

# INFORMATION PACKAGE

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## VILLAGE OF NEW DENVER

### Proposed Boundary Extension

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**MAY 2020**

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Village of New Denver

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Village of New Denver Proposed Boundary Extension  
INFORMATION PACKAGE

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**Table of Contents**

Introduction ..... 3

Denver Siding Water System & Proposed Upgrades ..... 4

Properties Outside of Denver Siding Water Service Area ..... 6

Fire Flow Improvement Fees..... 6

Delivery of Services ..... 7

Boundary Extension Area Residents’ Input ..... 7

Zoning (Land Use) ..... 7

Official Community Plan (OCP) Designation (Land Use) ..... 8

Additional Village of New Denver Bylaws..... 8

Legal Non-Conforming Uses ..... 9

Other Services ..... 9

Property Tax Implications ..... 10

APPENDIX A: Property Tax Implications .....i

APPENDIX B: Village of New Denver Bylaws .....ii

**Village of New Denver Proposed Boundary Extension**  
**INFORMATION PACKAGE**

---

## **Introduction**

The Village of New Denver is proposing a boundary extension to include new properties within Village boundaries. This mostly affects the area known as Denver Siding, properties between the Village and Denver Siding, and properties outside of the Village already connected to the Village's water system. A map of the proposed Boundary Extension Area can be found [HERE](#).

The purpose of this proposed boundary extension is to provide Denver Siding water system customers with a safe supply of drinking water. Grant funds have been received by the Village of New Denver to improve the Denver Siding water distribution system in the event of a boundary extension taking place.

If the boundary extension area is not successful, Denver Siding water system customers would remain on a Boil Water Advisory until the Regional District of Central Kootenay (RDCK) decides to, or is mandated by the province to upgrade the Denver Siding water system. A future upgrade to the water system by the RDCK would likely cost Denver Siding water users significantly more than the current proposal.

Regional District of Central Kootenay (RDCK) staff agree that having Denver Siding water users switch to the Village's water supply is the most appropriate and cost-effective way to address Denver Siding's water contamination concerns. The RDCK reports that based on feedback from Denver Siding residents attending a November 6, 2013 Denver Siding Water System 'Water Service Open House,' a majority of Denver Siding water customers were supportive of this change in service provision. This support was reiterated by Denver Siding residents at a community meeting to present the RDCK annual budget on May 6, 2015.

If this boundary extension is successful, the Village of New Denver would assume responsibility for the area's regulations and providing properties within the boundary extension area with local services, instead of the RDCK. All privately owned properties within the boundary extension area would participate in all functions and services provided by the Village, except that those not connected to the Village water service would not be charged Village water rates.

**Village of New Denver Proposed Boundary Extension**  
**INFORMATION PACKAGE**

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Please note that this is one of the first steps in the boundary extension process. Following consultation with residents in the boundary extension area and other relevant agencies, if enough support is received, a proposal will be submitted to the Province's Ministry of Municipal Affairs and Housing for review. If the Ministry is supportive of the proposal, it will be presented to Village of New Denver residents for their approval. If Village of New Denver residents approve the proposal, the Village will submit the proposal to the Ministry again, for final approval. We propose submitting the proposal to the Province for review early summer, requesting approval by Village of New Denver residents in the fall, and seeking final approval by the Province by spring of 2021. This timeline is subject to change as the process proceeds.

## **Denver Siding Water System & Proposed Upgrades**

Denver Siding is a Regional District Service area, established in 1993 to manage and maintain the area's rural water service. This service was previously operated by the Village of New Denver but the area has always been outside Village boundaries. The original Denver Siding water system was constructed to supply water to the highways maintenance yard then expanded to serve residences in the Denver Siding area. Denver Siding water system infrastructure is aging, relies on creek / spring water, and has been under a Boil Water Notice since April 2004 because of inadequate disinfection and treatment of surface water.

