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ROADS RELATED REGIONAL CHARGES AND FEES

The Transportation and Works Committee recommends the adoption of the recommendations contained in the following report, April 19, 2006, from the Commissioner of Transportation and Works:

1. RECOMMENDATIONS

It is recommended that:

1. Regional Council approve the revised fee schedule for roads related charges and fees as set out in this report.
2. The Regional Solicitor prepare the necessary by-law.

2. PURPOSE

The purpose of this report is to request authorization to update various fees for development purposes, administration fees charged by the Transportation and Works Department for the recovery of damages to Regional property and other traffic data request fees. The fees are adjusted periodically to more accurately reflect the cost of providing the service.

3. BACKGROUND

In April, 1996, Council approved By-Law No A-197-96-62 and in August, 2000 approved By-law A-0197(a)-2000-068 which authorized the Region to charge fees for various development services and activities.

Table 1 provides an update of the fees charged to-date for the activities that are being recommended for revision by this report. All other fees in the above by-law are not being recommended for revision.

Table 1
Development Approval and Administrative Fees Charged
Year-to-Date as of December 1, 2005

Description	Total Fees Charged	Number Processed	Maximum Fee Charged	Minimum Fee Charged
Engineering Drawings	\$430,405	61	\$25,000	\$1,500
Site Plan Approval	203,789	130	12,245	500
Site Plan Legal Admin.	28,000	56	500	500
Severed Lot Applications	2,600	5	600	500
Construction Safety	0	0	0	0
Administration Fee	65,000	430	150	150
Turning Lane Counts	10,000	200	50	50
Accident Reports	2,000	40	50	50
Automated Counts	3,000	120	25	25
Regional Road AADT Listings	0	0	100	100

3.1 Engineering Drawings and Inspection Fee

Fees are charged for the review of draft plans of subdivision and reviewing engineering drawings submitted for works impacting Regional properties. Currently, the Region charges \$1,500 or 2% of the estimated cost of works on the Regional road, whichever is greater, to a maximum of \$25,000.

3.2 Site Plan Approval Fee

Site plan approval fees for the review of and comment on site plan applications are currently \$500 or 5% of the estimated cost of the works on the Regional road, whichever is greater, to a maximum of \$25,000.

3.3 Site Plan Agreement Legal Administration Fee

Site Plan Agreement Legal administration fee is a charge to recover Regional legal costs incurred to process a Site Plan Agreement. Site Plan Agreements impacting the Region are sent by local municipalities for review. Currently, the Region charges \$500 per agreement to recover these costs.

3.4 Severed Lot Application Fee

Fees for the review of severed lot applications are currently \$500 for first lot and \$100 for each additional lot per application.

3.5 Construction Safety Inspection Violation Fee

With respect to construction and traffic safety control, the Region has an obligation to ensure that traffic safety is maintained for the public on its roadways.

Additional inspections are required when a developer's contractor does not comply with the traffic safety standards, specifically with respect to construction traffic control and

management. Therefore, when there is a health and safety violation, additional inspections are required necessitating further fees to recover the cost of this service.

Currently, the Region is not compensated for monitoring contractors who are not in compliance with traffic safety standards.

3.6 Administration Fee Resulting from Damages to Regional Property

Vehicle accidents that cause damage to Regional property, for example traffic signals and guide-posts, are recovered from the driver's insurance company or from the vehicle's owner when they have no insurance.

Currently, the Region charges an administration fee in the amount of 18% of the cost to repair Regional property. This fee recovers internal administrative costs associated with coordinating Police and road dispatch, technical staff accumulating and recording repair activities, preparing an invoice, contacting an insurance company, and collecting outstanding receivables. In addition, if the driver does not have insurance, the driver is contacted to recover damages. In the event the at-fault driver cannot pay, a claim is submitted to the provincial Motor Vehicle Accident Claim Fund.

3.7 Traffic Data Request Fee

The Region currently charges fees for various types of traffic data requests. These fees recover internal administration costs associated with time spent on communication, locating and submitting traffic data and invoicing.

4. ANALYSIS AND OPTIONS

The York Region chapter of Urban Development Institute (UDI) was consulted regarding the content of this report. UDI representatives Alki Poulias, Peter Murphy and Adolfo Emer met with York Region staff on January 27, 2006 to discuss issues of interest. These discussions are mentioned below in the appropriate section of this report.

4.1 Engineering Drawing and Inspection Fee

In 2005, the Municipal Engineers Association conducted an engineering and inspection fee survey.

The results are summarized in Table 2.

