



Board of Aldermen Request for Action

MEETING DATE: 10/3/2023

DEPARTMENT: Finance

AGENDA ITEM: Resolution 1272, A Resolution Approving A Water Leak Adjustment Request

REQUESTED BOARD ACTION:

Motion to approve Resolution 1272, approving a wastewater adjustment request in the amount of \$3,312.61 to commercial utility customer Hillside Development Corporation.

SUMMARY:

The City has received notice from Hillside Development Corp, a Commercial utility billing customer, of a repaired water leak and his request for a wastewater adjustment. All requirements set forth in Ordinance 2989-18 have been met.

On or about January 26, the Utilities Division obtained electronic reads of water usage for the month of January. Those reads were uploaded to the billing system and staff was alerted to the accounts that had no, little or high usage.

Following the month of the January 2023 billing cycle, Hillside Development Corporation had started the cycle with a read of 51,547 and finished this cycle with a read of 53,559, which resulted in consumption of **201,200** gallons. This amount was more than twice the established monthly average for the account. As required by Ordinance 2989-18, Hillside Development Corporation has provided proof of repair/maintenance of the broken 2" service line which was the culprit of the high usage during the January 2023 billing cycle.

On or about February 27, 2023, the Utilities Department obtained electronic reads of water usage for the February 2023 billing cycle. Those reads were uploaded to the billing system and staff was alerted to the accounts that had no, little or high usage.

Following the month of the February 2023 billing cycle, Hillside Development Corp had started the cycle with a read of 53,559 and finished this cycle with a read of 56,714, which resulted in consumption of **315,500** gallons. This amount was more than twice the established monthly average. As required by Ordinance 2989-18, Hillside Development Corporation has provided proof of repair/maintenance of the broken 2" service line which was the culprit of the high usage during the February 2023 billing cycle.

If approved, the leak adjustment would issue a credit of \$3,312.61 to Hillside Development Corporation's utility account.

PREVIOUS ACTION:

Staff presented information regarding the procedures for approving a commercial wastewater leak adjustment during the July 18, 2023 Work Session. After this session, the Board of Aldermen approved changes to Section 705.110 Water and Wastewater Leak Adjustment on the September 5, 2023 Regular Session to establish a formal procedure for the BOA to approve commercial wastewater leak adjustments.

POLICY OBJECTIVE:

Click or tap here to enter text.

FINANCIAL CONSIDERATIONS:

Reduce utility revenues by \$3,312.61.

ATTACHMENTS:

- | | |
|---|-----------------------------------|
| <input type="checkbox"/> Ordinance | <input type="checkbox"/> Contract |
| <input checked="" type="checkbox"/> Resolution | <input type="checkbox"/> Plans |
| <input checked="" type="checkbox"/> Staff Report | <input type="checkbox"/> Minutes |
| <input checked="" type="checkbox"/> Other: Repair Documentation | |

RESOLUTION 1272

A RESOLUTION APPROVING A WASTEWATER ADJUSTMENT REQUEST

WHEREAS, the City approved Ordinance No. 2989-18 amending Section 705.110 of the Code of Ordinances on February 6, 2018; and

WHEREAS, Hillside Development Corporation, a commercial utility billing customer with account 02-000010-00, has notified the City of a water leak and is requesting a wastewater adjustment; and

WHEREAS, the conditions set forth in Section 705.110 of the Code of Ordinances as amended have been met; and

WHEREAS, the adjustment calculation set forth in 705.110 of the Code of Ordinances as amended has been determined to be \$3,312.61.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI, AS FOLLOWS:

A wastewater adjustment in the amount of \$3,312.61 shall be credited to account 02-000010-00 of commercial utility billing customer Hillside Development Corporation.

PASSED AND ADOPTED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 3rd day of October 2023.

Damien Boley, Mayor

ATTEST:

Linda Drummond, City Clerk



Water and Wastewater Leak Adjustment Request

Utility Customer Name: Hillside Development Corp

Utility Service Address: 201 S 169 Hwy

Utility Account Number: 02-000010-00

The commercial utility billing customer referenced above has notified City staff of a water leak and is requesting a leak adjustment. City staff has verified the water consumption of the month(s) in question is more than two (2) times the monthly average for this property, no other leak adjustment has occurred in the previous thirty-six (36) month period, covers a single event and repair receipts have been provided.

In accordance with the Leak Adjustment Ordinance No. 705.110, the Board of Alderman may consider a leak adjustment calculated to be \$3312.61 at the Board of Alderman meeting on October 3rd, 2023.

I, _____, agree to attend the Board of Alderman meeting referenced above, and understand that my failure to be present is cause for the Board of Alderman to deny my request.

Upon resolution by the Board of Alderman, I, _____, shall make payment in full or make formal payment arrangements with City staff no later than ten days (10) following the Board of Alderman consideration. I understand that failure to do so will result in imposition of late fees and/or disconnection of service.


