



COUNCIL REPORT

Report Date: June 10, 2025
Contact: Lon LaClaire
Contact No.: 604.873.7336
RTS No.: 18026
VanRIMS No.: 08-2000-20
Meeting Date: July 8, 2025
[Submit comments to Council](#)

TO: Vancouver City Council
FROM: General Manager of Engineering Services
SUBJECT: Update to Street Utilities By-law No. 10361

Recommendations

THAT Council amend Street Utilities By-law No. 10361 so that the City will determine if permanent restoration of City streets and sidewalks, after the completion of utility work, will be the responsibility of the relevant utility to complete or if the City will undertake this work at the relevant utility's cost, and other minor miscellaneous amendments;

FURTHER THAT the Director of Legal Services be instructed to bring forward for enactment the necessary amending by-law, generally in accordance with Appendix A.

Purpose and Executive Summary

The [Street Utilities By-law](#) outlines the requirements for non-City utilities to perform work in the street. Permit applications are required and must be approved by City staff.

This report seeks Council approval to revise the Street Utilities By-law to allow the City to elect who completes permanent restoration of city streets and sidewalks after utilities perform work, along with other miscellaneous clarifying amendments.

Currently the permittee (i.e. utility) has the option to elect whether the City or the permittee performs permanent restoration. If they elect for the City to perform the permanent restoration, they pay the applicable street cut fees for City crews to then complete said restoration after the permittee has completed work on their utility.

The primary challenge with this current process is, a majority of the time, the permittees elect for the City to complete the permanent restoration, rather than completing the restoration themselves.

This has led to a large backlog of utility cuts requiring permanent restoration that continues to grow. This results in many street cuts remaining in a temporarily repaired state, potentially for even 5 or more years, before being permanently repaired, due to limited City crew capacity and competing pressures to deliver capital and maintenance work.

The goal is to reduce the street utility repairs that are allocated to City crews in times when cut repair needs exceed internal crew capacity, while maintaining the flexibility for City crews to perform more of the cut repairs when City crews have capacity, or if the cuts fall within an area where Streets capital work is already planned. This will ensure that cuts are completed in a timely manner and mitigate the current financial liability and condition risk to our pavements from the continually growing volume of utility cuts which haven't been permanently restored.

If changes to the by-law are approved, staff will work to reduce the existing cuts backlog and be able to administer the restoration of street utility cuts in a more logistically and financially sustainable way moving forward. Separately, internal administrative processes, and notifications to external utilities will also be updated to align with the by-law changes and improve overall delivery of utility cut restoration.

This report also recommends a number of miscellaneous amendments to achieve the intent of the by-law and improve administration by updating references and terms for accuracy and clarity, and amending some wording to clarify how certain sections of the by-law are administered.

Council Authority/Previous Decisions

Section 290 of the *Vancouver Charter* provides that no person may excavate in or damage a street except under terms and conditions imposed by Council.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

Cuts into city streets and sidewalks are made to allow work on underground utilities. Permit applications are required and must be approved by City staff. After work is completed, a temporary restoration is put in place, and then permanent restoration of the road and/or sidewalk is completed at a later date. Utility cuts include those by external parties and internal City utilities (i.e. Water, Sewer). The City charges a cut restoration fee based on the street asset type and extents of the cut.

Current Challenge

Vancouver continues to experience pressures from development-servicing utility cuts and utility renewal/expansion, significantly impacting our street and sidewalk assets. Street cuts can reduce pavement asset life by as much as 20%, impacting service levels for the travelling public.

A key concern is that the Street Utilities By-law currently allows a utility permittee to decide whether

they or the City completes the permanent restoration of the road or sidewalk. In a large majority of cases, permittees elect for the City to complete the permanent restoration and pay a fee for the City to perform the work, instead of completing the permanent restoration themselves.

The City currently faces a backlog of over \$35M in utility cut restoration work, which continues to grow each year. Approximately half of the cuts are from internal Water and Sewer work, and the other half are external utilities such as BC Hydro, FortisBC and telecommunication companies.

The condition of the City's street and sidewalk networks continues to decline and is exacerbated by utility cuts not being restored in a timely manner, as City crews have not been able to keep up with the demand for cut repair. This results in longer term and unsightly asphalt patches to concrete curbs and gutters, concrete sidewalks and paver surfaces like the sidewalks in Kerrisdale and Gastown, as examples.

In addition, due to delays in completing repairs, coupled with inflationary cost increases over time, the value of the original fees collected from the permittees is often insufficient to cover the restoration cost when the work is finally complete.

