

**Subject: Fee Review - Municipal Consent, Utility Circulation, Road Cut Permit
and Temporary Road Closure**

File Number: ACS2024-PDB-RHU-0008

**Report to Transportation Committee on 24 October 2024
and Council 30 October 2024**

**Submitted on October 15, 2024 by Court Curry, Manager, Right of Way, Heritage,
and Urban Design Services, Planning, Development and Building Services
Department**

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Ward: Citywide

**Objet : Examen des droits - Consentement municipal, diffusion des
renseignements sur les services publics, permis de terrassement et
permis de fermeture temporaire de rues**

Numéro de dossier : ACS2024-PDB-RHU-0008

Rapport présenté au Comité des transports

Rapport soumis le 24 octobre 2024

et au Conseil le 30 octobre 2024

**Soumis le 15 octobre 2024 par Court Curry, Gestionnaire, Services des emprises,
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REPORT RECOMMENDATION(S)

That the Transportation committee recommend City Council approve:

1. **A new fee structure for Municipal Consent Applications and Utility Circulations as described in this report and set out in the Fee Schedule in Document 1.**
2. **A New Municipal Consent Application and Utility Circulation By-law with provisions similar in effect to those set out in Document 2 and as described in this report.**
3. **The conversion of a temporary full-time equivalent Right of Way Approvals Officer position to a permanent full-time equivalent position at an approximate annual cost of \$125,000 funded entirely from Municipal Consent application and Utility Circulation fee revenues.**
4. **The amendment to the Delegation of Authority By-law No. 2024-265 related to Municipal Access Agreements with telecommunication carriers as set out in Document 3 and described in this report.**
5. **The revised fee structure for Road Cut Permit applications and update to the fee for Temporary Road Closure Permits and the amendment to Schedule A – Road Cut Fees and Securities of the Road Activity By-law No. 2003-445 as described in this report and set out in Documents 4 and 5.**

RECOMMANDATION(S) DU RAPPORT

Que le Comité des transports recommande au Conseil d'approuver :

1. **Une nouvelle structure tarifaire pour les demandes de consentement municipal et la diffusion des renseignements sur les services publics, comme décrit dans le présent rapport et établi dans le barème des droits du document 1.**
2. **Un nouveau *Règlement sur les demandes de consentement municipal et la diffusion des renseignements sur les services publics*, comportant des dispositions semblables à celles énoncées dans le document 2 et décrites dans le présent rapport.**
3. **La conversion d'un poste temporaire équivalent temps plein (ETP) d'agent d'approbation des emprises en poste permanent équivalent temps plein au coût annuel approximatif de 125 000 \$ financé entièrement par les revenus découlant des droits pour les demandes de consentement municipal et la**

diffusion des renseignements sur les services publics.

- 4. La modification apportée au *Règlement sur la délégation de pouvoirs* (n° 2024-265) en ce qui concerne les accords d'accès aux corridors de services municipaux conclus avec les entreprises de télécommunication, comme indiqué dans le document 3 et décrit dans le présent rapport.**
- 5. La structure tarifaire révisée pour les demandes de permis de terrassement et la mise à jour des droits de délivrance de permis de fermeture temporaire de rues ainsi que la modification apportée à l'Annexe A – Droits de terrassement et les garanties du *Règlement sur les travaux routiers* n° 2003-445, comme décrit dans le présent rapport et dans les documents 4 et 5.**

EXECUTIVE SUMMARY

This report recommends the introduction of new Municipal Consent application and Utility Circulation fees as well as an update to the Road Cut and Temporary Road Closure permit fees.

Municipal Consent and Utility Circulation applications assist in identifying and mitigating conflicts with existing infrastructure, protect City and utility assets, and help to facilitate the coordination work to minimize the impact on the right-of-way. Municipal Consent approvals provide permission by the City for a utility or applicant to place infrastructure within the right of way. Utility Circulations are performed to elicit feedback from other City groups, utilities and infrastructure owners when City infrastructure work is proposed (e.g., a watermain extension), or to inform the approval of work within the right-of-way by another group (e.g., the installation of an accessible ramp to a building entrance by a developer).

The City has not previously charged a fee for Municipal Consent applications, nor recovered the cost of conducting Utility Circulations. Previous cost recovery was through yearly payments under Municipal Access agreements.

In 2021, City Council approved a new Street Segment Fee for Road Cut Permits that came into effect on January 1, 2022. Road Cut permits are a critical tool used by the City to coordinate and track all excavation work within the right of way. These permits are coordinated by the Right of Way Branch in collaboration with the Right of Way Inspections Branch and Traffic Management, Construction Unit. Pursuant to the Road Activity By-law, Road Cut Permits are required by anyone excavating within the right of way. This includes City departments as well as those working on behalf of the City. With these fees having been in effect since 2022, staff are recommending they be assessed

relative to more recent Road Cut permit volumes and to account for increases in inspection resources and the overall cost of delivering the service.

Similar to the evaluation of the Road Cut Permit fee, staff are recommending the Temporary Road Closure fee (required when work under a Road Cut Permit requires the closure of a roadway to vehicular traffic in support of construction), be updated relative to Temporary Road Closure application volumes since 2022.

