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November 11, 2024

Via email to consultations@rpra.ca

Resource Productivity & Recovery Authority (RPR)

Dear Sirs:

Subject: Proposed 2025 Excess Soil Registry Fees

On September 27, 2024, the Resource Productivity and Recovery Authority (RPR) posted a proposal on the RPR Excess Soil Registry Website which outlines proposed 2025 fee changes for the Excess Soil Registry.

Every year, municipalities and conservation authorities generate and reuse millions of tonnes of excess soil in capital projects (both infrastructure projects and non-infrastructure projects) and through the operations and maintenance of facilities and assets.

The MEA is involved in 46 committees regarding various engineering issues in Ontario. One of our committees – the MEA Excess Soil Working Group, was tasked to provide comments to the proposed fee changes.

We are providing an attachment to this letter outlining the MEA comments as assembled by our Committee. Thank you for the opportunity to comment on the proposed changes.

Should you have any questions regarding the submission, please contact the Chair of the MEA's Excess Soils Working Group. Katrina MacDonald, P. Eng. at:

katrina.macdonald@mississauga.ca

Sincerely,

A handwritten signature in blue ink, appearing to read 'Dan Cozzi', is positioned above a horizontal line.

D.M. (Dan) Cozzi, P. Eng.
Executive Director
Municipal Engineers Association

cc Katrina MacDonald, P., Eng, Project Manager, Environmental – City of Mississauga

Attachment:

MEA Excess Soils Working Group Comments to Proposed 2025 Excess Soil Registry Fees

About the Municipal Engineers Association (MEA)

The MEA is a non-profit Association representing the interests of over 1,200 licensed professional engineers in Ontario. The majority of our members are employed by over 100 Ontario municipalities, representing 90% of the population of Ontario. We also have members from provincial agencies, conservation authorities and consulting engineers who are designated as the engineer-of-record for small Ontario municipalities.

For over 60 years the MEA and its members have provided various specific expertise associated with municipal engineering in Ontario. MEA, together with MTO, are the co-proponents of Ontario Provincial Standards & Specifications ; and MEA is the proponent for the Municipal Class Environmental Assessment (MCEA). The MCEA was first developed/prepared by the MEA in 1987 on behalf of Ontario municipalities and, since its inception, the MCEA process has been a collaboration between the Ministry of Environment, Conservation, and Parks (MECP) and the MEA.

MEA Comments re: 2025 Excess Soils Registry Fees

RPRA is proposing to increase the 2025 Excess Soil Registry fees in response to a deficit incurred in the 2024 budget as a result of lower than predicted number of filings and volume of excess soil reported on the Excess Soil Registry in 2024. The MEA acknowledges that it is RPRA's intent to recover this deficit with the proposed fee increases.

The 2025 Excess Soil Registry fee increases being proposed by RPRA are an average of 30% and 5%, compared to current 2024 fee rates, for project area and reuse site notices respectfully. In general, the MEA understands the cost recovery model used for the Excess Soil Registry by RPRA; hence, the proposed annual fee increases to both address the incurred deficit and offset rising fixed costs. However, the MEA respectfully objects to this level of substantial increase given the significant cost implications these rate hikes will have on municipal projects. In addition, there is a very real concern that these fee increases may further exacerbate the issue of non-compliance with the Regulation.

The MEA provides the following comments and suggested alternatives to help alleviate RPRA's deficit pressure:

- It is noted that RPRA's current business plan shows on Table 5 "Debt Financing 2023 Actual and 2024 Forecast Compared to 2025 Budget" that the Excess Soil Operating repayment period is "2023 to 2025" (i.e., approximately two years) for dollar values approaching \$3 million whereas the other Excess Soil (non-operating) repayment period is from 2023 to 2033 for dollar values approaching only \$1 million. It is also noted that most programs have a repayment period of approximately 10 years. As such we request that consideration be

given to extending the recovery period of the Excess Soil Operating program to be in line with the longer 10 year periods of the other programs, such that the registry fee increases would be less aggressive and more gradual.

- Since the implementation of the Regulation in 2019, a number of amendments have come into effect that have affected the requirements for filing notice for a project on the Excess Soil Registry, particularly the Regulation pause in 2022 and the addition of an exemption from filing notice for “low risk” sites. As these amendments directly impacted the volume of notices filed on the Registry resulting in a loss of revenue for RPRA, consideration should be given to requesting funds from the MECP to recover costs associated with the Regulatory changes rather than straight cost recovery by the registrants.
- In coordination with the MECP, the enforcement action should focus on strengthening compliance with the Regulation and on the registry filing requirements (e.g., ensuring projects are being registered, ensuring the correct volumes are being provided etc.) to recover the fees that should have been collected and apply penalties on the non-compliant rather than focusing the minor non-compliance conditions for the registrants.
- The proposed fee increases will impact our projects, operations and the way municipalities manage excess soil and it will take time to modify and implement these fee changes to our existing arrangements and contracts. Therefore, it is requested that RPRA extend the waiting period of 30 days prior to the implementation of any finalized fee increases to a longer period (e.g., implementation in Q1 2025), to allow sufficient time for the industry to acquire additional funding and make adjustments to their projects. Further, considering the significant fee increases that are being proposed, a transition period is requested for municipal projects to account for multi-year projects where budgets and contracts have already been established.
- Affordability remains a key concern across the Province, and many Ontario municipalities are currently facing difficult decisions related to balancing multi-year budgets with property tax rates increases onto residents in their respective communities. The significant fee increases proposed by RPRA to attempt to recover their capital and operating deficit over a shorter period of time will ultimately be borne by taxpayers in each Municipality. It is requested that RPRA evaluate their proposed fee increase through a municipal affordability lens, given the current budgetary constraints faced by many Municipalities.