

**Information Update (Website And Email List Distribution)**

**File: 1470.01**

### **City Provides Answers And Public Clarification Around Shadow Mountain Sewer LAS Project**

**Cranbrook, BC (February 1, 2024)** – Over the past week, the City of Cranbrook has been fielding questions from residents of the Shadow Mountain area around the Shadow Mountain Sanitary Sewer Construction Local Area Service (LAS) process undertaken in the fall of 2022. Construction of the new sanitary sewer project is substantially complete and is now in operation.

A robust public engagement and information sharing process was carried out in the fall of 2022, including an Open House to help residents and property owners of Shadow Mountain understand what the process was about and how to participate. Information from that public process remains available on the City's website at [www.cranbrook.ca/shadowmountain](http://www.cranbrook.ca/shadowmountain).

Many of the questions received by Council and Administration recently cover a variety of topics including what an LAS is and why was it needed, utility billing information, snow clearing, garbage and recycling collection, and LAS fees for Shadow Mountain homeowners. To be transparent, the City has compiled this Frequently Asked Questions (FAQ) to help answer those questions being received now.

#### **Why was an LAS that residents pay for needed for Shadow Mountain? Are there other LAS projects?**

When a new development occurs, typically the developer will install infrastructure to the new development that meet City standards for City owned services, or good engineering practices for privately owned services, such as a strata. Once the development is completed and the infrastructure passes inspection, the new service/infrastructure such as roads, water, sewer as examples is turned over to the City, or the strata, for ongoing maintenance. Taxes and utilities fees pay for the ongoing operation and maintenance of that infrastructure/service in the City, and strata fees in the strata.

In areas that are developed or grow over time that do not have services installed by a developer, if the residents in that area want services, the normal process is for that select area to enter a 'Local Area Service' (LAS) agreement with the City so that the residents in the area who want to have those services, pay for them. The general taxpayer in the City is not normally taxed to pay for service installations into areas that are developed without services. This has some small exceptions over the City's history. The most recent LAS proposal for services in Cranbrook was the 12<sup>th</sup> Ave service extension to provide water, sewer and roads into an undeveloped area with housing that had aging wells and septic fields needing replacing, and some development opportunities: <https://cranbrook.ca/southhill>. That process will be concluded February 5, 2024.

Shadow Mountain and Area was developed without sewer connection infrastructure to the City. An LAS was required to develop this infrastructure and system.

## Utility Billing Information

There was an error in the information package that was referenced in the Shadow Mountain Sewer LAS, with the Existing Rate Structure noting that; 'the \$20.00 flat rate does not apply' (to Shadow Mountain). **This was an error.** The flat rate of \$20.00 **had** been applied and paid by each property.

The property owner in this strata is billed \$56.50 monthly by the City:

- \$10 for landfill tipping fees paid to the RDEK (not billed for collection, done by strata)
- \$26.50 – water supplied by the City
- \$20.00 – flat rate to pay for City to accept sewage brought by strata's hauling contractor (to pay for sewage that is dumped at lagoons for its treatment and final disposal system), this fee increased to \$23.00 starting January 1, 2024. This is the same for residential property owners in town.

**Strata residents pay City taxes, but the City does NOT pick up garbage & recycling, do NOT sweep roads or clear snow.**

Residents of Shadow Mountain are not paying the City for garbage pick-up. Shadow Mountain residents only pay the landfill portion of the City's monthly solid waste fee.

Shadow Mountain is a strata development. Road construction standards of the City of Cranbrook are much stricter outside of strata properties than they are within them. Developers' costs to construct within strata are lower than they are outside of a strata. Ideally those lower costs are passed on to those who purchase properties within a strata. It is the buyer's choice to purchase inside a strata or in the City.

Snow clearing is based on priority streets within the City:

- 1<sup>st</sup> priority - major streets, hospital zones, roads accessing emergency service facilities, roads with sever grades and transit routes.
- 2<sup>nd</sup> priority – collector streets, central business district and school zones
- 3<sup>rd</sup> priority – streets within the City whose immediate need for snow removal not as vital; vehicles can move around with limited congestion at suitable speeds.
- 4<sup>th</sup> priority – streets, drives, crescents, lanes, and alleys with relatively low traffic volume. Vehicles can move around at lower speeds in these areas.

