

2021 Alley Maintenance Special Tax Levies

BACKGROUND

The City of Regina's (City) Alley Maintenance Program is intended to provide a sustainable alley system that is passable, safe, affordable, efficient, equitable and environmentally responsible.

There are approximately 459 kilometres of alleys consisting of 271 kilometres of paved alleys and 188 kilometres of gravel alleys in Regina. The alley tax is designed to cover annual maintenance activities such as tree pruning, sweeping, snow removal, regrading of gravel alleys and pothole patching on asphalt alleys, in addition to the capital renewal of these assets.

In a typical season, the Roadways Capital Operations Branch accomplishes the following tasks:

Paved Alleys:

- full depth reconstruction of approximately 5.7 kilometres each year, to accomplish a 30-year cycle of the program
- one sweep of alleys, typically after the completion of the spring sweep
- repairing potholes, depressions and failures
- snow plowing, as outlined in the Winter Maintenance Policy.
- pruning of trees located within the alley and any trees hanging into the alley, to ensure there are no obstructions that may cause safety or operational concerns for City operational needs

Gravel Alleys:

- maintenance of alleys four to five times per summer which includes blading performed by a maintenance grader to ensure even surfaces, proper drainage, as well as adding additional gravel, as required
- refreshing of 13.4 kilometres each year which includes excavating and repairing soft spots, correcting minor drainage concerns, removing contaminated material and replacing with new granular material
- cleaning of catch basin sumps, as required
- snow plowing as outlined in the Winter Maintenance Policy
- pruning of trees located within the alley and any trees hanging into the alley, to ensure there are no obstructions that may cause safety or operational concerns for City operational needs

The City's Alley Maintenance Program is governed by *The Cities Act*, Sections 275-278, which provides the authority to levy a special tax on properties for specific services. Property owners adjacent to paved or gravel alleys are required to pay the special tax,

with revenues collected providing 100 per cent of the operating and maintenance funds dedicated to the Alley Maintenance Program.

Appendix E-2 provides a summary of the Alley Maintenance Program, as well as progress from the 2019 program, a status update for the 2020 program and details on the proposed 2021 program.

IMPACTS

Accessibility Implications

None with respect to this report.

Financial Implications

The Alley Maintenance Program is fully funded by revenues obtained through the special alley tax levy from property owners adjacent to alleys.

Due to material, fleet, and fuel costs, and efficiencies in the operations there will be a reduction of 2 per cent to the fees in 2021. The deferred revenue will be used to offset any additional work the City is able to complete on the program, as well as covering work that will be required by contractors in 2021 to complete paved alley reconstructions; this will draw down funding from the deferred revenue.

Appendix E-1 provides a summary of the Deferred Revenue-Historical Data.

Environmental Implications

Well maintained alleys reduce the wear and tear on vehicles and equipment, as well as fuel usage that leads to greenhouse gases.

Policy and/or Strategic Implications

The Alley Maintenance Strategy, approved by City Council in 1996, was intended to maintain the alley inventory in an acceptable, sustainable condition. Funding to fully implement that strategy was phased in over a 10-year period. Full funding for the strategy was achieved in 2006 and has continued. The primary focus of the strategy is the provision of a 30-year reconstruction cycle in paved alleys and a 10-year systematic gravel refreshment cycle in gravel alleys. This strategy ensures the City provides a safe and reliable alley network that follows the vision of the *Design Regina: The Official Community Plan* (OCP) as follows:

- *Section B Financial Policies, Goal 1 - Financial Principles, 1.1.2 "Where the benefits of a program or service are directly attributable to specific beneficiaries, the costs are to be paid through user fees or other similar charges."*
- *Section B, Financial Policies, Goal 2 - Sustainable Services and Amenities, 1.3.2, "Provide affordable and cost-effective services and amenities in accordance with available financial resources and capabilities."*

- *Section B, Financial Policies, Goal 4 - Revenue Sources, 1.14.1, “Secure sustainable sources of municipal funding for both capital and operating needs of the City.”*
- *Section D4 Infrastructure, Goal 1 - Safe and Efficient Infrastructure, 6.2, “Ensure new and reconstructed infrastructure follows industry best practices and overall City standards for design and construction.”*

OTHER OPTIONS

Administration considered maintaining the alley tax levy at no change however that would increase the amount of funding in the deferred revenue.

