



Corporate Report

NO: R265

COUNCIL DATE: DECEMBER 17, 2007

REGULAR COUNCIL

TO: Mayor & Council
DATE: December 12, 2007

FROM: General Manager, Engineering
FILE: 5600-80

SUBJECT: Water Metering for Strata Properties and for La Mesa Bareland Strata Complex
(La Mesa)

RECOMMENDATIONS

The Engineering Department recommends that Council:

- Receive this report as information, and instruct staff to forward a copy of this report and related Council resolution to Mr. Horst Schwuchow and Myrna Rollingson who came forward as a delegation to the October 22, 2007, Council-In-Committee meeting,
- Authorize staff to install a master meter for La Mesa at the Water Utilities' expense (in accordance with City Policy), subject to:
 - the La Mesa complex installing a backflow prevention device in accordance with the City's By-laws and plumbing code, and
 - staff facilitating, if requested by La Mesa, the installation of the backflow prevention device, including the funding of this work, from the reimbursement payable to La Mesa for moving from the flat rate to metered rate.

INTENT

To summarize the corporate position on voluntary metering (policy) for multi-unit properties, including bareland strata previously approved by Council.

To update the status on metering for existing and new properties under the Voluntary Program and, in particular, for the La Mesa bareland strata complex.

BACKGROUND

On April 9, 2001, Council approved the policy of metering all multi-unit properties at the property line with a master meter. Council, at the same time, approved a cost-sharing arrangement with multi-unit properties whereby the City would supply and pay for the meter, and the strata would supply and install the necessary meter chamber and setter.

On October 22, 2007, Mr. Horst Schwuchow and Myrna Rollingson appeared as a delegation, requesting that their dwelling units located in the La Mesa bareland strata complex be treated the same as single-family dwellings, and that the City allow meters to be installed in their individual strata units.

Master Meter for Multi-Unit Properties

Frequently strata titled properties request individual meters be installed for each unit. The City has a documented procedure for the installation (retrofitting) of meters on existing strata titled properties. The current policy is to provide a single (master meter) meter to strata properties where the water and sewer utility bill is mailed to the Strata Corporation for payment.

Sub-metering by unit could be implemented by the strata council, but the City would not be involved in this process. There are three main reasons why metering of individual units in bareland strata developments is not recommended:

1. There is often common water usage, such as irrigation systems and common amenities, which would require separate meters and the cost for these connection points distributed among the units or billed to the strata.
2. Water distribution pipes within the strata are owned and maintained by the Strata (whereas gas or electrical lines are owned and maintained by Terasen or B.C. Hydro respectively). Unauthorized water usage, such as connections made after meters are installed, is beyond the control of the City. Underground irrigation systems connected after the meter is installed are especially a concern because owners or professional installers can easily install them. Quite often plumbing permits are not taken out, resulting in no inspections, which can put the City's distribution system at risk. Also, any leakage of the private main, over which the City has no jurisdiction to maintain, would not be accounted for if each individual strata unit were metered rather than the overall legal lot.
3. Water usage between different units within a strata is much more uniform than that of single-family properties, which largely removes the incentive to meter individually. There is currently a \$60 base fee per meter to pay for reading, maintenance and replacement, which will offset savings if meters are installed in the individual units.

Cost Sharing for Voluntary Metering - Multi-unit Properties

The City pays for the supply and installation of the meter for both single family & multi-family properties. However, the installation of water meters at single-family dwellings is

relatively straightforward and inexpensive when compared to a multi-unit property. Water connections to multi-unit properties are larger in diameter and some have a combined domestic and fire supply line, making for a more expensive meter installation than a single-family dwelling.

Multi-unit residential properties can gain significantly by converting from a flat rate to metered billing as the per capita water use in multi-unit properties is typically lower than for a single family dwelling.

Although multi-unit properties can save money by converting to a metered account, the initial investment can be significant to install the meter chamber and retrofit some of the waterworks on site. The typical payback period is 1 to 2 years. Staff recommend the continuation of the current practice related to the multi-unit properties where the property owners are required to pay for the infrastructure required to house the water meter including, where necessary, the required backflow preventer, and the City supplies and pays for the meter.

La Mesa Bareland Strata Complex

Currently the strata's 78 units pay their water and sewer bill based on flat rates per unit. There is an existing meter and chamber; however, the set-up is not capable of measuring the water consumption accurately and a new meter is required. Also, the City's Cross Connection Control By-law requires that a backflow preventer be installed on the combined domestic and fire water connection. A conventional fire rated meter and backflow prevention device will not fit in the existing chamber. Fortunately, the City has just started permitting a new type of meter, under special circumstances, which will allow both the meter and backflow preventer to be installed inside the existing chamber at the La Mesa development, which will greatly reduce costs. If recommendations of this report are approved, the meter would be ordered and ready to install by March of next year, subject to acceptance of cost by La Mesa.

Under current City policy, the City will pay for the meter and its installation (estimated at \$20,000) and the strata will be responsible for the cost of installation and annual maintenance and testing of the backflow preventer (estimated at \$6,000-\$8,000). Backflow preventers are required to protect water quality and public health. If the strata wishes, the City could facilitate the installation of the backflow preventer and fund this cost from reimbursement that they would realize by moving from the flat rate to the metered rate in 2008. Even with the cost of the backflow preventer device, La Mesa will experience a significant reduction in their 2008 sewer and water costs.

Savings to La Mesa of Having a Central Meter

By moving to a master meter, and based on typical water use for similar developments, it is estimated that each unit in La Mesa could expect a reduction in their sewer and water charges by \$300 to \$400 a year.

CONCLUSION

With higher regional water costs, metering gives back the benefit of conserving water directly to the customer and ensures that residents with meters only pay for what they use. Metering also provides valuable data to help the water utility optimize its management of the distribution system. The City is permitting, under special circumstances, a new type of meter that is less expensive for the property owners to provide the meter chamber and plumbing fixtures.

The provision of a master meter at City expense for the La Mesa bareland strata complex will result in significant savings for the 78 units. However, to install a new meter, City by-laws and plumbing code require that to protect public health, a backflow preventer be installed at the property owner's expense. Staff propose that the City facilitate the construction of the backflow preventer, if requested by La Mesa, and that this work be funded from the reimbursement due to La Mesa once they move to metered rate.

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