



## STAFF REPORT

TO: Mayor Keis and Members of City Council  
FROM: Bill Dircks, Public Works Director  
DATE: August 6, 2018  
RE: Water Charges for 2616-22 Ruth Street

2616-22 Ruth Street is a four-plex owned by Ms. Flora Mach. The unit had a relatively new Invensys water meter when the City upgraded its meters to the Badger radio-read system. A Badger radio was connected to the existing Invensys meter in January 2012 and the meter transmitted readings daily until March 15, 2017. At that point the radio kept transmitting readings daily, but it was transmitting the same reading of 3,109,000 every single time.

Following the second quarter utility billing cycle in early July, 2018, it was discovered that the radio was not sending the correct reading since the account had zero usage for the previous five quarters. The Utility Billing Clerk set up an appointment for a member of Public Works to inspect the meter and radio and replace it if necessary. Since it was an Invensys meter it was decided to replace the entire meter and radio and start fresh even though it was the radio that had malfunctioned.

The old meter showed 4,393,000 gallons on it, which means there was an additional 1,284,000 gallons on the meter that had not been billed to the account. Our past practice has been to bill the property for all of the water that flowed through the meter. In this case that is \$4481.16 of extra water on the account.

The Utility Billing Clerk met with Ms. Mach and informed her of the issue and she was understandably unhappy. The main issue is the extra water on the meter is far greater than what her average usage for five quarters has been in the past. Her five quarter average is closer to 250,000 gallons. One possibility is there was a plumbing leak which led to the additional water usage. Because the radio was not transmitting properly, there was no way to know if there was a leak and inform her as we typically do for our customers.

What is known is the water did pass through the meter. Ms. Mach believed the meter sped up and recorded extra water. It was explained to her that meters do not speed up. The way they are built results in parts wearing out and the meter slowing down over time but it is virtually impossible for the meter to speed up. In the case of this meter, it was taken apart and recycled after it was removed from the property. Because of that there is no way to test it to prove that it didn't speed up. Our past practice has been to save the meter for at least one additional billing cycle in case discrepancy issues like these arise. That policy was not properly communicated to the employee.

There is a chance that the radio was never transmitting properly (transmitting a number that was less than the actual meter usage) and the additional water accumulated over the course of six years. This seems less likely than the leak possibility, but it cannot be ruled out.

Because it took five quarters to discover the issue and because the meter was disposed of before it could be tested to prove it hadn't sped up, staff proposed billing Ms. Mach for half of the water usage plus an additional \$768 in sewer charges. In total, she would owe \$3238.73. Ms. Mach would have one year to pay off the balance with zero interest or fees. She would need to remain current with her current utility bills and could pay off the extra as she sees fit over the course of one year. She agreed to the proposal and seemed satisfied.

Staff recommends the City Council approve billing Ms. Flora Mach \$3238.73 for 50% of the unaccounted-for water on the water meter at 2616-22 Ruth Street and allow Ms. Mach to pay off the balance over the course of one year with no interest or fees.