



Information Item

Date: April 30, 2015

To: Mayor and City Council
From: Susan Cline, Interim Director of Public Works
Subject: Water Meter Requirements for New Multi-family Residential Construction

Introduction

This report addresses individual water meter requirements for new multi-family residential construction as established in the Santa Monica Municipal Code (SMMC) Section 7.12.150, the challenges in implementing this code section, and current practice relative to present day water conservation and construction requirements.

Background

SMMC Section 7.12.150 requires individual water meters for each unit of new multi-family residential construction. It includes an exemption for affordable housing developments, allowing the developer to provide a single master meter for the project if an acceptable alternative method for determining water consumption for each unit is provided. Although the staff report introducing the ordinance at the [February 13, 1990](#) Council meeting addressed the issue from the perspective of construction costs, the prevailing consideration at the time was a prolonged drought affecting California from 1987–1992. It was assumed that individual metering would enable residents and the City to monitor water consumption and reinforce water conservation measures in place at the time.

However, as a practical and legal matter, implementation of the requirement became a challenge for many multi-family residential developments. To allow for periodic reading and maintenance, SMMC Section 7.12.140 (e) requires that water meters be placed in the public right-of-way either in the parkway on the street side of the development or in

an alley behind the project. The frontage area of many properties along the street often is not large enough to accommodate multiple meters, and alleys behind many properties similarly present space constraints due to their narrow width and utility service to projects on both sides of the alley. As a practical matter, the two code sections conflict. Multi-family projects incorporating more than six units require significant space for meters which is often not available because of placement of parkway trees, refuse enclosures, or parking areas, among other things. Consequently, projects other than affordable housing developments have installed master meters rather than individual meters, with the condition that submeters be installed as a means of monitoring individual water consumption and continuing the focus on water conservation. This requirement is enforced by Public Works staff during plan check or in the field.

Submeters are individual meters behind the master meter. These meters are installed on each water line servicing the individual units, allowing the monitoring of the total water consumption for each unit. Whereas the master meter is City-owned and maintained, submeters are owned, operated, and maintained by the landlord, property management firm, condominium association, or homeowners association. A representative listing of multi-family residential projects which have been required to install submeters in recent years is included in Attachment A. For illustrative purposes, Attachment B is a photograph of a submeter installation for an 8 unit project at 1837 12th Street.

Also, plumbing systems in new multi-family construction utilize central water heaters for the entire building, thereby providing energy savings for the building as opposed to having multiple water heaters. As a result, each unit is supplied with separate cold and hot water service lines. In some cases developers have installed dual submeters in individual units, but the technology for hot water meters is relatively new. Therefore, the more common practice has been to provide cold water meters only for individual units.

As an alternate methodology to submeters, some landlords in multi-family developments in Santa Monica have utilized the Ratio Utility Billing System, or RUBS. In the RUBS approach, water consumption is allocated to each tenant through an allocation formula, which can include one or a combination of the following factors:

- Number of occupants
- Square footage
- Number of bathrooms or bedrooms
- Number of water fixtures

Over the years, staff has received complaints from some tenants about use of RUBS. Some tenants have claimed RUBS methodology is unfair because it does not reflect their actual usage. Others have complained that it does not comply with the code requirement for individual meters.

Discussion

Although a conflict exists between the existing requirement to place water meters in the public right-of-way and the requirement for individual water meters for each multi-family residential unit, the placement of meters in the public right-of-way is necessary to avoid potential exposure in the event of leaks at the meter or other failure in the service line. Additionally, maintenance and meter reading is facilitated in having access to the facilities 24 hours a day without having to enter private property. As a result, practically speaking, changing SMMC Section 7.12.140 (e) is inadvisable.

