

TOWN OF FARMVILLE, VIRGINIA

OPERATING POLICY MANUAL

Chapter: Finance

Issue (Effective) Date: July 13, 2022

Approval Date: July 13, 2022

Approved By: Town Council

UTILITY ADJUSTMENTS

Section 1. POLICY

The purpose of this policy is to state the procedure and requirements for water and wastewater adjustments that the Town of Farmville, Virginia (the "Town") has for its customers. Each account maintained by a customer is subject to an adjustment under this policy.

Section 2. WATER LEAK ADJUSTMENT

A. Until the Town approves an adjustment, per this policy, the customer should continue to pay the bill according to the billing statement.

B. Ownership:

1. The Town owns the water mains and service lines that provide service to the water meter; the Town also owns and is responsible for everything inside the meter box. The customer is not to tamper with nor modify anything inside of the meter box.
2. The Customer is responsible for maintaining everything on the service side of the meter box. The customer is responsible for properly maintaining their property to minimize the potential for leaks.

C. No adjustment will be provided by the Town under the following conditions:

1. If the water used flowed through a fire suppression system; this includes, but is not limited to, systems such as a sprinkler system or privately owned fire hydrants.
2. If the high-water loss was due to misuse or neglect; an example of this situation would be a water hose left running for a prolonged period of time.

D. Adjustments are credited to the active account for which the service is billed for the affected address; adjustments are not issued in the form of cash, check, or other form of payments.

E. Customer Adjustments: These adjustments are for leaks that occur on the customer's side of the meter. Town customers may receive one (1) leak adjustments every year from the date of the first of the these adjustments received. Customer Adjustments will be made according to the following:

1. Adjustments will only be made if the usage that was billed is at least 150% of the average usage for the account. For example – if the average bill is \$100 per month, then the bill would need to exceed \$150 for the month to be considered for adjustment.
2. The adjustment request must be made within 60 days of the notification of the leak or the date that the billing statement was sent.
3. Each adjustment will only cover one (1) incident, so if an incident runs across two months those two months can be adjustment for that one specific incident.
4. An "Application for Adjustment" form must be submitted to the Town. This documentation will be noted and saved with the customer's account.



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a. Supporting documentation that is required to go with the Application for Adjustment includes the following:

i. Detailed letter describing the leak and describing the resolution of reported leak; it is recommended that photographs of the cause of the leak and photographs of the work performed to prevent future high use be included in the letter.

ii. A copy of the plumber invoices, parts lists showing repair parts purchased, etc. showing that work was done to eliminate the leak.

5. Customer Adjustments will be calculated as follows:

a. The bill will be adjusted by averaging the last three bills plus one-half the excess use over the average consumption.

d. Maximums: For very large leaks, where adjustments are approved, the following applies:

- i. Residential: for a leak that generates a bill (or bills) totaling in excess of one thousand dollars (\$1000), the billing statement(s) will be reduced to a maximum charge of five hundred dollars (\$500). When this maximum large adjustment is applied to the account, no further adjustment will be made to the account for two (2) years following the date of the adjustment.
- ii. Commercial/Industrial: due to the large variability of flow rates among these customers, any maximum charge for this classification of customers, which is greater than the residential maximum stated above, will be reviewed by the Town Council on a case by case basis.

F. Town Adjustments: These adjustments are for problems related to assets owned by the Town or damages caused by the Town. These Town Adjustments do not count towards the limited number of adjustments allowed per the prior section of this policy. Town Adjustments will be made according to the following:

1. An "Application for Adjustment" form, requesting the Town Adjustment and providing explanation of the reason for the request, must be submitted to the Town. This documentation will be noted and saved with the customer's account.

2. Town Adjustments will be given upon the following conditions:

- a. A gasket failed on the customer's side of the meter setting
- b. Erroneous meter readings leading to a larger than normal bill

3. Town Adjustments will be calculated as follows:

- a. The volume portion of the bill will be adjusted to equal to the average volume consumption for the impacted service address.
- b. No adjustment will be made to any other fees other than the volume charges.



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Section 3. SEWER ADJUSTMENTS

A. Adjustments to customer sewer bills may be made for fire suppression, filling swimming pools and hot tubs and will be allowed for one (1) billing period per year from the previous year's adjustment according to the following:

1. The customer must be connected to the Town's sewer system in order to receive the sewer adjustment.
2. The customer must notify the Town at least three (3) business days prior to filling a pool or hot tub and also within one (1) business day upon completion of the fill.
3. The customer must make the request for the sewer adjustment in writing, either by a letter or email, within five (5) business days upon completion of the fill. This documentation will be noted and saved with the customer's account.
4. The sewer charges for one (1) billing period will be credited for consumptions above the lowest three (3) billing periods average consumption that occurred one (1) year prior to the adjustment.

Section 4. ROUTINE WASTEWATER CHARGE ADJUSTMENT

A. General: The customer will be responsible for requesting the routine wastewater charge adjustment in writing to the Town. It is the responsibility of the customer to document and justify the request for the adjustment.

B. Approval: The Town will review the request in a timely manner and make a determination of the applicability of this policy to the request; a site inspection of the customer's facilities by the Town may be required. The Town will determine if the customer will be eligible one of the following types of routine wastewater adjustment based on water used that does not have the ability to be transmitted to the wastewater system.

1. Metered: Should the customer have multiple processes that will not produce wastewater where an adjustment is requested, each process must have a deduct process water meter and each meter will have separate fees and credits associated with the meter. If the customer is approved for a routine adjustment under this section of the policy, the customer must:
 - a. Sign up for the service and agree to pay the current account fee, deposit, and base charge, as adopted by Town and shown in the Rate Policy, for the deduct process water meter.
 - b. Purchase and install the deduct process water meter upstream of the area of the process which will not produce any wastewater entering the wastewater system. The deduct meter must meet the Town's specifications, and the size of the meter must be approved by the Town. The meter can be purchased from the Town if so desired by the customer.
 - c. Make the deduct meter, and the area in which it is installed, available for inspections by the Town personnel upon request. If such access is not granted at any time by the customer to the Town, the adjustments may be terminated without any further notice from the Town to the customer.



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e. Be the responsible for any maintenance, testing for accuracy, or replacement of the deduct water meter.

C. Billing: The Town will routinely deduct from the billing statement utilizing one of the following methods:

1. Metered: The Town will read the deduct process water meter(s) and calculate the net wastewater consumption by deducting the volume of water flowing through the deduct meter(s) from the gross volume of water flowing through the customer's master water meter.

Section 5. APPEAL

A. Customers may appeal administrative decisions regarding this policy to the Finance Director and Town Manager. The Finance Director and Town Manager may agree to an additional adjustment to the original bill or may grant an additional adjustment for a new incident that may arise in the year where one adjustment has already been granted. Town Council will review and has the discretion to provide more of an adjustment upon further evaluation only after it has been through the proper appeal with the Finance Director and Town Manager; Council will make its decision at the next regularly scheduled Council meeting.

Section 6. REVISIONS

- A. This policy was approved and adopted by the Town Council on May 13, 2009.
- B. This policy was revised and adopted by the Town Council on July 13, 2022.

Revisions

Original-May 13, 2009

Revised-July 13, 2022

