



Scotts Valley Water District

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Leak Adjustment Policy Guidelines

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1. The customer must present a written request for a leak adjustment credit to the District no later than 20 days after the end of the billing period during which the customer repairs the leak. The request must state the time period, extent, and circumstances of the leak and include receipts showing that the leak has been repaired. A leak adjustment credit request will not be considered by the District unless the customer's bill shows either (a) excess water consumption of at least 50% over normal consumption for the same time of year or (b) additional consumption charges of at least \$100 over prior year bills for the same time of year.
2. A leak adjustment credit will be approved not more than once in any five-year period for a leak that is outside the customer's direct control. An unexpected burst underground pipeline would be an example of a leak that is outside the customer's direct control.
3. Leak adjustment credits will not be approved for avoidable leaks that are within the customer's direct control. Examples of avoidable leaks not eligible for leak adjustment credits include leaky toilets, dripping faucets, poorly maintained water softeners, burst hoses, unattended nozzles, faulty irrigation valves, damaged irrigation sprinkler heads, or repeated leaking in the same pipe or plumbing system, whether underground or not.
4. Notwithstanding paragraph 3 above, a leak adjustment credit may be approved once in a customer's lifetime for an avoidable leak that is within the customer's direct control, so long as not caused by the customer's gross negligence or intentional act. Any customer receiving a one-time credit will be required to sign a statement acknowledging forfeiture of eligibility for future one-time credits. A copy of such statement will be maintained by the District in the customer's account file and will transfer with the customer, should the customer change accounts.
5. An adjustment credit will not be approved for a leak caused by the customer's contractor or by any other third party. The District will supply water usage and billing records for the customer's use in claiming damages from such third party.
6. When qualifying, the customer will receive a leak adjustment credit for up to two billing periods to be calculated as follows: the amount of water used during the leak period will be compared to the amount of water used at the same time the previous year, and the cost for 75% of the difference in water used will be credited to the customer's account. An alternate method for calculating the quantity of water leaked may be used if more accurate under the customer's specific circumstances.

7. During any period that a customer's leak adjustment request is pending under District review, the customer must continue to make timely water bill payments to avoid District late fees and penalties. The minimum payment during such period will be based on the amount of water used at the same time the previous year or on an alternate method, if more accurate under the customer's specific circumstances.
8. Personal, family or financial difficulties, loss of prospective profits, discretionary standards of property maintenance, and other subjective factors are not conditions that justify approval of a leak adjustment credit.
9. In any situation in which the justification for a leak adjustment credit is based upon the malfunction, breakage or failure of a component of the customer's water service system, no credit shall be approved unless the repairs or replacements have been performed in compliance with all District regulations and standards.
10. Each leak adjustment credit request will be considered on its individual merits, and no prior decision will be considered to have set a precedent for denial or approval of subsequent credit requests.
11. The General Manager has authority to approve or disapprove leak adjustment credits by adhering strictly to the provisions set forth above. The General Manager will approve an exception to these provisions only in extraordinary circumstances and only upon a written finding that the exception would not result in a special privilege of the recipient not enjoyed by another District customer facing similar circumstances and would not otherwise materially impair the purpose or intent of District rules and regulations.
12. A decision of the General Manager may be appealed to the Board of Directors for a final determination.