

<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON JUNE 18, 2019</b>
<b>FROM:</b>	<b>KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING SERVICES AND CITY ENGINEER</b>  <b>and</b>  <b>GEORGE KOTSIFAS, P.ENG. MANAGING DIRECTOR, DEVELOPMENT &amp; COMPLIANCE SERVICES &amp; CHIEF BUILDING OFFICIAL</b>
<b>SUBJECT:</b>	<b>WORK APPROVAL PERMIT PROGRAM ENHANCEMENTS</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director, Environmental & Engineering Services and City Engineer and Managing Director, Development & Compliance Services & Chief Building Official, the Work Approval Permit Program BE MODIFIED in general accordance with the recommendations contained in the staff report dated June 18, 2019 and entitled “Work Approval Permit Program Enhancements”;

It being noted that the proposed Work Approval Permit Program modifications may be further refined based on available resources and future adjustments that may be required;

It being further noted that proposed fee changes will be brought forward for consideration at a future Public Participation Meeting before the Strategic Priorities and Policy Committee as part of the annual review of City’s Fees and Charges By-law.

<b>PREVIOUS REPORTS</b>
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- March 19, 2018 - Civic Works Committee - Private Works Impacting the Transportation Network

<b>2019-23 STRATEGIC PLAN</b>
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The proposed enhancements to the Work Approval Permit Program supports the Strategic Plan through the strategic focus area of *Leading in Public Service* by increasing efficiency and effectiveness of service delivery.

## BACKGROUND

At the December 12, 2017 Municipal Council meeting, the following was resolved:

That the Managing Director, Environmental and Engineering Services and City Engineer BE DIRECTED to:

- a) review, either through Lean Six Sigma or more generally, the process of issuing permits for approved works, including consultation with key stakeholders such as the Utilities Coordinating Committee, emergency services, the London Development Institute, business improvement associations and others who are likely to apply for permits for approved works on major roads; and
- b) report back to the Civic Works Committee, by the end of March 2018, on:
  - i) ways to improve communication with affected business, organizations and residents about the timing, duration and impacts of permits for approved works, including unexpected developments;
  - ii) ways to improve the scheduling and coordination of private and public projects affecting roadways and sidewalks that carry significant pedestrian, cyclist, transit and auto traffic;
  - iii) resources required to implement these improvements; and
  - iv) any other improvements identified through the review. (2017-T04)

At the March 19, 2018 Civic Works Committee, the 'Private Works Impacting the Transportation Network' report addressed many of the items in the previous resolution. At the March 27, 2018 Municipal Council meeting the following was resolved:

That, on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer and the Managing Director, Development and Compliance Services and Chief Building Official, the following actions be taken with respect to the staff report dated March 19, 2018 with respect to private and public works impacting the transportation network:

- a) the Civic Administration BE DIRECTED to develop options based on industry best practices for a revised Works Approval Permit process, including consideration related to a new fee model, enhanced monitoring/reporting, roadway inspection requirements and roadway occupancy restrictions; and,
- b) the utility companies, construction service providers and development industry BE ENGAGED to provide feedback on the potential changes to the Works Approval Permit process. (2018-T08) (2.2/5/CWC)

### **Purpose**

This report outlines improvements made to the Work Approval Permit Program since the March 28, 2018 Council Resolution (2018-T08) (2.2/5/CWC) and describes necessary enhancements related to the inspection and enforcement model.

### **Current State**

The City of London (City) manages rights-of-way (ROW) that accommodate numerous assets and utilities that provide important services to Londoners. The City-owned assets include transportation, water and sewer infrastructure. Utility infrastructure includes telecommunications companies, natural gas, hydro and district energy. Road occupation is frequently necessary to build and maintain these assets and also adjacent

developments. Coordination of permissions to work in the ROW via the permit process is required to:

- Manage and communicate road user impacts. Management of the transportation network during construction season is a challenge due to the number of road occupants.
- Ensure proper work methods. Inadequate reinstatement of road pavement structures can reduce the service life of transportation infrastructure.
- Mitigate risk through the review of traffic control plans, insurance and financial security mechanisms.

There are three Full Time Employees (FTE) with the job title of Special Events and Approval Technologists (SEAT) in the Public Property Compliance Area, within Development & Compliance Services. The main duties of two of the three FTE include intake, review, coordination and issuance of all Work Approval Permits. In addition, these two positions conduct one-year warranty inspections on all Work Approval Permits that involve the removal of a road surface, sidewalk or curb, or where significant grassed surface disturbance occurs. These duties account for approximately 90% of their workload.

