Agenda - Executive Policy Committee - January 17, 2007

Report - Standing Policy Committee on Infrastructure Renewal and Public Works - January 9, 2007

Item No. 6 Public Works Fees for 2007 and Beyond
File GP-1.33

STANDING COMMITTEE RECOMMENDATION:

On January 9, 2007, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the administrative recommendation and submits the following to Council:

1. That the fees set out in Attachment "A" and contained in the report from the Director of Public Works, dated December 19, 2006, for permits, licences and other matters charged by the Department of Public Works, be approved as of February 2007 and beyond.

2. That subject to contrary resolutions of Council, an automatic annual increase in the fees referred to in Attachment "A" and contained in the report from the Director of Public Works, dated December 19, 2006, be authorized by the rate of inflation (i.e. the projected consumer price index for the City of Winnipeg) beginning January 1, 2008.

3. That Streets By-law No. 1481/77, the Private Approaches By-law No. 6546/95 and the Traffic By-law No. 1573/77, be amended as set out in Attachment "B" contained in the report from the Director of Public Works, dated December 19, 2006.

4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda - Executive Policy Committee - January 17, 2007

Report - Standing Policy Committee on Infrastructure Renewal and Public Works - January 9, 2007

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On January 9, 2007, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the administrative recommendations and submitted the matter to the Executive Policy Committee and Council.

RE: Public Works Fees for 2007 and beyond

FOR SUBMISSION TO: **Standing Policy Committee on Infrastructure Renewal and Public Works**

ORIGINAL REPORT SIGNED BY: **Director of Public Works**

REPORT DATE: **December 19, 2006**

RECOMMENDATION:

1. That Council approves the proposed fees set out in Attachment A for permits, licences and other matters charged by the Department of Public Works as of February 2007 and beyond.

2. That, subject to contrary resolutions of Council, Council authorizes an automatic annual increase in the fees referred to in Attachment A by the rate of inflation (i.e. the projected consumer price index for the City of Winnipeg) beginning January 1, 2008.

3. That Council enact the attached amendments to the Streets By-law, the Private Approaches By-law and the Traffic By-law (Attachment "B").

Report Summary

Key Issues:

- With five exceptions, it is proposed that the fees charged by the Department of Public works, not including Parks and Open Space fees and charges, will rise by 1.9% as of February 1, 2007 and by the rate of inflation, as established by the consumer price index for the City of Winnipeg, on January 1 of every year thereafter.

- Parks and Open Space fees and charges are governed by the Parks and Open Space Fee and Charges Policy, which has been approved by Council. This Policy provides for annual increases in those fees. Accordingly, the fees are not included in Attachment A.

- Five fees are proposed to rise by 20% or more, effective February 1, 2007 (see Attachment A). They are:

  Curb cut restoration (from $43.81 to $52.57/linear meter)
  Pavement cut restoration ($160.19 to $192.23/square meter)
  Sidewalk cut restoration ($103.33 to $124.00/square meter)

Private Approaches (all categories of approaches on regional streets and only commercial approaches on non-regional streets) – conforming ($42.80 to $260.00/application)
Private Approaches (all categories of approaches on regional streets and only commercial approaches on non-regional streets) – non-conforming ($127.38 to $660.00/application)

- The proposed increases to cut restorations are based on increases to the City's costs to restore cuts caused by excavations to streets and sidewalks. These cost increases are consistent with general price increases experienced throughout the construction industry.

- The increases to Private Approach fees (all categories of approaches on regional streets and only commercial approaches on non-regional streets), both conforming and non-conforming, as proposed, will fully recover costs incurred by the Department to review and approve applications for private approaches and inspect private approaches as they are constructed. If the department did not provide this service, it would be necessary to require that customers provide sealed engineered drawings as part of their applications, which would result in a considerably higher cost. Approvals for private approaches on regional streets, and commercial approaches on non-regional streets, require more time for planning and design as opposed to private approaches on non-regional streets.

- The proposed amendments to the Streets By-law and the Private Approaches By-law would allow Council to adjust fees by resolution rather than by By-law amendment. The proposed amendments to the Traffic By-law are required by a recently-passed Provincial Regulation.

Implications of the Recommendation(s):

General Implications

( ) None

(X) For the organization overall and/or for other departments

(X) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s): The proposed fees would increase costs of a variety of services offered by the Department of Public Works. The proposed amendments to the Streets and Private Approaches By-laws would allow Council to adjust fees by resolution rather than requiring a By-law amendment.

Policy Implications

(X) No

( ) Yes

Comment(s):

Regulatory Implications

( ) None

(X) Eliminates or reduces regulatory impact

(X) Proposes regulatory impact

Comment(s): The Report proposes to cut internal “red tape” by allowing Council to adjust numerous fees by resolution rather than requiring a By-law amendment. However, the amendment to the Traffic By-law, which is required by a new Provincial Regulation, results in a slight regulatory impact by setting out in the By-law fees for overweight and oversized vehicles.