With the revised Road Cut and Temporary Road Closure fees, cost recovery is better aligned with the relative level of effort required to respond to work requested by external clients, internal service areas, and specifically internal work as part of the City's capital program. For each of these categories the level of effort required by the Right-of-Way Permit Office, Right-of-Way Inspections and Traffic Management, Construction groups is properly reflected.

To ensure continued delivery of target service levels for Municipal Consent applications and utility circulations, staff are also recommending as part of the report converting one temporary full-time equivalent (FTE) to a permanent position which will be cost recovered through fees. The Right of Way Approvals Unit, which is responsible for these applications, has not had an FTE increase since 2003 despite service request volumes increasing by approximately 100 per cent of 2003 levels. This will also assist in the capacity to review Site Plan Control and Subdivision applications to ensure any impacts on the existing right-of-way are identified, managed, and addressed.

Proposed Fees

Staff are recommending the establishment of the following new fees for Municipal Consent applications and Utility Circulations:

Municipal Consent Application Fee	Utility Circulation Fee
MC Application Fee: \$278	Utility Circulation Fee: \$675
MC Circulation Fee: \$359	UC Circulation Per Meter rate: \$0.15/meter
MC Per Meter rate: \$0.41/meter	

Staff are recommending the following new Street Segment Fees as applied to Road Cut permits and as set out in the proposed amendments to Schedule A to the Road Activity By-law No. 2003-445:

Internal Municipal Capital Project Street Segment Fee	\$51
Internal Street Segment Fee	\$224
External Street Segment Fee:	\$464

The updated Temporary Road Closure Fee is recommended to be \$1,748 and is set out in the proposed amendment to Schedule A of the Road Activity By-law.

RÉSUMÉ

Le présent rapport recommande l'application de nouveaux droits pour les demandes de consentement municipal et la diffusion des renseignements sur les services publics ainsi qu'une mise à jour des droits de délivrance de permis de terrassement et de fermeture temporaire de rues.

Les demandes de consentement municipal et la diffusion des renseignements sur les services publics aident à cerner et à atténuer les conflits avec les infrastructures existantes, à protéger les actifs de la Ville et des services publics et à faciliter le travail de coordination afin de minimiser les répercussions sur l'emprise. Par le biais du consentement municipal, la Ville accorde la permission à une société de services publics ou à un demandeur d'installer une infrastructure à l'intérieur d'une emprise. La diffusion des renseignements sur les services publics est effectuée pour obtenir la rétroaction d'autres groupes de la Ville et des propriétaires de services publics et d'infrastructures lorsque des travaux d'infrastructure municipaux sont proposés (p. ex., le prolongement d'une conduite principale) ou pour orienter l'approbation des travaux dans l'emprise par un autre groupe (p. ex., l'installation par un promoteur d'une rampe accessible à l'entrée d'un bâtiment).

Auparavant, la Ville n'exigeait pas de droits pour les demandes de consentement municipal et ne recouvrait pas les coûts de la diffusion de renseignements sur les services publics. Le recouvrement des coûts s'effectuait alors par le biais de paiements annuels en vertu des accords d'accès aux corridors de services municipaux.

En 2021, le Conseil municipal a approuvé de nouveaux droits pour les permis de terrassement par tronçon de rue qui sont entrés en vigueur le 1^{er} janvier 2022. Les permis de terrassement sont un outil essentiel utilisé par la Ville pour coordonner tous les travaux d'excavation effectués à l'intérieur de l'emprise et en faire le suivi. Ces permis sont coordonnés par la Direction des emprises en collaboration avec la Direction des inspections des emprises et l'Unité de la construction de la Gestion de la circulation. Conformément au *Règlement sur les travaux routiers*, toute personne

effectuant des travaux d'excavation à l'intérieur de l'emprise doit obtenir un permis de terrassement. Cela comprend les directions générales de la Ville ainsi que les personnes qui travaillent pour le compte de la Ville. Étant donné que ces droits sont en vigueur depuis 2022, le personnel recommande qu'ils soient évalués en fonction des volumes de permis de terrassement plus récents et en tenant compte de l'augmentation des ressources nécessaires pour les inspections et du coût global de la prestation du service.

Tout comme pour l'évaluation des droits pour les permis de terrassement, le personnel recommande que les droits pour la fermeture temporaire de rues (exigés lorsque les travaux en vertu d'un permis de terrassement exigent la fermeture d'une rue à la circulation automobile en raison de la construction) soient mis à jour en tenant compte des volumes de demandes de permis de fermeture temporaire de rues depuis 2022.

Grâce à la révision des droits pour les permis de terrassement et la fermeture temporaire de rues, le recouvrement des coûts correspond mieux au niveau relatif d'efforts nécessaires pour effectuer les travaux demandés par les clients externes, les secteurs d'activité internes et, plus particulièrement, les travaux internes dans le cadre du programme d'immobilisations de la Ville. Pour chacune de ces catégories, le niveau d'efforts requis par les groupes de construction du Bureau des permis relatifs aux emprises, de l'Unité des inspections des emprises et de l'Unité de la gestion de la circulation est correctement reflété.