The Denver Siding water system currently serves 19 residential customers and the highways maintenance yard. There is no taxation for the system – it is supported entirely by user fees. In 2019, annual user fees were \$922 per residential user [19] and \$2,955 per industrial user [1] (the highways maintenance yard), raising a total of \$20,473. For comparison, 2011 annual user fees were \$400 per residential user [20] and \$1,290 per industrial user [1], raising a total of \$9,290.

The Village of New Denver has been approved for grant funds to proceed with water system improvements should a boundary extension be completed. This funding was confirmed in 2018 through the Union of British Columbia Municipality's Gas Tax Strategic Priorities Fund in the amount of \$508,171 or 100% of the actual eligible costs of the project, whichever is less. The actual cost of the project is expected to be \$806,000,

**Village of New Denver Proposed Boundary Extension**  
**INFORMATION PACKAGE**

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including upgrades for fire protection. Additional funds will come from Denver Siding Reserves (estimated \$99,740), an RDCK Community Works Fund Contribution (estimated \$64,048), the Village of New Denver (\$20,000 has been committed toward fire protection upgrades), and fire flow improvement fees (see below).



The Denver Siding water system is currently not a Fire Underwriters Survey (FUS) fire rated system and is unable to deliver adequate water to control major fires. As a result, the system will need to be upgraded to provide residential fire fighting capabilities. In order to be a fire rated water system, minimum water storage volumes, fire flow capacities, and system redundancy is required. These improvements would take place as part of distribution system improvements.

Since the Village is able to spend some of the grant funds prior to a boundary extension, Council approved beginning early work toward water system improvements in spring of 2018. This work included: review of background data; topographic site survey; geotechnical investigation; and preliminary design.

Planned distribution system improvements include:

- Construction of a booster pumping station and 560m water supply main to deliver potable drinking water and fireflow from the Village’s municipal water system to Denver Siding. The booster pumping station will include emergency power supply. In addition, three new fire hydrants will be installed (two on Denver Canyon Road and one on Denver Siding Road) to improve fireflow coverage and mimic fire hydrant spacing that is present within the Village;
- Decommissioning of the existing Denver Siding water supply (three creek / spring intakes);
- Maintenance and minor modifications to the Denver Siding water storage tank (reservoir); and
- Abandon approximately 260m of 50mm galvanized iron watermain (from 10A Avenue through the cemetery to the New Denver reservoir area). This will necessitate reconstruction of 2-3 existing water services and a standpipe for the cemetery.



**Village of New Denver Proposed Boundary Extension**  
**INFORMATION PACKAGE**

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If this boundary extension is completed by spring of 2021, as proposed, the above water distribution system improvements would begin that same spring with the goal of completing work by the end of 2021. Upon completion of these planned improvements, Denver Siding water users would be moved to the Village of New Denver water service.

Currently, no new connections to the Denver Siding water system are permitted. As a result, subdivision is not possible in Denver Siding unless new development is serviced by a private well. If a boundary extension is successful and water distribution system improvements are completed in Denver Siding, new connections would be possible within what is now the Denver Siding water service area. <sup>1</sup>

## **Properties Outside of Denver Siding Water Service Area**

Following a boundary extension, new water connections would be possible for properties within the boundary extension area, provided they are in proximity to an existing water main line. Village of New Denver water connection charges would apply. There would also be potential for the Village to extend its water service. For example, a waterline could run along Highway 31A between Denver Siding Road and Denver Canyon Road, providing additional properties with the ability to connect to the Village water service.

## **Fire Flow Improvement Fees**

As discussed above, fire protection in Denver Siding would be upgraded to meet current standards as part of water system improvements following a boundary extension. The Village proposes that costs associated with fire flow improvements be paid by private property owners within the boundary extension area through a parcel tax, by unit (rather than by frontage or area). It is estimated that a total of approximately \$114,000 would be required to fund fire flow improvements. A payback period of 10 years is proposed.

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<sup>1</sup> As per Village of New Denver Fees & Charges Bylaw No. 699, Water Service Connection Charges = Actual cost of labour, material & equipment + 25%. Subject to updates.

