



## REPORT FOR ACTION

### Improving Accountability in the Utility Cut Process

**Date:** April 24th, 2018

**To:** Public Works and Infrastructure Committee

**From:** General Manager, Transportation Services

**Wards:** All

#### SUMMARY

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The City of Toronto is currently experiencing an unprecedented period of growth --with the GTA expected to grow from 6.7 million in 2016 to 9.6 million on 2041. In order to keep pace with this growth, upgrades to below-ground utilities are frequently required, impacting the surface of the Toronto's 5,600 kilometres of roads.

Typically, utility companies conduct work and then make temporary pavement repairs so that the area is passable until a permanent restoration can be completed. Although the utility companies fund all permanent restorations, the paving work is conducted by Transportation Services staff or their contractors with a goal of having the permanent restoration completed within two (2) years after the utility cut permit has been issued. Due to the long lead time between when the temporary and permanent pavement repairs occur, utility cuts have long been a concern to communities who want final restoration to the pavement, curbs, sidewalks, and sod in their neighborhoods as quickly as possible.

Transportation Services has revised the process for completing utility cut repairs in order to provide a higher quality of service to communities and a more straightforward final restoration process for the utilities. This report provides an overview of these recent process changes by City staff, defines a plan to eliminate the backlog of utility cut repairs that have developed, and improves the accountability of utility companies to complete their permanent restorations quickly and to a high quality standard.

In particular, this report provides an overview of the:

- historic utility cut process;
- challenges encountered with the current process; and
- the process improvements developed in response, including:
  - allowing utility companies to carry out permanent repairs;
  - improvements to the manner in which residents are notified of pending work;
  - initiation of a consultant assignment in Q1 2018 to address the repair backlog;
  - modifications to the inspection process;
  - the development of Universal Equipment Placement Guidelines; and
  - implementation of a short-stream utility fee and maintenance fees for pavers.

The combination of these process changes will improve the condition of Toronto's roads, ensure proper notification to residents impacted by work, provide greater clarity to industry, and enhance staff's ability to manage the utility cut process.

## **RECOMMENDATIONS**

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The General Manager, Transportation Services recommends that:

1. City Council approve the incorporation of the Universal Equipment Placement Guidelines, set out in Attachment 1 to this report, into the Municipal Consent Requirements adhered to by all Utility companies.

## **FINANCIAL IMPACT**

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There are no financial implications contained in this report.

The Acting Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

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At its meeting of November 3, 4 and 5, 2015, City Council referred the motion "Holding Utility Companies to a Higher Standard of Repair" to Public Works and Infrastructure Committee.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EY9.25>

Subsequently, Public Works and Infrastructure Committee at its meeting of January 21, 2016, referred the item to the General Manager of Transportation Services for consideration.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.PW10.4>

Public Works and Infrastructure Committee at its meeting November 12, 2015 requested the General Manager, Transportation Services to report on establishing standards and a consultation protocol regarding the installation of above ground utility infrastructure on right-of way lands abutting private residences.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.PW9.18>

Public Works and Infrastructure Committee at its meeting November 12, 2015 requested the General Manager, Transportation Services in consultation with the General Manager, Economic Development and Culture to report on a system for permanent restoration of cut repairs for areas with enhanced sidewalk pavement treatments.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.PW9.20>

City Council on December 13, 14 and 15, 2016, adopted to implement a fee for the use of pavers on public right-of-way. As part of the approval, staff were directed to meet with

the Toronto Association of Business Improvement Areas and its members, as well as work with the concrete paver industry on potential improvements to specifications.  
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.PW17.7>

At its meeting of October 18, 2017, Public Works and Infrastructure Committee considered item PW24.4 "Improving Accountability in the Utility Cut Process" and requested the General Manager, Transportation Services consult with ABC residents Association and the Federation of North Toronto Residents' Associations (FoNTRA) and report directly to City Council with this feedback. This item was then deferred from the November 7, 8, and 9, 2017, meeting of Council to the December 5th, 6th, 7th and 8th, 2017 meeting, where it was referred to the General Manager, Transportation Services for further consideration.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.PW24.4>

## COMMENTS

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### Existing Utility Cut Repair Process

A "utility cut" occurs when it becomes necessary to excavate a small section of roadway in order to provide a keyhole opening allowing access to underground utilities, such as watermains, power lines, and telecommunications infrastructure. Reasons for needing to access these utilities vary widely, from emergency repairs in the event of a watermain break to planned upgrades to existing infrastructure. In all cases, when the work required is completed, the section of road is repaired with a temporary asphalt patch.