Afin d'assurer la prestation continue des services aux niveaux ciblés pour les demandes de consentement municipal et la diffusion de renseignements sur les services publics, le personnel recommande également, dans le cadre du rapport, de convertir un ETP en un poste permanent dont les coûts seront recouverts au moyen des droits. L'Unité d'approbation des emprises, qui est responsable de ces demandes, n'a pas obtenu d'ajouts d'ETP depuis 2003, malgré une augmentation du volume des demandes de service d'environ 100 % par rapport aux niveaux de 2003. Cela améliorera également l'examen des demandes de réglementation du plan d'implantation et de lotissement afin de s'assurer que toute incidence sur l'emprise existante est cernée, gérée et traitée.

Droits proposés

Le personnel recommande l'établissement des nouveaux droits suivants pour les demandes de consentement municipal et la diffusion de renseignements sur les services publics :

Droits pour une demande de consentement municipal	Droits pour la diffusion de renseignements sur les services publics
Droits pour une demande de consentement municipal : 278 \$	Droits pour la diffusion de renseignements sur les services publics : 675 \$
Droits pour la diffusion de la demande de consentement municipal : 359 \$	Taux de diffusion de renseignements sur les services publics par mètre : 0,15 \$/mètre
Taux de diffusion de la demande de consentement municipal par mètre : 0,41 \$/mètre	

Le personnel recommande les nouveaux droits par tronçon de rue suivants, comme appliqués aux permis de terrassement et énoncés dans les modifications proposées à l'annexe A du *Règlement sur les travaux routiers* (n° 2003-445) :

Droits par tronçon de rue pour les projets d'immobilisations municipaux internes	51 \$
Droits internes par tronçon de rue	224 \$
Droits externes par tronçon de rue :	464 \$

On recommande d'établir les droits mis à jour pour la fermeture temporaire de rues à 1 748 \$. Ces droits sont indiqués dans la modification proposée à l'annexe A du *Règlement sur les travaux routiers*.

BACKGROUND

This report recommends new and updated fees for the review, coordination and inspection of work proposed within the City's right-of-way (ROW). The proposed fees ensure that the City is sufficiently recovering the cost of its service to allow for the necessary oversight of construction related activities within the ROW.

Municipal Consent and Utility Circulations

Municipal Consent (MC) is provided by the City for a utility or applicant to place its

infrastructure (or “plant”) within a specific location within the municipal ROW. MCs are only issued to utility companies, commissions, agencies, and other applicants who have the authority to construct, operate and maintain their plant within the ROW. Authority may be established through legislation, agreement, or prior approval. An MC gives permission to install or move facilities and may be required when a ROW needs to be excavated. All public utilities operating within the City including Hydro Ottawa, Hydro One, Enbridge as well as all telecommunication carriers such as Bell, Rogers and Telus are required to obtain MC before installation.

Public Utilities have a legislative or contractual right to install infrastructure. Other private entities such as developers may also require MCs to install shoring systems for foundation work or structural bracing within the ROW. The principal purposes of MC are to identify and mitigate conflicts with existing infrastructure, ensure conditions for infrastructure protection, and coordinate installation to minimize the impact on the ROW. Through an MC application, utilities and infrastructure owners may be circulated to coordinate and identify comments, conditions, and conflicts. Additionally, the application provides opportunity for coordination with City projects or other utility works.

Where the City is proposing capital or other works within the ROW, a Utility Circulation is undertaken for the same purposes. Additionally, a Utility Circulation may be facilitated to inform another approval, such as to provide conditions for a Commence Work Authorization to install services as part of a new development. In these instances, as the City is the proponent, or the work is done to inform another approval, no MC approval is provided.

Historically, the City has not charged a permit fee or fully recovered the costs associated with MC applications or Utility Circulations. In the context of MC, some costs have been recovered through annual fee payments by telecoms and utility providers as part of overarching long-term agreements known as Municipal Access Agreements. There has been no cost recovery in performing Utility Circulations. In accordance with the City’s 2019 User Fees and Charges Policy, the full cost of processing, administering and issuing MC applications and Utility Circulations must be recovered by the Department. This report recommends the introduction of fees to allow for the continued delivery of these services and to ensure compliance with the policy.

To achieve consistent administration of timelines associated with MC applications and Utility Circulations, and to provide capacity to facilitate the review of Site Plan Control applications to ensure any impacts on the existing ROW are identified, staff are proposing the addition of one (1) permanent full-time equivalent (FTE) ROW Approvals Officer position funded through the proposed fees. A temporary FTE was established in August of 2023 to assist with the anticipated influx of applications associated with the

rollout of Designated Broadband Projects under the Provincial Accelerated High Speed Internet Program.

With the establishment of fees for MC applications and Utility Circulations the City would no longer pursue annual payments as part of the negotiation or re-negotiation of Municipal Access Agreements with telecommunication carriers. Given this, an amendment to the current delegated authority for staff to negotiate and execute Municipal Access Agreements only in those instances where the annual payment does not exceed \$10,000 is proposed. With the fees payable by telecommunication carriers for MC applications set by Council, it is recommended that staff be delegated full authority to negotiate and execute all Municipal Access Agreements subject to the agreement containing appropriate liability and indemnification provisions.

