

Staff Report

Report To: Operations Committee
Report From: David Crane, Deputy Treasurer
Meeting Date: April 23, 2026
Report Code: CR-26-040
Subject: 2026 Operations Fees and Charges Update

Recommendations:

THAT in consideration of Staff Report CR-26-040 respecting the 2025 Operations Fees and Charges Update, the Community Services Committee recommends that City Council receive the report for information purposes.

Highlights:

- Fees and charges are reviewed annually in the spring, with the new By-law taking effect July 1.
- In accordance with Council direction, each standing committee reviews departmental fees and charges annually before they go to Council for final approval.
- Committee feedback will be considered and incorporated into the final proposed fees and charges schedules presented to Council for approval in May.
- User fees and charges will generate approximately 10% of the revenue considered in the City's 2026 operating budget.

Vision 2050 - Strategic Plan Alignment:

[Strategic Plan](#) Priority: The recommendation contributes to core service delivery or a corporate initiative that enables service delivery for one or more strategic priorities.

Previous Report/Authority:

[Report CR-25-077 Re: Project 4c3 – Process for Annual Fees and Charges](#)

[Report CR-25-072 Re: 2025 Fees and Charges](#)

Background:

In June 2023, Council passed a resolution which direct that the annual fees and charges updates be presented to the applicable Standing Committees prior to final Council approval. This increases transparency and provides additional opportunity for Committee input.

The Operations Committee reviews the following fee schedules:

- E. Engineering
- J. Public Works
- L. Transit
- M. Waste

In 2025, as part of Service Review Project 4c3, all fee schedules were divided into three annual cyclical review cycles. This approach ensures every fee is reviewed at least once every three years while also considering staff capacity and allowing for more in-depth review of fees. 2026 is the first year of reviewing fees through the review cycles, as previously all fees were reviewed each year.

The three-year cycle establishes a minimum review frequency, not a fixed limit. Fees may still be identified by staff or Committees for a more fulsome review at any time due to operational changes, service offerings, Council direction, or changes in legislative requirements.

Analysis and Options:

The 2026 proposed fee scheduled for Operations are attached to this report (Attachment 1). For clarity while reviewing proposed changes in the fee schedules the following has been highlighted:

- Any proposed fee additions or increases that differ from the standard 3% have been highlighted in green.
- Any proposed fee removals have been highlighted in red.
- Administrative changes to fee titles or notes have been redlined.

Additionally, a summary of changes has been provided as an attachment to this report (Attachment 2) for ease of reference.

Summary of Updates

Schedule E. – Engineering:

- The majority of Engineering fees increase by approximately the CPI annually.
- Administrative changes to add a note clarifying total development/construction costs.
- Addition of fees for servicing agreements that fall under staff delegated authority and new agreement types not previously captured in the fees and charges by-law.
- Addition of a fee for cost recovery of third-party engineering verification for CLI-ECA.
- Removal of outdated Temporary Encroachment Permit fees and addition of new fee structure. The previous fees were outdated and referenced a form system no longer used. New fees are in a simplified structure and are based on actual average staff time spent to ensure cost recovery.
- Addition of fees for municipal land occupancy for closures of more than 14 days.
- Addition of a fee for municipal consents.
- Increase the administrative fee for special services applications to reflect actual staff time.
- Addition of site service securities for installation of servicing by contractors (related to the removal of servicing fees in Schedule J. - Public Works). These are held during servicing and returned following inspection of the works by the City.
- Change of fees for oversize/overweight permits to better reflect actual costs, and addition of security deposits for these permits.

Schedule J. – Public Works:

- Removal of water/sanitary/storm connection and water removal fees as these services are no longer offered by the City. A contractor is responsible for completing the work and the City inspects it once it is complete. An inspection fee has been added for this work.
- New fees added relating to events where road closure and detour set-ups are required from operations staff.
- New fees added relating to the use of barrels and barricades for events.

Schedule L. – Transit:

- No changes. The fees up for review in 2026 included fees respecting the zero charge items for Guide Dog Trainers and Support Persons, and no changes are recommended.

Schedule M. – Waste:

- Addition of a fee for replacement green bins in cases where the bin is damaged due to improper use or is missing. Fee covers the price the City pays for the bin.
- The bag tag fee was originally listed for review in 2026, however with the new green bin program and expanded recycling coming into place within the last year, this fee will be reviewed in 2027 to allow staff to assess changes in garbage tonnage and other patterns.

Resource Alignment:

Financial Resources

User fees and charges (not including water and wastewater rates) are anticipated to generate \$5,385,000 or approximately 10% of the City of Owen Sound's 2026 Operating Budget.

Human Resources

Implementation of the three-year cyclical review cycles considers staff capacity by ensuring that no division needs to perform an in-depth review of all departmental fees in a given year.

Staff from each division work with finance staff to review fees annually.

Time and Scheduling

Each of the three Standing Committees will receive a fees and charges review report in April 2026. Following these meetings, any Committee feedback will be incorporated into a final fees and charges report which will be presented to Council for approval in May 2026. The 2026 Fees and Charges By-law will come into effect beginning July 1, 2026.

In future years, the fees and charges review will begin in the fall as part of the operating budget process to ensure there is sufficient time to perform in-depth cost analysis of services and fees. Additionally, considering fee changes alongside that process will help to inform the operating budget.

Technology and Infrastructure

N/A

Climate and Environmental Impacts:

There are no anticipated climate or environmental impacts.

Communication and Engagement:

The Fees and Charges Council report in May 2026 will communicate final recommended fees to Council and the public. Notice will be provided on the City's website to communicate that the by-law to adopt the 2026 fees and charges will be considered by Council in June 2026, in accordance with the City's Notice By-law.

After adoption, the fees and charges by-law and fee schedules will be available on the City's website. Additionally, any changes to fees will be communicated as required by the affected division and in the best method for the type of fee, which may include: public notice, posting of rates, communication at the point of sale and other methods.

Report Developed in Consultation With:

Operations departmental staff.

Attachments:

1. Attachment 1 – 2026 Proposed Operations Fee Schedules
2. Attachment 2 – Summary of Changes – Operations

Reviewed by:

Lara Widdifield, Director of Public Works and Engineering
Kate Allan, Director of Corporate Services

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact David Crane, Deputy Treasurer at dcrane@owensound.ca or 519-376-4440 ext. 1223.