## Delivery of Services

In addition to water and fire protection, if a boundary extension is approved, the Village of New Denver would be responsible for services and regulations applying to all properties within the boundary extension area. Immediately following a boundary extension, applicable RDCK land use designations would remain in place for properties within the boundary extension area. Any changes to land use regulations would take place gradually and with community consultation. While most other Village bylaws would take effect immediately, there is opportunity to amend bylaws to accommodate alternate / existing activities in the boundary extension area.

## Boundary Extension Area Residents' Input

Village Council and staff recognize that the proposed boundary extension area is more rural in nature and it is appropriate for this area to keep a rural feel. It will likely be important for boundary extension area residents to use and maintain their properties in ways they have been. At this time, we are asking boundary extension area residents to consider what is important to them, or concerning to them in this proposed transition, and let us know. **We are accepting responses from property owners and tenants in the boundary extension area via e-mail, mail, or telephone.<sup>2</sup> This is outlined in the information package provided in the mail to these property owners and tenants.**

As outlined in the Introduction of this document (p.4), Village of New Denver residents will be consulted about the proposed boundary extension following this review by boundary extension area residents and an initial review by the Province.

## Zoning (Land Use)

Because there is no zoning in RDCK Area H, no zoning would apply to property in the boundary extension area immediately following a boundary extension. Village zoning would apply once the Village's Zoning Bylaw is amended for the purpose of including the boundary extension area. As the boundary extension proceeds, Village staff will develop this zoning in consultation with the community. Zoning Bylaw amendments require three Council readings and a public hearing prior to final adoption, when the changes take

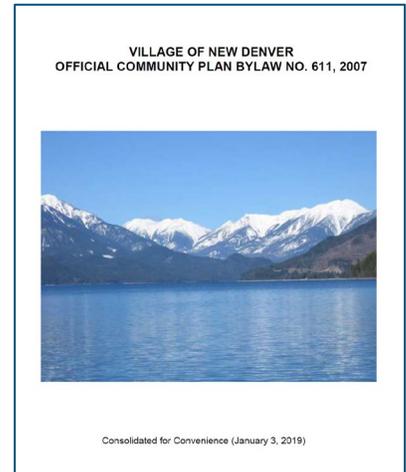
**Village of New Denver Proposed Boundary Extension**  
**INFORMATION PACKAGE**

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effect. Public consultation can take place before a boundary extension is complete but Council’s public hearing, third reading, and final adoption would not take place until a boundary extension is complete.

## **Official Community Plan (OCP) Designation (Land Use)**

Existing RDCK Official Community Plan land use designations would remain in effect for properties within the boundary extension area until amended by the Village of New Denver. The Village intends to address a full OCP update once the proposed boundary extension is complete. If the boundary extension process is successful and a new Village of New Denver OCP is adopted, it would apply to the entire Village including the boundary extension area. Extensive community consultations would be required prior to adoption of a new OCP.



## **Additional Village of New Denver Bylaws**

Remaining Village of New Denver bylaws, as amended, would apply to all properties within the boundary extension area immediately following completion of a boundary extension. A list highlighting Village of New Denver Bylaws is attached to this letter for your review (Appendix B) and bylaws can be reviewed in detail online at [www.newdenver.ca/bylaws-planning-documents/](http://www.newdenver.ca/bylaws-planning-documents/).

Bylaws can be amended prior to completion of a boundary extension. The Village would be seeking your input regarding some of the bylaws that would affect your property. The burning bylaw, noise bylaw, and animal control bylaw may be of most interest.

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<sup>2</sup> Given current public health concerns, an open house / public meeting will not be possible this spring as planned. Instead, Village staff intend to arrange direct conversations with anyone wishing to ask questions and/or provide input verbally or by other means.

## Legal Non-Conforming Uses

Should the boundary extension be successful and Village of New Denver zoning and OCP designations applied to the boundary extension area, as described above, if an existing use of land or a building is lawfully used and it does not conform to new Village bylaws, then it may be continued as a legal non-conforming use unless:

- The use is discontinued for a period of six months (subject to normal seasonal and agricultural practices)
- More than 75% of the value of the building or structure above its foundation is damaged or destroyed.

