



DISCUSSION ITEMS

Agenda Item # 4

AGENDA REPORT SUMMARY

Meeting Date: September 24, 2019

Subject: Ordinance No. 2019-463: Amending Section 10.12.137 of the Los Altos Municipal Code

Prepared by: Aida Fairman, Senior Civil Engineer

Reviewed by: James Sandoval, Engineering Services Director

Approved by: Chris Jordan, City Manager

Attachment(s):

1. Sewer Sub-metering Ordinance

Initiated by:

City Council or Staff or Commission or Citizen, etc.

Previous Council Consideration:

March 13, 2018; July 10, 2018

Fiscal Impact:

None

Environmental Review:

Not applicable

Policy Question(s) for Council Consideration:

None

Summary:

- Revise language in Section 10.12.137 of the Los Altos Municipal Code regarding Billing of Master Metered Condominium Units with Water Sub-Meters

Staff Recommendation:

Introduce and waive further reading of Ordinance No. 2019-463: Amending Section 10.12.137 of the Los Altos Municipal Code

Reviewed By:

City Manager

City Attorney

Finance Director



Subject: Ordinance No. 2019-463: Amending Section 10.12.137 of the Los Altos Municipal Code

Purpose

Introduce and waive further reading of Ordinance No. 2019-463: Amending Section 10.12.137 of the Los Altos Municipal Code.

Background

Los Altos Municipal Code Chapter 10.12 authorizes the City to impose sewer service charges to fund costs associated with the City's sanitary sewer system. On July 10, 2018, Council adopted Ordinance No. 2018-445 approving various items that included the addition of Section 10.12.137 to Chapter 10.12 of the Municipal Code. Ordinance No. 2018-445 enabled the use of sub metering for City sewer charges calculations to allow the City's multi-family residential and commercial condominium customers to have more control over their annual sewer bills by promoting awareness of actual water consumption.

Discussion/Analysis

The proposed ordinance No. 2019-463 amends section 10.12.137 of the Los Altos Municipal Code regarding Billing of Master Metered Condominium Units with Water Sub-Meters. The amended version of Section 10.12.137 of the Municipal Code allows the governing HOA board to represent the owners of the condominium units in agreeing to be billed based on sub-metered water usage for their sewer use charges. It also amends the recurring period for verification of testing and inspection of sub-meters to be submitted to the City at least once every ten years, instead of annually. A ten-year period aligns with state recertification requirements for sub-meters.

Pursuant to Section 10.12.140 of the Los Altos Municipal Code, sewer service charges are determined based on the average actual monthly water consumption for each water account, with one unit of sewer use being assigned to each one hundred cubic feet of water use. Where actual monthly water consumption data is not available for a water account on a parcel, sewer use is typically estimated as the average estimated sewer use for the prior fiscal year of all parcels in the same land use. In accordance with Section 10.12.140, the proposed action would allow for a more specific estimation of sewer use.

Options

- 1) Introduce and waive further reading of Ordinance No. 2019-463: Amending Section 10.12.137 of the Los Altos Municipal Code.

Advantages: Revises and clarifies language in the municipal code regarding sub-metering.

Disadvantages: None



Subject: Ordinance No. 2019-463: Amending Section 10.12.137 of the Los Altos Municipal Code

2) Do not approve the revisions to the Los Altos Municipal Code.

Advantages: None

Disadvantages: The current wording, without these amendments, makes it very difficult for owners with sub-meters to comply with the ordinance, and therefore owners are not likely to be billed based on sub-metered water usage. This also thereby reduces the water-conservation benefits of this sub-metering ordinance.

Recommendation

The staff recommends Option 1.

REVISED

ORDINANCE NO. 2019-463

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS
AMENDING SECTION 10.12.137 OF THE LOS ALTOS MUNICIPAL CODE**

WHEREAS, pursuant to Article 3 of Chapter 10.12 of the Los Altos Municipal Code, the City of Los Altos imposes a Sewer Service Charge upon parcels connected to the sewer system; and

WHEREAS, on July 10, 2018 the City Council adopted Ordinance No. 2018-445 establishing the rates for the Sewer Service Charges and subsequent Fiscal years; and

WHEREAS, on July 10, 2018 the City Council adopted Ordinance No. 2018-445, amending the Municipal Code to add Section 10.12.137 to allow the owners of two or more condominium units that are connected to and served by the same single master water meter and are collectively billed for their water use by the California Water Service Company (or its successor), to request to be billed based on sub-metered water usage for their sewer use charges; and

WHEREAS, the City is proposing to amend Section 10.12.137 of the Municipal Code to include condominium units that are connected to the same governing HOA board as eligible for sub-metering and to revise the language requiring verification of annual testing and inspection of sub-meters; and

WHEREAS, this Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970, as amended.

