

**SECOND TAXING DISTRICT COMMISSIONERS**

Appeals Meeting Minutes

March 8, 2016

Present:	Maria Borges-Lopez Mary Geake Mary Mann	Vice Chairperson
Absent:	None	
Also Present:	Ryan Buckley Paul Yatcko Kevin Barber Lisa Roland	Appellant General Manager Director of Finance & Services District Clerk
Public Present:	None	

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**Call To Order:**

Commissioner Borges-Lopez called the Appeals Meeting of The Second Taxing District Commissioners to order at 6:20 p.m. on Tuesday, March 8, 2016. The meeting was held at South Norwalk Electric and Water, One State Street, Norwalk, Connecticut.

Commissioner Borges-Lopez: "I call this meeting to order at 6:20 p.m. and if Lisa Roland the District Clerk could please read the legal notice."

*(Lisa Roland, District Clerk, read the legal notice for the record.)*

Commissioner Borges-Lopez: "Ok, I give the floor to the General Manager."

Paul Yatcko: "I think what we will do now is we will hear from Mr. Buckley about what they are appealing and what relief they would like from the Appeals Board. The floor is yours sir."

Ryan Buckley: "All right great, thank you. First of all I want thank Lisa and just everyone for being here and for giving me the ability to appeal because really it's kind of a special thing so thank you. Essentially, my wife and I we are appealing the bill from December 31<sup>st</sup>, the \$2,106.52 bill you know hoping that you'll give financial considerations to that bill, you know my wife and I are just looking for some, I guess, financial leniency with that bill, you know more than anything. Just looking at the process, just giving you an overview of it, we moved into our house in August I think 2014 and you know first time home owners and I think we received our first actual bill from SNEW nine months in, due to snow and other things, you couldn't read the meter, so the first bill if you look at the bill sheet here, the first bill we actually got was for \$755.78. It was nine months in, we were new homeowners, we really didn't have a sense of you know how much per month water was, we knew it wasn't going to be that much, so we paid that and then our next bill was \$1,388.65 and I believe at that time SNEW sent a letter saying you know, you might want to check your toilets, you might want to check, this seems a

little bit high, so I did that. I checked the pipes, are there leaks anywhere; is there anything outside and there was nothing. We were also running sprinklers all summer, so we sort of assumed, wait is this, again being new home owners, is this due to the sprinklers system? It must be; so we paid that. In retrospect, probably you know that would have been a good point to, if we knew what we were doing, you know sort of investigate further there and we did. So when we got \$2,106 bill on December 31<sup>st</sup> Meredith and I looked at each other and said there is something really wrong here, we got another letter from SNEW. I checked the property again, there were no wet areas whatsoever anywhere. We called our plumber, he came in and checked the piping, checked the toilets and everything was fine and so that's when we reached out to Steve and he was great and he said, you know what I think there is probably something wrong with your supply line piping and then we talked to AJ Penna, they came and they eventually fixed it and we felt a bit better about it. That is kind of the overview of everything and you know, our standpoint is, we are not appealing fault or anything. The crack was on our property you know, the only thing that I'm appealing is that we consumed it, but we didn't benefit from it, so from a financial standpoint and budgeting you know thinking about the \$2,000 going into the ground you know, we felt it was worth appealing, maybe getting a little bit of compassion. That is kind of it."

Paul Yatcko: "Does anybody on the committee have any questions for Mr. Buckley?"

Commissioner Borges-Lopez: "I have one, you get billed, and is it every month or every quarter."

Paul Yatcko: "It's a quarterly billing."

Mr. Buckley: "Every quarterly."

Commissioner Borges-Lopez: "So we don't have any idea of what this quarter would be right, would it be March 31<sup>st</sup>? The quarterly billing would be March 31<sup>st</sup>?"

Paul Yatcko: "The next one?"

Commissioner Borges-Lopez: "The next one, yes."

Paul Yatcko: "It would be the last week in March, yes."

Commissioner Borges-Lopez: "Last week of March, ok. Does anyone have any questions, Mary?"

Commissioner Geake: "No, because I got my bill at home for the quarter so, I am set."

Commissioner Borges-Lopez: "No questions?"

Commissioner Mann: "I am good, no questions."

Paul Yatcko: "Thank you for coming out."

Mr. Buckley: "Yes, thank you, I appreciate it."

Paul Yatcko: "Nice meeting you."

