

Date: 2023-09-11

Subject: **Supplementary Report - Administrative Penalty (AP) System Processing Centre Update**

Contact: **Paul Morrison, Commissioner, Legislative Services**

Report Number: Legislative Services-2023-758

Recommendations:

1. That the report from Paul Morrison, Commissioner, Legislative Services, to the Committee of Council Meeting of September 20, 2023, re: **Supplementary Report - Administrative Penalty (AP) System Processing Centre Update**, be received;
2. That the original staff report, re: **Administrative Penalty (AP) System Processing Centre Update**, dated August 8, 2023, as presented to the City Council meeting of August 9, 2023, and attached as Appendix 1 to this report, be received;
3. That the following revised staff recommendations 2, 3, 4, 5, 9, 10 and 11 regarding Processing Centre development and delivery, from the original staff report, dated August 8, 2023, be approved:
 2. That Council direct staff to continue to explore the establishment of a Processing Centre for Automated Speed Enforcement infractions in Brampton;
 3. That staff report back once a suitable location has been identified including capital costs for fit-up requirements for the facility when more information on the location of the Processing Centre is available;
 4. That the transition from Provincial Offences Act Part I and Part III tickets to Administrative Penalties System for contraventions detected using speed enforcement camera systems be approved;
 5. That staff be directed to update all by-laws and policies, including revising the wording "Administrative Monetary Penalty" to "Administrative Penalty" to address legislative changes;
 9. That PWE staff be directed to develop a strategy to implement 135 additional cameras over the next four (4) years;
 10. That the CAO and Commissioner be authorized to execute all agreements necessary to establish and operate the Automated Speed Enforcement Processing Centre, as approved by the City Solicitor and the Director of Public Works and Engineering; and

11. That staff be directed to report back to Council once the Ontario Ministry of Transportation and the Ministry of the Attorney General approve the forms, policies and standard operating procedures in alignment with Ontario Regulation 355/22 (Administrative Penalties for Contraventions Detected Using Camera Systems).
4. That, subject to Council's receipt and consideration of the Letters of Observations as prepared by KPMG in response to Council Resolution C193-2023 for further investigation and confirmation the operational model will offset direct and indirect costs, the following revised staff recommendations 6, 7 and 8 regarding Processing Centre financials and budget, from the original staff report, dated August 8, 2023, be considered at a future meeting or during consideration of the 2024 budget:
 6. That sixteen (16) full-time, permanent complement consisting of nine (9) Provincial Offences Officers to lay infractions, three (3) Screening Officers to review appeals, one (1) Manager, one (1) Supervisor, one (1) Analyst and one (1) Clerk, and associated funding in the estimated amount of \$1,722,842, be included in the 2024 operating budget submission, pending Council approval;
 7. That the revenues will fully offset direct and indirect costs of this program including all new staff asks as confirmed by the KPMG review;
 8. That all expenditures and associated revenues of this program be included in the 2024 budget submission, subject to Council approval and consideration and acceptance of the KPMG review;
5. That By-law 218-2019, the Administrative Penalties (Non-Parking) By-law, be amended to update the processes by which reviews and hearings are conducted; and
6. That By-law 333-2013, the Administrative Penalties System, be amended to update the processes by which reviews and hearings are conducted.

Overview:

- **Administrative Penalty (AP) System Processing Centre Update report dated August 8, 2023, was presented to the City Council meeting of August 9, 2023.**
- **Council deferred approval of the report pending a third-party review of the financial aspects contained in the report.**
- **Direction was given to staff to arrange the third-party review, continue to search for a viable location for the processing centre and continue to work on the project to meet project milestones.**
- **Two By-laws associated with the Administrative Penalty System Program require amendments to update the processes by which reviews and hearings are conducted.**

Background:

Staff prepared a Council Report, *Legislative Services-2023-638, Administrative Penalty (AP) System Processing Centre Update* which was received during the August 9, 2023 Council Meeting. During the Council Meeting, staff were directed to:

1. Arrange a third party review of the financial components included in the report;
2. Continue to seek a viable location for the processing centre; and
3. Continue working on project tasks and activities necessary for a target 2024 go live date.

By-laws 333-2013 and 218-2019 for parking and non-parking offences detail a Person's right to request an in-person screening and hearing reviews. The APS Project has developed processes, expected to go-live in October 2023, to allow for online screenings and virtual hearings.

Current Situation:

Staff retained KPMG to review revenue and expense forecasts and provide a Letter of Observations to confirm the accuracy of the forecasts. KPMG provided a proposal, Appendix 2, which includes a breakdown of tasks and timelines for completion. Their scope of work includes:

1. Review of the financial models;
2. Group interviews with project stakeholders;
3. Reasonability check of assumptions;
4. Draft key risks; and
5. Benchmark against like-sized municipalities.

The duration of the engagement is expected to take approximately 5 weeks. KPMG will initiate the review on September 7 and conclude with a Letter of Observations the week of October 9. Their estimated cost of the engagement is \$22,000 plus a technology support charge of 7% and out-of-pocket expenditures.

Legislative Services-2023-638, Administrative Penalty (AP) System Processing Centre Update report included several recommendations, specifically six (6), seven (7) and eight (8), that will directly impact the 2024 Budget development process. Staff will provide documentation and provide support to enable KPMG to expeditiously complete the review. Recommended changes will be considered for inclusion in a subsequent report to Council.

Further, *Legislative Services-2023-638, Administrative Penalty (AP) System Processing Centre Update* report included eight recommendations (i.e. 1, 2, 3, 4, 5, 9, 10, 11) which need to be approved in order for the project to continue to meet a Q2 go live date for the Brampton Automated Enforcement Processing Centre.

Amendments, Appendix 3 and 4, to By-laws 333-2013 and 218-2019 reflect updates associated with the appeal process for parking and non-parking offences. These

updates include a change from in-person screening and hearing reviews to online screening and virtual hearing reviews. The right to appeal remains.

Corporate Implications:

Financial Implications:

There are no immediate financial implications resulting from the recommendations in this report. Pending completion of KPMG's review, staff will prepare a separate report to Council which will include an update on the financial implications.

Strategic Focus Area:

Health & Well-being: the strategic focus of the camera-based automated enforcement program and processing centre focuses on community safety, improving mental health support, and encouraging active and healthy lifestyles. The Streets for People connected initiative incorporates the Vision Zero framework into transportation planning and design operations to prevent fatal and serious injury from motor vehicle collisions within the City right-of-way. The ASE Program is an integral component of the Vision Zero framework.

Conclusion:

Approval of Legislative Services-2023-638, Administrative Penalty (AP) System Processing Centre Update Recommendations one (1), two (2), three (3), four (4), five (5), nine (9), ten (10) and eleven (11) will allow staff to continue to deliver tasks and activities associated with building a camera-based processing centre in Brampton in 2024.

Staff will work closely with KPMG to confirm the accuracy of the financial components included in the *Legislative Services-2023-638, Administrative Penalty (AP) System Processing Centre Update* report. Further, staff, in conjunction with KPMG, will report back to Council with a Letter of Observations.

The amendment to By-laws 333-2013 and 218-2019 ensure a Person's right to request a screening and hearing review for appealed offences. New online screening and virtual hearing processes are expected to begin in October 2023.

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Attachments:

- Appendix 1 – Administrative Penalty (AP) System Processing Centre Update report
- Appendix 2 – Brampton AP Processing Centre Review Sep2023 proposal
- Appendix 3 – Amendment to By-Law 333-2013, the “Administrative Penalties System By-law”
- Appendix 4 – Amendment to By-law 218-2019, the “Administrative Penalties (Non-Parking) By-law”