



March 7, 2013

TO: LOCSD Board of Directors
FROM: Margaret Falkner, Interim General Manager *MJF*
SUBJECT: **Agenda Item 12A – 03/07/2013 Board Meeting**
Dispute of General Manager's Determination for Additional Relief of Water Leak Adjustment

President
Leonard A. Moothart

Vice President
Craig V. Baltimore

Directors
Marshall E. Ochylski
David S. Vogel
R. Michael Wright

Interim General Manager
Margaret Falkner

District Accountant
Amparo Haber

Fire Chief
Robert Lewin

Battalion Chief
Phill Veneris

DESCRIPTION:

On January 18, 2013, Ms. Seligson contacted the District in regards to a high water bill. A service request was issued and the operator reported no leak at the meter. Ms. Seligson submitted a letter dated January 28, 2013, requesting a credit on her account. She claimed the high consumption was due to the water meter registering incorrectly. She also asked for payment to her handyman who replaced two emitters in the drip irrigation on January 24, 2013.

On February 5, 2013, Staff prepared a leak adjustment letter providing a credit for \$424.55. Staff explained there is a \$150 deposit required to test a meter for accuracy and advised against proceeding in this manner due to the fact meters usually slow down as they age. Also included in this letter was an irrigation schedule, which notes that during the winter season (November through February) sprinklers should be off. The customer has a large lot with well-established shrubs and trees.

District Code Title 2.01.20 B allows the General Manager to review applications for leak adjustments and provide relief as a credit of up to 50% of the differential of the highest billing period invoice during the tenure of the leak and the average of all invoices for the customer over the last twelve-month period. Staff did the calculations and notified the customer of a credit formerly mentioned.

On February 11, 2013, Ms. Seligson submitted a letter requesting the Board of Directors review this case.

STAFF RECOMMENDATION:

Staff recommends that the Board deny any further relief regarding this dispute:

Motion: I move that the Board deny any further relief regarding this dispute.

DISCUSSION:

On January 15, 2013, Ms. Seligson's meter was read for billing purposes. When the customer received the bill, it was for \$983.60 because 159 units had passed through the meter between November 10, 2012 and January 15, 2013. The

Mailing Address:
P.O. Box 6064
Los Osos, CA 93412

Offices:
2122 9th Street, Suite 102
Los Osos, CA 93402

Phone: 805/528-9370
FAX: 805/528-9377

customer submitted a written complaint asking the District to pay her handyman services and credit her account to the rate of normal usage. Staff, according to District Code Title 2.01.20 B, awarded the maximum relief allowed.

In reviewing the history of this account, the average consumption in the previous year was 27 units. Each unit is 748 gallons of water, therefore the average consumption of this account is 20,196 gallons in a two-month period. Taking this into consideration, Staff wondered why the customer did not contact the District for a meter proof read when they received the bill in November 2012 for only 12 units of consumption. A water rate increase of 12% became effective September 1, 2012. The current bill reflects the new rate structure and is higher than rates from last year.

Staff noticed an error in calculations when providing the original leak adjustment credit. The amount credited should have been for \$430.37. If the Board determines to allow more relief, an additional credit of \$5.82 is fair.

On February 11, 2013, Ms. Seligson submitted a letter requesting the Board of Directors review this case.

FINANCIAL IMPACT:

In review of this leak adjustment credit, Staff admits there was an error in calculating the credit. Staff should have credited the account for \$430.37 instead of the \$424.55 granted.

Staff would like to discourage leak adjustment credits as these negatively affect the revenues of the water fund.

Attachments

February 11, 2013

FEB 13 2013

Board of Directors
Margaret Falkner
Acting General Manager
Los Osos Community Services District
P.O.Box 6064,
Los Osos, Ca. 93412

Dear Ms. Falkner:

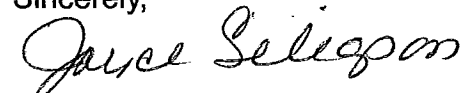
While I appreciate your response to my problem, I do not believe it reflects the severity of the situation. As stated in my previous letter, the irrigation system has been examined thoroughly, and no leak has been discovered. And since the very high reading, the meter is progressing at a normal rate.