Environmental Implications

(X) No

( ) Yes

Comment(s):

Human Resources Implications

(X) No

( ) Yes

Comment(s):

Financial Implications

(X) Within approved current and/or capital budget

( ) Current and/or capital budget adjustment required

Comment(s): Projected revenue increases as a result of the increased fees will be reflected in the 2007 and 2008 budgets proposed to Council.

Report

REASON FOR THE REPORT:

Council must approve fees under the Streets By-law and the Private Approaches By-law.

Council must enact By-law amendments.

HISTORY:

Fees charged by the Public Works Department for permits, licenses and other matters are usually reviewed by the various divisions every year. Over the past several years, the fees referred to in Attachment A have generally risen by the rate of inflation each year. The only exception to this would be fees that have been affected by increases above the annual rate of inflation for product materials, or other costs involved in the provision of the service, to the point that an increase in the fees by the rate of inflation would not fully cover these costs.

DISCUSSION:

The proposed fee increases for all but five of the fees are 1.9% effective as of February 1, 2007 and by the rate of inflation on January 1 of every year thereafter. 1.9% is the annual rate of inflation for Winnipeg, projected by the Conference Board of Canada for 2007. This proposed increase is consistent with Council's direction on January 22, 1992 that fees should rise annually by the rate of inflation.

Only five fees are proposed to increase by more than the rate of inflation. These are:

- Curb cut restoration
- Pavement cut restoration (minimum 2 square meters)
- Sidewalk cut restoration (minimum 3 square meters)
- Private Approach – conforming (all categories of approaches on regional streets and only commercial approaches on non-regional streets)
- Private Approach – non-conforming (all categories of approaches on regional streets and only commercial approaches on non-regional streets)

Permit fees for cut restoration are designed to defray the costs to the City of restoring streets and sidewalks after excavations have taken place. They are proposed to rise by 20% as of February 1, 2007 due to recent increases in the industry costs of work of this nature. Currently, Private Approach fees do not cover the costs of processing applications and inspections on regional streets, and commercial approaches on non-

regional streets, and need to increase accordingly to cover these costs. These fees are proposed to rise by the projected rate of inflation on January 1, 2008.

The significant increases in the fees for both conforming and non-conforming private approaches on regional streets, and commercial approaches on non-regional streets, are designed to provide for full cost recovery for the administration of the Private Approaches By-law. Administrative costs include all aspects of administering and enforcing the By-law, such as reviewing and approving plans for private approaches, inspecting private approaches during and/or after construction, as well as preparing reports for the community committees and Standing Policy Committee on Infrastructure Renewal and Public Works when applications are made for non-conforming private approaches on regional streets and commercial approaches on non-regional streets.

The proposed fee increases set out in Attachment A would take effect on February 1, 2007. This Report also recommends that these fees should be increased automatically by the rate of inflation (i.e. the projected consumer price index for the City of Winnipeg for the coming year) effective January 1, 2008 and each January 1 thereafter. This is consistent with a Council motion adopted on January 22, 1992 that City fees should increase annually by the rate of inflation. It is also consistent with the approach approved by Council for fees imposed by the Parks and Open Spaces Division of the Public Works Department. Of course, this general authorization would be subject to Council setting specific fees or otherwise directing how fees are to be calculated.

The amendments to the Streets By-law and the Private Approaches By-law (Attachment B) are proposed to simplify the process by which fees are amended. Currently, changing fees that are imposed by the Streets By-law and the Private Approaches By-law requires that these by-laws be amended. By contrast, the Parks and Recreation By-law, allows Council to amend fees by resolution, typically by adopting a Report. This approach is more straightforward and does not require the drafting and formal adoption of a by-law by Council. The proposed amendments to the Streets By-law and the Private Approaches By-law would allow the same procedure for Council approval of fees to be in place for all fees administered by the Department of Public Works.

The proposed amendments to the Traffic By-law (Attachment B) identify fees for oversized and overweight vehicles in a new schedule to the By-law. These amendments are required by section 32 of Provincial Regulation 42/2006, *Charges for Licences, Registrations, Permits and Other Services Regulation*, passed earlier this year.

Financial Impact Statement

Date: November 27, 2006

Project Name:

Public Works Fees for 2007, 2008 and beyond

First Year of Program **2007**

	2007	2008	2009	2010	2011
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	(1,834,699)	(1,637,500)	(1,667,694)	(1,699,380)	(1,731,668)
Net Cost/(Benefit)	$ 1,834,699	$ 1,637,500	$ 1,667,694	$ 1,699,380	$ 1,731,668
Less: Existing Budget Amounts	1,834,699	1,637,500	1,667,694	1,699,380	1,731,668
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The above represents the Public Works Department's proposed revenue budgets for 2007 through 2009, excluding the Parks and Open Space Division and Underground Structures branch revenues. Estimated annual inflation of 1.9% is used to project the increase in revenues for years 2010 and 2011.

