Agenda – Council – October 19, 2011

Report – Executive Policy Committee – October 5, 2011

Item No. 2 Agreement with Province of Manitoba - Consolidate Vehicle Move Permit Services

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On October 5, 2011, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That the agreement contained in Appendix A between The City of Winnipeg and the Province of Manitoba, which will cut red tape for the transportation industry by creating a "one-stop shop" for all oversize and overweight vehicles permits, be approved.

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

Report – Executive Policy Committee – October 5, 2011

DECISION MAKING HISTORY:

EXECTUTIVE POLICY COMMITTEE RECOMMENDATION:

On October 5, 2011, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: **AGREEMENT WITH PROVINCE OF MANITOBA TO CONSOLIDATE VEHICLE MOVE PERMIT SERVICES**

Critical Path: **Executive Policy Committee – Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Escobar, P. Eng., P.T.O.E. Manager of Transportation	B.W. Sacher, P.Eng. Director of Public Works	M Ruta Chief Financial Officer	D Joshi Chief Operating Officer

RECOMMENDATIONS

1. That Council approve the agreement contained in Appendix A between The City of Winnipeg and the Province of Manitoba, which will cut red tape for the transportation industry by creating a "one-stop shop" for all oversize and overweight vehicles permits.
2. The proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

The Public Service of the City of Winnipeg has recently concluded negotiations with the Province with respect to having the Province issue vehicle move permits on behalf of the City of Winnipeg. Council must approve the agreement before it can be executed by the Mayor and City Clerk on behalf of the City of Winnipeg.

IMPLICATIONS OF THE RECOMMENDATIONS

The proposed agreement, together with a similar agreement between the Province and the City of Brandon, will create a one-stop shop for all permits for oversize and overweight vehicles (commonly known as "move permits") in Manitoba. This will cut red tape for the transportation industry.

Under the proposed agreement:

- All "move permits" required for travel within the City will be issued on behalf of the City of Winnipeg by the Province.
- The Province will administer the rules for "move permits" established by the City through the Traffic By-law No. 1573/77.
- The Province will charge permit holders the move permit fees established by Council through the Traffic By-law No. 1573/77. The permit will also include the existing $30 administrative fee charged by the City to permit holders. The Province will retain $20 for conducting most of the administrative work on issuing the permit. Based on current permit volumes (approximately 600 permits per year) the Province will retain approximately $12,000 in administrative charges; however, the Province does expect the volume of permits issued to increase, hence helping offset the reduction in administrative charges currently collected by the City.
- The Agreement term is one year but the Agreement contemplates an extension period of an additional year, during which the parties can identify any necessary adjustments and work out a long-term arrangement.

A detailed summary of the vehicle move permits and the agreement is provided in Appendix B.

HISTORY

The City Winnipeg, the City of Brandon and the Province have been in discussion for many years with respect to consolidating truck move permit services under Provincial issuance with the intent to increase productivity through more convenient provision of permits to the trucking industry.

FINANCIAL IMPACT

Financial Impact Statement **Date:** September 1, 2011

Project Name: **First Year of Program** **2012**

AGREEMENT WITH PROVINCE OF MANITOBA TO CONSOLIDATE VEHICLE MOVE PERMIT SERVICES

	2012	2013	2014	2015	2016
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	$ 12,000	$ 12,000	$ 12,000	$ 12,000	$ 12,000
Less: Incremental Revenue/Recovery	12,000	12,000	12,000	12,000	12,000
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The agreement is expected to be in place by January 1, 2012. Associated costs are expected to be offset by increased sales of move and use of street permits. Any direct costs related to the administration of vehicle move permits which would otherwise be saved will be redeployed to enhance the City's enforcement of use of streets permits.

Original signed by D. Stewart, CA
Manager of Finance & Administration

CONSULTATION

In preparing this report there was consultation with:
Province of Manitoba, City of Winnipeg Legal Services

SUBMITTED BY

Department: Public Works
Division: Transportation
Prepared by: Stephen Chapman, P. Eng., Traffic Management Engineer
Date: August 19, 2011
File No. G-13

Attachment:
Appendix "A" - Draft Agreement with Winnipeg – CLS revised June 24 11.pdf
Draft Permit Form – CLS June 24 11.docx.pdf


Draft Permit Form - CLS June 24 11.docx


Draft Agreement with Winnipeg - CLS r

Appendix "B" - Vehicle Move Permits

APPENDIX 'B'