We have eliminated all other events that might have occurred, and are left with the result that either the meter, or the meter reading was at fault. Other than the November, 2011 leak,(which was not in the irrigation system) the water usage has been fairly steady. For that amount of water to have been used, it would have required an unbelievable amount to leak, and none can be found.

If it were not for the extreme amount of usage and charges, I would just accept the adjustment, as I did in the previous case. However, I simply do not believe the water consumption is correct. I would appreciate having the Board of Directors review this case.

Thank you,

Sincerely,



Joyce Seligson
1299 Pasadena Drive
Los Osos, Ca.
93402



February 6, 2013

President
Leonard A. Moothart

Joyce Seligson
1299 Pasadena Drive
Los Osos, CA 93402

Vice President
Craig V. Baltimore

RE: Leak Adjustment Request for Account Number 18671-000

Directors
David S. Vogel
Marshall E. Ochylski
R. Michael Wright

Dear Mrs. Seligson:

Acting General Manager
Margaret Falkner

Please be advised that I received your request for a leak adjustment credit due to work on your landscape irrigation. I am not authorized to provide the amount of relief you are requesting. According to District Policy, your account will include the following adjustment:

District Accountant
Amparo Haber

Fifty percent of the differential of the highest invoice (\$983.60) and the average of all invoices over the last twelve-month period (\$134.50) which comes to a total credit adjustment of (\$424.55).

Fire Chief
Robert Lewin

This leaves a remaining balance of **\$559.05** that is due by February 15, 2013 in order to avoid a 10% late fee.

Battalion Chief
Phill Veneris

If you want to have your water meter tested for accuracy, we have a \$150.00 deposit that is required. However, I do not believe the problem is in the meter as they usually slow down as they age. Somehow, water passed through your meter. In my experience, faulty irrigation systems are usually the cause of high usage. I am enclosing our recommended irrigation schedule for your use.

Respectfully,

Margaret Falkner
Acting General Manager

Mailing Address:
P.O. Box 6064
Los Osos, CA 93412

Cc: FILE

Offices:
2122 9th Street, Suite 102
Los Osos, CA 93402

Enclosures: Title 2.01.20
Irrigation Schedule

Phone: 805/528-9370
FAX: 805/528-9377

www.locsd.org

2.01.20 Credits for Fixing Water Leak (Adopted 1/6/11)

A. Application: The General Manager shall make available to any customer an application form that customers can use to apply for a credit against their outstanding balance where the customer has experienced a water leak and can prove that such leak has been promptly corrected. The application shall include:

- The date of discovery of the leak;
- The date of repair;
- Evidence such as dated plumbing bills and receipts for materials and supplies related to the leak repair; and
- The signature of the water customer.

B. Process: The General Manager shall review all application forms received by customers. The General Manager shall approve a credit of up to 50% of the differential of the highest billing period invoice during the tenure of the leak and the average of all invoices for said customer over the last twelve-month period if the General Manager, in his/her discretion, finds:

1. The leak was related to a physical break or as a result of actions by third parties beyond the control of customer as opposed to a behavioral failure on the part of the customer; and
2. The leak was promptly repaired after the discovery; and
3. The customer has not received an LOCSD water leak credit during the preceding twelve (12) month period.

C. Additional Relief: When the General Manager determines that additional credit may be justified as a result of unusual circumstances or undue hardship, he/she shall bring the item to the Board of Directors for consideration. The District Board will consider the presentation of the affected water customer (customer must be present), the application, and findings of the General Manager referenced in paragraph B, above. The Board may grant additional relief beyond that provided for in paragraph B, provided that said relief will not result in additional cost to other water customers of the District. The decision of the Board of Directors shall be final.

