

Region of Waterloo

Planning, Development, and Legislative Services

Administration

To: Administration and Finance Committee

Meeting Date: August 15, 2023

Report Title: Processing Centre for Automated Speed Enforcement

1. Recommendation

That the Regional Municipality of Waterloo approve the following to support the Council-approved expansion of the Automated Speed Enforcement Program to all school zones within the Region, subject to 2024 budget approval as outlined in report PDL-CAS-012, dated August 15, 2023:

- a) Approve the establishment of a Region of Waterloo processing centre for automated speed enforcement infractions;
- b) Direct staff to submit the proposed staffing and budget requirements as part of the 2024 Plan and Budget for the associated start-up costs, and the permanent full-time positions necessary for operating the automated speed enforcement processing centre as outlined in the report; and
- c) That the Commissioner of Transportation Services, on behalf of the Region, enter into an Amending Agreement amending the current Agreement between Redflex Traffic Systems (Canada) Limited and the Region dated July 16, 2019, to allow for the supply of necessary equipment for the Region to establish the Region of Waterloo Processing Centre, to the satisfaction of the Regional Solicitor.

2. Purpose / Issue:

Following Council's approval on June 6, 2023 to expand the Automated Speed Enforcement (ASE) program, this report presents the recommendation for Council to approve the establishment of a Region of Waterloo processing centre for ASE in 2024. It will provide an overview of the processing options and recommendation and implementation plan reviewed as part of the business case (Appendix A). A processing centre is essential to support the projected increase in infractions resulting from the program's 5-year expansion, which aims to implement automated speed enforcement in all school zones within the Region of Waterloo by the end of 2028.

3. Strategic Plan:

The establishment of a processing centre for automated speed enforcement (ASE) in the Region of Waterloo contributes to Strategic Objective 5.4, which emphasizes the Region's commitment to providing value for money and long-term financial sustainability. A processing centre provides crucial administrative support for the Region's ASE program, which aligns with strategic objectives within the Region's strategic plan:

- **Enhancing Road Safety:** The ASE program aims to improve road safety within the Region by enforcing speed limits and deterring speeding behaviour. By establishing a processing centre the Region can ensure accurate and timely processing of ASE charges, supporting the objective of enhancing road safety and reducing the incidence of collisions and injuries on municipal roadways; and
- **Building Strong Communities:** Through the enforcement of speed limits and the promotion of safer driving behaviors, the ASE program contributes to building strong and resilient communities.

4. Report Highlights:

- The City of Toronto currently processes infractions for the Region of Waterloo's Automated Speed Enforcement (ASE) Program at their Joint Processing Centre (JPC). They have been a reliable, steady partner since 2001, however, they impose annual infraction caps. These annual processing caps are likely to continue and the JPC will likely not be able to meet projected levels of infractions anticipated through the Region's ASE program expansion.
- Implementing a Region of Waterloo ASE Processing Centre:
 - provides greater control over ASE infraction processing activities;
 - accommodates the Council-approved program expansion;
 - enhances speed compliance, ensures program integrity during the 5-year expansion; and
 - prepares for future expansion.
- Based on the business case analysis and review of financial and non-financial benefits, staff recommend that the Region of Waterloo establish and operate its own processing centre to support its ASE program. Processing costs per ASE charge are similar whether the processing service is provided by Toronto's JPC Centre or a processing centre operated by the Region of Waterloo.
- The ASE program will integrate three functional units:
 - Transportation division will continue to deliver the ASE program operations.

Expansion of the program was approved through TSD-TRP-23-009 dated June 6, 2023.

- A new infraction processing centre would look after automated speed enforcement camera offences, validating infractions and issue tickets/future penalty orders to the registered vehicle license holder. This unit would be a part of the Council and Administrative Services division.
- As approved by Council in February 2023 (Report PDL-LEG-23-007), the Region is implementing an administrative penalty program for camera-based offences, including ASE charges. This program will streamline the administrative and appeal process from the already burdened Provincial Offences Act Court system. This unit will also be a part of the Council and Administrative Services division.
- In order to establish the Region of Waterloo Processing Centre, it will be necessary to amend the current Agreement with Redflex Traffic Systems (Canada) Limited and the Region dated July 16, 2019 to allow Redflex to supply, among other things a server, Vendor owned and maintained workstations and printers capable of supporting camera-based infractions. Redflex currently supplies the Region with automated speed enforcement equipment under the Agreement.
- The proposed budget requirements including the addition of new full-time equivalents (FTEs) for the processing centre will be presented and considered as part of the 2024 Plan and Budget process.

