

WATER METERS SUMMER 2011



WATER METER LEGISLATION

On September 29, 2004 Governor Schwarzenegger signed into law **Assembly Bill 2752** authored by then Assembly Member Christine Kehoe. This bill was chaptered on the same day and is currently Chapter 884 of the California Code. The District sought a legislative exemption from the law, but was unsuccessful. Whether you agree or disagree with water meters and water conservation, it is a reality in California. ([AB 2572 text](#))

The law requires all metered services billed at a metered rate, so that water bills reflect water consumption. The South Tahoe Public Utility District has historically charged residential customers a flat rate.

In addition to **AB 2572**, there are three other pieces of California legislation that directly affect water meters and their timely installation. They are:

AB 1420: This law requires compliance to the Best Management Practices of the California Urban Water Conservation Council. Water meters are an integral element of this law.

SBX7-7: This law, commonly referred to as the Comprehensive Water Package, is a far-reaching package of water bills passed by the State legislature in 2009. One of the most significant provisions of this package of laws is the "20 by 2020" water conservation requirements that mandates a 20% per capita water use reduction by 2020, with interim goals set for 2015. Failure to comply eliminates the District from all California grant funding and low interest State Revolving Fund (SRF) loan opportunities.

Urban Water Management Planning Act (UWMPA): This law requires all public water agencies, with 3,000 or more connections, to submit to the Department of Water Resources (DWR), an Urban Water Management Plan every five years (beginning in 1995). A significant portion of this document relates to water conservation and meeting the goals set by all of the above mentioned legislation. The 2010 deadline was extended to July 31, 2011 to accommodate some of the provisions of SBX7-7. On June 16, 2011 the District's Board of Directors adopted the 2010 UWMP and it was submitted to DWR prior to the July 31 deadline.

Q: Why is the State requiring that water meters be installed?

A: California has historically experienced significant periods of drought. These droughts have affected agricultural economies, among other negative effects statewide. The State of California has the legal authority to regulate water usage. The new State regulations are designed to allow consumers to monitor their own water use. This encourages people to conserve water while paying only for water actually used, and not paying a flat rate.

In addition to the legal mandates to install meters and conserve water, it is also a sound economic practice. California has the most stringent drinking water standards in the world. The District must pump all its source water from underground aquifers which is an expensive process. It makes little economic sense to use this expensive resource wastefully or inefficiently.

Q: Since we are geographically part of the NV watershed, shouldn't we be exempt?

A: During the 2005-06 California legislative sessions, the District pursued an exemption to the water meter legislation on those grounds. However, after much effort including testifying before the Assembly Water and Parks Subcommittee, it was determined that an exemption would not be possible. While the legislature accepted our arguments that since we were part of the Nevada watershed and water conserved in the Tahoe Basin would not benefit any downstream users in California, they nonetheless voted the proposed legislation died in Committee. More importantly, the passage of SBX7-7 would have superseded any exemption the District might have been granted under AB 2572.

Q: Are water meters intended to increase water rates?

A: NO. Water meter installation is **NOT** designed to increase water rates; our program is designed to be "revenue-neutral" for the District as a whole. It is illegal for a public agency to use profits from water to pay for any other services and we do not anticipate obtaining any additional revenue from this change. However, it may or may not be revenue neutral for individual customer, as that is determined by individual water use. Some consumers will actually pay less than current flat water rates, while others who use water less carefully or have extensive landscaping, particularly turf, likely will pay more.

FUNDING

Q: How will the District pay for the cost of this metering program?

A: The legislation authorizes a water purveyor to recover the cost of providing services related to the purchase, installation, and operation of water meters from rates, fees, or charges. As some water district have chosen to do, the District could have required that all unmetered customers pay to have meters installed by a specific date, perhaps within 3-5 years. While shortening the transition period, the District is not convinced this would be the best method for many reasons, not the least of which is it would be a significant financial burden to many homeowners. At this point, it is the District's intent to seek federal and state funding to cover as much of the costs of meter installation as possible. In the event grant funding is not successful, borrowing or bond issuance may be required to meet the SBX7-7 interim 2015 deadline.

Q: Has the District had any success in obtaining grant funding?

A: In 2009, the District has applied for and received a \$4.387 million grant (no matching dollars) through the State Revolving Fund (SRF). These funds were provided via the American Recovery and Reinvestment Act (ARRA) of 2009. These funds allowed the installation of approximately 2,480 water meters on waterlines that have been replaced in recent years. The District currently has a \$15 million grant application submitted through the California Department of Public Health (CDPH) that would cover the estimated cost of fully metering the remaining unmetered water connections. Funding decisions will be made by CDPH in the fall of 2011.

Q: When will my meter be installed?

A: We are currently working on a long-term plan for the sequence of installation. If supplemental funding becomes available, that process will accelerate. All residents will be notified with ample opportunity to ask questions and get additional information.

Q: Where do water meters fit in on the District's priority list of water projects?

