

Date: June 17, 2019  
Subject: Meter reading estimates

**Background:**

As of today, there are 45 meters that needed to be inspected because their readings have been estimated for a long time. Some were estimated for 2 years, some were even estimated since the account was initially set-up. In March, the Public Works staff started inspecting and replacing water meters.

Part of the process is to get the actual reading from the old meter before installing the new one. Actual water usage from the old meter will then be calculated in the next billing. This will be added to the actual water consumption from the time the new meter was installed up to the end of the billing period.

**Facts:**

Since we started replacing meters, we have recorded 9 accounts which bills were estimated too low for a long time. If we are going to charge the actual usage, they will have very high bills as shown in the table below:

Account #	Estimated since	Previous Reading	Actual Reading	Water Consumption	Amount
0014705 0000	12/31/2015	468681	484410	15,729 gals	\$156.74
0033400 0010	07/22/2016	3150	3505	355 cu m (78,100 gals)	\$648.23
0040700 0000	3/15/2017	1236	1373	137 cu m (30,140 gals)	\$270.30
0055300 0020	9/15/2017	1669	1909	240 cu m (52,800 gals)	\$488.86
0078700 0000	6/15/2017	1071	1249	178 cu m (39160 gals)	\$341.38
0082901 0000	12/31/2015	979	1561	547 cu m (120,340 gals)	\$1,057.58
0088100 0010	3/1/2018	13	292	279 cu m (61,380 gals)	\$516.47
0097303 0000	11/30/2012	11260	11827	567 cu m (124,740 gals)	\$1,015.75
0099002 0000	5/31/2014	14653	16117	1464 cu m (322,080 gals)	\$2,570.79

Here are some reasons why bills are estimated:

1. Remote plug or outside clock of old meters are mostly broken/damaged.
2. No one is home to let our staff inspect and get reading from the old meter.
3. RF machine does not pick up reading.

**Conclusion:**

Unless there is an unforeseen event or emergency, the Town must endeavor to bill customers based on actual reading. There is no existing policy that guides administration in preparing bills for accounts that were estimated too high or too low. What was done in the past was based on the Administrator's discretion. Our utility billing system automatically estimates

readings based on the average of the last 4 billings. If the account has been estimated for a long time, customers will not notice any difference from their bills.

As practice, our staff leaves a door hanger requesting meter reading if one of the reasons above exist but some residents do not get and submit actual readings. Some say they do not know where to find the meter or it is hard to get readings from where it was installed. Others opt not to get the reading because they think it is not their job to get meter readings while others probably forget.

However, customers will be upset to receive a very high catch up bill. It is going to be an administrative challenge to answer questions like: *why actual readings were not taken for a long time and why old or faulty meters were not replaced in a timely fashioned?* As such, Council is encouraged to discuss this situation and provide direction on a policy relating to meter reading estimates.

**Recommendation:**

Council may consider one of the following options in addressing the cases above:

Option 1 – Charge the customers with the actual water consumption because they have used the water.

Option 2 – Do not charge them with the actual consumption and start billing people with their actual readings from the new meter.

Option 3 – Charge customers based on the proposed table below:

Amount of Water Consumption	Amount to be Billed
\$0 - \$125	\$ 0.00
\$126 - \$250	\$ 125.00
\$251 - \$500	\$ 150.00
\$501 - \$800	\$ 200.00
\$801 - \$999	\$ 250.00
\$1,000 - \$2,000	\$ 300.00
\$2,000 and up	\$ 400.00