The third FTE position is responsible for enforcement of various by-laws (Streets (S-1), Drainage (WM-4), Parks and Recreation Area (PR-2), and Election Sign (E.-186-81)). Enforcement duties specifically related to ‘unauthorized road occupancy’ (occupying the road allowance without obtaining a Work Approval Permit) account for approximately 5% of this position’s time. It being noted that, this number is not in direct correlation to the amount of ‘unauthorized road occupancy’ occurrences but rather the available time to enforce these types of violations.

**Permit Fees**

The following table represents a summary of current fees associated with Work Approval Permits. These fees are in accordance with the fees set out in Schedule 1 of the City of London’s Fees and Charges By-law (A-53).

**Table 1**

<b>Service/Activity</b>	<b>Unit of Measure</b>	<b>Fee</b>
Permit for Approved Works, where the works do not involve road cuts, traffic management plans or disruptions within the travelled portion of the roadway.	Per City Work Approval Permit	\$110.00 plus vehicle fee of \$10.00 per vehicle to undertake works on adjacent property
Permit for Approved Works	Per City Work Approval Permit	\$275.00
Permit renewal (if work exceeds permit time period)		\$100.00 per day

The current Work Approval Permit Program does not achieve full cost recovery even with the recent increase in permit volumes (see Table 2), and as a result the revenue shortfall is offset by the tax base.

**Historical Summary of Issued Work Approval Permits**

The following table represents a summary of issued Work Approval Permits and the current staffing complement (Special Events and Approval Technologist (SEAT)).

**Table 2**

<b>Year</b>	<b>Number of Permits</b>	<b>Number of SEAT</b>
2012	360	3
2013	350	3
2014	635	3
2015	384	3
2016	458	3
2017	522	3
2018	1071	3
<i>2019 projected*</i>	<i>1528</i>	<i>3</i>

**\*2019 year to date permit count was 637 as of May 29, 2019**

In May of 2018, the Work Approval Permit Program was realigned to meet the requirements of Streets By-law S-1 with respect to: when a Work Approval Permit is required, permit extensions, required documents at time of application, securities and restorations. Stakeholders (utility companies and construction service providers) were notified and provided detailed program guidelines. The result, in part to this realignment, was an approximate 100% increase in issued Work Approval Permits. The realignment focused on work processes but no permit fee analysis was conducted at that time.

### **Inspections**

Currently, a warranty inspection is conducted within one year following permit issuance to ensure the restoration of the road, sidewalk, curb and/or grassed surfaces has remained compliant to City specifications. If deterioration has occurred, the permit holder is required to fix these deficiencies in a timely manner to City specifications. If compliance is not achieved, the City will restore the work and the applicant's security will be drawn upon to cover the associated costs. It should be noted that due to the recent increase in permit applications and current staff levels, these warranty inspections have become increasing difficult to complete.

## **PROGRAM ENHANCEMENTS**

### **Enhanced Inspections and Enforcement**

In an effort to improve this program, additional inspections will be implemented, the goal of which is to ensure:

- All work on City road allowance is scheduled and coordinated;
- That impacts on mobility are managed and mitigated;
- Work is done in a safe manner;
- Insurance is in place;
- Appropriate financial guarantees and warranties are provided; and,
- Restoration work is done in accordance with City standards.

The following table outlines a detailed list of proposed enhanced inspections and their purpose.

**Table 3**

<b>Inspection</b>	<b>When</b>	<b>Purpose</b>
Setup Inspection	Start date of Work Approval Permit	<ul style="list-style-type: none"> <li>▪ To ensure works/occupancy has started</li> <li>▪ To ensure traffic controls are set up in accordance with accepted and approved plans</li> <li>▪ To ensure compliance with Accessibility for Ontarians with Disabilities Act (AODA) requirements</li> <li>▪ To ensure boulevard tree protection barriers are present</li> <li>▪ To ensure all permit conditions are adhered to</li> </ul>
Weekly Inspection (when applicable)	Once a week for duration of permit	<ul style="list-style-type: none"> <li>▪ To ensure traffic control continues to be set up in accordance with accepted and approved plans and in a safe manner</li> <li>▪ To ensure continued compliance with AODA requirements</li> <li>▪ To ensure boulevard tree protection barriers continue to be present</li> <li>▪ To ensure works/occupancy continue to be in accordance with approved plans and conditions</li> <li>▪ To ensure restoration is to City standards and specification</li> </ul>
Monthly Inspection (when applicable)	Once a month for duration of permit	<ul style="list-style-type: none"> <li>▪ To ensure traffic control continues to be set up in accordance with accepted plans and in a safe manner</li> <li>▪ To ensure continued compliance with AODA requirements</li> <li>▪ To ensure works/occupancy continue to be in accordance with approved plans and conditions</li> </ul>
Expiration Inspection	Expiration date of Work Approval Permit	<ul style="list-style-type: none"> <li>▪ To ensure works/occupancy is no longer present</li> <li>▪ To ensure final restoration is complete (“passed”) or temporary restoration measures are in place (if applicable)</li> <li>▪ To verify final road cut dimensions (if applicable)</li> </ul>
Warranty Inspection	Within one year from “passed” final restoration inspection	<ul style="list-style-type: none"> <li>▪ To ensure the restoration of the road, sidewalk, curb and/or grassed surfaces remain compliant with City specifications</li> </ul>

