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**DATE:** June 27, 2006

**CITY OF MISSISSAUGA  
CITY MANAGER/CAO OFFICE**

**TO:** Mayor and Members of Council  
Meeting Date: July 5, 2006

**FROM:** Janice M. Baker, CA  
City Manager and Chief Administrative Officer

**SUBJECT:** **Modernizing Roads Service Delivery and Cost Allocation Methods  
in the Region of Peel**

- RECOMMENDATION:**
1. That the Cities of Mississauga and Brampton and the Town of Caledon each have jurisdiction and financial responsibility over all roads within their boundaries, excluding those under provincial jurisdiction and those rural arterial roads in Caledon deemed truly regional following a rationalization review.
  2. That a copy of the report entitled "Modernizing Roads Service Delivery and Cost Allocation Methods in the Region of Peel" dated June 27, 2006 from the City Manager and Chief Administrative Officer be forwarded for implementation to the Region of Peel and for information to the City of Brampton and the Town of Caledon.
  3. That an appropriate transition plan be prepared by Region of Peel and area municipal staff by September 14, 2006 to effect the transfer of Regional roads to local municipalities, including the realignment of tax room, reserve funding and resources including staffing.

**BACKGROUND:** The City of Mississauga has been working towards better governance and service provision in the Region of Peel for a number of years. In 2004, the provincial government commissioned Justice George

Adams, Q.C. to facilitate a review of the Region of Peel; his findings were tabled December, 2004. Leading out of this review, Bill 186 became law on June 13, 2005 which changed the governance structure of Peel Region, providing two additional Councillors for Mississauga and one Councillor for Brampton. Regarding service delivery, Justice Adams also made specific recommendations on future reviews that should be undertaken regarding regional roads, land use planning, and cost allocation. The provincial government fully endorsed these recommendations.

The relevant recommendations from Justice Adams' report regarding regional roads are as follows:

1. *The three mayors will cause and manage reviews of:  
(1) planning, construction, operation and maintenance of existing regional roads and (2) development approvals and land use planning processes.*
2. *The reviews will be aimed at real change and guided by the acceptance of the following principles:*
  - *greater administrative streamlining (savings) and other efficiencies are possible and desirable;*
  - *more area municipal operational control is possible and desirable;*
  - *service levels should be maintained or improved;*
  - *such change can be tailored to the municipalities in an equitable manner in order to accommodate, for example, the unique situation of Caledon and will be phased in.*
3. *These reviews will commence within 90 days; be completed by June 2005; and be considered during September 2005 for approval in October 2005. This timing is to insure implementation by the 2006 budget.*
4. *A Standing Review Committee should be established at the Regional level to review concerns over the cost, funding and/or the quality of particular regional services. This committee will be established within ninety days.*

*The Standing Review Committee will have assigned to it senior officials committed to problem-solving and real change, not simply debate.*

At the Regional Council meeting of November 17, 2005, the Commissioner of Public Works for the Region of Peel was requested by Councillor Saito to review the criteria for designating a road as upper tier and to undertake a review to rationalize the arterial road network, working in conjunction with area municipal staff to report back to Regional Council at a future time.

In response to the above-mentioned request from Councillor Saito, Regional staff initiated discussions with area municipal staff, including staff from the City's Transportation and Works Department. To date, the staff discussions have been primarily focused on the issue of how to define an arterial road. No agreement has been reached yet on this issue. Staff have not addressed the issue of Regional jurisdiction over roadways.

At the Mississauga City Council meeting on June 21, 2006, this matter was raised and City staff were directed to report back with a position on Regional jurisdiction over roadways at the July 5, 2006 Council meeting.

**COMMENTS:**

There are currently three jurisdictions that maintain public roadways within the municipal boundaries of Mississauga: the Ontario Ministry of Transportation (MTO), the City of Mississauga and the Region of Peel.

The City of Mississauga currently has approximately 1,850 centre line kilometres (1,150 miles) under its jurisdiction. This includes all the sidewalks, street lighting, traffic lights, etc., associated with these roadways. Of these, over 345 centre line kilometres (214 miles) are classified as major roadways. Within the City of Mississauga, the Region of Peel has jurisdiction over 92 centre line kilometres (57 miles) of major roadways. At the present time, the City of Mississauga maintains over 20 centre line kilometres (12 miles) on the Region's behalf on a "charge back" basis.

Pertinent facts regarding roads are listed below:

- The City has jurisdiction over and maintains all sidewalks and street lights on regional roads.
- All of the signalized intersections are controlled centrally through a computerized traffic control system owned,

maintained and operated by the City and charged back to the Region of Peel (and others). All maintenance of the individual signals is contracted out through a joint tender among the City, the Region and the City of Brampton.