You can learn more about the City's winter road maintenance program on the City's website @ <https://cranbrook.ca/our-city/city-departments/public-works/snow-removal-information/>.

All residents in stratas or the rest of the City share the cost of snow removal and street sweeping throughout the entire community. Most residential neighborhoods do not fall within the top three priority routes and are typically the last areas to be cleared. While strata properties pay for snow removal and street sweeping within their boundaries to the strata, they receive priority service from the contractor both in terms of how

quickly the snow or dust is cleared and how the service is provided in their neighborhoods. The strata customizes the service with the contractor. This option is not available to Cranbrook residents that don't live in a strata and receive the services as last priority and in some storm events not at all until priorities are done. All residents, strata, and fee simple properties, share the cost of community road snow clearing (all roads in the City not just in their neighborhood).

**The additional fee was part of the consultation, although there was not a fee structure developed.**

Information was provided on this additional fee, in both the open house presentation and in the information package that was mailed to residents. You can also find this information on the Shadow Mountain LAS information webpage at [www.cranbrook.ca/shadowmountain](http://www.cranbrook.ca/shadowmountain).

During the Open House held on October 18, 2022, staff presented information about the separate user fee for this system and advised that this will be a "stand alone system" at 10:30 in the presentation that was recorded and posted. You can see the full Open House presentation on the Shadow Mountain LAS information webpage at [www.cranbrook.ca/shadowmountain](http://www.cranbrook.ca/shadowmountain).

In the Q&A provided with the mailout (which can also be found on the Shadow Mountain LAS webpage at [www.cranbrook.ca/shadowmountain](http://www.cranbrook.ca/shadowmountain)), the following information about the additional fee was included:

**Q: How will the operations of the LAS be funded?**

**A:** The City plans on adopting a user fee bylaw specifically for all properties which connect to these sanitary sewer works to fund the operations, maintenance, replacement and other costs associated with these works. This system is being design to "stand alone" and not affect other taxpayers and sewer users of the City.

The actual fee for the stand-alone system was not known during the LAS public consultations, as the design was not finalized, and the number of users impact the fee calculation. The fee calculation was not finalized until the fall of 2023. The current circumstances result in a monthly fee of \$119; this fee is in addition to the user fee charged to all Cranbrook residents for the sewer system. Current Shadow Mountain system users will be charged \$119 + \$23 (up from \$20 in 2023) or \$142/month effective January 1, 2024.

This new system has more components, like lift stations and force mains, than other regular sewer systems in the City that are predominantly gravity systems. The full cost for operations and maintenance of this new system would need to be paid by the residents that use it, whether the system stayed with the Homeowners' Association (HOA) or moved to the City of Cranbrook as it has. The additional fee is to ensure this new system costs are covered by the residents that use it, as a 'stand-alone system,' and not subsidized

by other Cranbrook residents.

The \$119 fee will be reviewed against actual costs and the number of residents in the subdivision once the system has operated for at least one year. The more users that are on the system, the lower the per household cost. We will review the actual operating costs at the end of 2024 to see how they compare with the estimates. If actual costs are lower, or higher, that may impact the stand-alone portion of the 2025 fee.

More information about the Shadow Mountain LAS can be found on the City's website at [www.cranbrook.ca/shadowmountain](http://www.cranbrook.ca/shadowmountain).

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For more information, please contact:

Curtis Penson, Manager, Engineering & Field Services  
Engineering and Development Services  
City of Cranbrook  
Phone: 250-489-0237  
[curtis.penson@cranbrook.ca](mailto:curtis.penson@cranbrook.ca)

Chris Zettel, Corporate Communications Officer  
City of Cranbrook  
Phone: 250-489-0238  
Cell: 250-420-1686  
[chris.zettel@cranbrook.ca](mailto:chris.zettel@cranbrook.ca)