Original signed by Darcy Stewart, CA

Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

- Legal Services Division, Corporate Services Department

External Consultation With:

- N/A

THIS REPORT SUBMITTED BY:

Department: Public Works
Division:
Prepared by: T. Esposito
File No.

ATTACHMENT "A"

Under Separate Cover

ATTACHMENT "B"

THE CITY OF WINNIPEG

BY-LAW NO. .

A By-law of THE CITY OF WINNIPEG to amend the Streets By-law, the Traffic By-law and the Private Approaches By-law.

THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

Streets By-law amended

1. The Streets By-law No. 1481/77 is amended as follows:

(a) Clause 2.17.06(a) is amended by adding *"or such other fee as established by Council from time to time"* immediately after *"twenty-five ($25.00) dollars"*;

(b) Subsection 3.03 is amended by striking out *"fee as set forth in Schedule "C" attached to and forming part of this By-law"* and substituting *"fees as established by Council from time to time"*;

(c) Subsection 4.07 is amended by

(i) adding "*or use for any purpose for which a fee has been established by Council"* immediately after "*cause to be encumbered or obstructed*"; and

(ii) striking out *"as set out in Schedule "A" of this By-law"* and substituting *"as established by Council from time to time"*;

(d) Clause 4.09(f) is amended by striking out *"in accordance with Schedules "A" and "B" of this By-law"* and substituting *"as established by Council from time to time*";

(e) Subsection 4.10 is amended by striking out *"as set out in Schedule "A""* and substituting *"as established by Council from time to time"*;

(f) Clause 4.12.01(a) is amended by striking out everything after *"excavation permit fee"* and substituting *"and a street cut repair fee where applicable as established by Council from time to time"*;

(g) Clause 4.12.02(b) is amended by striking out *"set out in Schedule "B""* and substituting *"established by Council from time to time"*;

(h) Subsection 5.01 is amended by striking out *"as set out in Schedule "A" of this By-*

law" and substituting *"as established by Council from time to time"*;

(i) The following is added immediately after clause 7.01(b):

(c) The Director may charge fees as established by Council from time to time for acting under this subsection.

(j) Schedules "A", "B" and "C" are repealed.

Traffic By-law amended

2. The City of Winnipeg Traffic By-law No. 1573/77 is amended:

(a) In subsection 48.1(3), by striking out *"established by Council*" and substituting *"set out in Schedule 11"*; and

(b) adding the following as Schedule 11 to the By-law:

THIS IS SCHEDULE 11 TO THE BY-LAW NO. 1573/77 OF THE CITY OF WINNIPEG

FEES FOR SPECIAL PERMITS FOR OVERSIZED OR OVERWEIGHT VEHICLES

	As of January 1, 2007	*As of January 1, 2008*
Rocky Mountain Double/ Triple Bottom Trailer (Annual)	*$278.07*	*$283.36*
Special Mobile Machine (Annual)	*$278.07*	*$283.36*
Special Mobile Machine (Single Trip)	*$43.61*	*$44.44*
Overdimension (Single Trip Or Annual)	*$43.61*	*$44.44*
Overweight (Annual – Maximum 52,165 Kg)	*$278.07*	*$283.36*
Overweight - 0 To 52,165 Kg (Single Trip)	*$43.61*	*$44.44*
Overweight - 52,166 To 60,000 Kg (Single Trip)	*$70.92*	*$72.27*
Overweight - Over 60,000 Kg (Single Trip)	*$124.60*	*$126.97*

Private Approaches By-law amended

3. The Private Approaches By-law No. 6546/95 is amended as follows:

(a) Subclause 8(c)(ii) is repealed and the following is substituted:

(ii) The Director may issue a licence under this By-law upon payment by the applicant of a fee as established by Council from time to time and a surety bond as required by this section, and may renew the licence upon payment of a renewal fee as established by Council from time to time.

(b) Subclause 8(d)(i) is amended by striking out *"set out in Schedule 4"* and substituting *"established by Council from time to time"*;

(c) Subclause 8(d)(ii) is amended by striking out *"$12.00"* and substituting *"as established by Council from time to time"*;

(d) Section 17 is amended by striking out *"as set out in Schedule 4 attached hereto"* wherever it appears and substituting *"as established by Council from time to time"*;

(e) Schedule 4 to the By-law is repealed.

DONE AND PASSED, in Council assembled, this day of , 2006.

_____
Mayor

_____
City Clerk

Approved as to content:

_____
Director of Public Works

Certified as to form:

_____
for City Solicitor/Manager of
Legal Services