Table 2
Municipal Engineers Association 2005 Fee Survey

Municipality	Fee *	Municipality	Fee *
Halton Region	5% to 9%	Welland	up to 4%
Halton Hills	4.5 to 6.5%	Newmarket	3.75%
Oakville	6%	Vaughan	3.5%
Niagara Falls	6%	Richmond Hill	3.5%
Waterloo	up to 5%	Brampton	3.5%
Markham	5%	Kitchener	3%
Burlington	5%	Georgina	3%
Peel Region	3 to 4.5%	Guelph	3%
Mississauga	up to 4.5%	Toronto	3%
Aurora	4%	York Region	2%
Hamilton	4%		

* Fee percentage applied to cost of the works

The fee is calculated based on a percentage of the estimated cost of works on the Regional road allowance, rather than a fixed cost, which is the industry standard used by all municipalities in the survey.

As a result of this analysis, engineering drawing review and inspection fees should be increased from 2 % to 5% of the estimated cost of the works in order to more accurately reflect the cost of providing the service.

In addition, the minimum fee per application should be increased from \$1,500 to \$2,000 and the maximum fee be increased from \$25,000 to \$30,000 due to rising cost pressures. York Region is the only municipality with a minimum charge other than Peel Region with a minimum fee of \$3,200 per review. In regards to a maximum, York Region is the only one capping its fees.

York Region staff discussed this increase with UDI representatives and the approach of using minimum and maximum fees as a means of controlling the difference in expenses incurred on small versus large projects. In Halton Region, for example, a 5% fee is charged for projects greater than \$500,000, 6% fee between \$250,000 and \$500,000, 7% fee between \$250,000 to \$50,000, and 9% fee for projects under \$50,000. In comparison, by capping its fees, York Region is charging a maximum of \$30,000 for all projects greater than \$600,000 in value, and by having a minimum fee, all projects under \$40,000 are charged a fixed \$2,000 fee. For all projects between \$40,000 and \$600,000 a 5% fee is charged. Therefore, the York Region proposal is a fair one. There were no concerns raised by UDI related to the increases due to rising cost pressures.

These increases and rates are consistent with other municipalities.

4.2 Site Plan Approval Fee

The minimum site plan approval fee should be increased from \$500 to \$750 and the maximum fee be increased from \$25,000 to \$30,000 due to rising cost pressures. There were no concerns raised at the UDI meeting regarding this increase.

4.3 Site Plan Agreement Legal Administration Fee

The Region currently receives \$500 for each site plan agreement processed and administered through Legal Services. It is proposed that this amount be incorporated into the by-law without change.

4.4 Severed Lot Application Fee

Severed lot application fees were based on estimates completed over ten years ago and should increase from \$500 for the first lot to \$750 and to \$150 for each additional lot from \$100.

4.5 Construction Safety Inspection Violation Fee

Approval inspectors monitor construction sites to ensure the contractor complies with traffic safety standards, with respect to construction activities and traffic control.

When a Construction Development Coordinator notices a traffic safety violation they will immediately advise the contractor on site in writing and notify the Region's Health and Safety Inspector of the violation. The contractor will then be invoiced for the cost of the inspection as it will require additional site visits (on average two visits per day for one week) to ensure compliance.

York Region should be compensated for this service in the amount of \$1,000 for every non-compliant event. This fee will be charged to recover the cost to provide the service. The cost is based on the expense for an inspector to visit the site twice a day for five days or once a day for ten days to ensure safety compliance.

The introduction of this new fee was discussed with UDI representatives. It was suggested by the UDI representatives that as long as developers, in their own agreements with their contractors, place the onus of this fee on the contractors, then the Region will be able to request payment from the developers and the developers will be likewise in position to obtain payment from their contractors. In this manner safety awareness will be increased for all parties involved.

Similarly, other municipalities and the Toronto Region Conservation Authority charge a per diem rate for the extra time spent monitoring construction safety compliance.

4.6 Administrative Fee Resulting from Damages to Regional Property

Regional staff conducted a survey of municipalities in analyzing its current administration fee charged to recover damages to Regional property resulting from vehicle accidents as illustrated in Table 3 below:

Table 3
Survey of Municipal Administrative Fees

Municipality	Fee
City of Toronto	7% of repair costs
Peel Region	\$150 flat fee
Durham Region	8% of repair costs
York Region	18% of repair costs

The current fee is 18% of total costs charged which is in excess of those charged by our neighbouring municipalities. This has resulted in insurance companies refusing to pay.

As a result, York Region should reduce our fee to reflect the cost to provide the administrative support and set a flat fee of \$150 per invoice.

4.7 Traffic Data Request Fee

Regional staff conducted a survey of fees for traffic data requests from municipalities across the Greater Toronto Area (Durham Region, Halton Region, City of Toronto, City of Mississauga, Town of Markham and Town of Aurora). Table 4 illustrates the municipal average for fees compared to the proposed York Region's fees for traffic data requests.

