



Question of the Month

How can I save money on water/sewer charges? What are some efficiency problems in apt. buildings?

(e) Evan Lipstein



Save Water
NY

How can I save money on water/sewer charges?

If you do not read this article don't try to say, "nobody told us!" Around the globe, across America and right here in New York City the "greening" is taking hold. Conservation of resources such as power and water are becoming a worldwide mindset. Government agencies are rewarding business, individuals and property owners who engage in conservation efforts and in many cases penalizing those who do not.

New York City building owners—get this straight—it's time to either "green up" or "shell out." Get ready to pay significantly more for your water and sewer charges. The DEP / New York City Water Board will end the "frontage" flat rate billing system on July 1, 2009. At that time, multiple family dwellings with more than six units billed under the "frontage" system will either be forced into direct meter-based billing or choose to follow the city's advice and qualify for a new flat-rate system called the Multiple Family Conservation Program (MCP).

The MCP offers owners of multiple family an option to elect billing based on a fixed charge per dwelling unit in lieu of direct metered billing, if, and only if the owner invests in low-consumption plumbing hardware and fixtures and cooperates with DEP in water conservation efforts in their buildings.

The objectives of the MCP are to promote water conservation in multifamily properties and in effect penalize the water hogs. Owners are advised that existing pricing structures are going to be discontinued and all current existing frontage and flat-rate billing will end on June 30, 2009. After this date, the only permissible billing types for multifamily residential buildings with six or more units will be charges based on actual consumption measured by their metered usage or new charges (a new flat rates system) determined in accordance with the MCP. Owners are also advised that any property currently billed under frontage that has not applied for and met the requirements of the MCP by December 31, 2008, will be converted to metered billing automatically.

If you don't want to see your money flowing like water down the drain you must "green up" and start saving water. In order to be eligible

and qualify for the MCP program your property must be residential, consisting of six or more dwelling

to metered billing.

Again, let me make this abundant-ly clear—Residential multifamily

The DEP / New York City Water Board will end the "frontage" flat rate billing system on July 1, 2009. At that time, multiple family dwellings with more than six units billed under the "frontage" system will either be forced into direct meter-based billing or choose to follow the city's advice and qualify for a new flat-rate system called the Multiple Family Conservation Program

units, and must be metered. The property also must fix all leaks and have at least 70% of the toilets, faucets and showerheads be low consumption types, a.k.a. high efficiency. If the property has a central laundry room, they must install high efficiency washing machines at the next contract award, renewal or extension if such machines are provided by a vendor, or within a

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... Only consumption from residential apartments qualifies for the MCP rate.

five-year period if owned by the building owner.

Under the Multiple Family Conservation rate program, the DEP will audit each building's water consumption periodically to ensure that conservation is being achieved and that water usage is being reasonably controlled by the owner. A building's failure to meet reasonable conservation objectives will subject it to increased monitoring and possible enforcement actions. Buildings having substantial increases in water consumption caused by leaks or waste which go un-repaired may subject the property to be removed from the program and conversion

buildings must qualify for the MCP, which mandates water efficiency and has new 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 DEP requires proof that the building has fixed leaks and has purchased and installed conservational fixtures.

What are the MCP's water efficiency requirements? 70% of all apartments must have toilets, showerheads, 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 showerheads 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 foot of capacity. The building must also have its own program that regularly 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 in the future.

Who should apply for the MCP or move to metered billing? For most owners, there is no benefit in applying for the MCP rate until close to the July 1, 2009 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 (after fixing leaks, separating out commercial tenants and replacing water-wasting fixtures) 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 very large and because both building staff and residents often don't realize how severe these leaks can be. A "small" inaudible toilet leak can waste tens of gallons each day while a worse leak will send hundreds of gallons and

leaks comprised 37% of their water bill! By eliminating these leaks, the building now sees an annual savings of more than \$125,000 a year.

The current deadline for applying for the MCP rate is December 31, 2008. The costs of water / sewer are currently \$650.44 per apartment per year for qualifying properties. 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 group of commercial occupants includes laundromats, food-related businesses, taverns, medical facilities

SaveWaterNY encourages building owners and managers to keep an eye on the water consumption in their buildings. Water and sewage rates will 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. SaveWaterNY specializes in water cost management and water usage analysis and helps building owners determine which are the proper conservation devices to save water and money.

significant dollars a day down the drain. A continuously leaking toilet could lose more than 1,000 gallons a day. 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 approximately 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. If an apartment's kitchen faucet drips every 20 or 30 seconds 24 hours a day over the course of a year, the cost would be roughly \$225 a year for that single faucet. A unit with one continuously running faucet (unable to be turned completely off) can cost as much as \$1,500 a year.

In one mid-sized Queens co-op,

or other occupancies that are judged to consume more than a residential unit. This means piping the supply for the commercial tenants so the water passes only through a separate commercial occupancy meter.

SaveWaterNY encourages building owners and managers to keep an eye on the water consumption in their buildings. Water and sewage rates will 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. SaveWaterNY specializes in water cost management and water usage analysis and helps building owners determine which are the proper conservation devices to save water and money.

Evan Lipstein is the president of Save Water NY and Hyline Safety Co., New York, N.Y.



Question of the Month



421 Seventh Avenue, Suite 500 • New York, NY 10001 USA
Tel: 212.688.5600 • Fax: 212.688.6683 • www.SaveWaterNY.com