Given the practical impediments and physical limitations, which make it infeasible to require the installation of a separate City-owned water meter for each unit of a new multi-family development, staff plans to recommend a revision to SMMC Section 7.12.150 to require individual meters for new multi-family developments with six or fewer units, and require a master meter and individual unit submeters for new multi-family developments with greater than six units, and repealing the affordable housing exemption. The benefits of the revision include:

- Clarification of the requirements for individual meters for each residential unit by establishing a clear threshold of the number of units in a project above which a master meter (owned and maintained by the City) is required in the public right of way in combination with submeters on property (owned/maintained/monitored by the property owner);
- Fewer public meters in the public right of way, resulting in less conflicts with parking areas, street trees, refuse enclosures, and other utilities,
- Reduced cost to the city for installation, maintenance, and billing resulting from fewer public meters;
- Enhanced conservation opportunities in providing a means to measure individual water consumption in all residential units, including those in affordable housing projects.

Water conservation continues to be a key element in the City's water management strategy. California has experienced drought in 1987-1992, 2000-2002, and 2007-2009. Given the current drought conditions (2011 to present year) and the City's stated goal of achieving water self-sufficiency by the year 2020 (Council direction on January 25, 2011), meeting water conservation goals is an integral component of demand management strategies, which when coupled with supply augmentation, will remove the City's reliance on costly imported water.

Prior to and following the adoption of Ordinance No. 1513 (CCS) in 1990, the City adopted and has amended numerous water conservation ordinances and initiatives, including SMMC Chapter 7.16, Water Conservation, which addresses:

- Establishment of Water Conservation Plans and Water Shortage Response Plans;
- No-Water Waste requirements addressing time of day landscape irrigation restrictions, and prohibiting irrigation overspray and runoff;
- Establishment of a water demand mitigation fee to mitigate the estimated daily water consumption rate projected for the development.

Additionally, SMMC Chapter 7.18, Water Conservation Plumbing Standards, was adopted in 1993 to require all plumbing fixtures in a structure to be retrofitted with water conserving fixtures upon sale or transfer of the structure.

Currently, drought conditions in the period 2011 to present have resulted in Council's adoption of Stage 2 water shortage conditions on [August 12, 2014](#) and development of a water allocation plan through amendments to the City's Water Shortage Response Plan at the [January 13, 2015](#) Council meeting.

Continuation of the conservation strategies and public outreach will be necessary to achieve conservation goals. Recent development of more water efficient indoor fixtures and appliances has created opportunities for enhanced indoor water efficiencies. Additional water savings can be achieved through enhancements in outdoor water efficiency. Nevertheless, the requirement for water use accountability in all individual residential units (single and multi-family) remains a highly effective way to maintain residential water efficiency.

SMMC Section 7.12.150 includes an exemption for affordable housing developments, presumably to encourage such projects by reducing construction costs. The exemption was conditioned upon providing an acceptable alternative method for determining water consumption for each unit, typically a master meter and submeters. Since the majority of new affordable housing projects will likely be larger than six units, and the conservation incentive and accountability goals are the same for affordable units as for market rate units, the exemption for affordable housing projects in the original ordinance is not consistent with City conservation goals.

Accordingly, staff intends to return to Council during the summer of 2015 with proposed revisions to water meter requirements for new multi-family residential construction in SMMC Section 7.12.150.

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Attachment A – Recent Submetered Multi-Family Residential Projects:

- 2602 Broadway, 4 story, 33 units, 2012
- 626 Broadway, 4 story, 48 units, 2009
- 1610 Broadway, 3 story, 7 units, 2009
- 1906 Broadway, 4 story, 32 units, 2008
- 606 Broadway, 6 story, 100 units, 2008
- 819 Broadway, 4 story, 97 units, 2011
- 1502 Broadway, 4 story, 33 units, 2012
- 1753 18th Street, 18 units, 2014
- 1754 19th Street, 7 units, 2014
- 214 Santa Monica Blvd., 3 story, 38 units, 2013
- 3107 Santa Monica Blvd., 2 story, 9 units, 2009
- 519 Santa Monica Blvd., 5 story, 2012
- 212 Marine Street, 4 story, 2006
- 395 Santa Monica Pl., all retail stores submetered, 2010
- 519 Santa Monica Blvd., 5 story mixed use, 2012
- 1317 17th Street, 5 story MFR mixed use, 2015
- 702 Arizona Ave., 4 story mixed use, 2009
- 507 Wilshire Blvd., 5 story, 50 units, 2009

Attachment B – Submeter Installation at 1837 12th Street

