

MANITOBA) Order No. 167/11
)
THE PUBLIC UTILITIES BOARD ACT) December 9, 2011

BEFORE: Susan Proven, P.H.Ec., Acting Chair
Monica Girouard, CGA, Member
Raymond Lafond, CA, Member
Graham Lane, CA, Chairman

THE TOWN OF STONEWALL
PATRICK AND ANGELA GRANDMONT
WATER AND SEWER CONNECTION CHARGE

Executive Summary

The Public Utilities Board (Board or PUB) hereby directs that the Town of Stonewall (Town) may recover \$2,800 from Patrick and Angela Grandmont (Grandmont), this with respect to costs incurred by the Town of connecting water and sewer services to Grandmont's property (which is located at 371 3rd Street East, Stonewall, Manitoba).

Complainants Summary

Grandmont purchased a vacant lot in the Town in November 2010, and, prior to the purchase, Grandmont was reportedly advised by their realtor that connecting to the Town's water and sewer would cost \$2,800. Grandmont confirmed the cost estimate directly with the Town ahead of purchasing the lot.

On February 1, 2011, Grandmont took possession of the lot and, later, signed a contract (on March 8, 2011) with a builder to construct a house; a building permit was issued on August 29, 2011 by the South Interlake Planning District.

On September 19, 2011, Grandmont was advised by their contractor that the Town had provided the contractor a quote of \$23,790 to provide utility services to the property line and an additional \$12,000 to extend the services from the property line to the house.

Grandmont noted that the overall \$35,000 fee to be charged by the Town was significantly more than the initial \$2,800 quote, on which their decision to purchase the lot was, in part, based.

Grandmont contacted the Town on September 20, 2011 to discuss the difference between the original quote and the later much higher estimate. Grandmont reportedly asked the Town's Chief Administrative Officer (CAO) if some of the \$35,000 cost to extend water and sewer services from across the street where the main Town lines are located could be shared with other lot owners located on the same side of the street as Grandmont.

At that time, Grandmont reportedly requested a copy of the Town's policy for connecting water and sewer services. The Town's policy is referred to in the Town's water and sewer rates by-law, and noted as follows in Board Order 58/11:

"For a property within the Town of Stonewall limits to connect to the water and wastewater distribution and collection systems the cost of the connection from the mains to the property line including any boulevard and street restoration, and any permit fee, shall be as prescribed in Policy No. 16.2 in the Town's Policy and Procedure Manual."

On September 22, 2011, Grandmont reportedly attended the Town office and again requested a copy of the Town's policy. Grandmont claims being advised by Town staff that the Town's Policy and Procedure Manual ended at Policy 16.1, but that Town staff would continue to look for this policy and provide same to Grandmont.

On September 23, 2010, the Town, by way of an email, advised Grandmont that the Town was "... prepared to complete the service connection at an estimated cost ... of \$10,000'. No copy of the Town's policy was either attached or referred to in the email.

Grandmont reportedly met again with the Town's CAO, on September 27, 2011, to discuss the revised quote and seek a copy of Policy No. 16.2, which, again was not provided.

Over the next couple of months, Grandmont reportedly made the following additional attempts to acquire a copy of the policy:

September 29, 2011 - contacted PUB, which then contacted the Town, which advised that a copy of the policy would be available for Grandmont on Monday, October 3, 2011 - yet it was not provided on that date;

October 26 and 27, 2011 - Grandmont reported contacted the Town's legal firm seeking a copy of the policy; the policy was not provided;

October 21 or 28, 2011 (Grandmont not certain of date) - on the advice of the Town's Mayor, Grandmont reportedly again attended the Town office to pick up a copy of the policy, but, a copy was not provided;

October 31, 2011 - Grandmont again contacted PUB, which issued a letter to the Town (on November 1, 2011) requesting the Town provide a copy of the policy (as well as confirmation as to when the policy came into effect) by November 4, 2011. No response was received until, prompted by an email issued by PUB, the Town suggested an extension, which was provided - however, the policy was, again, not provided by the end of the extension, that being November 7, 2011.

November 17, 2011 - Grandmont contacted the Manitoba Ombudsman's office, which requested that the Town provide a copy of the policy to Grandmont by December 2, 2011. No copy of the policy was provided, however Grandmont was then reportedly assured that a copy would be emailed to them by the Town by December 5, 2011.

Grandmont still had not received a copy of this policy. Grandmont has further reported that they have reviewed the Town's minutes (2010 and 2011) and were unable to find any

reference to Policy 16.2, which, according to a November 4, 2011 email from the Town to PUB, the policy was referred to as 'being new'.

Water and sewer services were connected to Grandmont's house, by the Town, between November 8 and 18, 2011. As of December 5, 2011, the Town has not yet billed Grandmont.

Grandmont asserted that the amount of time spent pursuing the policy was unreasonable, and that the Town had numerous opportunities to provide the necessary information to Grandmont.

Grandmont expressed concern as to what they describe as the unreasonable cost of connection that has been sought by the Town, and as to the lack of adequate information prior to and after they purchased the lot and constructed the house.

Board Findings

The Board shares Grandmont's concerns, and, accordingly, will direct the Town to limit the charge to Grandmont to no more than \$2,800.

The actions of the Town are unacceptable and unreasonable. Grandmont has acted over and above what should be expected of any individual in trying to attain information as to utility connection charges.

The Town has ignored and then refused to provide the information sought by PUB and the Manitoba Ombudsman.

Policies of the Town should be adopted by Council and placed on the public record, to be readily available to the public. Parties affected by such policies, such as Grandmont, ought to have such information before having to make a decision to proceed to purchase property and construct a house.

The Board strongly encourages the Town to review its practices and make improvements.

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with section 36 of the Board's Rules of Practice and Procedure. The Board's Rules may be viewed on the Board's website at www.pub.gov.mb.ca.

IT IS THEREFORE ORDERED THAT:

1. The Town of Stonewall assess a connection charge of no more than \$2,800 against the property described as 371 3rd Street East, Stonewall, Manitoba (the owners being Patrick and Angela Grandmont) for costs of connecting to water and sewer services.

Fees payable upon this Order by the Town of Stonewall - \$200.00

THE PUBLIC UTILITIES BOARD

"GRAHAM LANE, CA"

Chairman

"KRISTINE SHIELDS"

Acting Secretary

Certified a true copy of Order No.
167/11 issued by The Public
Utilities Board

Acting Secretary