



## APPEALS COMMITTEE MEETING

<b>Date:</b>	<b>Tuesday, October 12, 2021</b>	<b>Time: 10:30 am</b>
<b>Location:</b>	<b>Customer Service Center, Board Room, 9300 Fanita Parkway, Santee</b>	
<b>Committee Members:</b>	Director Pommering (Chair) Director Caires	
<b>Staff Members:</b>	Allen Carlisle, CEO/General Manager Karen Jassoy, CFO/Director of Finance Art Oughton, Customer Service Manager Amy Pederson, Board Secretary	
<b>Committee Purpose:</b>	Investigates, reviews, and resolves all disputed customer bills which are appealed to the Committee. The Committee is authorized to adjust bills based on its investigation within the delegated limits set by the Board as defined in the District's Rules and Regulations.	

### Committees of the Board:

Committees of less than a quorum of the Board may be created to study and advise the full Board regarding certain areas of concern. The President shall appoint two members, with consent of the Board, and appropriate staff will be assigned by the General Manager with consent of the Board to serve each committee. Committees shall meet as determined by their members or as requested by staff.

The Board retains all powers, privileges and duties to exercise and perform the business of the District, and committees of the Board are not empowered to act for the Board, except when authorized pursuant to the District's Rules & Regulations. Meetings of Board committees are subject to the Ralph M. Brown Act. Full Board discussion and public comment on committee recommendations shall be encouraged prior to Board action.

### NOTICE TO THE PUBLIC

The meeting will be held at the appointed meeting place, the Board Room at the District's Customer Service Center, located at 9300 Fanita Parkway in Santee. Attendees not fully vaccinated must wear a mask at all times while in the building.

The complete agenda package is available for public review at [www.PadreDam.org](http://www.PadreDam.org). For questions or request for information related to this agenda contact Amy Pederson, Board Secretary, at 619.258.4614 or [apederson@padre.org](mailto:apederson@padre.org).

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the American with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should contact our ADA Coordinator: Larry Costello at 619.258.4678 or [lcostello@padre.org](mailto:lcostello@padre.org).

**A G E N D A**  
**APPEALS COMMITTEE MEETING**  
**TUESDAY, OCTOBER 12, 2021 – 10:30 AM**

- **CALL TO ORDER**

- **PLEDGE OF ALLEGIANCE**

- **OPPORTUNITY FOR PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**

Members of the public may address the Committee regarding items not on the posted agenda that are within the subject matter jurisdiction of the Committee. Speakers are asked to state name, address and topic, and to observe a time limit of 3 minutes each.

- **ITEMS TO BE WITHDRAWN OR REORDERED ON THE AGENDA**

- **ACTION AGENDA**

The following items are reports and are placed on the Agenda to provide information to the Board Committee and the public. There is no action called for on these items. The Board Committee may engage in discussion upon which a specific subject matter is identified but may not take any action other than to place the matter on a future agenda.

1. **CUSTOMER LEAK APPEAL**

Recommendation:

Approve the maximum leak appeal adjustment for this occurrence, or an additional \$605.28, for a total of \$1,605.28.


- **DIRECTORS COMMENTS**

Directors' comments are to be related to District business which may be of interest to the Board. They are placed on the agenda to enable individual Board Members to convey information to the Board and the Public. There is to be no discussion or action taken on comments made by Board Members.

- **ADJOURNMENT**

**CERTIFICATION OF POSTING**

I certify that on October 8, 2021, I posted a copy of the foregoing agenda at least 72 hours prior to the meeting, in accordance with Government Code Section 54954.2(a).

  
\_\_\_\_\_  
Amy Pederson, Board Secretary



## COMMITTEE AGENDA REPORT

**Meeting Date:** 10-12-2021  
**Dept. Head:** Karen Jassoy  
**Submitted by:** Art Oughton  
**Department:** Finance  
**Approved by:** Allen Carlisle, CEO/GM

**SUBJECT:** CUSTOMER LEAK APPEAL

**RECOMMENDATION(S):**

Approve the maximum leak appeal adjustment for this occurrence, or an additional \$605.28, for a total of \$1,605.28.

**ALTERNATIVE(S):**

Do not approve customer leak appeal.