These cuts can be disruptive on a number of fronts, including pedestrian and traffic impacts arising from lane closures, noise and dust from the construction itself, and the lasting negative impacts on the condition of the roadway where patching is not completed to an adequate standard.

Overseeing the permitting of these cuts, as well as the resultant repairs, is referred to as the Utility Cut Process, and is administered jointly between Transportation Services (permitting, inspection, and temporary and some permanent repairs) and Engineering and Construction Services (most permanent repairs).

### *Permitting*

There currently four streams of permits that can be issued in regards to utility cuts:

- **Emergency Permits** - danger to the public, a loss of an essential service, and/or damage to infrastructure or other utility plant;
- **Site Servicing Permits** - for maintenance work and other routine activities;
- **Short-stream Permits** - exploratory work, reconstruction or replacement of infrastructure in the same location, or construction of service drops; and
- **Full Stream Permits**- generally construction of new infrastructure.

Each of these streams involve different submission and review requirements, proportional to the level of work that they generally represent. Permits are issued for a period of six months. This allows the utility to schedule their work, obtain stakeouts of other utilities and clearance from the work zone coordinators to occupy the street allowance.

### *Repairs*

The City currently allows the utilities to complete temporary repairs only. All permanent repairs are completed by the City and billed to the utility once completed. Where possible, these permanent repairs are bundled together with capital works programs and other major projects taking place across the city to decrease the amount of disruption to the general public.

### *Toronto Public Utilities Coordinating Committee*

Transportation Services leads a committee called the Toronto Public Utilities Coordinating Committee (TPUCC) which meets regularly to discuss items such as capital programs, permits, restoration, standards, specifications, and process improvements. This group consists of internal City Divisions as well as all utility companies with infrastructure in Toronto.

As a matter of routine, this committee looks at ways to improve systematic and consistent problems with the existing processes. The issues and process changes identified in this report have been developed in consultation with this group.

### **Current Challenges**

Through the TPUCC, responding to concerns from residents and Councillors, direction from Council, and internal process evaluation, Transportation Services continually strives to identify issues and improvements to the Utility cut program. Particular challenges with the current process that have been identified include:

- Effectively coordinating permanent repairs is challenging given the magnitude of utility work, capital projects, special events, and private development within the construction season. As a consequence, a significant backlog of pending repairs has developed;
- The current system of utilities providing a temporary repair that is permanently repaired later by the City creates disruption to the general public twice;
- Given the volume of permits issued, it is difficult to effectively prioritize the inspection of cuts;
- Concerns have been raised by residents and Councillors with respect to limited or improper notice of work taking place in their community;
- Additional clarity is required regarding the rationale and guidance for placement of utility facilities within the public right of way; and

- In some cases, such as short-stream applications and in regards to pavers, the permit fees historically charged have not been reflective of the City's costs to administer the program.

### **Process Improvements**

In order to address these challenges, and in response to concerns from the public and Council, Transportation Services has coordinated with partner divisions and industry (via the TPUCC) to develop a number of improvements to the Utility Cut process.

- **Permitting Permanent Restorations** - Transportation Services has conducted a successful pilot project for permanent repairs with Toronto Hydro for roadside work. Transportation Services is extending this program to all utility companies through a policy change effective January 1st, 2018. It will encompass constructing to the City's specifications and standards for working within our streets and providing a warranty period of two years after the work is undertaken.

These improvements will allow for immediate reinstatement of the appropriate pavement treatments once work is completed by the utility, and eliminate the second disruption that currently exists to residents when the City conducts permanent repairs.

- **Notification Improvements** - Over the last two years there has been a significant increase in concerns by residents and Councillors with respect to no notice, or improper notice of work taking place in their community. Transportation Services endeavours to provide oversight over these types of issues and determined some improvements to the notification process.

These specific improvements were addressed at the TPUCC requesting the utilities to improve their design notifications which are delivered to residents prior to permits being issued, and a construction notice be provided to the Ward Councillor where work is taking place.