- The City undertakes all of the short, medium and long term planning for all roads under its jurisdiction. This includes commenting on development applications, undertaking road studies and environmental assessments, operation of a sophisticated transportation planning model and developing the ten-year capital maintenance and new construction programs and budget. The Region duplicates all of these functions for the roads under its jurisdiction.
- The City is already set up with an integrated road maintenance and pavement management system and no additional upgrades would be required for the planning of all road related capital improvements and maintenance activities.
- The City owns and operates four strategically placed Works yards, with the fifth in the planning phase. Conversely, the Region has no roads maintenance Works yards within Mississauga's borders.
- The City of Mississauga would be able to provide a better coordination of services. There would be less administration, as it is anticipated that no additional administrative staff would be required to take on the small percentage of roadway that would be transferred over.
- The Region already recognizes that the City can and does provide cost-effective services, as the Region contracts to the City the maintenance of over 20% of the regional roads within the City today. Given that the Region has negotiated an extension of their winter maintenance contract to the end of the 2006/07 winter season; this would be the appropriate time to affect any road transfers.
- All bus stops on regional roads are placed, operated and maintained by the City. The City of Mississauga provides a "shadow" road patrol of regional roads and reports any problems with the regional road system to the Region of Peel for their action.

- By maintaining all roads within its boundaries, improved customer service and greater efficiencies can be achieved. This is documented in the “Financial Report to the City of Mississauga on the Transition to a Single Tier” (Day & Day), which identified roads as being the single largest service inequity.
- The City of Mississauga has hundreds of intersections where regional roads meet city roads. In the planning, construction and annual maintenance of these intersections, both for the surface conditions and the underground utility placements, staff from both levels of government are required to be involved and/or take actions to complete the work. Related to operational activities, additional staff coordination is often required to ensure that required activities are completed properly (e.g. the timing of sidewalk ploughing in relation to road ploughing and the revision of signal timing to ensure proper coordination with an adjacent traffic signal of the other’s jurisdiction). This also extends to contractors who must receive permits from both levels of government for work which crosses both City and Regional roads, as well as development review for traffic matters where Regional and local roads are involved. These activities often represent duplication of effort and resources, and would not be required if the City were the single point of contact.

The City already operates the majority of major roads within the City boundaries and has the technical and administrative knowledge and resources required to seamlessly operate and maintain the regional roads within its boundaries. The public does not understand the fragmented roads jurisdiction, and the City is generally the first point of contact with the public. By bringing the jurisdiction under one entity, the City would offer a more efficient level of customer service and a clearer picture of who is responsible for the road system within its borders.

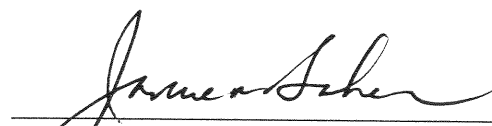
Given the predominantly rural nature of the Town of Caledon, it would be reasonable, following a rationalization review of the road network in Caledon, to support rural arterial roads in Caledon that are truly regional in nature, remaining at the regional level.

To facilitate the change in road jurisdiction, a detailed transition plan should be prepared by Regional and local municipal staff by September 14, 2006. This plan should include consideration for the transfer of tax room from the upper to the lower tiers, reserve fund transfers, and other resource implications including staffing.

- FINANCIAL IMPACT:** As part of the realignment of responsibilities for regional roads, the following financial matters must also be dealt with:
- realignment and restatement of property tax room related to the levying of operating and capital costs for roads between the Region and the City
  - the equitable sharing of Regional reserve funds for roads based on historical tax levy shares
  - examine the option of a special tax levy imposed by the Region of Peel for Caledon residents to ensure that neither Brampton nor Mississauga are double charged for roads by having to pay for 100% of all municipal roads within their boundaries as well as a share of rural arterial roads in Caledon deemed truly regional, following a rationalization review.

The additional cost of the road network to the City of Mississauga will be offset by savings in the budget for the Region of Peel. In addition, Mississauga's subsidy of the Regional Road system in Brampton and Caledon will be reduced.

**CONCLUSION:** The current method of roads service delivery and cost allocation in the Region of Peel is outdated and requires modernization to ensure clear accountability and appropriate funding. To achieve this, the Cities of Mississauga and Brampton and the Town of Caledon should have jurisdiction and financial responsibility over all roads within their boundaries, excluding those under provincial jurisdiction and those rural arterial roads in Caledon deemed truly regional following a rationalization review.



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Janice M. Baker, CA  
City Manager and Chief Administrative Officer