Customer's Signature

9/18/2023
Date



Water and Wastewater Leak Adjustment Calculation

Utility Customer Name: **Hillside Development Corp**

Utility Service Address: **201 S Commercial**

Utility Account Number: **02-000010-00**

Breaking down key figures in Ordinance 2989-18(C), Adjustment Calculations

- The adjusted bill(s) shall charge the City's normal water rate on all water volume used up to two (2) times the average monthly water use for this property.

City's normal water rate (per 1,000 gallons): \$9.04
Average monthly water usage for this property: 42,966 gallons

- Adjusted bill(s) shall also charge the City's wholesale water rate on all water volume used greater than two (2) times the average monthly water use for this property.

City's wholesale water rate (per 1,000 gallons): \$5.40

- If the leak is inside the home, the wastewater bill(s) shall not be adjusted because the water volume used will have drained into the sanitary system of the home.
If the leak is outside the home, the wastewater bill(s) will be adjusted to reflect the average monthly wastewater usage for this property.

City's normal wastewater rate (per 1,000 gallons): \$7.69
Average monthly wastewater usage for this property: 42,966 gallons
Was the leak inside or outside the home: outside
Was the wastewater billed winter average or actual usage: actual usage

Calculating the adjustment amount using Ordinance 705.110(C), Adjustment Calculations

MONTH 1	
Original Water Bill Amount	
201,200 gallons @ 9.04 per 1,000 gallons =	1,818.85
Adjusted Water Bill Amount	
0 gallons @ 9.04 per 1,000 gallons =	0.00
+ 201,200 gallons @ 5.4 per 1,000 gallons =	1,086.48
	1,086.48
Water Discount =	
Original Wastewater Bill Amount	
201,200 gallons @ 7.69 per 1,000 gallons =	1,547.23
Adjusted Wastewater Bill Amount	
42,966 gallons @ 7.69 per 1,000 gallons =	330.41
Wastewater Discount =	
	1,216.82

MONTH 2 (if applicable)	
Original Water Bill Amount	
315,500 gallons @ 9.04 per 1,000 gallons =	2,852.12
Adjusted Water Bill Amount	
0 gallons @ 9.04 per 1,000 gallons =	0.00
+ 315,500 gallons @ 5.4 per 1,000 gallons =	1,703.70
	1,703.70
Water Discount =	
Original Wastewater Bill Amount	
315,500 gallons @ 7.69 per 1,000 gallons =	2,426.20
Adjusted Wastewater Bill Amount	
42,966 gallons @ 7.69 per 1,000 gallons =	330.41
Wastewater Discount =	
	2,095.79

Total Discount = 3,312.61

HAMPTON PLUMBING, INC.

P.O. Box 552, Kearney, MO 64060
Office 816-628-5069 Fax 816-628-6096
Info@HamptonPlumbing.Net
www.hamptonplumbing.net

Bill to:

Ashelford Construction, LLC
16520 N Winan Rd
Platte City, MO 64079

Date

4/22/2023

Invoice #

31987

Due Date

5/22/2023

Class

203 US Hwy 169

Description	Amount
Bill to replace 2" water line from meter to building. Removed concrete behind building. Dug up by water meter in 2 locations. Stark Boring Co bored from water meter to building.	
Stark Boring. See Attached Invoice	10,740.00
Rental equipment to help Stark Boring and get the job done. As Follows: Vacuum Trailer, Small excavator to dig between retaining wall and building, Hydraulic Hammer for over Cat 306 mini excavator,	7,599.00
Plumbing Materials, 2" poly pipe, 2' Fittings and 2" copper	3,080.00
Dump Truck to haul away spoils and bring gravel	885.00
Labor:	13,500.00

Total **\$35,804.00**

Thank you we appreciate your business

Balance Due **\$35,804.00**

NOTICE TO OWNER

FAILURE OF THE CONTRACTOR TO PAY THOSE PERSONS SUPPLYING MATERIAL OR SERVICES TO COMPLETE THIS CONTRACT CAN RESULT IN THE FILING OF A MECHANIC'S LIEN ON THE PROPERTY WHICH IS THE SUBJECT OF THIS CONTRACT PURSUANT TO CHAPTER 429, RSMO. TO AVOID THIS RESULT YOU MAY ASK THIS CONTRACTOR FOR "LIEN WAIVERS" FROM ALL PERSONS SUPPLYING MATERIALS OR SERVICES FOR THE WORK DESCRIBED IN THIS CONTRACT. FAILURE TO SECURE LIEN WAIVERS MAY RESULT IN THE OWNER PAYING FOR LABOR AND MATERIALS TWICE.

1.5% per month (18% annual) finance charge will be added to all delinquent invoices