

TO: MAYOR & COUNCILLORS
FROM: GENERAL MANAGER ENGINEERING
SUBJECT: **WATER METERING FOR SMALL SCALE MULTI-UNIT HOUSING**
PURPOSE: To seek direction to bring forward a water metering strategy and approval to bring forward amendments to the Burnaby Waterworks Regulation Bylaw to require the installation of water meters in all new developments as an interim measure.

RECOMMENDATION

THAT staff be directed to prepare a water metering strategy, encompassing a detailed implementation plan for the conversion of existing services and a billing rate strategy; and

THAT the City Solicitor be authorized to bring forward amendments to Burnaby Waterworks Regulation Bylaw, substantially as set out in section 3.2 of the report titled "Water Metering for Small Scale Multi-Unit Housing" dated February 12, 2024, to require the installation of water meters in all new developments effective July 1, 2024.

1.0 POLICY SECTION

Water metering supports the Corporate Strategic Plan and the Environmental Sustainability Strategy adopted by the Council. It also aligns with the report titled 'Residential Water Metering in Metro Vancouver: Best Practices Guide for Local Governments,' endorsed by the Greater Vancouver Water District (GVWD) Board.

2.0 BACKGROUND

In July 2021, the City of Burnaby last explored the initiation of a water metering strategy, with discussions primarily centered around water conservation. Since then, the Provincial Government has unilaterally introduced changes affecting single-family and duplex zones across the province. On November 30, 2023, Bill 44 - Housing Statutes (Residential Development) Amendment Act, 2023 ("Bill 44"), received royal assent. These provincial amendments are expected to result in an unforeseen demand for the City's local water distribution network, potentially necessitating costly system upgrades.

2.1 New Provincial Housing Legislation

The Government of British Columbia has introduced Bill 44 - Housing Statutes (Residential Development) Amendment Act, 2023, aiming to amend zoning rules across BC to increase permitted density in areas currently zoned for single-family homes or duplexes. In most areas of Burnaby, Bill 44 will allow for four housing units on each single-family lot, depending on lot size, while larger single-family lots close to public transit may see greater increases, permitting as many as six housing units. The City is required to amend the Burnaby Zoning Bylaw to implement these minimum requirements by June 30, 2024. These changes may lead to increased densities in existing, already serviced neighborhoods.

2.2 Impacts of Water Metering

The introduction of Small-Scale Multi-Unit Housing (SSMUH) will result in an unforeseen demand on the City's local water distribution network. Accordingly, it is recommended that the City require the installation of water meters in all new developments going forward for the following reasons:

- **Increased ability for leak detection:**
 - Preservation of water capacity within the pipe network and water reservoirs to accommodate increased densities.
 - Reduction in bulk water purchases (per capita).
 - Potential deferral of regional capital expenditures.
- **Billing equity:**
 - Establishment of a more equitable billing approach to account for various land uses.
- **Rate transparency:**
 - Provision of a pay-per-use service.
- **Water Conservation:**
 - Adoption of the principle: "What gets measured gets managed."
 - Integration of water metering as a tool to support water conservation.
- **Leverage immediate construction investments:**
 - Anticipation of immediate demand for Small Scale Multi-Unit Housing.
 - If development does not cover meter installations now, the cost may be transitioned to existing rate payers in the future, should the municipality decide to, or be forced to, implement metering at a later date.

3.0 NEXT STEPS

This section identifies the key next steps.

3.1 Water Metering Strategy

Upon initial assessment, the water metering strategy will take into account the following factors:

- Metering technology
- Availability of product
- Staff resources
- Contractor resources
- Meter ready properties
- Property impacts for non meter ready properties.
- Future planned capital projects
- Implementation phasing strategy
- Municipal scan (metering practices and water rates)
- Financial analysis
- Provision for low-income households
- Provision for food security
- Rate setting (equitable & transparent)
- Billing method and frequency
- Communication and community engagement strategy

Pending Council’s direction, the Engineering department will present a water metering strategy for consideration in the fall of 2024. This proposed schedule will provide sufficient opportunity to consider the above factors while allowing a window for market feedback from suppliers and manufacturers regarding current technology trends and availability.

3.2 Bylaw Amendments

Currently under section 15(1) of the Burnaby Waterworks Regulation Bylaw, metered water service is required for all properties within Burnaby except for the following:

- (a) single family residences whether detached or within a multi-family building used exclusively for residential purposes;
- (b) commercial premises comprising not more than 3 stores or offices without living quarters; and
- (c) commercial premises comprising not more than 3 stores or offices and living quarters for one family only.

For multi-dwelling buildings (i.e. buildings with 3 or more dwelling units), a water service or mechanical room for water meters and installation of water meters are

required. However, these dwelling units currently continue to be charged a flat rate rather than receive metered water service.

In advance of a water metering strategy and implementation plan, it is proposed that water meters be required to be installed for all new residential and commercial developments that are currently exempted for metered water service. For multi-dwelling buildings and commercial buildings currently exempted under section 15(1)(b) and (c), a water service or mechanical room would also be required. These interim measures will eliminate the costs of converting to metered services in the future and reduce timelines for future implementation. The costs for water meter installations in new developments is proposed to be incurred by the applicant. Until Council approves the implementation of a water metering strategy, these new developments will continue to pay a flat rate for water despite having a water meter installed on the property.

In order to implement the interim measures, it is proposed that section 15(3) of the Burnaby Waterworks Regulation Bylaw be replaced with the following provisions:

- 15. (3) All new Multi Dwelling buildings and commercial premises referred to in sections 15(1)(b) and (c) above shall configure their water service or mechanical room for metered water service and install one or more water meters, as required by the Engineer, for the building prior to issuance of an Occupancy Permit for the building.
- (4) All new single family and two-family dwellings, with or without a secondary suite or laneway home, shall install a water meter for the property prior to issuance of an Occupancy Permit for the dwelling(s).

Pending Council’s direction, this bylaw amendment will be brought forward by the City Solicitor to a future Council meeting for consideration of First, Second and Third Readings. It is recommended that the bylaw amendment come into effect on July 1, 2024, to provide time for applicants to factor the requirements into their building design and align with the timeline under Bill 44 for the City to increase permitted density in areas currently zoned for single-family homes or duplexes.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

A communication and community engagement strategy will form part of a water metering strategy. The requirement to install water meters in new developments will be communicated to applicants as part of the development pre-application process.

5.0 FINANCIAL CONSIDERATIONS

A financial analysis will form part of a water metering strategy.

Respectfully submitted,

May Phang, P.Eng., General Manager Engineering

ATTACHMENTS

None.

REPORT CONTRIBUTORS

This report was prepared by Forrest Smith, Deputy GM Engineering, and reviewed by Ed Kozak, GM Planning and Development, May Leung, City Solicitor, Richard Rowley, Director Finance Revenue Services, and Eva Juca, Manager Revenue and Taxation.