## Other Services



Upon completion of a boundary extension, the Village of New Denver would also be responsible for garbage collection in the boundary extension area. A garbage collection fee would be applied, as set in New Denver's Fees and Charges Bylaw, and door-to-door weekly garbage collection would take place.

In 2019 & 2020 the Village of New Denver garbage collection fee was \$164 per single family residence.

Building Permits following a boundary extension would be issued by the Village of New Denver and the Village's Building Bylaw would apply. Residential fire protection would continue to be provided by the New Denver and Area Volunteer Fire Department.

Local roads within the Village's extended boundaries would become the responsibility of the Village of New Denver, meaning the Village would be responsible for snow plowing and maintenance. Specifically, this would affect Denver Siding Road, Atlantic Street, 10th Avenue (within the boundary extension area), Denver Canyon Road, and Vancouver Street. Boulevards, alleys and municipal rights-of-ways would also become the responsibility of the Village of New Denver as well as the Galena Trail parking area.

**Village of New Denver Proposed Boundary Extension**  
**INFORMATION PACKAGE**

## Property Tax Implications

The tables in Appendix A compare tax rates and user fees for boundary extension area residents to those of Village of New Denver residents. The example uses a property assessed at a value of \$200,000, including land and buildings. Village taxes and user fees offer an idea of approximate rates boundary extension area residents should expect to be charged compared to current tax rates and user fees (again, based on a property with a total value of \$200,000). Be sure to note that once within the Village boundary, all property owners would be charged garbage collection fees and all those connected to the Village’s water system would be charged water service fees.

For comparison, using 2019 rates for both before and after a boundary extension<sup>3</sup> and including a homeowner grant of \$770, these are the totals in taxes and user fees associated with a property assessed at \$200,000:

	<b>Existing</b>	<b>Following Boundary Extension</b>
<b>RDCK Area H Residents Currently Connected to Denver Siding Water System</b>	\$1,183.50 (No garbage collection)	\$1,209.09
<b>RDCK Area H Residents Currently Serviced by Village of New Denver Water</b>	\$767.50 (No garbage collection)	\$1,209.09
<b>RDCK Area H Residents Supplied by an Independent Water Source</b>	\$261.50 (No garbage collection)	\$850.09 (No water connection)
<b>Village of New Denver Residents</b>	\$1,209.09	\$1,209.09

The Village is proposing to have the boundary extension process completed by spring of 2021. If a boundary extension is finalized by June 30, Village of New Denver tax rates would apply. If a boundary extension is finalized after June 30, Village of New Denver tax rates would not apply until the following year. The Village proposes providing garbage

Village of New Denver Proposed Boundary Extension  
INFORMATION PACKAGE

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collection services to the boundary extension area immediately following completion of a boundary extension. As a result, garbage collection fees would be pro-rated from the time of entry to the Village.

**Thank you for reviewing this information.**

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<sup>3</sup> 2020 Property Taxes will be different from 2019 rates shown here and Denver Siding Water Rates will increase from \$922 to \$950 / residential connection in 2020.

## APPENDIX A: Property Tax Implications

The tables below compare tax rates and user fees for a property with a total assessed value of \$200,000. Village rates, adjusted to accommodate rate changes, are what boundary extension area residents should expect to be charged if a boundary extension occurs. Garbage collection fees will apply to all properties. Village water rates will apply to all properties receiving Village Water.

Tax Item - 2019	Rural New Denver RDCK Tax Rate	Rural New Denver RDCK Taxes	Village Tax Rate	Village Taxes
Municipal ( <i>includes fire protection</i> )	-	-	3.271356	\$654.27
Provincial Rural Tax	0.47000	\$94.00	-	-
School	2.44040	\$488.08	2.4404	\$488.08
Municipal Finance Authority	0.00020	\$0.04	0.0002	\$0.04
BC Assessment Authority	0.03890	\$7.78	0.0389	\$7.78
West Kootenay Hospital District	0.26055	\$52.11	0.26060	\$52.12
Police	0.17770	\$35.54	0.2764	\$55.28
Regional District Services*	0.90951	\$181.90	0.99260	\$198.52
Recreation Programming	0.10372	\$20.74	<i>Village of New Denver residents pay for these services through Regional District Services (above)</i>	
Cemetery	0.03374	\$6.78		
Fire	0.61121	\$122.24		
Television Transmission	0.08961	\$17.92		
Summit Lake Ski Area	0.02194	\$4.39		
<b>TOTAL TAXATION</b>	<b>5.15748</b>	<b>\$1,031.50</b>		<b>7.280456</b>