Table 4
Survey of Municipal Traffic Related Fees

Traffic Data Request Type	Municipal Average Admin. Fee	Recommended Fee
Regional Road AADT Listings	\$100	\$100
Automated Counts	118	100
Accident Reports	75	75
Turning Lane Counts	83	75
Traffic Signal Controller Report – new	250	250
Synchro Information – new	75	75

York Region has been receiving requests for synchro information and traffic signal controller reports. It is now desirable to formalize the fees for these types of services. Other municipalities currently supply this information for the average fee listed in Table 4.

A traffic signal controller report refers to requests for internal durations at a traffic signal location. This data is usually requested by a law firm pursuing a motor vehicle accident insurance claim in the court system. The report from the traffic signal controller is accompanied by an official letter. Both the letter and report is reviewed by Legal Services and this additional cost is reflected in the proposed fee.

Synchro information refers to the timing and sequence of traffic signals for a particular intersection including lane geometrics and turning movement count. These requests usually come from a consultant reviewing traffic at a location and do not require legal review, hence a lower fee.

York Region's proposed fees for traffic data requests are comparable to the municipal average. It is therefore, recommended that the proposed fees be applied to the corresponding traffic data request types.

5. FINANCIAL IMPLICATIONS

Table 5 below summarizes and compares the current structure to the recommended fees

Table 5
Current versus Recommended Fees

Service	Current Fee	Recommended Fee
Engineering Drawings and Inspection Fees	* Minimum \$1,500 to 2% Maximum \$25,000	* Minimum \$2,000 to 5% Maximum \$30,000
Encroachment – Legal Fee	\$500 per Agreement	\$500 per Agreement
Site Plan - Approval Fee	* Minimum \$500 to 5% Maximum \$25,000	* Minimum of \$750 to 5% Maximum \$30,000
Site Plan - Legal Fee	\$500 per Plan	\$500 per Plan
Severed Lot Application Fee	\$500 for first lot & \$100 for each additional lot	\$750 for first lot & \$150 for each additional lot
Construction Safety Inspection Fee	\$0	\$1,000 per event
Admin. Fee Damage to Regional Property	18% per accident	\$150 per accident
Regional Road AADT Listings	\$100 per request	\$100 per request
Automated Counts	\$50 per request	\$100 per request
Accident Reports	\$50 per request	\$75 per request
Turning Lane Counts	\$50 per request	\$75 per request
Signal Timing Correspondence	\$0	\$250 per request
Synchro Information	\$0	\$75 per request
Admin. Fee – Sale of Surplus Land	\$1,500 per transaction	\$1,500 per transaction

* Fee percentage applied to cost of works

5.1 Engineering Drawing and Inspection, Site Plan Approval, Severed Lot Application, Construction Safety Inspection Fees

The Region currently recovers approximately 30% to 50% of expenses incurred for the review of development approvals and inspections. It is anticipated that with the proposed increases the Region will recover approximately 70% to 90% of expenses which is more in line with other municipalities. Revenues are expected to increase from approximately \$700,000 to 1,300,000 annually.

5.2 Encroachment Agreement Legal Administration Fee

The Region currently receives \$500 for each encroachment agreement processed and administered through Legal Services. It is proposed that this amount be incorporated into the by-law.

5.3 Sale of Surplus Lands Administration Fee

The Region currently receives an administration fee of \$1,500 from land owners wishing to purchase abutting Regionally owned land that has been declared surplus to Regional requirements because the lands are of such a size and shape they cannot be sold on the open market. It is proposed that this amount be incorporated into the By-law.

5.4 Administrative Fee resulting from Damages to Regional Property

The Transportation and Works Department processes on average 600 to 800 invoices per year with an average invoice amount of \$1,800 to recover damages caused to Regional property. Changing our fee structure from a percentage base to a flat fee would more accurately reflect the cost of the service provided.

5.5 Traffic Data Request Fee

The Transportation and Works Department currently receives approximately \$16,000 per year for Traffic Data Request fees. The proposed changes to our fee structure should increase revenue by approximately \$12,000 per year.

5.6 Current and Proposed Fee Structure Comparison

Overall, the recommended fee structure more closely reflects actual cost to provide these services and is consistent with fees charged by other municipalities.

6. LOCAL MUNICIPAL IMPACT

There are no local municipal implications associated with this report.

7. CONCLUSION

Due to escalating cost pressures, it has been recognized that specific Transportation and Works Department fees need to be adjusted to ensure that the benefactor pay for the cost of services provided. Therefore, the fee increases recommended are fair and in line with other municipalities.

The Senior Management Group has reviewed this report.