D. Disputes: Any customer that disputes a determination by the General Manager may seek Board of Directors review of said determination by paying the established fee and making written application to the Board of Directors, in care of the General Manager, within ten (10) business days of the General Manager's decision. The decision of the Board of Directors shall be final.



Programmable Irrigation Schedule

Season	Lawns	Shrubs & Trees		Annuals & New Plants	
	Pop-up Fixed Spray	Fixed Spray	Drip (at 2 gal/hr)	Fixed Spray	Drip (at 2 gal/hr)
Spring (Mar - May)	12 min/wk	15 min/wk	20 min/wk	20 min/wk	25 min/wk
Wed, Sun	12 min/day	7 min/day	10 min/day	10 min/day	12 min/day
Summer (Jun-Aug)	55 min/wk	35 min/wk	50 min/wk	35 min/wk	55 min/wk
Mo, We, Fr, Su	14 min/day	9 min/day	12 min/day	9 min/day	14 min/day
Fall (Sep-Oct)	35 min/wk	25 min/wk	40 min/wk	25 min/wk	40 min/wk
We, Fr, Su	12 min/day	8 min/day	13 min/day	8 min/day	13 min/day
Winter (Nov-Feb)	OFF	OFF	OFF	As needed	As needed

January 28, 2013

Dear LOCSD,

Upon receiving my latest water bill in the astonishing amount of \$983.60, I called the LOCSD on Friday, Jan. 18th. I was advised that a worker would come by and check the meter. When he arrived, he said the meter showed no movement, and therefore it was undoubtedly an irrigation leak.

Over the weekend, I had my landscaper go over the entire system with me, and other than replacing two small emitters, there was no sign of any leak. I called the LOCSD again on JAN. 21, which happened to be a holiday, so I left a message. I had to go out of town on Jan. 22 and 23, and on my return Jan 24, there was a message from Jan Harper concerning my bill.

I returned her call and explained no leak could be found. In the meantime, I had my weekly gardener check all the lines, and he also found no leaks. I reported this to Jan, and she suggested we monitor the meter this week and watch for any surges. She also wondered if when I was out of town over Christmas, someone might have left a hose running.

We have checked the meter every day since, and it shows no surges. The likelihood of someone turning on a hose and leaving it makes no sense, as they would then have to return at a later date to turn it off. My gardener, my daughter, and my neighbors who were all around saw nothing.

The amount of water usage the meter indicates is astronomical, and far exceeds a gushing break in a pipe here in Nov. 2011 for which the bill was around \$300. We were able to discover and repair that leak right away.

I believe this latest reading must be due to a fault in the meter. The slight dribble from the irrigation hose could not possibly have used that amount of water, and there is no other sign of a leak. The garden irrigation is set at 50% and only runs 4 days a week.

I respectfully request that this matter be reviewed and the amount of the bill be reduced to my normal usage. Thank you.

Sincerely,



Joyce Seligson

1299 Pasadena Dr., Los osos

1/24/13

1299 Pasadena Dr.

FEB 04 2013

Find and repair leak in drip system.

No leak could be found. Two emitters were missing and replaced.

2hours labour @ \$ 35.00/hr. \$70.00

parts 2 emts. \$3.50

total \$73.50

Please send payment to Pat's Handy Man

box 4754

San Luis Obispo, Ca.

