

Memorandum

DATE: February 5, 2013

TO: City Council

THROUGH: City Manager Judie Zimomra

FROM: Public Works Director Keith Williams

RE: The Sanctuary irrigation use sewer billing credit

RECOMMENDATION: Issue The Sanctuary tennis facility a future sewer bill credit totaling \$6,612.09 based on overbilling resulting from a faulty privately owned irrigation meter

The Sanctuary Golf Club's tennis facility utilizes potable water for irrigation, and as a result, receives a sewer bill credit based on the volume of water used for irrigation versus the volume of water used that flows to the sanitary sewer system.

The facility has a pair of water meters; one that measures the total water used and another, privately owned, one that measures the water distributed through the irrigation system. The difference in the two meter volumes is used to determine how much of the facilities water usage actually travels into the City's sanitary sewer system for transport and treatment.

Historically, this facility, as indicated by the meter readings, has discharged very little water into the City sewer system, nearly all water used has been for irrigation. Evidence suggests that during the billing period of 09/30/11 to 12/31/11 the privately owned irrigation meter began malfunctioning and did not accurately record the volume of water used for irrigation. As a result, the sewer bills received and paid by the facility for that period as well as the following two billing periods were inflated and did not accurately reflect how much water was actually being discharged into the City sanitary sewer system. The Sanctuary, upon realizing the cause of the inflated sewer bills, replaced their irrigation meter on July 19, 2012. The following billing cycle reflected water usage statistics more in-line with the facility's historical use.

In December 2012 The Sanctuary sent Sanibel Public Works a letter and supporting calculation sheet requesting a sewer bill credit for the tennis facility in the amount of \$6,612.09 (see attached). This total reflects the sum of the fees paid over the three billing cycles, during which time the privately owned irrigation meter was broken, above and beyond what was historically typical for this facility. City of Sanibel Resolution No. 07-025 addresses such requests (resolution attached). Resolution No. 07-025 Section 1, part B, item (ii) states that conditions and limitations on the sewer credits include that any claim filed must be filed in writing within 90 days of the issuance of the City sewer bill for which a

credit is claimed and that no claim may be made for more than a period of six months of sewer billings. The credit request submitted by The Sanctuary is not in conformance with the terms described in Resolution No. 07-025. The request was submitted in writing beyond 90 days of the issuance of the sewer bill and the request is for a credit for a period of greater than six months. City Staff, however, has entertained The Sanctuary's request because the sewer account for the tennis facility predates Resolution No. 07-025; and in subsequent conversations in 2012 between City staff and Sanctuary staff regarding their irrigation meter credit, the staff at The Sanctuary were not notified of their rights and limitations as described in the Resolution.

City Staff recommends issuing a future sewer bill credit for The Sanctuary tennis facility for \$6,612.09

cc: City Attorney Ken Cuyler
Finance Director Sylvia Edwards



City of Sanibel Public Works
Sanibel City Hall

Attention Keith Williams
800 Dunlop Road
Sanibel, Florida, 33957

Dear Mr. Williams;

The Sanctuary Golf Club's tennis facility receives an irrigation credit for the water it uses on the sub-surface irrigated tennis courts.

There are two meters at the facility, one that measures the total water and the other for just the tennis courts.

As the sewer bills started increasing, we started looking for explanations – unfortunately, it was over a year later that we discovered it was a faulty meter. On July 19, 2012 the meter was replaced.

The last quarter's bill (6/30/12-9/30/12) had 19 days on the old meter, but you can see how the irrigation credit increased again. Please see the attached summary of billing dating back to March 2010.

We are asking for a credit on future sewer bills of the tennis facility of \$6,612.09, which reflects a portion of the time with a faulty meter.

Thank you for your consideration in this matter. Please feel free to contact The Director of Tennis, Christie Bradley at 239.472.5276 if you have any questions regarding this request for credit.

Sincerely

Lisa Dergins

Controller

Sanctuary Golf Club

Date	Sewer Usage	Irr Credit	%	Balance Due
06/30/12 - 09/30/12	4418.76 (538)	3859.2 (480)	89.22%	\$559.56
03/31/12 - 06/30/12	4563.48 (556)	1029.12 (128)	23.02%	\$3,534.36
12/31/11 - 03/31/12	4651.92 (567)	2444.16 (304)	53.62%	\$2,207.76
09/30/11 - 12/31/11	3944.4 (479)	1503.48 (187)	39.04%	\$2,440.92
06/30/11 - 09/30/11	4448.49 (558)	3686.32 (472)	84.59%	\$762.17
03/31/11 - 06/30/11	5416.93 (682)	4896.87 (627)	91.94%	\$520.06
12/31/10 - 03/31/11	4471.92 (561)	3998.72 (512)	91.27%	\$473.20
09/30/10 - 12/31/10	3979.89 (498)	3889.38 (498)	100.00%	\$90.51
06/30/10 - 09/30/10	3870.55 (484)	3780.04 (484)	100.00%	\$90.51
03/31/10 - 06/30/10	5127.96 (645)	5037.45 (645)	100.00%	\$90.51

Replaced faulty meter on 7/19/12

Asking for a credit on three quarters of sewer bill. At least 90% of our sewer usage gets an irrigation credit of \$8.04 per gallon. Proposing a credit of future sewer bills of \$6,612.09.