Mr. Buckley: "Alright so then we'll hear from you in a few weeks?"

Paul Yatcko: "Maybe sooner than that."

Mr. Buckley: "Maybe sooner? Ok great."

Paul Yatcko: "As soon as we make a determination, we will let you know."

Mr. Buckley: "Ok, great, thank you very much."

Commissioners Simultaneously: "Thank you."

Commissioner Borges-Lopez: "So we don't know what his consumption is on a quarterly basis because..."

Paul Yatcko: "That is one of the issues with this customer is that they are a relatively new customer and we don't have an extensive consumption history for them and that was complicated by the fact that...let me walk you through the memorandum here, because I think the chronology here is relevant to the issue. As Mr. Buckley said, they established their account in August of 2014. We rendered a bill in September with less than a month of usage, it was about 5,000 gallons; the bill was only \$36. In December, we didn't have a read, I suspect it was because the meter was obstructed perhaps with snow, it's down in a pit and so what we did was bill him for the prorated service charge and there was no consumption charge on the bill. Same thing was true a year ago March 2015, there was no read if you remember last winter in March, we still probably had about 18 inches of snow on the ground. The meter pit was not easily locatable, we had no read; all they got billed for was for the service charge. The first read after September, 2014 was actually nine months later in June, 2015 and the meter reading at that time showed 130,000 gallons and the bill as Mr. Buckley said was \$755. They did call in and make a high bill inquiry, I can't tell you what our customer service rep told them, I don't know, but there is a note in there in their account that they did call in and ask about the bill. In September, we read the meter again, it was 245,000 gallons and the bill that we rendered was \$1,389. At that point, we said something doesn't look right and we sent them a letter basically saying you need to check for leaks, running toilets or whatever because this is abnormally high usage. Nothing came of that and then this past December we read the meter again and this time the usage was 375,000 gallons. So wherever this water is going it, the problem is growing and the bill that we rendered was over \$2,100. We sent them a second notification about leaks, they did make a high bill inquiry, they called Steve Carter and then they went ahead and proceeded to find the leak and repaired it and then they appealed. Subsequent to that appeal are almost contemporaneously with it, we did replace their meter with an AMI meter so we can automatically read that meter, but up until then it required manual reads. This is not an a typical problem, we encounter these kinds of situations several times a year, we get a request for bill credits as a result of

leakage on the customer side of the meter pit and that's the customer's responsibility because the customer in effect owns and maintains those facilities. In only and extraordinarily rare situations in history where we have failed to provide accurate and timely billing information and timely consumption information do we ever issue a credit. Lisa was able to find one example back in 2012 I believe it was, where a customer asserted that if we had given, if we had been able to make a read earlier he would have been able to limit his financial exposure. The District rules and regulations clearly indicate that the customer is responsible for water that goes through the meter and they are responsible for paying the bill. In this case the service brake was clearly on their side of the meter in the meter pit and those facilities are owned and maintained by the customer and under the strict application of our rules and regulations and our tariffs there would be no basis for the billing credit. The only justification for some kind of a credit here is that we did go roughly nine months from the first reading to the next reading. That would be the only basis upon which I could see the committee granting some kind of relief here."

Commissioner Borges-Lopez: "But even going the nine months, after that first reading, it was still only \$755.00. And when was the first letter sent to them because..."

Paul Yatcko: "The first letter was sent to them October 1<sup>st</sup> and they didn't take action at that time, they waited until, I believe it was the December 30<sup>th</sup> we then sent another one."

Commissioner Borges-Lopez: "Yes."

Commissioner Mann: "The customer did indicate that the reason why, I guess they did not probably question that September billing was because they had used sprinklers all summer."

Paul Yatcko: "Yes, they had irrigation."

Commissioner Geake: "And in reality it could have been just the regular billing since they were doing everything right."

Paul Yatcko: "It could have been, I mean that could be nine months' worth of usage plus summer irrigation. It seems a little high to me, but it might not be. But clearly the September bill was very high and of course the December bill was off scale."

Commissioner Mann: "Yes."

Paul Yatcko: "So, we think that the break probably occurred certainly after March. It could have occurred in the late spring, but there is no way of knowing when the break occurred. So again I don't know that the reading history you know, early in the life of this account is all that relevant."

Commissioner Mann: "Did we by any chance review previous history on that property?"

Paul Yatcko: "Kevin I think you did."

Kevin Barber: "I actually did."

