



## Report

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**Subject:** Water Meter Upgrade Program Implementation Plan and Amendment to Water and Wastewater Rates By-law 2020-014

**Department:** Infrastructure Services

**Division:** Capital Works

**Report #:** INS-2024-019

**Meeting Date:** 2024-04-08

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### Recommendations

That report INS-2024-019, Water Meter Upgrade Program Implementation Plan and Amendment to Water and Wastewater Rates By-law 2020-014, be received;

And that Council amend By-law 2020-014 to reflect the changes set out in this report.

### Background and Analysis

When the Town of Orangeville implemented its universal metering program in 2002, water and wastewater rates were established to require customers to pay for water and wastewater services based on the amount of water they consumed. These rates have been reviewed and updated periodically since 2002.

At its February 10, 2020, meeting Council approved Water and Wastewater Rates By-law 2020-014 that includes the current rate structure for 2020 through 2024. The by-law implemented a rate structure that promoted water conservation in single family residential homes. Staff recently undertook a review of By-law 2020-014 to ensure that the by-law reflects the water meter upgrade program objectives and current operating practices. The proposed amendment to Water and Wastewater Rates By-law 2020-014 incorporates the recommendations proposed within this report.

### Water Meter Upgrade Program

The Town of Orangeville ("Town") has approximately 10,000 water meters to measure water consumption at its residential, commercial, institutional, and industrial customers. The meters allow the Town to recover the cost of providing water services and maintaining the water and wastewater distribution systems through user fees. They

also provide customers the assurance that they are being billed in a transparent and fair manner for the water they consume.

A significant percentage of the Town of Orangeville's water meters are either at the end, or nearing the end, of their service life. As meters age, they become less accurate and under register the amount of water used which results in unaccounted for water in the system, and a loss of revenue. Therefore, the reliability and accuracy of meters is important for both the Town and its water customers. Replacing aging meters which are nearing the end of their serviceable life combined with advanced metering, benefits the water distribution system, and allows for many operational and customer improvements including:

- Providing an understanding to customers of their usage;
- More timely resolution of (billing) issues;
- Reduced estimates;
- Reduced Meter Reading Costs;
- Better and more proactive communication with customers on (potential) billing issues;
- Better communication with customers on policies including conservation programs, watering restrictions and drought strategy;
- Ensuring the Town's data (i.e., consumption) is accurate and available;
- Enhancing the Town's reputation;
- More timely resolution of metering issues;
- Minimizing revenue loss;
- Water loss reduction; and
- Backflow detection, which provides an alert, if any water from private properties goes backward through the meter and may enter the clean water supply, posing a health risk to consumers drinking water from the system.

### **Community Outreach and Engagement**

Given the public facing nature of the Project with nearly every homeowner or business being impacted, gaining public support is a fundamental first step in achieving success. Community outreach is critical for the water meter upgrade program as it:

- Impacts every account (residential and commercial accounts);
- Requires access to every home or business; and
- Requires an appointment that depends on goodwill and trust with customers.

The Town's contractor, Neptune, has over 33 years of experience designing, creating and implementing proven techniques for appointment booking and customer communication specific to water meter programs. The goal will be maximizing the number of appointments generated, minimizing intrusion to homeowners and reducing costs. The success of the entire program rides on public acceptance, which is strongly influenced by a well-designed and implemented education program.

The messaging will focus on the overall project purpose, benefits of the enhanced services available to customers and scheduling appointments. Customers will need to know:

- Why the Town is installing the meters;
- Who is installing the meters;
- When the meters will be installed;
- How to set up the appointments; and
- That meter replacement/installation is mandatory

Staff are working closely with the Town's Communications Division and the Contractor to develop a communication and engagement strategy to promote this program that includes:

- Information booth at the Orangeville Home and Garden Show;
- Introduction contact letter sent out by the Town to introduce the program;
- Mayor's Town Hall meetings;
- Question and answer fact sheets for customer service staff;
- Newspaper articles and press releases;
- Social media updates;
- Real-time online appointments website; and
- The Town website (Orangeville.ca)

### **Customer Compliance**

The Project Team will divide the Town into smaller work areas during the start-up phase. The success of this project will be determined partly by the timely scheduling of appointments by homeowners and businesses while crews are working in their area. Customers must book appointments regularly to ensure installation crews can keep moving because there could be additional costs if they have to return later. That is why public outreach materials must have a strong message that meter replacement is mandatory.