Staff are also proposing a revision to the [Road Cut](#) permit and [Temporary Road Closure](#) permit fees. Road Cut and Temporary Road Closure permits are governed by the Road Activity By-law No. 2003-445, as amended. Under the Road Activity By-law, anyone (including City groups) needing to excavate the ROW must obtain a Road Cut Permit. The requirement for a Road Cut Permit ensures all work within the ROW is coordinated, tracked and any impacts on mobility mitigated. In the context of work by third parties, securities, indemnities, insurance as well as warranties are also obtained. When excavation activities within the ROW require the full closure of at least one direction of vehicular traffic, a Temporary Road Closure Permit is also required. Through this permit process, circulation to emergency services, transit and other City services is undertaken and the mobility impact of the closure is assessed relative to the overall transportation network.

For years the City faced chronic delays in the review and issuance of Road Cut Permits, largely due to insufficient resources. As a result, utility, development and Capital projects in turn faced delays. In 2021 Council approved a substantial overhaul to the fees applicable to Road Cut Permits and Temporary Road Closures, as well as additional FTEs to streamline and improve the processing of these permits. Since then processing times have now achieved targeted service levels, and new inspection resources have improved oversight in the field.

Staff are proposing revisions to the fees associated with Road Cuts and Temporary Road Closure permits to both align the fees relative to average annual volumes since 2021, and to properly apportion cost recovery between external applicants and internal groups.

DISCUSSION

Recommendation 1 - Establish fees for Municipal Consent Applications and Utility Circulations

As noted above Municipal Consent applications and Utility Circulations serve a critical role in identifying potential conflicts between proposed and existing infrastructure, ensure the protection and mitigation of impacts on existing infrastructure, and facilitate coordination between works to limit impacts on the ROW as well as mobility.

In determining the proper approach to establishing fees for MC and UC staff retained a consultant as part of a larger review of the City's Municipal Consent process. The consultant reviewed approaches taken in other comparable municipalities such as Vancouver and Edmonton, as well as relevant legislation and case law applicable to the establishment of fees, particularly as concerns public utilities.

Notably the Canadian Radio-Television and Telecommunications Commission (CRTC), the federal regulatory body which regulates the telecommunications industry, has mandated that in keeping with its principle of cost neutrality municipalities may recover from telecommunication carriers the prospective and incremental costs associated with the construction, operation and maintenance of telecommunications infrastructure within their jurisdictions. Collectively these costs are referred to as "causal costs". To ensure the City's calculation of new MC application fees was reflective of its causal costs, the consultant recommended a methodology for the establishment of costs based on a methodology employed by other municipalities and accepted by the CRTC. Coupled with this, in accordance with the City's User Fees and Charges Policy staff also ensured that the methodology reflected a full cost recovery model.

This methodology involved staff reviewing the time spent on completing the tasks associated with processing, reviewing, circulating and issuing MC approval and UC. For context, each MC Application and UC must be reviewed to ensure that the associated documents and drawings meet the City's submission requirements. This in turn ensures the information is sufficient for review and comment by staff and other agencies. Additionally, submissions are reviewed to ensure the proposed design does not present any readily evident issues such as new plant proposed directly over top of existing plant. Following this, MC Applications for smaller scale works may be granted MC approval without the need for circulation. For larger or more complex works (such as infrastructure proposed within the downtown core) as well as for a UC, staff assess the relevant infrastructure owners, internal stakeholders as well as others to be circulated for review and comment. During circulation, staff facilitate interactions between the applicant and existing infrastructure owners to resolve disputes, as well as administer

the responses and review proposed conditions before completing an approval.

To arrive at an individual MC Application and UC fee, time spent on the above tasks was translated to represent a proportion of staff annual operating costs. These costs were then divided by the annual average of MC Applications, as well as annual average number of MC Application circulations. Similarly, the annual attributable costs to UC was divided by the average number of UC. In both instances staff used statistical data between 2020 and June 2024 to inform the review.

The above exercise was used to establish the fixed costs, representing the level of effort and consistent cost for MC application review and circulation, as well as UC. Overall, this accounts for two thirds of the costs to be recovered. In accordance with the recommended methodology and to account for the greater level of effort and cost associated with larger or more complex applications, the remaining one third of the overall cost is proposed to be recovered based on a variable per meter rate. This per meter rate was established using average overall length of plant represented in MC Applications and UC between 2020 and June of 2024.

Based on the above staff are recommending the establishment of the following new fees for MC applications and Utility Circulations, which are also set out in Document 1:

Municipal Consent Application Fee	Utility Circulation Fee
MC Application Fee: \$278	Utility Circulation Fee: \$675
MC Circulation Fee: \$359	UC Circulation Per Meter rate: \$0.15/meter
MC Per Meter rate: \$0.41/meter	

It must also be noted that in accordance with the federal regulatory framework applicable to telecommunication carriers, where the City has existing Municipal Access Agreements with terms that speak to the annual payment of causal costs as set out therein, the City would not be able to apply MC Application fees until such time as a new Municipal Access Agreement were negotiated. Presently the City is negotiating new Municipal Access Agreements with all three major carriers, being Bell, Rogers and Telus.