5. Background:

Through the Region's agreement with the City of Toronto, Toronto's Joint Processing Centre (JPC) currently process the Region's ASE tickets.

Under this arrangement, the JPC will process up to 30,000 charges in 2023 and up to 70,000 charges in 2024. These caps are issued by Toronto to accommodate all participating municipalities and are not guaranteed through the contract and represent only a fraction of the projected charges for each year.

The JPC currently processes tickets for 12 municipalities including their own Toronto program and are experiencing capacity issues due to the increasing demand for ASE processing from municipalities across Ontario. For scale, based on Q1 2023, the JPC is processing approximately 700,000 tickets per year. As volumes increase, the JPC is challenged to process incidents within the regulated 23-day Limitation Period.

Regional Council approved the Automated Speed Enforcement – 5-Year Expansion Plan (Report TSD-TRP-23-009) on June 6, 2023 to expand the ASE program over a span of five years. The gap between processing capacity and projected processing

requirements will continue to grow exponentially with the rapid expansion of the Region's ASE program. As the Region rapidly expands its ASE program, it will be essential to ensure infractions are processed in order to be effective in having an impact on driver behaviour. Staff have assessed the current state of the program and explored the option of establishing and operating its own processing centre.

The processing costs per ASE charge remain similar whether provided by Toronto's Joint Processing Centre or a Region of Waterloo processing centre. The Region has no guarantees as to future processing capacity that can be provided from the City of Toronto beyond 2024 and during the ASE expansion.

The rationale for establishing a Region of Waterloo-based ASE processing centre includes:

1. Greater control: Implementing a Region of Waterloo ASE processing centre allows for increased control over ASE infraction processing activities, allowing the Region to adjust its own staffing levels in order to process more infractions as the program expansion demands.
2. Expansion of the ASE program: Aligning with Council's decision to expand the ASE program to each school zone, an ASE processing centre is necessary to accommodate the anticipated growing number of cameras and the need for additional processing capacity. This proactive approach supports the Region's commitment to enhancing road safety in school zones.
3. Effectiveness in achieving compliance: Operating an ASE processing centre in the Region contributes to the long-term effectiveness of the ASE program in promoting greater speed compliance. By ensuring that infractions result in the issuance of a ticket, the program will be more effective at deterring speeding behavior and drive future culture change for improved driver behavior.
4. Future expansion possibilities: Council's directive to explore expanding ASE to Community Safety Zones will potentially require additional future processing requirements. With a Region of Waterloo processing centre, the Region will be better positioned to handle and support such an expansion.

6. Area Municipality Communication and Public/Stakeholder Engagement:

Area Municipality Communication:

Regional Transportation staff have been collaborating with all seven area municipalities on the Automated Speed Enforcement Program through the Transportation Coordinating Committee.

Public/Stakeholder Engagement:

Public consultations are not required for the establishment of a Region of Waterloo processing centre as this change is administrative and there are no impacts to Region of Waterloo residents. Speed violation notifications issued as a result of automated speed enforcement infractions will remain the same as currently in effect.

Staff are actively engaged with key stakeholders including the City of Toronto, the Ministry of Transportation, and the Information and Privacy Commissioner of Ontario. They are actively collaborating with a number of Ontario municipalities who are establishing or exploring their own municipal Processing Centre.

7. Financial Implications:

The financial analysis of establishing an automated speed enforcement (ASE) processing centre suggests that program revenue will be sufficient to cover ongoing operating costs and one-time capital investments as well as contribute to additional investments in road safety initiatives.

Capital investments include one-time start-up costs for new servers, workstations and other equipment as well as renovations at an existing Regional facility, optimizing accommodation costs.

As the ASE program expands from 2024 to 2028, the number of infractions is expected to grow. Average speeds are anticipated to decrease once the program has matured. For financial and staffing modeling purposes, it was assumed that an average of 5,000 tickets per camera would be issued based on experience with existing Regional sites and other municipalities in Ontario.

As proposed in this report, any net revenue generated from ASE after covering operating and capital costs, will be allocated to a Road User Safety Reserve. This reserve will be used to mitigate future ASE program revenue and cost risks as well as fund initiatives aimed at improving safety for all road users in the Region. Similar practices are followed by other municipalities in Ontario who operate camera-based enforcement programs.