In order to protect the motoring public and investments in infrastructure, oversize/overweight permits are required by the transportation industry when loads exceed the maximum legal weights and dimensions prescribed by the regulations governing each jurisdiction. Within Manitoba, the City of Winnipeg and City of Brandon issue vehicle move permits for transportation on streets under their jurisdiction within their city limits and Manitoba Infrastructure and Transportation (MIT) issues permits for moves on provincial highways. As a result, any carrier travelling through more than one jurisdiction must contact each agency to acquire the legal operating authority for out-of-scope vehicles. The current move permit system in Manitoba represents a time consuming and administratively complex process for industry as well as an unnecessary duplication of government services.

MIT is proceeding with consolidating the City of Winnipeg and the City of Brandon vehicle move permit services with the permit services provided by the Province, to remove duplication of government services and to further the goal of "one stop shopping" for the motor carrier industry.

The anticipated benefits associated with the Consolidation of Permit Services include:

- Enhancing and furthering the goal of "one stop shopping" for the motor carrier industry.
- Increased productivity and realization of operational and regulatory efficiencies for the City, Province and the transportation industry.
- Higher level of compliance and increased revenues. Requests for permits will now be captured and revenues collected for all jurisdictions through which the carrier may be travelling, where they otherwise might not have requested permitting for.
- Improved mobility and transportation efficiency, productivity, safety and security for freight and the motoring public.
- Primary step toward the development of a regional permit for the Prairie Region and supports Canadian harmonization of vehicle weights and dimensions.
- Increased protection for the motoring public and the Department's investment in infrastructure.

The delivery of services on behalf of the other jurisdictions by MIT will be accomplished through the agreement in Appendix A that outlines the rights and obligations of the parties to the agreement and the associated Policy Manual that will form the basis under which MIT will issue permits for the City.

The City of Winnipeg has been working with MIT for some time regarding the Policy Manual for permit issuance. Where possible, the City and MIT have worked together to developed shared policies for specific vehicle move permit types in order to have common permit regulation and simplify industry requirements. The Policy Manual incorporates the City of Winnipeg's policies, procedures and by-laws respecting the issuance and cancellation of move permits. MIT will use this manual to issue permits on the City's behalf. In the event that a permit request is made that is not covered by the manual or if there is any uncertainty regarding interpretation of the manual the matter will be referred back to the Traffic Management Branch of the City of Winnipeg. As such, the City of Winnipeg retains its decision making authority with respect to move permits.

The move permit agreement (Appendix A) outlines the responsibilities of the City and MIT with respect to the delivery of permits. Key aspects of the agreement include:

- The City retains and authorizes MIT to process permit applications and to issue and cancel permits on behalf of the City as well as collect permit fees all in accordance with the Policy Manual.
- The agreement outlines the process to make changes to the Policy Manual and updates to MIT's computerized permit system.
- The Province will retain $20.00 per permit issued on behalf of the City (administrative charge).
- The term of the agreement is one year with a one year extension. During the one year extension the parties will review, evaluate and consider changes to the agreement.

As noted above, MIT will collect permit fees and the City will pay MIT $20.00 per permit issued. At this time, the fees that MIT will collect will remain unchanged from the fees that the City currently collects for move permits. The City's current fees for move permits are:

• Overdimension (single trip or annual)	$47.00 each
• Overweight (annual)	$298.00 each
• Overweight (single trip up to 52,165 kg)	$47.00 each
• Overweight (single trip 52,166 to 60,000 kg)	$76.00 each
• Overweight (single trip over 60,000 kg)	$133.00 each
• Rocky Mountain Double/Triple Bottom Trailer (annual)	$298.00 each
• Special mobile machine (single trip)	$47.00 each
• Special mobile machine (annual)	$298.00 each
• Administrative charge	$30.00

The City currently issues approximately 600 move permits per year. If the number of permits did not change under Provincial issuance this would equate to an annual cost to the City of $12,000; however, it is anticipated that the number of permits issued will increase with Provincial issuance as carriers will be required to take out all of the required permits at the same time. It is expected that the additional permits issued will help offset the budget reduction caused by the administrative fees.

It is anticipated that the initial one year term of the agreement will provide the City and MIT adequate time to identify any areas of the agreement or the Policy Manual that require changes as a part of the agreement renewal process.