Based on permit volumes from 2018 and the projected permit volumes for 2019, Table 4 below indicates the number of warranty inspections that the City would undertake and the number of additional inspections that would be conducted based on the ‘Enhanced Inspections’ outlined in Table 3 above.

**Table 4**

<b>Year</b>	<b># of Permits</b>	<b># of Warranty Inspections</b>	<b># of Additional Inspections</b>	<b>Totals # of Inspections</b>
2018	1074	837	4813	<b>5650</b>
2019 (projected)	1528	1190	6842	<b>8032</b>

Enhanced inspections will also provide the opportunity to conduct concurrent pro-active By-law enforcement of unauthorized road occupancies. Having additional “eyes on the street” enforcement will help minimize the associated traffic and pedestrian disruptions. Violators will be provided educational information and be required to achieve compliance by way of a Work Approval Permit, which will enable City staff to coordinate occupancy and ensure it complies with all applicable requirements, while also ensuring risks and disruptions to the public are minimized. If violations are repeated or compliance is not achieved, alternative enforcement tools can be utilized.

**Cost Recovery Permit Fee Model**

The proposed enhanced inspection process would require additional resources funded through a cost-recovery process. Table 5 and Table 6 below outline the proposed permit fee model to support the enhancements. A tiered fee schedule is proposed based on the nature of the occupancy and degree of inspection required.

**Table 5 - Work Approval Permit - Occupancy**

<b>Work</b>	<b>Fee</b>	<b>Comment</b>
Where the work <b>does not involve</b> excavation, traffic management/control plan review or disruptions within the travelled portion of the road allowance	\$300.00*	Permit review Setup Inspection Expiration Inspection
Where the work <b>does not involve</b> excavation <b>but</b> traffic management/control plan review is required	\$400.00*	Permit review Traffic Control Plan Review Setup Inspection Expiration Inspection
*Monthly inspection (additional fee) Exemption: tower cranes	\$75.00 per month or part thereof	Applies if permit exceeds thirty (30) consecutive days
Moving or construction bin on a local road allowance	\$50.00 per day	Permit review Setup Inspection Expiration Inspection
Permit renewal	\$150.00 plus monthly inspection fee(s) as applicable	

**Table 6 - Permit for Approved Works – Construction**

<b>Work</b>	<b>Fee</b>	<b>Comment</b>
Where the work <b>involves</b> excavation within the soft surface boulevard within the road allowance and does not require traffic management/control plan review	\$375.00**	Permit review Setup Inspection Expiration Inspection Warranty Inspection
Where the work <b>involves</b> excavation of hard surfaces within the road allowance	\$475.00**	Permit review Traffic Control Plan Review Setup Inspection Expiration Inspection Warranty Inspection
**Weekly inspection (additional fee)	\$75.00 per week or part thereof	Applies if permit exceeds three (3) consecutive days
Permit renewal	\$150.00 plus weekly inspection fee(s) as applicable	

**STAKEHOLDER ENGAGEMENT**

Civic Administration met with representatives from utility companies, construction service providers and the development industry to provide an overview and solicit feedback on the enhanced inspections, enforcement and new user fee model. No major concerns were expressed at the stakeholder meetings.

**CONCLUSION**

The coordination of road occupations and construction activities is important for traffic management, accessibility, asset management and risk management perspectives. A more active approach is necessary to properly manage these challenges and provide a better level of service to Londoners.

With the substantial increase in Work Approval Permit volumes, the addition of enhanced inspections and associated proactive enforcement, additional staff resources will be required. The proposed fee model will cover the cost of these positions and bring the program into a full cost recovery.

The proposed fee changes will be brought forward for consideration at a future Public Participation Meeting before the Strategic Priorities and Policy Committee as part of the annual review of City’s Fees and Charges By-law.

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