**ATTACHMENT(S):**

1. Leak Appeal rules and regulations Section 8.7.1

**FUNDING:**

Requested amount: N/A  
Budgeted amount: N/A  
Are funds available? ☐ Yes ☐ No  
Project cost to date: N/A

**PRIOR BOARD/COMMITTEE CONSIDERATION:** No previous Leak Appeal Committee consideration

**STRATEGIC PLAN IMPLEMENTATION:**

This agenda item is consistent with the District's Strategic Plan and meets one or more of the following Strategic Goals: Provide safe, reliable water, recycled water and sewer services; Ensure fiscal health and competitively sustainable rates; Enhance customer communications and education; Increase water, wastewater and energy independence; Maintain workforce excellence; Expand park and recreation opportunities.

**Reviewed by:**

Dept Head ☒  
Finance ☐  
Legal Counsel ☐  
Standard Form ☐

**Action Required:**

Motion ☒  
Resolution ☐  
Ordinance ☐  
None ☐

**Policy Updates:**

Rules & Regulations ☐  
Standard Practices & Policies ☐

**Action Taken:**

As Recommended \_\_\_\_\_  
Reso/Ord. No. \_\_\_\_\_  
Other \_\_\_\_\_

**EXECUTIVE SUMMARY:**

Customer purchased and moved into his property on June 28, 2021. During the time between purchasing the property and subsequent move in, there was a problem with the customer's irrigation system which resulted in 386 HCF of water use totaling \$4,039.15. Padre Dam's customer service department discovered this higher than normal usage for this property during the billing process and alerted the customer on July 20, 2021. The customer was out of town at that time but promised to look into it upon his return. On July 29, 2021 a Padre Dam Field Service Technician was dispatched and met the customer at his property. The technician was able to identify the problem and isolate the irrigation valve that was leaking to remedy the situation.

On August 13, 2021 the customer filed a leak appeal. His appeal was ultimately approved by the Customer Service Manager for a \$750 credit, the manager's maximum approval authority. The customer then filed an additional appeal to the Board Secretary on August 26, 2021. That appeal was approved by the General Manager and the customer was granted an additional \$250. The customer then decided to reach out to the Leak Appeal Committee for further consideration.

Section 8.7 of the District's Rules and Regulations outlines the leak appeal process as well as the maximum credit a customer can receive. In accordance with Section 8.7, the maximum credit this customer is eligible to receive is a total of \$1,605; this amount was determined by multiplying the volume of water lost due to the leak by the District's "break-even" rate, or the cost to purchase that amount of water from County Water Authority. Since the customer has already received a credit of \$750 from the Customer Service Manager and \$250 from the General Manager, the Leak Appeal Committee is authorized to approve an additional \$605.28.

**RECOMMENDATION(S):**

Approve the maximum leak appeal adjustment for this occurrence, or an additional \$605.28, for a total of \$1,605.28.

the customer requests service re-connection, a deposit must be paid based on the District's estimate before work will commence.

If service was disconnected due to non-payment of sewer service charges billed, all outstanding charges and fees owed to the District must be paid. The customer shall also pay a security deposit to guarantee payment of future bills in accordance with procedures established for water customers.

After the re-connection is completed, the customer will be billed for any actual costs over the amount estimated. A refund will be paid for an amount deposited that exceeds the actual re-connection cost. Refer to the section regarding fees and charges for current re-connection charges and deposit amounts.

## **8.7 CUSTOMER'S RIGHT TO REVIEW AND APPEAL**

Any customer desiring to initiate a complaint or contest the validity or accuracy of any charges shall submit a properly executed appeal form to the District's Customer Service Manager within 30 days of the mailing date of the bill in question. The written request shall state the reasons for the complaint and/or the basis for contesting the validity of the charges in question. A customer account must be current on previous billings prior to the submission of the appeal. No adjustment will be posted to an account that has any past due balances.

The customer may appeal the decision of the Customer Service Manager to the CEO/General Manager of the District by submitting a written request to the Board Secretary within 14 days of the decision by the Customer Service Manager.