Table 1-Financial Summary of Automated Speed Enforcement Program Requirements below presents an overview of the annual financial implications of the proposed ASE program for all three component parts: 5-year ASE camera expansion operational plan, a Region of Waterloo processing centre, and the Administrative Penalties program.

Table 2-Automated Speed Enforcement Program Financial Implications in Appendix C presents a more detailed financial model for the ASE Program and has been updated since the presentation of staff report TSD-TRP-23-010 dated June 21, 2023 ASE – 5-Year Expansion Plan – Additional Information, incorporating a more comprehensive representation of the overall ASE program financial impact. Table 4- Full Time Equivalent (FTE) Projections includes all ASE program support including cross-departmental support roles required to support program growth and will be included in the 2024 Plan and Budget request.

Table 1: Financial Summary of Automated Speed Enforcement Program Requirements

	2024	2025	2026	2027	2028	2029
Operating Budget Projections (\$ Millions)						Annualized Post Implementation Costs
Total Automated Speed Enforcement Program						
Automated Speed Enforcement Program	1.39	2.30	4.72	6.07	8.35	8.37
Processing Centre	0.86	2.16	2.87	3.60	4.42	4.73
Administrative Penalties Program	1.54	2.90	4.27	5.32	6.27	7.06
Cross-Departmental Program Support	0.78	0.82	0.84	0.86	0.88	0.89
Total Operating Costs	4.56	8.19	12.71	15.85	19.73	21.05
Revenues	6.72	16.80	24.00	31.20	38.00	42.00
Net (Revenues)	(2.21)	(8.70)	(11.41)	(15.48)	(18.40)	(21.10)
Uses of Net Revenue						
Existing Tax Levy Support (2023)	0.31	0.31	0.31	0.31	0.31	0.31
Contribution to Road Safety Reserve	1.85	8.30	10.98	15.04	17.95	20.76
Capital Expenditure (\$ Millions)						
Capital Costs	2.29	1.75	1.92	2.11	1.92	

To establish the processing centre, a new team will be created, reporting to the Director of Council and Administrative Services. Table 3 – Full Time Equivalent (FTE) Projections, indicates the staffing implications. The new FTEs for 2024 will be included in the 2024 Plan and Budget for consideration.

Table 3: Proposed Program Staffing & Full Time Equivalent (FTE) Projections

Position	2024	2025	2026	2027	2028	2029
Program Manager	1	1	1	1	1	1
Supervisor	1	2	2	2	2	2
Provincial Offences Officer	5	12	17	22	26	29
Total FTE	7	15	20	25	29	32

As the ASE program expands, there will be an increase in human resource operating costs to accommodate the growing volume of charges. Any additional new FTE staff required to support the program's growth will be identified in future budgets, with their

compensation offset by the program's gross revenue.

The staffing model is designed to be scalable, allowing for the hiring of additional Provincial Offence Officers as the demand for ticket processing services grows. This approach ensures that staffing levels can be adjusted to meet the program's evolving needs. Regular assessments will be conducted to evaluate workload and make necessary adjustments to staffing capacity. There is also the potential to operate as a joint processing centre by establishing sub-client and cost sharing agreements with other municipalities for future expansion of ASE processing services.

The viability of the processing centre will be continuously monitored and evaluated, and cross-departmental collaboration will take place at the Region's Camera-based Enforcement Steering Table. This collaboration includes reassessing staffing resources based on the revised demand for ticket processing services.

8. Conclusion / Next Steps:

Pending Council's approval of a Regional processing centre, staff will include the new program costs as part of the 2024 Plan and Budget process for consideration.

Once the Region's processing centre is operating efficiently, consideration can be made to convert it to a joint processing center, similar to Toronto's current ASE Joint Processing Centre and process on behalf of other municipalities. This is possible through agreement with the Ministry of Transportation, and sub-client agreements with municipalities who use our processing services to process their ASE infractions. Converting the Region's ASE processing centre to an ASE joint processing centre will help to further increase the overall ASE charge processing capacity available in Ontario and may assist the Region with longer-term resource planning.

9. Attachments:

Appendix A: Business Case: Processing Centre for Automated Speed Enforcement

Appendix B: Automated Speed Enforcement Infographic

Appendix C: Financial Summary

Prepared By: Theresa Mendler, Manager, Strategic Community Planning Initiatives

Reviewed By: Darryl Spencer, Manager, Transportation Engineering

Patti McCauley, Manager, POA Court Administration

William Short, Director Council and Administrative Services/Regional Clerk

Approved By: Rod Regier, Commissioner, Planning, Development & Legislative Services