Jurisdictional Scan

Staff have reviewed utility cut restoration policies at many peer municipalities in Metro Vancouver and other parts of Canada. Findings from this review indicate that Vancouver is an outlier among our peers in allowing permittees to choose who performs the permanent restoration. In most cases, other municipalities make the permittee responsible for permanent restoration by default, while still maintaining the ability for the municipality to complete the pavement or sidewalk restoration themselves if desired (e.g. if the municipality has a planned capital project slated for a given street in the near future).

Discussion

The current approach to street utility cut restoration is unsustainable, as the street cuts backlog continues to increase, leading to: extended repair timelines, compromised asset conditions across our road and sidewalk networks, as well as increased financial liability to the City from older street cuts which have remained in a temporary repair state for an extended period of time.

To improve the management of street cuts and realize more timely restoration of street assets, staff recommend updating the Street Utilities By-law to allow the City to determine who completes the permanent restoration, instead of the permittee making this decision. This update also allows the City greater flexibility to manage the volume of future cuts assigned to City crews and avoid large backlogs going forward due to development and utility renewal pressures.

Risk Implications

Currently the City bears financial liability as the declining condition of road and sidewalk assets results in additional repair, maintenance and rehabilitation pressures on already constrained capital and maintenance budgets.

Delayed pavement repairs negatively impact asset condition and also the general appearance and public perception of our street infrastructure.

Financial Implications

Approving the recommendations would allow the City to reduce the volume of future repairs that City crews are responsible for, while focusing on reducing the existing backlog of cuts. As the backlog is cleared, this will reduce the City's financial liability from outstanding incomplete cut restorations.

* * * * *

APPENDIX A

DRAFT By-law to amend the Street Utilities By-law No. 10361 regarding responsibility for permanent restoration and miscellaneous amendments

Note: An amending by-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. This by-law amends the indicated provisions of the Street Utilities By-law No. 10361.
2. In section 1.2, Council:
 - (a) strikes out the definition of “city standards” and substitutes the following:

““city standards” mean those terms and conditions, described as the “Engineering Design Manual”, the “Construction Specifications”, and the “Standard Detail Drawings”, that:

 - (a) Council has approved concurrently with enactment of this By-law,
 - (b) the street utilities committee amends from time to time, and
 - (c) are posted on the city’s website,

to regulate any work or use or the conduct of any work or use, and that, at the time of application for a permit, are current;” and
 - (b) in subsection (b) of the definition of “work”, strikes out “which the permit holder, under section 3.3(i), has elected to undertake” and substitutes “unless the city has elected to undertake permanent restoration”.
3. In section 3.3, Council:
 - (a) in subsection (f), strikes out “an estimate of the cost to the city of permanent restoration after completion of the work, based upon the quantities of restoration necessary, the unit costs of such work” and substitutes “an estimate of the cost to the city of permanent restoration, based upon the quantities of restoration necessary, the unit costs of such restoration work”;
 - (b) in subsection (g), adds “and” after “standards;”;
 - (c) in subsection (h), strikes out “permit;” and substitutes “permit.”; and
 - (d) strikes out subsection (i).
4. In section 9.5, Council strikes out “If the permit holder, under section 3.3(i), elects to undertake permanent restoration” and substitutes “Unless the city notifies the permit holder that the city has elected to undertake permanent restoration”.

5. In section 9.7, Council:

- (a) in subsection (a), strikes out “the permit holder, under section 3.3(i), elected not to undertake permanent restoration” and substitutes “the city has notified the permit holder that the city has elected to undertake permanent restoration”;
- (b) strikes out “and the city undertakes and completes such permanent restoration” and substitutes “and the city undertakes to complete such permanent restoration”; and
- (c) strikes out “after completion of the work, based upon the quantities of restoration necessary, the unit costs of such work” and substitutes “based upon the quantities of restoration necessary, the unit costs of such restoration work”.

6. In Schedule A, Part 3 – Permanent restoration cost, Council:

- (a) strikes out “The permit holder must pay” and substitutes “If the city undertakes permanent restoration, the permit holder must pay”; and
- (b) strikes out “after completion of the work, based upon the quantities of restoration necessary, the unit costs of such work” and substitutes “based upon the quantities of restoration necessary, the unit costs of such restoration work”.