Recommendation 2 - A New Municipal Consent Application and Utility Circulation By-law with provisions similar in effect to those set out in Document 2 of this report

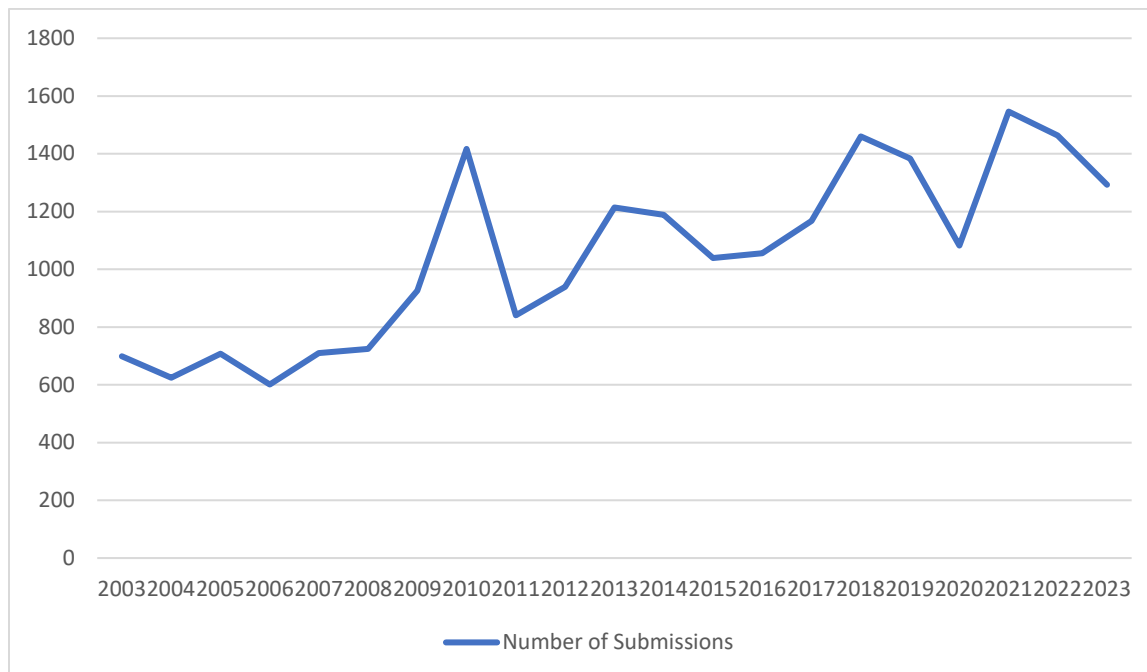
Staff are recommending enactment of a Municipal Consent Application and Utility Circulations By-law with provisions similar in effect to those set out in Document 2. This by-law would include the fees referenced above and outline the authority of the General Manager of the Planning, Development and Building Services Department to manage MC Applications as well as Utility Circulations.

The by-law provides the General Manager or their designate authority to approve Municipal Consents, establish submission requirements, determine the extent of work permitted under a single submission, as well as authority to revoke, alter or suspend an approval. Ultimately, this by-law would provide staff with the necessary authority to manage the intake, issuance and management of MC Applications and UC.

Recommendation 3 – Convert a temporary full-time equivalent Right of Way Approvals Officer position to a permanent full-time equivalent position to be funded through MC Application and UC fees.

Historically the review, administration and processing of MC Applications and Utility Circulations have been undertaken by a team of four Right of Way Approvals Officers. This complement has remained static notwithstanding an overall increase over time in the number of MC Applications and Utility Circulations as illustrated in Table 1:

Table 1 – MC Application and Utility Circulation Submissions



Submission increases over time have been due to a variety of factors including the proliferation of fiber to the home by major telecommunication carriers.

With the announcement of the Provincial Accelerated High Speed Internet Program (AHSIP) in 2021 and the subsequent award of contracts in 2022 to provide broadband connectivity to all Ontarians by 2025, a significant increase in work by telecommunication carriers in the rural areas of the city was set to occur. Under the Provincial *Building Broadband Faster Act*, municipalities faced potential penalties should there be delays in the approval of telecommunication works associated with the AHSIP program. To ensure staff could continue to process MC Applications and Utility Circulations along with work under AHSIP, in 2023 a temporary ROW Approvals Officer position was created.

In addition to the above, as part of the coordination of works within the ROW, staff review Site Plan Control and Plan of Subdivision applications to identify instances where proposed works within the ROW would benefit from a UC to mitigate conflict and impacts to existing infrastructure, as well as improve coordination opportunities.

To ensure staff continue to provide consistent timelines for MC Applications and UC, and to ensure no impact to Site Plan Control and Plan of Subdivision application processing timelines, staff are recommending that the temporary ROW Approvals Officer position be converted to a permanent FTE.

