



Introduction to the Multiple Family Conservation Program: A new flat-rate water/sewer billing system

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N.Y.C. building owners get ready to pay more for your water and sewer charges. The N.Y.C. water board will be ending the current "frontage" flat rate billing system on July 1, 2009. At that time, multiple dwellings with six or more units that are billed under the "frontage" system will either be forced into direct meter-based billing or to a new flat-rate system called the Multiple Family Conservation Program (MCP). This may add to your building's water/sewer expenses, especially if you are not engaging in water conservation efforts.

Residential multifamily buildings must qualify for the MCP, which has both water efficiency and billing requirements. Every property wanting to participate must enact assorted water efficiency measures meant to ensure that any high bills are due to high population density in the building and not due to inefficient equipment or leaks. The MCP rate is currently \$650.44 per dwelling unit per year.

What are the qualifications for the MCP? The property must be metered, have at least six residential units, and be current on its water/sewer charges, which means either a zero balance or current with a binding payment agreement and timely payment of all new bills. Any commercial tenant in a multifamily residential building that uses a significant amount of water must be separately metered at the building owner's expense and that tenant shall be billed based on a meter in the future. Only consumption from residential apartments qualifies for the MCP rate. This means piping the supply for the commercial tenants so the water passes only through a separate commercial occupancy meter.

What are the MCP's water efficiency requirements? 70% of all apartments must have toilets, shower heads, and faucets that meet current water efficiency requirements. When apartments that do not meet the standard are vacated, they must be upgraded with water-efficient equipment. These standards are no more than 1.6 gallons per flush for toilets, 2.5 gallons per minute for shower heads and 2 gallons per minute for faucets. If the building has a central laundry room, all clothes washers must be exchanged for models that do not consume more than 9.5 gallons per cubic ft. of capacity. The building must also have its own program that inspects apartments for leaks and repairs them, and responds to tenant reports of leaks. The DEP will perform leak inspections of all buildings before approving their MCP applications and will re-inspect them periodically.

Who should apply for the MCP or move to metered billing? Answering this question should be a goal for every property owner this coming year. For most owners, there is no benefit in applying for the MCP rate until close to the deadline. Most property owners probably don't know what the water/sewer costs for the residential portion of their building will be on metered billing and truly knowing this exact cost is the first step toward making a wise decision on which billing method to choose. Owners need to understand what their water/sewer costs are likely to be on metered billing

in terms of "dollars per apartment per year" and comparing that to the MCP rate of \$583.35 per apartment per year. A quick "rule of thumb" is based on the average number of people living in each apartment. If the average apartment occupancy in a building is more than four, you should give consideration to the MCP. If the average is three or less you should be better off on metered billing. In either case, the only way to know is to read your meter regularly, calculate the amount of water being consumed, fix leaks, install water-saving fixtures, and see what reductions in consumption you can attain.

What are the greatest water efficiency problems in apartment buildings? Toilet leaks are the largest single problem building owners face because they can be large and because both building staff and residents often don't realize how severe these leaks can be. Buildings must get proactive and replace their building's old toilets with high efficiency toilets. Toilets are by far the main source of water use in apartments, accounting for 30% of residential indoor water consumption. Toilets also happen to be a major source of wasted water due to leaks and/or inefficiency. The DEP will be offering financial incentives to help owners with the cost of replacing older inefficient toilets. In one mid-sized Queens co-op, leaks comprised 37% of the water bill! By eliminating these leaks, the building now sees an annual savings of more than \$125,000 a year.

Hyline Water Management Co. encourages building owners and managers to keep an eye on the water consumption in their buildings. Water and sewage rates are expected to increase steadily in coming years and your building can reduce expenses if it develops an awareness of conservation measures and the willingness to implement savvy new strategies.

Hyline (a.k.a. Save Water NY) specializes in water cost management and water usage analysis. Save Water NY helps building owners determine which are the proper conservation devices to reduce consumption and mitigate the cost increase. In many cases we can turn an owner's expected water cost increase and turn it into a decrease by helping them to switch to conservational devices and fixtures retrofit / replacement program.

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