

STAFF REPORT

THE CORPORATION OF THE TOWN OF COBOURG



Report to:	Mayor and Council Members	Priority:	<input type="checkbox"/> High <input checked="" type="checkbox"/> Low
Submitted by:	Laurie Wills Director, Public Works	Meeting Type: Open Session <input checked="" type="checkbox"/> Closed Session <input type="checkbox"/>	
Meeting Date:	June 21, 2021		
Report No.:	Public Works-048-21		
Submit comments to Council			

Subject/Title: **Creation of a Roads Capital Reserve Fund**

RECOMMENDATION:

THAT Council direct Staff to establish a new roads capital reserve account; and,
FURTHER THAT Council commit the reserve funds only to road capital works projects.

1. STRATEGIC PLAN

N/A

2. PUBLIC ENGAGEMENT

N/A

3. PURPOSE

To establish a new capital reserve fund for road assets.

4. ORIGIN AND LEGISLATION

Reserve Fund Policy FIN-ADM2
By-law 035-2012 to control the dumping of fill and the removal of fill (Site
Alteration Permit)
Asset Management

5. BACKGROUND

By-law 035-2012 is a by-law to control the dumping of fill and the removal of fill from a private site or otherwise known as a Site Alteration Permit. The By-law includes a permit fee of \$500, which includes a \$200 application fee, plus \$1 for each 1 m³ of cut or fill material leaving or coming to the site. In past practice, the Town has not required a site alteration permit for large developments as most of the requirements of the site alteration permit were typically covered within the terms of the subdivision agreement.

Recent changes to the Rules for Soil Management and Excess Soil Quality Standards as of January 2021 under the Environmental Protection Act, have brought increasing environmental awareness of the quantity and quality of soil being moved from one site to another and the documentation of such. The requirements of the permit are far more detailed and should be applied consistently for all developments in a separate document from the development agreement or pre-servicing agreement.

6. ANALYSIS

The permit fee is included in the By-law as a way for the Town to recover costs associated with the wear and tear of public highways due to the heavy truck traffic required to haul material to/from a development site. This heavy traffic during construction is also why the Town's standard is to leave a development site with only a 'sacrificial' course of asphalt in a subdivision while the majority of homes are under construction. Once a certain number of homes are built, the sacrificial course is pulverized or removed and the final courses of asphalt are permitted to be applied as there will be less truck traffic after that point in time and the roads will be in good condition upon assumption.

A permit fee for a site alteration permit is very common practice and in fact, the fee of \$1/m³ may even be considered to be low in comparison to other municipalities. Staff intend to include this fee in the upcoming user fee review study.

As it is known across the Province, municipalities continue to have inadequate funding to keep up with infrastructure renewal and replacement needs. The collection of a permit fee and maintaining a reserve fund for roads is in keeping with good asset management planning. Currently there is no other source of funding for road assets other than the tax levy or intermittent government funding opportunities.

7. FINANCIAL IMPLICATIONS/BUDGET IMPACTS

All fees collected from approved Site Alteration Permits shall be transferred to the Road Capital Reserve Fund and shall be allocated only to fund road related capital projects such as the bi-annual road resurfacing program or road reconstruction projects.

Budgeting for the anticipated fees on an annual basis will be dependent upon the development applications that are current during budget preparation time and where a cut/fill volume per site has been determined and disclosed to the Town.

8. CONCLUSION

THAT Council direct Staff to establish a new roads capital reserve account; and,
FURTHER THAT Council commit the reserve funds only to road capital works projects.

Report Approval Details

Document Title:	Road Maintenance Reserve Account - Public Works-048-21.docx
Attachments:	
Final Approval Date:	Jun 10, 2021

This report and all of its attachments were approved and signed as outlined below:

No Signature found

Ian Davey, Treasurer / Director of Corporate Services - Jun 10, 2021 - 8:08 AM

Tracey Vaughan, Chief Administrative Officer - Jun 10, 2021 - 5:31 PM