This new permanent FTE will be funded through the new MC Application and UC fees recommended in this report.

Recommendation 4 - Amend the Delegation of Authority By-law No. 2024-265 related to Municipal Access Agreements with telecommunication carriers as set out in Document 2

As described above, to date causal costs have been recovered from telecommunication carriers through annual payments as part of Municipal Access Agreements. Currently staff have been delegated authority to negotiate and enter into Municipal Access Agreements with telecommunication carriers where the annual payments do not exceed \$10,000. Any Municipal Access Agreement with a proposed annual payment greater than this, such as the renegotiation of a Municipal Access Agreement with Bell, Rogers or Telus would require Council approval.

With the establishment of MC Application fees described above, staff are recommending that in turn the Delegation of Authority By-law No. 2024-265 be amended as described in Document 2 to delegate to staff the authority to negotiate and enter into Municipal Access Agreements with any telecommunication carrier, subject to

the payment of fees as approved by Council as well as appropriate insurance and indemnification clauses. Beyond the conditions of delegated authority, staff would also take into consideration any relevant decisions of the CRTC.

With the financial recovery set by Council through the establishment of fees, the broadening of staff's delegated authority would provide for greater efficiencies in the negotiation or re-negotiation of Municipal Access Agreements. As with other exercises of delegated authority, to ensure transparency staff would be reporting out each year on the use of this authority.

Recommendation 5 - Revision of fees for Road Cut and Temporary Road Closure Permits

In 2021, City Council approved a new Street Segment Fee for Road Cut Permits ([ACS2021-PIE-RHU-0028](#)) that came into effect on January 1, 2022. Since this time with each Road Cut Permit application a Street Segment Fee is applied for every street segment on which work is occurring. A street segment represents the length of a street between the nearest two intersections. The Street Segment Fee was developed by dividing the annual operating cost of each of the Right of Way (ROW) Permit Office, ROW Inspections Unit, and Traffic Management, Construction Unit by the previous four-year average of street segments on which work occurred. This established a Street Segment Fee representative of the cost associated with processing, reviewing and inspecting for work along each street segment.

As noted previously, part of the rationale in requiring persons working within the City's ROW obtain a Road Cut Permit is to ensure a centralized framework for the coordination of work within and occupation of the ROW. This assists in mitigating impacts on mobility, ensures persons are not working in the same place at the same time, and aids in protecting the City's infrastructure. To this end, City groups, as well as persons working on behalf of the City are also subject to the Road Activity By-law, and the requirement to obtain a Road Cut Permit.

Fees collected through the Road Cut permit process also contribute towards the Right of Way Inspection program whose field inspectors ensure that reinstatement in the (ROW), whether it be asphalt, concrete, sod, or otherwise, is restored to City standards, that the reinstatement is inspected through the warranty period, and that securities taken to ensure quality work are administered appropriately. Since the program was reformed in 2021, with approximately 3,400 reinstatements to monitor, as well as an average 3,000 service requests related to the right of way to respond to on an annual basis, this team has been right sized from a staffing level to meet service standards and provide responsive client service.

Work by utilities, developers or third parties not otherwise performing work on behalf of the City requires time and effort by the aforementioned staff groups to administer, coordinate and inspect the work. In the context of work by or on behalf of the City, not all of these groups are similarly engaged. Given this, staff are recommending the current Street Segment Fee be split into three distinct fee categories reflective of the time and effort that must be cost recovered in each instance for the ROW Permit Office, ROW Inspections and Traffic Management Construction groups.

For Capital projects taking place within the ROW such as sewer or water replacements, or resurfacing work (i.e., work by the City’s Design and Construction Municipal Branch within Infrastructure Services) Traffic Management Construction is already engaged as part of the design process to provide traffic management requirements that form part of the tender package. Inspections work related to these projects is also being undertaken by Capital Inspectors. With this only the ROW Permit Office engages in the processing and issuance of Road Cut Permits for these projects. Additionally, the tasks required by ROW Permit Office staff to administer and issue these Road Cut Permits is reduced as there are no requirements to coordinate internally on traffic conditions, nor review and collect securities and insurance. As such only 50 per cent of the normal level of effort associated with administering and processing a Road Cut Permit is applicable.

For all other work done by or on behalf of the City, inspection work or any responses to Service Requests associated with the work would be handled by the initiating Department. Effort by the Traffic Management Construction group to evaluate and provide traffic management conditions would still be present, while work by the ROW Permit Office would be engaged at 75 per cent of the normal level of effort as there would be no requirement for securities or insurance administration. Any securities or indemnification protection would be addressed through the applicable standing offer or other City contract.

Using the above rationale as illustrative of the need for distinct Street Segment Fees based on the different level of effort by staff in the instance of external applicants, Capital projects within the ROW, and other internal works, the new Street Segment Fees proposed are based on the following:

New Street Segment Fee Type:	Percentage of Annual Staff Cost:
Internal Municipal Capital Project Street Segment Fee	ROW Inspections Unit: 0% Traffic Management Construction Unit: 0%

	ROW Permit Office: 50%
Internal Street Segment Fee	ROW Inspections Unit: 0% Traffic Management Construction Unit: 100% ROW Permit Office: 75%
Street Segment Fee (For all other works)	ROW Inspections Unit: 100% Traffic Management Construction Unit: 100% ROW Permit Office: 100%

In translating the above annual cost percentages into individual Street Segment Fees, the annual operating cost was then further divided by the average number of annual Street Segments on which work has occurred between 2022, 2023 and 2024 (between January and June). This ensures that the per Street Segment Fee is calculated using more recent Road Cut Permit and associated street segment volumes.