7. Council strikes out Schedule C and substitutes the new Schedule C attached to this by-law as Schedule A.


8. This by-law is to come into force and take effect on the date of its enactment.

ENACTED by Council this day of , 2025

Mayor

City Clerk

SCHEDULE A**Schedule C (of the Street Utilities By-law)**

	Engineering Services Suite 320 - 507 W. Broadway Vancouver, B.C., V5Z 0B4 Tel: 604-673-7522 Fax: 604-673-7255	STREET UTILITIES BY-LAW NEW WORK APPLICATION
Complete this application form, attaching all required documents and information, and submit it to the City of Vancouver Utilities Management Branch. In this application, "applicant" means applicant as defined in section 1.2 of the Street Utilities By-law No. 10361 . Letter of credit or other security may be required before work is commenced under a permit.		
SECTION 1 - PLANS AND SPECIFICATIONS		
The applicant must submit plans and specifications with this application as set out in Section 3.3 of the Street Utilities By-law No. 10361. Plans shall meet the requirements of the City of Vancouver Engineering Design Manual .		
Applicant <input style="width: 150px;" type="text"/>	Drawing Number <input style="width: 150px;" type="text"/>	
SECTION 2 - PERMANENT RESTORATION		
As part of completing the work, unless the city has elected to undertake the permanent restoration, the applicant must complete permanent restoration as set out in Section 9 of the Street Utilities By-law No. 10361. The applicant must submit with this application, an estimate of the cost of permanent restoration and pavement degradation of the work in accordance with city standards, based upon the quantities of restoration and unit prices of such work, as set out in Part 3 of Schedule A of the Street Utilities By-law No. 10361.		
<div style="text-align: right;"> Estimated Permanent Restoration Cost (backup attached) <input style="width: 150px;" type="text"/> </div>		
<div style="text-align: right;"> Estimated Pavement Degradation Cost (backup attached) <input style="width: 150px;" type="text"/> </div>		
SECTION 3 - INDEMNITY AND RELEASE		
By signing this application form and in consideration of the issuance of the permit pursuant to the Street Utilities By-law No. 10361, the applicant agrees, from and after the date the application is submitted to the city:		
a) to indemnify and save harmless the city from and against any and all injury, loss or damage incurred by the city in connection with, arising from, or in any way related to this application if such injury, loss or damage is directly caused by or as a result of:		
<div style="margin-left: 20px;"> (i) the willful misconduct or negligence of the applicant and/or the applicant's employees, officers, contractors or agents; or (ii) the actions or inaction of the applicant and/or the applicant's employees, officers, contractors or agents in the course of the "work" as defined in the Street Utilities By-law No. 10361; or (iii) the actions or inaction of the applicant and/or the applicant's employees, officers, contractors or agents in the course of bringing any products or goods which are hazardous substances in, on, under, along, across or around a street; and </div>		
b) to remise, release and forever discharge the city from any and all past, present or future actions, causes of action, claims, suits, debts, contracts, demands, damages, interest, costs, expenses and compensation of any kind which the applicant and/or the applicant's successors, assigns, employees, officers, contractors or agents now have or at any time hereafter can, shall or may have in respect of loss of life, personal injury, loss or damage to property or economic loss arising from or out of or in any way connected with any occurrence in, on, under, along, across or around a street or the "work" as defined in the Street Utilities By-law No. 10361, including by way of example only and without limiting the generality of the foregoing section in any way:		
<div style="margin-left: 20px;"> (i) damage to equipment caused directly or indirectly by work undertaken by the city; (ii) damage caused by lack of repair or collapse of the street or "city support structure" as defined in the Street Utilities By-law No. 10361; (iii) damage caused by water, gas leaks or explosions, sewer leaks or explosions, steam leaks or explosions, electricity, or electromagnetic or other radiation waves or signals; (iv) damage caused by hazardous materials on streets or "city support structure" as defined in the Street Utilities By-law No. 10361; (v) loss or damage caused by theft or misappropriation; and (vi) loss or damage to property stored or kept on the street or "city support structure" as defined in the Street Utilities By-law No. 10361. </div>		
SECTION 4 - ACKNOWLEDGEMENTS		
The applicant hereby acknowledges that it has read and agrees to comply with all terms and conditions set out in this application.		
Authorized Signatory for the applicant, or individual who has legal authority to bind the applicant (Print name and title) <input style="width: 150px;" type="text"/>		
Signature: <input style="width: 150px;" type="text"/>	Date: <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> <div style="display: flex; justify-content: space-around; font-size: 0.8em;"> Year Month Day </div>	