The Contractor is responsible for five (5) attempts to contact each property in Orangeville to get an appointment with the Customer.

- Initial appointment booking letter;

- Reminder letter;
- Door hanger;
- Outbound phone attempt; and
- Final notice

All five (5) contacts will be performed between 6 and 8 weeks of the initial letter, evenly spacing out the contacts where possible.

Where access to the premises is not provided or is denied, the current Water and Wastewater Rates By-law No. 2020-014 includes the following provisions that would allow for the General Manager to:

- Charge the Customer in accordance with the Flat Rate Water and Wastewater Charges (Non-Metered *Accounts*) *plus* a surcharge of 100% as per Schedule A.
- Shut off or restrict the supply of Water to the Premises until such time as free and clear access to the water meter or remote meter reading system or appurtenance is provided.

Staff have reviewed systems and policies that were implemented in other municipalities to achieve successful meter replacement programs. Other Municipalities ensure compliance with the program through non-compliance shut off, water reduction notices and non-compliance fees. Compliance is necessary in order to realize the full benefits offered by the meter upgrades and new technology. As such, staff are recommending the following:

- That, if within ten (10) calendar days, after the date of the issuance of the private sector contractor's final notice, the property owner has not booked an appointment, that they be notified of non-compliance and be advised of the consequences under By-Law 2020-014.
- That a grace period of ten (10) days be applied during which time the account holder will need to respond to the non-compliance letter and schedule an appointment.
- That after the 10-day grace period, and if the property owner has not scheduled an appointment, the account will be deemed "refusal non-compliant" and that:
  - A flat rate in accordance with Schedule A Section 4(a) of By-Law 2020-014 plus a surcharge of 300% be applied to the account. Thus, the amended annual charge would be \$5,136.96, or \$428.08/month
  - AND**
  - The water flow rate be reduced to the property and apply the shut-off/turn-on fee of \$60/trip to the account.
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## **Recommended Changes to the Water and Wastewater Rates By-law**

The Town is currently working with Watson and Associates to undertake a comprehensive review and update to the Water and Wastewater Rates By-law throughout 2024, with updated rates to be presented for Council approval ahead of the 2025 Budget process. This report and recommendations focus on one component of the overall rates by-law.

This non-compliance process is intended for residential/small meter accounts which comprises approximately 98% of all meters. Properties with large meters generally recognize the benefit of frequent usage data to help optimize their processes and manage costs. Non-compliant large meter accounts will be considered on a case-by-case basis, if required.

The rate structure for the years 2020 through 2023 inclusive have been saved in Schedule A to provide access to current and historical base monthly charges and metered monthly rates.

### **Bulk Water Sales**

At its April 17, 2023, meeting, Council authorized staff to discontinue the sale of bulk water based on the recommendations made in report INS-2023-021. The changes listed below update the current by-law to reflect current practices.

Remove the following sections:

- 3.26. The charge for all bulk water sales shall be at the rate identified in Schedule "A" of this By-law.
10. Bulk Water
  - 10.1. Bulk water may be purchased from the Town at the water filling station located at 500 C – Line, Orangeville.
  - 10.2. Bulk water purchase is available to industrial, commercial and institutional customers only, as determined by the General Manager.
  - 10.3. The use of bulk water is restricted to non-potable purposes only. No person shall consume bulk water or cause or permit the consumption of bulk water as potable water.

