

NO: R016

COUNCIL DATE: January 24, 2011

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **January 20, 2011**
FROM: **General Manager, Engineering** FILE: **3900-20(2932)**
SUBJECT: **Amendments to Surrey Waterworks Regulation and Charges By-law, 2007,
No. 16337**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Approve amendments as documented in Appendix II to this report to Surrey Waterworks Regulation and Charges By-law, 2007, No. 16337; and
2. Authorize the City Clerk to bring forward the related amendment By-law for the required readings.

INTENT

The purpose of this report is to obtain Council approval to amend Surrey Waterworks Regulation and Charges By-law, 2007, No. 16337 to bring it up to date.

BACKGROUND

Surrey Waterworks Regulation and Charges By-law, 2007, No. 16337 (the "By-law") provides authority to supply water to inhabitants of the City, to fix the rates, fees, charges and conditions and terms under or upon which water may be supplied, protected and used, and to establish the conditions under which the City will expand its water system.

DISCUSSION

The proposed amendments to the By-law can be divided into two categories: housekeeping amendments and policy-related amendments.

Housekeeping amendments:

Housekeeping amendments are minor changes to the By-law to address minor inconsistencies that have been identified through the administration of the By-law since it was introduced in 2007. The proposed housekeeping amendments are described in Appendix I.

Policy-related amendments:

Policy-related amendments are more substantive than housekeeping amendments, as they are seeking to introduce a change in policy or a change in fees. These changes are summarized below:

Part 5 – Discontinuance of Water Service

At the request of a property owner, the City will turn off the water supply to a lot at the property line. There have been situations where once the water connection has been turned off by the City, the water connection is turned on again and consumption has resumed without the City being aware. Upon the City becoming aware of the change, there are cases where the property owner has refused to pay for the consumption that occurred after the City had turned the water connection off. The By-law is proposed to be amended to make it clear that the property owner is responsible to pay for all water that is delivered from the City water system and consumed on a lot even during periods when the water connection was noted by the City as being temporarily turned off.

Part 9 – Water Meters

Residential water meters are installed on the water service connection to a building either at the property line of the lot's frontage or inside building. When an existing meter inside a building needs to be inspected, repaired or replaced, staff need to coordinate access to the premise with the owner as well as the tenant (if applicable). Despite best efforts, there are times in which obtaining access to the building has not been easily achieved by City staff. The By-law is being amended to allow the City to install a new meter at the property line at the owner's expense when City staff is not able to gain access to the building on the lot in a reasonable period of time.

Part 12 – Rates, Fees, and Charges

Currently the By-law requires a "water usage" down payment from the developer in advance of a service connection being approved for any new multi-family residential development. The down payment covers the cost of water that is consumed during construction and initial occupancy of the development prior to the formation of the strata. Staff has found that the down payment required by the By-law is too large and results in a credit being provided to the strata. The proposed By-law amendments reduce the "water usage" down payment by approximately one-half to \$65.00/unit.

Schedule "D-1" Special Fees

At the request of a property owner the City will test the water meter serving a property to confirm that the meter is recording water consumption correctly. The By-law provides that such testing of a meter is at the property owner's expense except if the meter is found to be faulty. To address the increased cost for testing, the Engineering Department is recommending that the rate charged for testing smaller diameter water meters (i.e., 1.5 inches and smaller) be increased from \$110 to \$230 per test per meter.

Legal Review

Legal Services Division staff have reviewed all of the proposed By-law revisions and prepared Appendix II attached to this report itemizing all the proposed amendments.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- Approve amendments, as documented in Appendix II to this report, to Surrey Waterworks Regulation and Charges By-law, 2007, No. 16337; and
- Authorize the City Clerk to bring forward the related amendment By-law for the required readings.

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General Manager, Engineering

JA/JLU/brb/jkb

Appendix I - Proposed By-law Amendments
Appendix II - Proposed amendments to Surrey Waterworks Regulation and Charges By-law,
2007, No. 16337

APPENDIX I
Proposed By-law Amendments

Proposed Change	Issue	Resolution
<p>Part 2 - Definitions:</p> <ol style="list-style-type: none"> 1. Add the words "dwelling unit" in addition to the words "apartment or suite" in the definition of "Apartment House". 2. Delete the definition of "Major Road Network or MRN" and all references to Major Road Network and MRN, including in Schedule "G". 	<p>The words "dwelling unit" were missed in the referenced definition.</p> <p>This is further to an amendment to Surrey Subdivision & Development By-law, 1986, No. 8830, "Major Road Network or MRN" no longer exists and have been replaced with the Surrey Road Classification Map (R-91).</p>	<p>By deleting the words "apartment or suite" from the definition of "APARTMENT HOUSE" in Section 2 and replacing them with the words "apartment, suite or <i>dwelling unit</i>".</p> <p>By deleting the definition of "MAJOR ROAD NETWORK or MRN" in its entirety from Section 2.</p> <p>By deleting the words "on a road which is part of the Regional <i>Major Road Network</i>, as shown in Schedule "G"," from Section 20 and replacing them with the words "on a road which is identified as a "Provincial Highway" or a "City major road" in the <i>Design and Construction Standards</i>,"</p>
<p>Part 9 – Water Meters</p> <ol style="list-style-type: none"> 1. In the Subsection – Water Meter Requirements, add to Section 52 the requirement to install a meter on all water service connections where a parcel is redeveloped, including subdivision, change in use or density, or issuance of a building permit as determined by the General Manager, Engineering. 	<p>Although a water meter is installed when any property is being redeveloped in the City, this was not included as a requirement in the By-law.</p>	<p>By adding a new clause (a.1) to Section 52 immediately following existing clause (a) as follows:</p> <p>(a.1) a parcel is redeveloped, including where the parcel is subdivided, where there is a proposed change in use or density on the parcel;</p>

