council can approve relief for an amount, save and except fixed charges (\$197.25).

That Council approves providing relief in the amount of "x" as a one-time exemption for the same property owners.

Alignment to Strategic Priorities

This report is in alignment with the Kawartha Lakes Strategic Plan priority of good government.

Financial/Operation Impacts:

The Water and Wastewater rates are established to recover the cost of producing and delivering safe drinking water to property owners, and the collection and treatment of wastewater.

Providing relief to residents for water bills results in the City incurring a cost with no recovery revenue. This cost is then borne by the remaining user rate contributors throughout the City.

Consultations:

Director, Public Works

Attachments:

Appendix A – CP2017-006-High-Bill-Adjustment-Policy (v. Sept-24-2019)



Adobe Acrobat
Document

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