



# **Corporate** NO: R161

# **Report** COUNCIL DATE: July 10, 2000

## **REGULAR COUNCIL**

**TO: Mayor & Council**    **DATE: July 6, 2000**

**FROM: General Manager, Engineering**    **FILE: 1218-006**

**SUBJECT: Universal Metering - Implementation Plan**

## **RECOMMENDATION**

That Council receive this report for information.

## **INTENT**

To inform Council of the proposed implementation plan for universal metering.

## **BACKGROUND**

In the fall of 1999, Council approved the move towards universal metering. To give time to work through implementation issues, a voluntary metering program was established. So far, approximately 250 homes have subscribed to this program. Due to the 'pilot' nature of this initial phase, the program has not been accompanied by a significant and active education and promotional campaign which we anticipate would increase the number of requests for meters.

## **DISCUSSION**

Staff have researched other jurisdictions that have implemented universal metering. Most Cities opt for mandatory metering whereby meters are installed on all and are put on metered rates as a condition of receiving utility services. While a mandatory program may achieve the desired result quicker, implementation of such programs presents some difficulties with respect to gaining access for installation and a level of public dissatisfaction. Such a program requires an aggressive communication and education plan to provide the public with a greater understanding and acceptance of the need for universal metering. These mandated programs have also usually been carried out in locations somewhat isolated from adjacent urban areas such as Vernon, Kelowna and Edmonton, rather than one municipality in a larger metropolitan area. Additionally, there usually has been a more urgent water supply or waste water generation constraint than currently exists for the City of

Surrey.

A different option is a voluntary program. The City of Calgary implemented a voluntary metering program whereby non-metered property owners can volunteer to have a meter installed. If they are not satisfied with the program, they can opt back to flat rate utility fees. Calgary reports that approximately 90% of people who volunteer for a meter, keep them. Through the use of this voluntary program, 54% of the properties in Calgary are now metered.

Calgary used the voluntary program, as a referendum defeated a proposal for a mandatory program. The advantages and disadvantages of a voluntary program are as follows:

***Advantages:***

- Gaining entry for installation is easy since the property owners have asked for the meter.
- Lower level of public dissatisfaction.
- Should Surrey adopt the same 'opt' back option as Calgary, even if property owners choose to revert to flat rate, once a meter has been installed for the property it will be available, should the City move to a mandatory program.
- The costs of the metering program are spread out over a longer period. Approximate cost of overall program: \$25 to \$30 million.

***Disadvantages:***

- The rate of meter installation will vary. For instance, the City of Calgary targets 12,000 meters per year and achieves only 5,000.
- Meter installations do not follow a logical pattern to facilitate the most cost-effective reading.
- It will take a longer time to achieve universal metering; quantifying this is difficult but we anticipate it could take at least twice as long (i.e., in place of 6 to 8 years for a mandated approach, it could take 12 to 16 years solely on a voluntary basis).

Under the voluntary approach, the City would continue to require all new construction to be metered plus enforce the by-law requirement that all properties with in-ground irrigation systems be metered.

**CLOSING**

Surrey's current voluntary program, though relatively modest so far, has been well received by those customers who requested meters. The City now faces the decision whether to start more actively marketing the voluntary program or move to a mandated program. From an administrative and public relations perspective, we believe that the voluntary approach has definite advantages as outlined previously. While we are using a voluntary approach currently, there is nothing to preclude us from moving to a mandatory approach in the future.

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General Manager, Engineering

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c.c. - General Manager, Finance, Technology & HR Dept.

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