Commissioner Mann: "And what were their bills kind of running?"

Kevin Barber: "The bill we discussed in June for the 130,000 gallons that was slightly higher than the largest bill that the previous customers have ever received. So it wasn't really out of well, for the nine month period it wasn't out of the realm and being a new customer, it's very difficult for staff to interpret what this new customer's usage patterns will be, so it's kind of, we had to sort of wait to see more history on the account."

Commissioner Borges-Lopez: "Anybody here ready to render a decision?"

Paul Yatcko: "Kevin just also pointed out to me that their next bill is going to be a big one too because they do have some period between when they got their last bill and when they got the leak fixed. So they have got at least a month or so of leaking water maybe a little more."

Commissioner Geake: "Well if it was January that they got it fixed."

Commissioner Borges-Lopez: "January 14<sup>th</sup>."

Kevin Barber: "Between the December read and the January when they got it fixed it was another 143,000 gallons worth of water that went through the meter."

Paul Yatcko: "So they're going to see a pretty big bill, I don't know, maybe \$800."

Kevin Barber: "\$6-7-800 in that range."

Commissioner Mann: "While I recognize and understand SNEW's policy and I respect the staff position, that there is no basis for a billing credit, I don't know, I'm feeling a little compassion here."

[Laughter]

Commissioner Mann: "You know, I do understand."

Paul Yatcko: "You have that on tape?"

[Laughter]

Commissioner Mann: "You know, knowing I mean you know, they're hit with a \$2,000 bill and we are aware that there is possibly going to another extreme bill on top of the costs that they already had, I just, I don't know."

Commissioner Geake: "However in our defense, we did notify them by written letter that there was a problem. They chose to get their plumber to check it out, so then they thought that we were lying I guess, is that a problem that we didn't and I mean we told

them there was a problem, the plumber comes out and he said he checked it all so there is no problem in the house. You would think at that point they would say well then maybe we should pursue it a little bit further.”

Paul Yatcko: “I don’t think that they believed we were lying. I think that these are first time homeowners and they don’t have any experience as to what water bills should be in an environment in, you know a home like this and they have got irrigation and all the rest of it. I don’t know where they would have moved from, but you know, I think it’s merely a matter of inexperience.”

Commissioner Borges-Lopez: “I think we had a case not too long ago and what we did was we arranged for payment terms instead of crediting the bill or am I...”

Lisa Roland: “I would have to look into that one, because we did have a lot of appeals, we did have the one where we did give relief, yes.”

Paul Yatcko: “The one we had in 2012, the committee gave them a 50% relief on the bill.”

Lisa Roland: “50%.”

Commissioner Geake: “Has it been that long?”

Lisa Roland: “It could have been.”

Commissioner Borges-Lopez: “Yes, it could have been another one. But that’s because SNEW was at fault, correct?”

Paul Yatcko: “Well that was the...it wasn’t so much at fault, is that they believed that if we had read the meter and they had gotten the notice of the abnormally high consumption earlier, they could have addressed it earlier, that was their assertion. And the truth is, you don’t know because you don’t know when the break occurred. So I’m reading into it, I think again the Committee felt a little bit of compassion and granted them some relief.”

Commissioner Geake: “May I make a suggestion for future ones? When we can’t go out because of the weather, can we make it a second time attempt because well now that they are on the meter its different, but if these are any homes that don’t have the meter because since we found this, will we run across this again somewhere else along the line?”

Paul Yatcko: “Well, again, the meter is there, the trouble is the meter was obstructed by you know 18 inches of snow and we can’t go out there and frankly dig up the snow on people’s lawns trying to find the meter pits for 6,000 customers.”

Commissioner Geake: “Yes, I understand that, but we’ll be able to now with it being electronic, that we won’t have to.”

Paul Yatcko: "Except it going to be deploying very slow. The electric meters are pretty much 100% AMI deployed, it's a relatively small percentage about 20% or less on water?"

Kevin Barber: "Water meters, I believe it's less, I think it's around 15% at this point."

Paul Yatcko: "And frankly we've got some money in the budget for water meters, but it's not enough money to do all of them, this year coming up, it would probably take us three to five years to get them completely deployed because as you know the water business doesn't have a lot of cash flow to reinvest in the business. So it's going to take us a while to get fully deployed on the water side."