Based on the above staff are recommending the following new Street Segment Fees as set out in the proposed amendments to Schedule A to the Road Activity By-law No. 2003-445, as amended in Document 4:

Internal Municipal Capital Project Street Segment Fee	\$51
Internal Street Segment Fee	\$224
External Street Segment Fee:	\$464

Temporary Road Closure Fees are also recommended to be updated in accordance with the methodology used to establish the fee as set out in [ACS2021-PIE-RHU-0028](#). This update is recommended to reflect recent volumes relative to current annual operating costs for the ROW Permit Office and Traffic Services groups. Based on volumes between 2022 and June of 2024 the updated Temporary Road Closure Fee is recommended to be \$1748 and is set out in the proposed amendment to Schedule A of the Road Activity By-law set out in Document 4.

FINANCIAL IMPLICATIONS

The User fees detailed in this report were prepared in accordance with the City's User Fees and Charges Policy whereby Section 391 of the Municipal Act, 2001 provides municipalities with authority to establish and collect user fees and charges to recover costs associated with the delivery of services where users can be identified.

If approved, the changes outlined in the report will be reflected in the 2025 Draft Operating Budget. In the event that revenues are inconsistent with past trends and are not achieved, volumes will be reviewed annually, and fees adjusted through future budget process(es).

Municipal Consent Applications and Utility Circulations

To date Municipal Consent has been partially recovered through annual fee payments by telecoms and utility providers as part of overarching long-term agreements known as Municipal Access Agreements. The value of the remaining active Municipal Access Agreements is \$361,000.

The proposed Municipal Consent and Utility Circulation fees described within the report are set out in Document 1. The estimated incremental revenue for 2025 is \$230,000; including \$125,000 to fund the conversion of a temporary resource to a permanent position, \$35,000 to fund the associated corporate overhead costs and \$20,000 to fund the Land Management System (LMS) capital cost. The net operating impact is a \$50,000 reduction to fund existing resources that support the delivery of the service.

Update to the Road Cut and Temporary Road Closure Permit Fees

The Road Activity fees developed in 2021 were based on volumes in 2017-2020. The proposed revision to the Road Activity fees are more closely aligned to the level of effort to respond to work requested by external clients, internal service areas, and specifically internal work as part of the City's capital program, and are informed by permit volumes since 2021.

The proposed updated Road Cut Street Segment Fees and Temporary Road Closure Fee are set out in Document 4. There are no operating impacts of updating the fee structure and it reflects the current annual operating costs.

LEGAL IMPLICATIONS

There are no legal impediments to implementing the recommendations as outlined in

this report.

COMMENTS BY THE WARD COUNCILLOR(S)

Not applicable as this is a city-wide report.

CONSULTATION

Right of Way staff consulted with the National Capital Heavy Construction Association, public utilities via the City of Ottawa Utility Coordination Committee, and development industry members through the Planning and Engineering Liaison Committee.

City staff also consulted with municipalities across Ontario on best practices.

ACCESSIBILITY IMPACTS

There are no accessibility impacts to approving the recommendations of this report.

ASSET MANAGEMENT IMPLICATIONS

There are not asset management implications resulting from this report.

DELEGATION OF AUTHORITY IMPLICATIONS

As outlined in this report, staff are requesting delegated authority to manage the intake, review and issuance of Municipal Consent Applications and Utility Circulations. Along with the fee framework proposed, staff are also requesting delegated authority to negotiate and execute Municipal Access Agreements.

RISK MANAGEMENT IMPLICATIONS

There are risk implications. These risks have been identified and explained in the report and are being managed by the appropriate staff.

RURAL IMPLICATIONS

The recommended fees and fee amendments are of city-wide application, and therefore do have an impact on permit applications in the rural areas.

SUPPORTING DOCUMENTATION

Document 1 – Proposed Municipal Consent Application and Utility Circulation Fee Schedule

Document 2 – Proposed Municipal Consent Application and Utility Circulation By-law provisions

Document 3 – Amendment to the Delegation of Authority By-law No. 2024-265

Document 4 – Proposed Revisions to Road Cut Permit and Temporary Road Closure Fee Schedule

Document 5 – Amendment to Schedule A – Road Cut Fees and Securities of the Road Activity By-law No. 2003-445

DISPOSITION

Planning, Development and Building Services Department to prepare the necessary implementing and amending by-laws and forward to Legal Services.

Legal Services to place the by-laws on the Council agenda.