Date	Sewer On Statement	Sewer Gal	Irrigation Proposed			Balance	We Paid	Over Payment
			Eligible Usage	Credit per gal	Irrigation Credit			
3/31/12 - 6/30/12	\$4,563.48	556	x 90%	x \$8.04	\$4,023.22	\$543.48	\$3,534.36	\$2,990.88
12/31/11 - 3/31/12	\$4,651.92	567	x 90%	x \$8.04	\$4,102.81	\$549.11	\$2,207.76	\$1,658.65
9/30/11 - 12/31/11	\$3,944.40	479	x 90%	x \$8.04	\$3,466.04	\$478.36	\$2,440.92	\$1,962.56

Total Over Payment: \$6,612.09

CITY OF SANIBEL, FLORIDA

RESOLUTION NO. 07-025

A RESOLUTION AMENDING SANIBEL RESOLUTION 06-117 WHICH SETS FORTH THE CITY'S CURRENT SEWER SYSTEM RATES, FEES AND CHARGES; AMENDING THE SEWER SYSTEM FEE STRUCTURE TO ALLOW FOR COMMERCIAL CREDITS UNDER CERTAIN SPECIFIED CIRCUMSTANCES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 70 of the Sanibel Code provides for the adoption of Sanibel Sewer System rates, fees and charges by Resolution; and

WHEREAS, Resolution No. 06-117 dated August 17, 2006, established the current sewer rate structure; and

WHEREAS, pursuant to Section 180.136, Florida Statutes, the City Council has determined that notifying utility customers is not applicable or necessary in order to establish the commercial customer credits set forth in this Resolution; and

WHEREAS, it has been determined that since commercial sewer system customers are billed based on meter size and potable water consumption, there are certain circumstances where potable water is supplied to the customer by Island Water Association, Inc., but such potable water never enters the Sanibel sewer system; and

WHEREAS, the City Council, after consideration of the recommendations of City Staff, has determined that there is an equitable need to include a provision for commercial credits for potable water use that does not enter the sewer system;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sanibel, Florida:

Section 1. City of Sanibel Resolution 06-117 is hereby amended to add Section A(3) which shall establish certain credits to commercial customer rates and which shall read as follows, with underlined language indicating additions and ~~strike-through~~ language indicating deletions:

A. Sewer System Rates:

3. CREDITS TO COMMERCIAL CUSTOMER RATES:

A. Credits to commercial customer rates shall be provided, subject to the conditions and provisions in B below for the following circumstances in which potable water is billed to the commercial customer by Island Water Association, Inc., based on meter size and water consumption, but such potable water has not entered the Sanibel sewer system and therefore should not increase or otherwise affect the commercial sewer system rates:

- i. Accidental or unknown water loss that has actually been recognized, approved and credited on the commercial customer's water bill by Island Water Association, Inc.
- ii. Potable irrigation water that is supplied and separately metered by Island Water Association, Inc. provided that the City's reclaimed water is not available at that commercial customer's location.
- iii. A Commercial Pool credit where potable water is used for pool and similar uses provided that the potable water is metered separately, if practical, or in the alternative, the amount of such potable water usage has been estimated by a competent Engineering Report and approved by the City's Public Works Director.

- iv. Relief for accidental or unknown potable water loss which has not been and will not be credited by Island Water Association, Inc., but the loss of which is confirmed by a competent Engineering Report and approved by the City's public Works Director which identifies with reasonable certainty the potable water amount that does not enter the sewer system and the reasons therefore.
- B. The following conditions and limitations on the credits set forth above are hereby established:
 - (i) Such credits to commercial customer rates shall be available commencing with the effective date of this Resolution provided, however, any claim which was provided to the City in writing prior to the effective date of this Resolution shall be considered as a timely filed application for such credit.
 - (ii) Any claim filed pursuant to this Resolution must be filed, in writing, within ninety (90) days of the issuance of the City sewer bill for which a credit is claimed. No claim may be made for more than a total period of six months of sewer billings.
 - (iii) A total sewer credit of up to \$25,000 may be granted by the City Manager to a single commercial customer provided that all provisions and conditions of this Resolution are met. Any claim for a credit in excess of \$25,000 may only be approved by the City Council based on a finding of hardship constituting a basis for such credit.

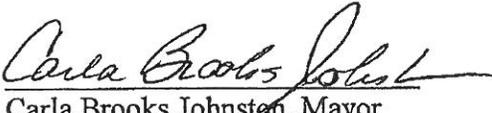
Section 2. Effective date.

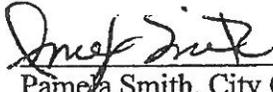
This resolution shall take effect immediately upon adoption.

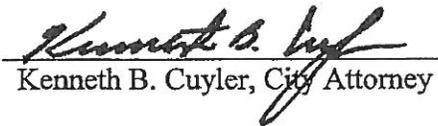
DULY PASSED AND ENACTED by the City Council of the City of Sanibel,

Florida, this 6th day of March, 2007.

AUTHENTICATION:


Carla Brooks Johnston, Mayor


Pamela Smith, City Clerk

APPROVED AS TO FORM:  2/28/07
Kenneth B. Cuyler, City Attorney Date

Vote of Council members:

Johnston ~~yea~~
Denham ~~yea~~
Brown ~~yea~~
Jennings ~~yea~~

Date filed with City Clerk: March 6, 2007