Kevin Barber: "We have taken the approach of trying to get to a lot of the meter pits, but still there is quite number of meter pits that we do have to get to and we can still even have the same type of scenario with a house meter with whether it be the touch pads broken and not being able to read, so. While this is directly related to a meter pit issue, the situation could also occur with a house meter."

Paul Yatcko: "There were times before me, if you don't have the electronic register on it people work, you can't get in to read the meter."

Commissioner Borges-Lopez: "Well are we ready to render a decision on this? I want to take a consensus to see what the Commissioners have in mind to do. I particularly don't feel that we should go, I think we should uphold our policies and not set precedent crediting water bills and I will be more than happy to give them some type of a payment plan, that's my opinion, but."

Commissioner Geake: "What kind of a payment plan?"

Commissioner Borges-Lopez: "The kind of payment plan where you know, give them time to pay off, but not necessarily credit."

Commissioner Geake: "What kind of a plan did you have in mind Mary? Did you have a payment plan in mind?"

Commissioner Mann: "No, I did not have a payment plan in mind you know. I guess my desire in this case would want to give them some relief, that would be my desire, but if a payment plan is you know, the consensus than I would, whatever SNEW's management decides to choose to work it out would be fine with me."

Commissioner Geake: "I think I would feel better if the payment plan versus all at once but I do believe that they owe us and it's not our fault that this happened and it's, they would be setting a precedent then that anybody that has a complaint about coming in because they, something happened to their water and they shouldn't have to pay the full amount. I think we could be setting up a new precedent that says hey we got away with it, so let's try somebody else."

Commissioner Mann: "I agree with your statements, my only concern is unfortunately you know these people were in the house for nine months and never received a bill. Nobody's fault. It's just a weather related situation, you know, so they didn't have any sort of history you know, whatsoever to go by as to what our water bill should look like you know."

Commissioner Borges-Lopez: "But the response that we got here is that the first month is not totally unreasonable because it was nine months' worth of water, it was \$755 which was not unreasonable by them using irrigation and not receiving a bill for the nine months. That's why I would have liked to know what the regular bill would have been for the first quarter to make a determination but you know."

Paul Yatcko: "The truth is we have no idea."

Commissioner Borges-Lopez: "But after that I think you know they received the bill, they saw that it kept going up, they received a letter and didn't take action on it and then had to receive a second letter second notice from SNEW, so I mean I think we did our part and I mean it was that first bill was the one that was \$2,000 and they didn't get a reading for nine months then I would have said yes, that we have some type of...not a fault but the...Paul mentioned you know it's like we couldn't read the meter, so the consensus is what a payment plan or some kind of relief?"

Commissioner Geake: "I think a payment plan versus some relief."

Commissioner Borges-Lopez: "Paul?"

Paul Yatcko: "We can offer them you know, up to a year to pay that off; that balance off. That's easy."

Commissioner Geake: "I think that would be more, you know, trying to help at the same time, they owe us the money and that's the way I feel, I mean."

Commissioner Borges-Lopez: "So do we need a motion on that?"

Commissioner Mann: "No I'm out voted."

[Laughter]

Commissioner Mann: "So it doesn't matter."

Commissioner Borges-Lopez: "Ok, Mary Geake and Maria for a payment plan and so do you agree with the payment plan since you are out voted or are you just abstaining? That's my question?"

Commissioner Mann: "Yes, I'll agree with the payment plan."

Commissioner Borges-Lopez: "Ok."

Paul Yatcko: "I will offer them a year to pay off the balance and probably to include the first quarter of 2016 bill, as well since that's going to be abnormally high."

Commissioner Borges-Lopez: "Ok."

Lisa Roland: "Is that with interest?"

Paul Yatcko: "Pardon?"

Lisa Roland: "With interest?"

Paul Yatcko: "No."

Commissioner Borges-Lopez: "No, no interest. I would say no interest."

Paul Yatcko: "That would be rubbing salt and lemon juice in the wound."

Commissioner Mann: "Absolutely."

Commissioner Geake: "No, no interest."

Lisa Roland: "How about the next bill?"

Paul Yatcko: "As I said we'll combine the two and we'll spread that over a year."

Commissioner Borges-Lopez: "So, I guess I need a motion to adjourn."

Commissioner Geake: "So moved."

Commissioner Borges-Lopez: "Second?"

Commissioner Mann: "Second."

[Laughter]

**Adjournment**

*The meeting adjourned at 6:40 p.m.*

Attest:

Lisa G. Roland  
District Clerk