The customer may appeal the decision of the CEO/General Manager to the Board's Customer Appeals Committee (Appeals Committee) by submitting a written request to the Board Secretary within 14 days of the CEO/General Manager's decision. The written request shall state the grounds for the appeal and shall include any documents or other evidence that the customer wishes the Appeals Committee to consider. Upon receiving a timely appeal, a hearing date for the Appeals Committee will be established by the Board Secretary. A notice of the hearing date shall be mailed to the customer at least 10 calendar days before the date established for the hearing. If the customer is not able to appear at the appointed day and time of the Appeals Committee Meeting, the Appeals Committee will make a decision based on all available information, and no other customer hearing will be scheduled. The decision of the Appeals Committee shall be final and no further appeals on the disputed charges may be made by the Customer to the District. Notice of the determination by the Appeals Committee shall be mailed to the customer within 10 calendar days of such determination and shall indicate whether the appeal has been denied or granted in whole or in part and set forth the terms and conditions for the decision, if any.

If the CEO/General Manager determines an adjustment to the customer's account is appropriate in light of the facts and evidence presented by the customer and any information provided by the Customer

Service Manager, the CEO/General Manager may adjust the disputed charges by an amount not to exceed \$1,000 of the original billing amount (up to 35 consecutive days) less any adjustment previously given for the same billing under this policy. The Appeals Committee may adjust the disputed charges by an amount not to exceed \$2,000 of the original billing amount (up to 35 consecutive days) less any adjustment previously given for the same billing under this policy. Adjustments that total more than \$500 cannot reduce water charges due to the District to an amount that is lower than if the bill were calculated using the budgeted average rate. The budgeted average rate shall be determined annually by the Finance Department in accordance with the District's existing rates for water service charges and its annual budget. Such limitations are applied for fairness and protection to both the District and customers.

Service to the customer's property shall not be discontinued pending the outcome of such review by the Customer Service Manager, CEO/General Manager or the appeal to the Appeals Committee. If the appeal is denied or granted in part, any amounts due and owing shall be paid in full within 10 days after the notice of determination has been mailed to the customer, including any applicable penalties as provided herein.

At least annually, the Customer Service Manager shall provide a written report summarizing the results of appeals processed to the Appeals Committee to monitor the effectiveness and appropriateness of this policy.

#### **8.7.1      Water Leak Adjustment Policy**

The Customer Service Manager is authorized to make adjustments to water flow charges for one billing period (up to 35 consecutive days) in which an apparent water loss occurred due to a broken pipe and/or plumbing fixture that caused exceptionally high water consumption compared to consumption history for the property during the same billing period. All leaks must be repaired prior to the filing of a leak appeal. The leak must be repaired within 7 days of District notification or the finding of a leak.

Adjustments will be determined using the following criteria:

- a) The customer must not have previously received more than one leak adjustment at the same property in the past 60 months.
- b) The District leak appeal form must be properly completed by the customer and submitted to the District with required documentation and verifications mentioned thereon, within 30 days of the mailing date of the bill in question. A minimum payment of 50 percent of the bill appealed must accompany the appeal application.
- c) Only one billing period (up to 35 consecutive days) will be considered for an adjustment, provided the accounts billing is current.
- d) To qualify as exceptional high water consumption, the minimum adjustment amount, based on the following criteria, must exceed \$50.
- e) A consumption base will be determined using the previous three year average from the same billing period unless the District determines other measurable factors are shown to have greater relevance for a consumption base. The base will be calculated at normal rates and added to any

excess consumption calculated at wholesale water costs. The adjustment amount becomes that sum less the charges originally billed for water flow, or the maximum adjustment amount, whichever is less.

- f) The adjustment shall not exceed \$750 or 25 percent of original water flow charges, whichever is less.
- g) No adjustments will be given if the District determines excessive water flow was caused by the customer's negligence or non-responsiveness to warning signals such as higher water and/or sewer bills, leak notifications, visible water, or other factors that should have made the customer reasonably aware of the existence of a broken pipe and/or plumbing fixture.
- h) No adjustments will be given if a third party is responsible for water loss at the customer's property and can be pursued for reimbursement by the customer.
- i) No adjustments will be given due to the resetting of irrigation timers at the customer's property, whether intentional or not.
- j) Padre Dam is not responsible for any leak due to lack of notification and no adjustment will be given for this reason. It is the customer's responsibility to determine leaks and/or excessive water use. Padre Dam provides an online water use tool where customers, at their own discretion, can set alerts and/or notifications; however, this program does NOT replace the customer's responsibility for all water use.
- k) No adjustment will be given if the customer was notified by District staff of a leak or continuous flow if the leak was not repaired within one week of notification.
- l) An approved leak adjustment will not be granted until the customer has registered in the District's online water use tool and has set the appropriate threshold notifications.