## Frozen Services

Staff no longer enter private properties for the purpose of thawing frozen water services due to health and safety concerns, resource constraints including risk and liability to the Town. Staff have developed a process to provide notification to those customers that have a history of frozen water services.

Remove section:

- 8.1 Thawing frozen Water Service Connections shall be the Town's responsibility. Thawing frozen Water Service Pipes, Private Mains and Plumbing Systems shall be the Customer's responsibility.

And replace with:

- 8.1 Thawing frozen Water Service Pipes, Private Mains and Plumbing Systems shall be the Customer's responsibility.

Remove section:

- 8.2. A Customer may request the General Manager's assistance with thawing of frozen Water Service Pipes, Private Mains and/or Plumbing Systems on the Customer's property. When the General Manager assists the Customer with the thawing of frozen Water Service Pipes, Private Mains and/or Plumbing Systems on the Customer's property, all such assistance work will be considered to be at the Customer's risk and the Customer shall have no claim against the Town by reason of such work. When the General Manager assists the Customer with the thawing of frozen Water Service Pipes, Private Mains and/or Plumbing Systems, the Town may recover costs associated with this work in accordance with Section 19 of Part 3 of this By-Law.

Remove from Schedule "A", section 5:

Line m) for the thawing of frozen water services charges.

## Meter Pit

Add the following definition to the by-law:

"Water meter pit" shall mean any exterior chamber or pit approved by the Town for the purpose of containing a water meter.

Remove section:

- 9.4.4. Where required by the Municipal Design Standards or as deemed necessary by the General Manager, the owner shall supply and install a meter pit to the satisfaction of the General Manager. The meter pit will be located on the private

side of the property line immediately adjacent to the Road Allowance and will house an inlet valve, water meter and backflow preventer, if required. The owner shall be responsible for maintaining the meter pit.

And replace with:

9.4.4. Where required by the Municipal Design Standards or where entry for water meter repair, replacement or installation is refused, the Town may place at the discretion of the General Manager, a meter pit to be located outside of the building where the water service enters the owner's property. The exact location and construction will be determined by the Town. The meter pit will be fitted with a water meter, a remote read out device (radio device) and a backflow preventer, if required. The Town will not be responsible for final restoration work, including, but not limited to, topsoil, grass, sod, asphalt or concrete. The costs associated with a water meter pit installation shall be charged to the owner. The Owner will become responsible for all water consumption from the point of the meter.

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## Strategic Alignment

### Strategic Plan

Strategic Goal: Future-Readiness

Objective: Capacity

### Sustainable Neighbourhood Action Plan

Theme: Natural Resources and Environment

Strategy: Enhancing the culture of water conservation and efficiency

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## Notice Provisions

Property owners have been and will be made aware of the water meter upgrade program through:

- Report and presentation made to Council on June 13, 2022.
- Inserts provided in the Municipal Property Tax bills for 2023 and 2024.
- Public notice provided in this report and meeting.
- Information provided at the 2023 and upcoming Home and Garden Show.
- Information posted on the Town website.
- Introduction letter from the Town.

- Contractor contact materials that reference the by-law indicating that this is a mandatory program.
- Letter to be hand delivered to the property notifying of non-compliance and advising of the consequences under By-Law 2020-014.

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## Financial Impact

As noted within the report, the Town is currently undertaking a comprehensive review and update to the Water and Wastewater Rates By-Law throughout 2024, with updated rates to be presented for Council approval ahead of the 2025 Budget process.

The Council approved operating budget for Water Services, includes an estimate of \$11,100 in revenue for service charges. In recent years, this revenue line has comprised of charges for water shut-offs, that have come at the request of property owners for construction purposes.

The approval of these amendments to the Water and Wastewater Rates By-Law may result in one-time increases to service charge revenues. However, staff are confident that most property owners will comply with the Water Meter Upgrade program.

Respectfully submitted

Reviewed by

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## Attachment(s):

1. Amended Schedule "A" to By-law 2020-014