

MANAGEMENT REPORT

Date: July 22, 2024
To: Mayor and City Councillors
From: Joan Thomson, Chief Administrative Officer
Report Number: COU24-075
Attachments: Map of CN Railway Crossing at Line 29 Boundary

Title: Amendment to Maintenance Cost Apportionment – Line 29 Mileage 91.23 of Guelph Subdivision

Objective: To seek Council approval to enter into a Maintenance Cost Apportionment Agreement between the City, Township of Perth South and Canadian National Railway Company to amend the apportionment of the maintenance cost of the crossing warning system on Line 29 at Mileage 91.23 of the Guelph Subdivision, and to seek delegation of authority for railway cost apportionment agreements.

Background: The Canadian Transportation Agency [CTA] is a federal organization that operates within the context of the extensive Canadian transportation system. One of the CTA's responsibilities of Canada's overall transportation system is railways.

Stratford has a long association with railway companies and the railway lines that passed through the City. Today, railway companies and lines are fewer in number and the community has grown up around the remaining railway lines. These railway lines cross several local, collector and arterial roads in Stratford. To warn on-coming traffic and pedestrians of approaching trains, railway crossings have warning systems installed by the railways. The cost of the operation and maintenance of these systems is shared between the road authorities [municipalities] and the railway companies.

Section 101 of the Canada Transportation Act [the Act] provides that railway companies, road authorities [municipalities] and utility companies may negotiate agreements for any aspect of a railway crossing. These agreements usually include rates to be charged for work performed, maintenance and specify which parties are responsible for paying for this work. Where agreements cannot be reached by the parties, the CTA upon receiving an application may resolve issues relating to the construction, maintenance and apportionment of costs of road and utility crossings.

Under these cost apportionment agreements, the physical work associated with the maintenance of the crossings is the responsibility of the Railway. Costs associated with the maintenance of the crossings are apportioned with the road authorities [municipalities] and the railway company.

The rates and apportionments are set by the CTA – Schedule A: Scheduled Maintenance of Crossing Warning Systems. Stratford is invoiced for monthly maintenance fees by Canadian National Railway Company and Goderich-Exeter Railway Company Limited for the crossings involving municipal roads in Stratford.

There is one railway crossing on Line 29 where the cost is apportioned with an abutting municipality, the Township of Perth South as this is a boundary road with Stratford.

Analysis: Prior to the 2020 boundary adjustment involving the Township of Perth South, the cost apportionment was 25% Stratford, 25% Township and the remaining 50% was paid by Canadian National Railway Company. As a result of the 2020 boundary adjustment, certain Township lands on the south side of the crossing were annexed into the City which impacts the apportionment cost sharing with the Township.

The Township approached the City to revise the road authority portion of the maintenance costs from being split equally, to Stratford paying 75% and Perth South paying 25% of the municipal 50% share [ie 37.5% and 12.5% of total maintenance costs respectively].

The financial impact is a reduction in the Township's monthly billing from the railway company of approximately \$85 and an increase in Stratford's monthly billing at the equivalent amount. It is noted for Council's awareness that the annual maintenance overall fees increased in 2023 as per CTA regulations.

A map of the 2020 municipal boundary is attached to this Report. This map shows the Township lands highlighted in blue and the City highlighted in yellow. Three-quarters of the lands at this railway crossing are now within Stratford's municipal boundaries.

By entering into the maintenance cost apportionment agreement with Canadian National Railway Company, City of Stratford and Township of Perth South, the cost apportionment for maintaining the crossing warning system at Line 29 will be revised to the following: CNR 50%, Stratford 37.5% and Perth South 12.5%. This will formalize the current practice based on discussions with the Township and the City since the boundary adjustment.

In the event of a dispute on cost apportionment, the CTA will assess the merits of the case and determine whether or not the prescribed CTA rates should apply. It is noted that the rates may apply to any past orders issued by the CTA's predecessors.

Secondly, for efficiency in dealing with similar cost apportionment arrangements prescribed by CTA regulations, it is recommended that authorization be delegated to

staff to enter into future cost apportionment agreements or amending agreements with railway companies including crossing warning systems.

By-law 135-2017 as amended, could be amended for the following:

Authority for the Chief Administrative Officer to enter into agreements and amending agreements with railways and road authorities for any aspect of a railway crossing a municipal road, including but not limited to apportionment of costs for crossing warning systems, operating and maintenance and upgrade costs, with signed copies to be provided to the Clerk's Office and Infrastructure Services Department.

Financial Implications:

Financial impact to current year operating budget:

There is no impact to the current year operating budget as the amounts are included in the approved budget.

Financial impact on future year operating budget:

The City will continue to include apportionment costs for Stratford's share of the Line 29 crossing warning system, along with all other railway crossings as part of annual budget submissions.

Alignment with Strategic Priorities:

Enhance our Infrastructure

This report aligns with this priority as railway crossing systems improve the pedestrian, cycling and transportation experience. While crossing systems are not part of the City's infrastructure, having a warning system for pedestrians, bikers and drivers contributes to a safer experience.

Alignment with One Planet Principles:

Not applicable: This report relates to an amending agreement for apportionment of costs for a railway crossing warning systems. The system provides warning to pedestrian and vehicular traffic when approaching the railway crossing.

Staff Recommendation: THAT the Chief Administrative Officer be authorized to execute the Maintenance Cost Apportionment Agreement for the Crossing Warning System for Line 29 between The Corporation of the City of Stratford, The Corporation of the Township of Perth South and Canadian National Railway Company, to revise the cost apportionment with the Township;

THAT the effective date for the City of Stratford be 01 January 2024, subject to Council approval;

AND THAT the Delegation of Authority By-law 135-2017 as amended, be further amended to delegate its authority to the Chief Administrative Officer

to enter into agreements and amending agreements with railway companies and road authorities for railway lines crossing municipal roads, including but not limited to apportionment of costs for crossing warning systems, operating and maintenance and upgrade costs, with signed copies to be provided to the Clerk's Office and Infrastructure Services Department.

Prepared by: Joan Thomson, Chief Administrative Officer

Recommended by: Joan Thomson, Chief Administrative Officer