COMMUNICATIONS

Public notice of the special tax levy will be carried out in accordance with the requirements contained in *The Cities Act*. Administration also provides information to various parties, including affected property owners upon request. In addition, construction notices, where the scope of construction is significant, are hand delivered to affected property owners prior to the commencement of work.

DISCUSSION

Proposed 2021 Paved & Gravel Alley Budgets

The proposed 2021 special tax levy for paved and gravel alleys are summarized in Tables 1 and 2:

Table 1: Existing and Proposed Paved Alley Special Tax Levy

Paved Alley Levy	2020 Levy	Proposed 2021 Levy
Assessable Footage*	837,859	891,359
Levy Rate	\$3.98 per foot	\$3.90 per foot
Levy Amount per 50 foot lot	\$199.00	\$195.00

* Any change in assessable footage can be attributed to continual updating of City records.

Table 2: Existing and Proposed Gravel Alley Special Tax Levy

Gravel Alley Levy	2020 Levy	Proposed 2021 Levy
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Assessable Footage*	616,227	616,227
Levy Rate	\$2.80 per foot	\$2.72 per foot
Levy Amount per 50 foot lot	\$140.00	\$136.00

* Any change in assessable footage can be attributed to continual updating of City records.

Full Level of Service Cost Recovery

The maintenance and reconstruction of alleys is based on the principle of full cost recovery. This means that the costs associated with the maintenance and reconstruction of alleys is fully offset by the levy collected. Additional background information on details of the program can be found in Appendix E-2.

The current strategy provides a 30-year reconstruction lifecycle for paved alleys and a 10-year systematic gravel refreshment cycle of gravel alleys. The strategy also covers all costs necessary to provide basic maintenance needs/tasks (i.e. tree trimming, pothole patching, snow clearing, sweeping, etc.). Based on the last five years of alley construction work, Administration is on track to meet both the 30-year cycle of reconstruction of paved alleys and the 10-year cycle of refreshing gravel alleys.

Thin lift asphalt overlays have also been applied to paved alleys that are suitable for such treatment. This has helped extend the life of these assets at a lower cost. Additional light treatments, such as thin lift overlays or pavement rejuvenators, will be introduced to keep alleys in good or fair condition for longer periods of time, where suitable. This may extend the lifecycle of paved alleys well beyond 30 years, which would reduce the overall cost to maintain these assets. It would also delay the inconvenience associated with alley reconstruction.

DECISION HISTORY

In 1996, a condition survey estimated that over 47 per cent of paved alleys required extensive repair or reconstruction. The majority of those alleys were constructed in the 1960s or 1970s and had far exceeded their design life expectancy; meaning that they were in poor shape and required significant maintenance or rebuilding. As a result, City Council adopted a strategy to achieve a 30-year reconstruction cycle for paved alleys.

During the 1996 review, a 40-year reconstruction life cycle strategy was also adopted by City Council for gravel alleys, with the original intent that the 40-year life cycle of gravel alleys be fully phased in by 2005. Increasing funding levels between 1996 and 2001 resulted in the completion of the originally identified reconstruction locations. As a result, the long-term strategy was shifted to focus on providing additional efforts aimed towards improving surface maintenance rather than the deeper, structural reconstructions. The revised gravel alley maintenance strategy involves maintenance blading approximately four to five times during the non-winter months, spot gravelling,

cleaning of catch basin sumps, minor reconstruction, drainage improvements and achieving a systematic program of gravel refreshment, based on a 10-year cycle.

The programs funding is evaluated on a yearly basis for City Council to approve.