A: Currently, water infrastructure replacement to enhance firefighting capability is the District's primary focus for water system projects. District staff and the Board of Directors are convinced the greatest threat to public health and safety within the Lake Tahoe Basin is from wildfire, not

over-watering. While the District agrees that water conservation is an important element of a comprehensive approach of water supply, the District has decided not to divert project funding from water infrastructure replacement projects to fund water meter installation projects.

BILLING

Q: How does metered billing work?

A: Every consumer will pay a Meter Water Service Charge, lower than our current flat rate, and then an additional charge for water consumption. Many consumers will see their bill decrease as you are only billed for what you actually use. Most importantly, this system allows all consumers to monitor their own water use and save/conserve water, which is an important thing to do, as water is an expensive and finite commodity in the Sierra. Customers with extensive landscaping will likely see their water bills increase during the summer months. That is the nature of volumetric billing and why the California legislature has mandated water meters.

Q: How is consumption data reported?

A: Water consumption is reported on your bill as units of Hundred Cubic Feet (CCF or HCF) of water per quarter.

One CCF = 748 gallons = \$2.05 = less than 1/3 of a penny per gallon

Q: Once I have consumption data, how do I calculate what my bill would be if actually billed by volume?

A: To calculate what your quarterly bill would be, based on consumption, multiply the consumption amount noted on your bill by **\$2.05** and add the quarterly Meter Water Service Charge of **\$66.00** (3/4" meter). For example, **effective July 1, 2011**, if your consumption is 26, your bill would be:

$$26 \times \$2.05 = \$53.30 + \$66.00 = \$119.30 \text{ /quarter } (\text{Metered Water Bill sample})$$

Q: Can I just refuse water meter installation?

A: Unfortunately, no. Since this is a legal State requirement, the District has no choice but to comply.

Q: Will some District Customers be billed on a metered rate while others continue paying a flat rate?

A: Yes, until the system is fully metered. State law requires all customers with meters pay a metered water rate by 2011. Because it will take a number of years for the District to install all the meters, some customers will be on metered rates and others on the flat rate until then.

Q: Since it will take multiple years to retrofit water meters, isn't it unfair to have some customers on metered rates and some still on flat rate?

A: Quite frankly, yes. However, it is the very laws themselves that creates the inequity. While the law mandates giving water agencies until 2025 to complete the retrofit, it requires **all existing metered customers to be billed volumetrically by no later than January 1, 2011.** Unfortunately, there is no way to make this transition period equitable to all concerned and still comply with California law. In addition, due to the long Sierra winters and TRPA grading restrictions, the District can only install meters during the May – October timeframe.

INSTALLATION

Q: Will I be notified before a meter is installed on my property?

A: There will be notifications before the installation of a meter on your property.

Q: Where will the meter be installed?

A: The meter will be installed generally within 18 inches of the service connection. This connection is usually at or near the street side property line.

Q: Who will install the meter?

A: During the 2011 construction period District crews will be installing the meters. In some years it may be contractors, and in other years a combination of both contractors and District crews.

Q: Will the installation require my house to be out of water?

A: Yes, but only for a brief period of time. Each home will be shut off during installation. The shut-off will occur at the existing shut-off valve and it is anticipated that water will be off for less than four (4) hours. You will be notified well in advance.

Q: Will anyone need to enter my residence?

A: No

AVERAGE WATER USE

Q: What is average household water usage?

A: An average California household uses between 163,000 to 326,000 gallons of water per year. That roughly equals 446 to 893 gallons per household per day. This equates to .59 to 1.2 HCF (hundred cubic feet) of water per day. Remember, 1 HCF = 748 gallons of water.

The average California citizen uses around **150 gallons per day**. This number varies widely. For example, in the Bay Area, the number is around 97 gallons per day while in Sacramento the per capita water consumption is 280 gallons per day. Generally speaking personal water use is highest in central valley cities, where a family may use as much as 300 gallons of water per person each day. Water use is as low as 50 gallons per person per day in some water-conscious coastal cities, such as Marin County or Monterey.

Per capita water use data is difficult to develop in a community such as South Lake Tahoe due to the high percentage of second-home ownership. Current metered residential data indicates the average water consumption per quarter is 26 CCF (or 19,448 gallons per quarter). That equates to approximately 216 gallons per household per day. Also bear in mind, with Sierra weather, virtually no irrigation occurs October-April in most years. Therefore, peak water usage will occur in the May-September timeframe and the remainder of the year is domestic use (cooking, flushing toilets, showers, etc.) only.

For demonstration purposes, let's look at a household's water consumption under that scenario:

- Average daily water consumption: **216 gallons of water**
- Average monthly water consumption: **6,480 gallons of water**
- How many HCF's is this: **6,480 divided by 748 = 8.66 CCF**

As the District gathers more data from the water meters that are already installed and being read during 2011 and beyond more Tahoe-specific data will be available and will be on this website.

Q: Since meters are mandated, is there a website I can visit to help me begin conservation now?

A: Visit www.saveourh2o.org for more information and water savings tips.

If you currently have a water meter, or will be part of the Golden Bear Meter Installation Project, please feel free to call Sarah Jones, Water Conservation Specialist, to schedule a Water Wise House Call to help determine your current water use and how you can manage your water use to save yourself money in the future. Sarah can be reached at 530.543.6268.