93403

Thank you

Meter Readings -

Bill - 1724 -

PRIOR - 1565 -

CURRENT READINGS

1/26/13 - 1736.33

1/27/13 - 1736.66

1/28/13 - 1737.92

1/29/13 - 1738.94

1/30/13 - 1739.26

1/31/13 - 1740.10



**LOS OSOS COMMUNITY SERVICES DISTRICT
BI-MONTHLY WATER RATES AS OF 9/1/2012**

MINIMUM CHARGE		CCF	AMOUNT	CCF	AMOUNT	CCF	AMOUNT
CCF	AMOUNT						
0 units	\$40.11	38	\$220.09	81	\$491.42	124	\$762.75
		39	\$226.40	82	\$497.73	125	\$769.06
		40	\$232.71	83	\$504.04	126	\$775.37
		41	\$239.02	84	\$510.35	127	\$781.68
		42	\$245.33	85	\$516.66	128	\$787.99
		43	\$251.64	86	\$522.97	129	\$794.30
		44	\$257.95	87	\$529.28	130	\$800.61
		45	\$264.26	88	\$535.59	131	\$806.92
		46	\$270.57	89	\$541.90	132	\$813.23
		47	\$276.88	90	\$548.21	133	\$819.54
		48	\$283.19	91	\$554.52	134	\$825.85
		49	\$289.50	92	\$560.83	135	\$832.16
		50	\$295.81	93	\$567.14	136	\$838.47
		51	\$302.12	94	\$573.45	137	\$844.78
		52	\$308.43	95	\$579.76	138	\$851.09
		53	\$314.74	96	\$586.07	139	\$857.40
		54	\$321.05	97	\$592.38	140	\$863.71
		55	\$327.36	98	\$598.69	141	\$870.02
		56	\$333.67	99	\$605.00	142	\$876.33
		57	\$339.98	100	\$611.31	143	\$882.64
		58	\$346.29	101	\$617.62	144	\$888.95
		59	\$352.60	102	\$623.93	145	\$895.26
		60	\$358.91	103	\$630.24	146	\$901.57
		61	\$365.22	104	\$636.55	147	\$907.88
		62	\$371.53	105	\$642.86	148	\$914.19
		63	\$377.84	106	\$649.17	149	\$920.50
		64	\$384.15	107	\$655.48	150	\$926.81
		65	\$390.46	108	\$661.79	151	\$933.12
		66	\$396.77	109	\$668.10	152	\$939.43
		67	\$403.08	110	\$674.41	153	\$945.74
		68	\$409.39	111	\$680.72	154	\$952.05
		69	\$415.70	112	\$687.03	155	\$958.36
		70	\$422.01	113	\$693.34	156	\$964.67
		71	\$428.32	114	\$699.65	157	\$970.98
		72	\$434.63	115	\$705.96	158	\$977.29
		73	\$440.94	116	\$712.27	159	\$983.60
		74	\$447.25	117	\$718.58	160	\$989.91
		75	\$453.56	118	\$724.89	161	\$996.22
		76	\$459.87	119	\$731.20	162	\$1,002.53
		77	\$466.18	120	\$737.51	163	\$1,008.84
		78	\$472.49	121	\$743.82	164	\$1,015.15
		79	\$478.80	122	\$750.13	165	\$1,021.46
		80	\$485.11	123	\$756.44	166	\$1,027.77

Conversion:

CCF is defined as 100 cubic feet which is equal to 748 gallons

Usage x 748 gallons ÷ 60 = Average Daily Use (gallons)

Utility Billing

Account History Report



User Name: m falkner
 City Name: Los Osos Comm. Ser. Dist.
 Printed: 02/27/2013 - 3:35:PM

Account Status: Active
 Connect Date: 08/25/2006 Final Date:
 Customer Name: SELIGSON, JOYCE
 Customer Address: 1299 PASADENA DRIVE
 LOS OSOS, CA 93402
 Home Phone: (805) Ext.
 Business Phone: () - Ext.
 Customer Number: 018671 000

Total Acct Balance: 0.00
 Deposits: 0.00 Refunds: 0.00
 Owner name: SELIGSON, JOYCE
 Service Address: 1299 PASADENA DR

Reference Number:

Tran Date	Tran Type	Amount	Description	WTR	Misc	Pen	n/a	n/a		
Current Balance By Service				0.00	0.00	0.00	0.00	0.00	0.00	0.00
02/15/2013	Payment	-559.05	Clearing House	-559.05						
02/06/2013	Adjustment	-424.55	LEAK ADJUSTMENT CR	-424.55						
01/15/2013	Balance	983.60		983.60						
01/15/2013	Billing	983.60		983.60						
12/17/2012	Payment	-69.87	Clearing House	-69.87						
11/15/2012	Balance	69.87		69.87						
11/15/2012	Billing	69.87		69.87						
10/15/2012	Payment	-137.12	Clearing House	-137.12						
09/13/2012	Balance	137.12		137.12						
09/13/2012	Billing	137.12		137.12						
08/15/2012	Payment	-128.89	Clearing House	-128.89						
07/19/2012	Balance	128.89		128.89						
07/19/2012	Billing	128.89		128.89						
06/15/2012	Payment	-123.26	Clearing House	-123.26						
05/14/2012	Balance	123.26		123.26						
05/14/2012	Billing	123.26		123.26						
04/16/2012	Payment	-134.52	Clearing House	-134.52						
03/21/2012	Balance	134.52		134.52						
03/21/2012	Billing	134.52		134.52						
02/15/2012	Payment	-213.34	Clearing House	-213.34						
01/16/2012	Balance	213.34		213.34						
01/16/2012	Billing	213.34		213.34						
12/15/2011	Payment	-218.92	Clearing House	-218.92						
11/23/2011	Adjustment	-101.39	LEAK ADJUSTMENT CR	-101.39						
11/14/2011	Balance	320.31		320.31						



AVG = \$122.86

Handwritten calculations:

$$\begin{array}{r} 983.60 \\ - 122.86 \\ \hline \text{DIFFERENCE } 860.74 \\ \div 2 \\ \hline \text{CREDIT } \$430.37 \end{array}$$

 REMAINDER DUE \Rightarrow \$553.23

Customer Number: 018671 000

Reference Number:

Tran Date	Tran Type	Amount	Description	WTR	Misc	Pen	n/a	n/a
11/17/2006	Balance	25.30		25.30				
11/17/2006	Billing	25.30		25.30				
10/16/2006	Payment	-25.30	Clearing House	-25.30				
09/22/2006	Balance	25.30		25.30				
09/22/2006	Billing	25.30		25.30				
09/06/2006	Payment	-50.00			-50.00			
09/01/2006	Adjustment	50.00	NEW SERVICE ACT.		50.00			

Route Sequence Serial	201 - 0000114 - OB19855487	Read Date	Reading	Consumption	Meter Status	Active
		01/09/2013	1,724	159		
		11/09/2012	1,565	12✓		
		09/10/2012	1,553	27✓		
		07/10/2012	1,526	26✓		
		05/10/2012	1,500	25✓		
		03/12/2012	1,475	27✓		
		01/10/2012	1,448	41✓		
		11/08/2011	1,407	60		
		09/13/2011	1,347	36		
		07/11/2011	1,311	27		
		05/10/2011	1,284	23		
		03/10/2011	1,261	16		
		01/10/2011	1,245	14		
		11/09/2010	1,231	28		
		09/10/2010	1,203	27		
		07/12/2010	1,176	25		
		05/11/2010	1,151	17		
		03/10/2010	1,134	20		
		01/11/2010	1,114	23		
		11/12/2009	1,091	16		
		09/10/2009	1,075	11		
		07/10/2009	1,064	5		
		05/11/2009	1,059	2		
		03/10/2009	1,057	2		
		01/14/2009	1,055	1		
		11/10/2008	1,054	1		
		09/11/2008	1,053	4		
		07/10/2008	1,049	1		
		05/13/2008	1,048	1		
		03/11/2008	1,047	0		
		01/10/2008	1,047	1		
		11/13/2007	1,046	0		
		09/12/2007	1,046	1		
		07/11/2007	1,045	0		

} AVG CONSUMPTION
 IS 27 UNITS

 159
 - 27

 132
 = 66 UNITS