

Leak (Unusually High Water Use) Policy for Overlook Water Co-op (OWC)- rev 27Nov2024

Introduction-

OWC has not had a documented water leak policy. With the recent occurrence of leaks, some large by some OWC members, and some members asking for relief from the resulting large water bills, it was considered timely to create this policy and post it in the Overlook HOA website. As well, it can be requested from OWC by any member.

OWC recognizes leaks may occur, such as those that are unpreventable or not immediately detectable by a member. OWC will consider adjustments to member's accounts for leakage on a case-by-case basis in order to provide a member a less impactful payment method for unusually high water use. Adjustments will be at the sole discretion of the Board and will be based on a number of factors including, but not limited to, the circumstances of the leak and the member's prior history of water usage (stewardship).

If members plan to be away from their home or land for a prolonged period, it is suggested that they shut off their water at their appropriate shutoff locations.

To be eligible for a billing adjustment, a member must have taken steps necessary to avoid a leak that is preventable or detectable.

Leaks caused by a member's own negligence will **not** be considered for relief. "Negligence" as it relates to this Leakage Policy is defined as "carelessness, inattentiveness and/or irresponsibility on the part of the member in his/her stewardship of the community's water resources."

A. Members are responsible for-

1. All water delivered from the outlet of the meter to their property.
2. Paying for all water delivered to their property.
3. Maintaining their water system to ensure that water is used responsibly and not wasted.
4. Monitoring their water use.
5. Providing to OWC their up to date contact information so that if someone notices a problem with the member's water, that member can be contacted.
6. Promptly getting a leak repaired.
7. Requesting relief from the bill caused by a leak.
8. OWC may hold the member responsible for damage to the OWC infrastructure or terrain necessary for that infrastructure to function normally and/or properly.

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B. OWC is responsible for-

1. Operating and maintaining a safe and reliable water supply to all OWC members.
2. If OWC is notified of a potential leak by the member or a neighbor, or if staff directly observes a leak, they will check water flow through the meter and attempt to notify the member of a potential leak. Notification will be made by using the member contact information on file with OWC.
3. At the request of the member or, if property damage from a leak is apparent and attempts to contact the member are not successful, or if the leak is still not repaired 1 month or longer after it was detected, OWC may shut off the water supply at the meter. In such circumstances, OWC will not be liable for any damage to the member premises, heating systems or landscaping that a water shut-off might cause when done by OWC.

C. Preventable and Detectable Leaks-

1. Unusually high water use that has ended and for which a member cannot identify the source or cause, will be considered regular or negligent water use and will not be eligible for leak relief.
2. Unusually high water use because a hose spigot or irrigation system is allowed to run while unattended is negligent water use and is not eligible for leak relief.
3. A member leak is considered to be preventable if it could have been avoided through routine maintenance of the member's plumbing or irrigation systems; or if it was caused by improper installation of plumbing or an irrigation system; or if it was caused by negligent actions or lack of reasonable care by the member or anyone hired or authorized by the member.
4. A leak is considered to be detectable if it could have been discovered through a routine inspection of the property; or if it was noticeable from water usage information on a member's bill; or if a member has installed their own water use monitor that notified the member of unusual flow through the meter; or if the member was notified by OWC.

D- Leak Relief-

A member requesting leak relief consideration has the burden of convincing OWC that such relief is warranted. Such member shall make his/her case to the Board in writing by sending within 30 days of the leak's detection a letter addressed to the OWC Board at: OWC, PO Box 477, Placitas, NM 87043.

The information for relief consideration should include the following:

- Date and time the leak was first detected
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- Date the leak was declared fixed
- Explanation that the leak could not have been reasonably prevented or detected, and the leak has been repaired reasonably promptly
- A full description of the events/cause or nature of the leak
- Proof of repair must be documented with invoices, receipts, or statements showing labor and materials (receipts for parts or materials, photographs) other evidence sufficient to show that the source of water loss has been repaired
- Any extenuating circumstances or other pertinent information that might aid the Board in arriving at a decision

E. Limits on Relief-

- If the leak spanned multiple billing periods, only two consecutive billing periods affected by the leak may be used in the leak adjustment calculation.
- A member's account is eligible for leak relief only one time in any 12-month period.
- The member must pay at least 50% of the 'leak month' amount due, in the normal billing cycle, namely the month following the leak month.
- The member must pay the 'balance due with relief' (relief total minus the aforementioned 50% payment) no later than in the next billing cycle.

F. OWC response to a leak relief request-

OWC is to act on the member's request for relief so as to provide the final amount due for the 'leak month' no more than 1 month after receiving the relief request.

Upon reviewing the member's case for relief, the Board will determine what relief may be appropriate.

Any relief amount for a leak will only be given as a credit on the member's subsequent monthly bill(s).

If the Board determines that the member has not satisfied all conditions of the Leakage Relief Policy or that the member acted in a negligent, irresponsible or careless manner in regard to the leakage, the Board may, at its sole discretion, deny the request.

All decisions made by the Board will be final.

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Notes-

A. Normal Use is defined as the average use by the member for the same month(s) in question during the prior three years (two years if three years are not available). If the member's data is not available, then the community's three-year average use across all members for the same month(s) in previous years will be used.

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B. It is typical of water meters to indicate declining rates of water use over the life of the meter. The OWC board takes this into account in its rates.

C. A leak of only 1 gallon a minute (just under 1/4 cup per second) turns into 60 gallons per hour, which is 1440 gallons per day, which is 40230 gallons every 28 days (4 weeks) or about one month. Or, for 100 psi out of the meter (possibly a typical pressure supplied to a home in the middle heights of Overlook), reduced to 50 psi at the home (hopefully by a Pressure Reducing Valve, PRV), flowing thru a hole 0.08 inch in diameter is about 1 gallon per minute. And if you don't have a pressure reducing valve, especially on a home down low in the subdivision, that pressure to the home could be 100 psi or higher, with a correspondingly higher flow/leak rate.

D. Breakeven, when cost without relief equals cost with relief, is 14,500 gallons. Usage below 14,500 gallons will not benefit from the leak relief rate.