Proposed Change	Issue	Resolution
2. In the Subsection – Installation of Water Meters: Change Section 55 to reference “Surrey Water Meter Design Criteria and Supplementary Specifications.”	The reference in the By-law to the City’s water meter document is outdated. The name of the document has changed.	By deleting the words "Water Meter Installation Standards and Specifications" from Section 55 and replacing them with the words "Water Meter Design Criteria and Supplementary Specifications".
4. In the Subsection – Refunds on Water Meter Charges Due to Inaccuracy of Water Meter: Amend Section 67 to state that when the meter testing result is within a defined range of accuracy, the meter is considered accurate.	The current wording includes a measure of the inaccuracy of the meter, whereas meter testing reports define accuracy by way of a percentage of the actual flow volume.	By deleting the words "when the meter is registering at least a five percent (5%) inaccuracy, otherwise the meter is considered accurate" from Section 67 and replacing them with the words "when the meter testing result indicates that the percentage accuracy of the meter is between 95% and 105% (inclusive)".

Proposed Amendments to Surrey Waterworks Regulation and Charges By-law, 2007, No. 16337 (the "By-law")

That the By-law be further amended as follows:

1. By deleting the words "apartment or suite" from the definition of "APARTMENT HOUSE" in Section 2 and replacing them with the words "apartment, suite or *dwelling unit*".
2. By deleting the definition of "MAJOR ROAD NETWORK or MRN" in its entirety from Section 2.
3. By deleting the words "on a road which is part of the Regional *Major Road Network*, as shown in Schedule "G"," from Section 20 and replacing them with the words "on a road which is identified as a "Provincial Highway" or a "City major road" in the *Design and Construction Standards*,".

4. By adding a new sentence to the end of Section 33(a) as follows:

Despite the delivery of written notice to the *City* that the *water service* is to be discontinued temporarily and despite payment of the fees set out in Schedule "D-1" for the temporary *water service* turn off, the *consumer* shall pay for the full amount of *water* as registered by the meter during the time the *water service* was to be discontinued according to the *rate* applicable to the *service*.

5. By adding a new clause (a.1) to Section 52 immediately following existing clause (a) as follows:

(a.1) a *parcel* is redeveloped, including where the parcel is subdivided, where there is a proposed change in use or density on the *parcel*, or where a building permit application is made in relation to the *parcel*;

6. By deleting the words "Water Meter Installation Standards and Specifications" from Section 55 and replacing them with the words "Water Meter Design Criteria and Supplementary Specifications".

7. By adding a new sentence to the end of Section 57 as follows:

If the *City* is unable to gain access to the premises or *real property* to inspect or maintain the *water* meter, the *City* may install a new or replacement *water* meter at the property line at the location shown in the *City's* "Water Meter Design Criteria and Supplementary Specifications" at the expense of the *owner*.

8. By deleting the words "when the meter is registering at least a five percent (5%) inaccuracy, otherwise the meter is considered accurate" from Section 67 and replacing them with the words "when the meter testing result indicates that the percentage accuracy of the meter is between 95% and 105% (inclusive)".

9. By deleting Section 107 in its entirety and replacing it with the following new Section 107:

107. For all new construction of residential strata buildings to which a new *service connection* is made during a year, a prepaid user *rate* will be payable at the time of building permit application at the *rate* established in Schedule "D-1" for each strata unit proposed to be constructed. The prepaid *rate* will be nonrefundable and applied as a credit to the strata property's metered utility account.

10. By deleting the amounts of "\$ 110.00" from Section 3 of Schedule "D-1" and replacing them with the amounts of "\$ 230.00".

11. By deleting the number "38 mm (1 1/2") meter" from Section 3 of Schedule "D-1" and replacing it with the number "38 mm (1 1/2") meter".

12. By adding a new Section 5 to Schedule "D-1" immediately following existing Section 4 as follows:

5. FOR PREPAID NEW RESIDENTIAL STRATA CONSTRUCTION

For each strata unit to be constructed \$ 65.00

13. By deleting Schedule "G" – Major Road Network in its entirety and the reference to it in the Table of Contents.