NOW THEREFORE, the City Council of the City of Los Altos does hereby ordain as follows:

SECTION 1. AMENDMENTS TO LOS ALTOS MUNICIPAL CODE.

Section 10.12.137 of Article 3 of Chapter 10.12 of the Municipal Code is hereby amended to read as follows:

10.12.137. Billing of Master Metered Condominium Units with Water Sub-Meters.

Notwithstanding any other provision of this article, and except as provided herein, the owners of two or more condominium units that are connected to and served by the same single master water meter and are collectively billed for their water use by the California Water Service Company (or its successor), may request to be billed based on sub-metered water usage for their sewer use charges, provided that: (i) each of the condominium units has an assigned County assessor's parcel number; (ii) each of the condominium units has a separate water sub-meter; and (iii) all of the owners of the condominium units that are connected to the same **single** master water **meter(s)** or governing HOA board, **on behalf of all condominium**

units connected to the same water meter(s), agree in writing to be billed separately for sewer service.

Actual water consumption for each condominium unit shall mean each condominium unit's monthly sub-metered water consumption for the entire prior calendar year, which shall be submitted by each condominium owner or governing HOA to the City Engineering Services Department no later than January 31 of each year in which the owners request to be billed based on sub-metered water usage.

The owner of each condominium unit authorized to be billed based on sub-metered water usage for sewer service pursuant to this section 10.12.137 shall, at his or her sole expense, cause his or her sub-meter to be read monthly by a licensed professional in accordance with the California Division of Measurement Standards and to cause such professional to submit to the City the sub-metered water consumption data of his or her condominium for each month of the calendar year. The total calendar year water consumption data of all of the owners of the condominium units shall equal the total metered water consumption of the single master meter for the condominium units reported by the California Water Service Company (or its successor) for the same period, as approved by the City Engineer. The City shall not be responsible for reconciling the total sub-metered water consumption data reported by the condominium unit owners with the metered water consumption data reported by the California Water Service Company (or its successor). If the water consumption data reported by the condominium owners cannot be reconciled with the metered water consumption data reported by the California Water Service Company (or its successor), then the sewer use of such condominium owners shall be calculated in accordance with the provisions of section 10.12.140 of this article.

At a minimum of once every ten years, at no expense to the City, each condominium owner authorized to be billed for sewer service pursuant to this section 10.12.137 shall submit verification of testing and inspection of his or her sub-meter by a licensed professional in accordance with the California Division of Measurement Standards. No later than March 15 of each tenth year, each condominium owner, or governing HOA board on behalf of all condominium owners in the complex, shall submit to the City Engineering Services Department the results of the inspection, testing, and verification of his or her sub-meter. The cost of complying with the provisions of this paragraph for each condominium shall be the responsibility of the respective condominium owner, provided that the HOA Board may provide for compliance with the provisions herein on behalf of the individual condominium owners. Nothing contained herein shall require that the City bear the cost of any expenses for compliance with this paragraph. If the verification of testing and inspection is not submitted as required above, then the sewer use of such condominium owners shall be calculated in accordance with the provisions of section 10.12.140 of this article.

For the purposes of this section 10.12.137 and section 10.12.140 of this article, the sewer use for each condominium unit upon which a sewer service charge for that parcel shall be calculated for a fiscal year shall be estimated by multiplying by twelve (12) the average actual monthly water consumption for each condominium unit during the three (3) wet season months for the prior calendar year. One (1) unit of sewer use shall be assigned for each one hundred (100) cubic feet of water use. Provided, however, that if any owner of a condominium

unit authorized to be billed for sewer service pursuant to this section 10.12.137 fails to comply with any of the requirements of this section 10.12.137, then the sewer use of all condominium owners within the same condominium complex shall be calculated in accordance with the provisions of section 10.12.140 of this article.

All other provisions of this article governing sewer service charges not in conflict with this section 10.12.137 shall apply to each owner of a condominium unit authorized to be billed for sewer service in accordance with this section 10.12.137.

The foregoing ordinance was duly and properly introduced at a regular meeting of the City Council of the City of Los Altos held on _____, 2019 and was thereafter, at a regular meeting held on _____, 2019 passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Lynette Lee Eng, MAYOR

Attest:

Dennis Hawkins, CMC, CITY CLERK