\*Regional District Services for both Denver Siding and New Denver: General Administration, GIS Service, Building Inspection, Economic Development Commission, Emergency Communications (911), Emergency Programs, Solid Waste Management, Regional Parks, Transit

\*Regional District Services for RDCK Area H but not New Denver: Discretionary Grants, Rural Administration, Planning & Land Use, Community Sustainability.

\*Regional District Services for New Denver but not RDCK Area H: Recreation Programming, Cemetery, Fire, Television Transmission, Summit Lake Ski Area

To determine tax amounts for your property, use the following equation: Property value × tax rate ÷ 1,000 (Ex. \$200,000 × 5.15758 ÷ 1,000 = \$1,031.50)

Item – 2019	Village of New Denver	RDCK Area H Denver Siding Water	RDCK Area H Village Water	RDCK Area H Independent Water
Taxes	\$1,456.09	\$1,031.50	\$1,031.50	\$1,031.50
Water Service Fees	\$359.00	\$922.00	\$506.00	\$0.00
Garbage Collection Fees	\$164.00	\$0.00	\$0.00	\$0.00
<b>TAXES &amp; USER FEES TOTAL</b>	<b>\$1,979.09</b>	<b>\$1,953.50</b>	<b>\$1,537.50</b>	<b>\$1,031.50</b>
Homeowner Grant (if qualified)	- \$770.00	- \$770.00	- \$770.00	- \$770.00
<b>Net Payable If Receiving Homeowner Grant</b>	<b>\$1,209.09</b>	<b>\$1,183.50</b>	<b>\$767.50</b>	<b>\$261.50</b>

## **APPENDIX B: Village of New Denver Bylaws**

### [Animal Control Bylaw No. 516, 1999](#)

Relating to the establishment of a pound, the control of dogs and animals, and the licensing of dogs within the Village of New Denver

### [Building Bylaw No. 595, 2006, As Amended](#)

To regulate building in the Village of New Denver

### [Burning Bylaw No. 591, 2005](#)

To regulate outdoor burning in the Village of New Denver

### [Business License Bylaw No. 580, 2004, As Amended](#)

Respecting licenses for carrying on business within the municipality and for fixing the fees for such licenses

### [Cemetery Bylaw No. 618, 2007](#)

To regulate the operation and maintenance of the Village of New Denver Cemetery

### [Fees & Charges Bylaw No. 699, 2016, As Amended](#)

To establish fees and charges for various municipal services

### [Intercommunity Business License Bylaw No. 725](#)

To establish a scheme for inter-community business licensing and regulation of trades, occupations, and businesses

### [Noise Bylaw No. 338, 1986](#)

To regulate the making or causing of sounds in or on a highway or elsewhere in the municipality which disturb, or tend to disturb, the quiet, peace, rest, enjoyment, comfort, or convenience of the neighbourhood, or of persons in the vicinity

### [Sign Bylaw No. 711, 2017](#)

To regulate signs in the Village of New Denver

### [Solid Waste Rates and Regulations Bylaw No. 581, 2004, As Amended](#)

To provide for the collection and removal of solid waste within the Village of New Denver

### [Traffic Bylaw No. 558, 2002](#)

To regulate traffic and the use of streets within the Village

### [Water Rates and Regulations Bylaw No. 579, 2004, As Amended](#)

To regulate the rates, terms and conditions under which water for the Village of New Denver water utility may be supplied and used

### [Zoning Bylaw No. 612, 2007](#)

To regulate the development and use of land and the location and use of buildings and structures within the Village of New Denver.