Document 1 - Proposed Municipal Consent Application and Utility Circulation Fee Schedule

Municipal Consent (MC) Application Fee	Utility Circulation Fee
MC Application Fee: \$278	Utility Circulation Fee: \$675
MC Circulation Fee: \$359	Utility Circulation Per Meter rate: \$0.15/meter
MC Per Meter rate: \$0.41/meter	

Document 2 - Proposed Municipal Consent Application and Utility Circulation By-law Provisions.

A by-law of the City of Ottawa to regulate Municipal Consent and Utility Circulation applications is proposed with provisions similar in effect to:

1. In this by-law:
 - “City” means the City of Ottawa.
 - “General Manager” means the General Manager of the Planning, Development and Building Services Department or designate.
 - “Municipal Consent” means approval from the General Manager for the location of infrastructure, structures or other features within a Highway owned by persons other than the City.
 - “Highway” means a common and public highway and includes any bridge, trestle, viaduct or other structure forming part of the highway, and except as otherwise provided, includes a portion of a highway and includes the area between the lateral property lines thereof”
 - “Utility Circulation” means the review and circulation of infrastructure, structures or other features within the highway owned or to be owned by the City for the purposes of coordination and conflict mitigation.
2. Except where otherwise permitted, no person may place or install infrastructure, structures or other features within a highway without first receiving either Municipal Consent approval or the results of a Utility Circulation.
3. When applying for a Municipal Consent or Utility Circulation the applicant shall,
 - (a) provide such information as the General Manager deems necessary to properly process the application.
 - (b) pay a non-refundable application fee as set out in Schedule “A” of this by-law.
4. Where in the opinion of the General Manager an applicant has not provided the required information for a Municipal Consent or Utility Circulation, the General Manager may deny the application or place it on hold until such time as the required information is provided.

5. The General Manager may determine whether infrastructure, structures or other features require Municipal Consent, Municipal Consent without a circulation, or Utility Circulation.
5. The General Manager may determine how much infrastructure, structures or other features may be applied for under an individual Municipal Consent or Utility Circulation application.
6. The General Manager may:
 - (a) issue a Municipal Consent with such conditions as the General Manager considers appropriate;
 - (b) establish a validity period for the Municipal Consent, after which period the Municipal Consent is void; and,
 - (c) notwithstanding (b), extend the validity period of a Municipal Consent.
7. Except where otherwise permitted by the General Manager, a Municipal Consent is not transferable.
8. No applicant shall knowingly furnish false or incorrect information for the purposes of obtaining Municipal Consent.
9. A person who has received Municipal Consent shall comply with and ensure that anyone doing work on their behalf complies with all conditions of the Municipal Consent and any other applicable by-law.
10. The General Manager may alter or revoke the terms and conditions of a Municipal Consent after it has been issued or impose new terms and conditions in a Municipal Consent.
11. The General Manager may suspend or revoke a Municipal Consent where there are reasonable grounds to believe:
 - (a) the Municipal Consent was issued in error;
 - (b) the Municipal Consent was issued on false, misleading, mistaken or incorrect information; or
 - (c) the person issued Municipal Consent, or anyone working on their behalf, has failed to comply with a condition of the Municipal Consent, or with this or any other applicable by-law.
12. The General Manager may determine who may and may not apply for a Municipal Consent under this By-law.

13. This by-law includes Schedule "A" annexed hereto and the Schedule is hereby declared to form part of this by-law.

Schedule "A"

Municipal Consent Application Fee	Utility Circulation Fee
MC Application Fee: \$278	Utility Circulation Fee: \$675
MC Circulation Fee: \$359	Utility Circulation Per Meter rate: \$0.15/meter
MC Per Meter rate: \$0.41/meter	

Document 3 - Amendment to the Delegation of Authority By-law No. 2024-265

A by-law of the City of Ottawa to amend the by-law respecting the delegation of authority to various officers of the City and to repeal By-law No. 2023-67 as amended.

1. That Council amend subsection 51(1) of Schedule “I” of the Delegation of Authority By-law be replaced with the following:

“(1) The General Manager, Planning, Development and Building Services, is delegated the authority to negotiate, amend, extend, execute and renew Municipal Access Agreements for the construction, maintenance and operation of transmission lines installed in City rights-of-way pursuant to the Telecommunications Act (S.C. 1993, c.38) provided that the agreements contain insurance and indemnity provisions satisfactory to the City Solicitor.”

Document 4 - Proposed Revisions to Road Cut Permit and Temporary Road Closure Fees

Internal Municipal Capital Project Street Segment Fee	\$51
Internal Street Segment Fee	\$224
External Street Segment Fee:	\$464

Document 5 - Proposed Amendments to Schedule A of the Road Activity By-law No. 2003-445:

A by-law of the City of Ottawa to amend a by-law of the City of Ottawa to regulate road activity on City highways.

The Council of the City of Ottawa enacts as follows:

1. That Schedule A of the by-law of the City of Ottawa to regulate road activity on City highways be amended as follows:

(a) by replacing section 1 with the following:

“(a) External Street Segment Fee: \$464

(b) Internal Street Segment Fee: \$224

(c) Internal Municipal Capital Project Street Segment Fee: \$51”

(b) by replacing section 7 with “Temporary Road Closure Application Fee: \$1748.00”