Mandatory information on design notices going forward as discussed with TPUCC is as follows:

- a picture or diagram with dimensions of the proposed installation;
  - reason for the installation;
  - a contact person, phone number to speak directly to regarding this installation; and
  - a file number to quote when calling the utility company.
- **Consultant Assignment to Identify and Address Repair Backlog** - A significant backlog of approximately 30,000 temporary repairs on city roads has accrued between 2008 and 2014. To this end, Transportation Services has released a Request for Proposal to determine specific quantities of this backlog, and establish a program to undertake these repairs within three years. The successful bidder will survey the city, verify the outstanding repair inventory, and develop a corresponding GIS map. The inventory will then be reviewed with utility companies so that they have ample time to budget and plan to pay for the permanent restorations. Utility

companies will be pre-billed for these repairs, which will then be carried out by the City.

Addressing the utility cut backlog, and permitting utility companies to complete permanent repairs will significantly improve the condition of our road network, reduce construction congestion experienced by the general public, and focus inspection staff's efforts where they are truly needed.

- **Inspection Process** - All planned capital work and full stream applications are inspected by Engineering & Construction Services on behalf of Transportation Services. All short stream applications are currently inspected by Transportation Services after the utility notifies the division that work is complete, or the permit expires. Typically, the City does not receive notification when work is complete, so inspections are currently undertaken when the permit expires.

Given the volume of permits issued, and that the majority are short stream permits, it can be difficult to determine which permits to inspect first. Instead of the current protocol to inspect work after completion, it would be more appropriate to focus efforts on the work being completed correctly during construction to limit potential issues before they happen. In this vein, Transportation Services is working towards an initial inspection at the time the work is completed to ensure City standards have been met, or identify deficiencies to be corrected immediately.

- **Placement of Utility Equipment** - A concern regularly heard from Councillors and the general public is what the rationale is for placement of utility facilities within the public right of way. Although all utilities abide by the Municipal Consent Requirements, these requirements are higher level requirements aimed at applications, work restrictions and repairs. The requirements do not incorporate specific placement principles for staff or utilities applying for permits with the City. Transportation Services considers specific placement principles an improvement that staff, utilities and residents can reference when requests are made for placement of new infrastructure. Transportation Services works to minimize the impact of these facilities on the public realm as a whole.

To this end, Attachment 1 is the Universal Equipment Placement Guidelines which are intended to be best placement practices for all utilities, and reflect the additional consultation that has taken place through Q4 2017 with stakeholder groups such as the ABC Residents Association, Federation of North Toronto Resident's Associations (FoNTRA), Toronto Association of Business Improvement Areas (TABIA), and the Bloor Yorkville BIA.

The availability of the Universal Equipment Placement Guidelines is expected to reduce the number of revisions to applications when submitted to the City and place higher scrutiny on the applications submitted to ensure they meet City standards. Should a deviation be required from these principles, rationale already included in the Municipal Consent Requirements will be requested by the utility company prior to receiving approval.

The Municipal Consent Requirements is the governing document with the Universal Equipment Placement Guidelines appended to provide further placement details, along with the understanding that utility companies have a Right of Access to Toronto's streets because they are governed by the Provincial and Federal governments.

- **Maintenance Fees for Pavers on City Streets** - In 2016, a new maintenance fee was approved for third party installations of unit pavers within the public right of way. This upfront, one-time-only fee provides Transportation Services with the funding required to maintain safe and accessible streets and sidewalks when pavers are installed by third parties.

As part of the approval, staff were directed to meet with the Toronto Association of Business Improvement Areas and its members, as well as work with the concrete paver industry on potential improvements to specifications.

Since adoption, City staff have worked closely with other divisions such as Economic Development, partners, and agencies on implementation. Specifically, City staff have continued to engage with the Toronto Association of Business Improvement Areas with consultation and information sharing, and the Concrete Paver Industry to refine our specifications to industry best practice.

- **Short Stream Permit Fees** - Inspection and permit fees had historically not been collected for "short stream" permit applications, despite a fee being charged for the review of "full stream" applications. Staff therefore included in the approved 2017 Operating Budget the introduction of an application fee, in accordance with the City's User Fee Policy, to recover the cost of reviewing and processing these permit applications.

Collectively, these changes to the Utility Cut process will result in a higher quality of service to communities and a more straightforward permanent restoration process for the utility companies. Transportation Services remains committed to working with the TPUCC and other stakeholders to continue identifying and implementing further improvements.

## **CONTACT**

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## **SIGNATURE**

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Barbara Gray  
General Manager, Transportation Services

## **ATTACHMENTS**

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Attachment 1: Universal Equipment Placement Guidelines