



COUNCIL INFORMATION PACKAGE

SUMMARY

JANUARY 7, 2022

1. **C-2022-001**
Correspondence dated November 30, 2021 from the Niagara Region respecting PW 55-2-21 – Moving Transit Forward in Niagara: Creation of a Consolidated Transit Commission (Request for Council to consent to passage of By-law No. 2021-96 to provide Niagara Region with the exclusive authority to establish, operate and maintain a consolidated passenger transportation system for the Niagara Region) **Item will be placed on January 25, 2022 Council agenda*
2. **C-2022-002**
Correspondence dated December 2, 2021 from the Greater Niagara Chamber of Commerce requesting that Council vote in favour of the transit amalgamation plan that was advanced at Regional Council.
3. **C-2022-003**
Correspondence received December 3, 2021 from the Niagara Region respecting Report CSD 67-2021 – 2022 Budget – Waste Management Services Operating Budget and Rate Requisition.
4. **C-2022-004**
Correspondence received December 3, 2021 from the Niagara Region respecting Report CSD 68-2021 – 2022 Budget – Water and Wastewater Operating Budget, Rate Setting and Requisition.
5. **C-2022-005**
Overall NRT OnDemand Service Metrics for Wainfleet as of November 30, 2021.
6. **C-2022-006**
Correspondence received from the City of Welland respecting a motion regarding PW-55-2021 – Moving Transit Forward in Niagara: Creation of a Consolidated Transit Commission from the Niagara Region.
7. **C-2022-007**
Correspondence received from the Township of North Dumfries respecting a resolution related to Regional Governance Review Report.
8. **C-2022-008**
Niagara Peninsula Conservation Authority Board Meeting Highlights
9. **C-2022-009**
Correspondence received from the Ministry of Municipal Affairs and Housing respecting Bill 13, the *Supporting People and Businesses Act, 2021*

10. **C-2022-010**
Correspondence dated December 1, 2021 from the City of Kitchener addressed to The Right Honourable Justin Trudeau respecting a resolution regarding conversion therapy.
11. **C-2022-011**
Correspondence dated December 16, 2021 from the City of Sarnia addressed to the Right Honourable Justin Trudeau and The Honourable Doug Ford respecting a resolution regarding “Catch and Release” Justice.
12. **C-2022-012**
Correspondence dated December 23, 2021 from the Multi-Municipal Wind Turbine Working Group regarding Wind Turbine Failures
13. **C-2022-013**
Correspondence dated December 17, 2021 from Barry Field, Executive Director with SouthWestern Integrated Fibre Technology respecting internet service levels in Wainfleet.
14. **C-2022-014**
Correspondence received January 1, 2022 from Wainfleet resident, France McCabe, respecting a letter regarding approving Lakewood beached property project and liability issues.
15. **C-2022-015**
Overall NRT OnDemand Service Metrics for Wainfleet as of December 31 2021.
16. **C-2022-016**
Correspondence dated December 22, 2021 from the Town of Bradford West Gwillimbury addressed to the Honourable Doug Ford, Premier of Ontario respecting a resolution regarding the Province of Quebec’s Bill 21
17. **C-2022-017**
Correspondence dated December 17, 2021 from the Niagara Region respecting Approval of 2022 Interim Levy Dates and Amounts – CSD 75-2021
18. **C-2022-018**
AMO Policy Update – New Year Calls to Action and Other Issues of Municipal Concern



Administration

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November 30, 2021

CL 22-2021, November 25, 2021

PW 55-2021, November 25, 2021

LOCAL AREA MUNICIPALITIES

SENT ELECTRONICALLY

RE: PW 55-2021 - Moving Transit Forward in Niagara: Creation of a Consolidated Transit Commission

Regional Council, at its meeting held on November 25, 2021, passed the following resolution:

That Report PW 55-2021, dated November 25, 2021, respecting Moving Transit Forward in Niagara: Creation of a Consolidated Transit Commission, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That Regional Council **ENACT** a By-law pursuant to section 189 of the Municipal Act, 2001, and substantially in the form attached as Appendix 1 of Report PW 55-2021, to provide The Regional Municipality of Niagara with the exclusive authority to establish, operate and maintain an intra-municipal passenger transportation system for the Region (having previously received inter-municipal authority), and such By-law, if adopted, to come into force and effect on January 1, 2023, provided that:
 - 1.1. a majority of the councils of the local area municipalities pass resolutions consenting to the By-law; and
 - 1.2. the total number of electors in the local municipalities that have passed resolutions in support of the By-law form a majority of all electors in the region of Niagara as established in the revised list of electors for the municipal election held in the year 2018;

2. That, subject to the adoption of the aforementioned By-law, a copy of the By-law and Report PW 55-2021 **BE FORWARDED** to the clerks of the 12 local area municipalities with a request that their councils consider adopting the following resolution, and advise the Regional Clerk of the results of that consideration, no later than January 31, 2022:

“That the Council of (name of municipality) consents to the passage of By-law No. 2021-96 of The Regional Municipality of Niagara, being a by-law to provide Niagara Region with the exclusive authority to establish, operate and maintain a consolidated passenger transportation system for the Niagara Region”.

3. That subject to the adoption of the aforementioned By-law, the Chief Administrative Officer and General Manager of the future Transit Commission **BE AUTHORIZED** to negotiate municipal asset transfer agreements with the City of Niagara Falls, City of St. Catharines, and City of Welland, on the basis of the principles in Appendix 3 of Report PW 55-2021 and in a form satisfactory to the Director, Legal and Court Services; and
4. That subject to the adoption of the aforementioned By-law, the Chief Administrative Officer **BE DIRECTED** to report back to Regional Council early in 2022 on the creation of a Regional Transit Commission, as described in Report PW 55-2021 and the attached appendices, and recommending the roles and responsibilities of the Commission.

A copy of PW 55-2021 and By-law 2021-96 are enclosed for your reference.

Yours truly,



Ann-Marie Norio
Regional Clerk

CLK-C 2021-182

Distribution List

M. Robinson, Director, GO Transportation Office
B. Zvaniga, Interim Commissioner, Public Works
N. Coffey, Executive Assistant, Commissioner, Public Works

Subject: Moving Transit Forward in Niagara: Creation of a Consolidated Transit Commission

Report to: Regional Council

Report date: Thursday, November 25, 2021

Recommendations

1. That Regional Council **ENACT** a By-law pursuant to section 189 of the *Municipal Act, 2001*, and substantially in the form attached as Appendix 1 of Report PW 55-2021, to provide The Regional Municipality of Niagara with the exclusive authority to establish, operate and maintain an intra-municipal passenger transportation system for the Region (having previously received inter-municipal authority), and such By-law, if adopted, to come into force and effect on January 1, 2023, provided that:
 - 1.1. a majority of the councils of the local area municipalities pass resolutions consenting to the By-law; and,
 - 1.2. the total number of electors in the local municipalities that have passed resolutions in support of the By-law form a majority of all electors in the Region of Niagara as established in the revised list of electors for the municipal election held in the year 2018.
2. That, subject to the adoption of the aforementioned By-law, a copy of the By-law and Report PW 55-2021 **BE FORWARDED** to the clerks of the 12 local area municipalities with a request that their councils consider adopting the following resolution and advise the Regional Clerk of the results of that consideration, no later than January 31, 2022:

“That the Council of (name of municipality) consents to the passage of By-law No. 96-2021 of The Regional Municipality of Niagara, being a by-law to provide Niagara Region with the exclusive authority to establish, operate and maintain a consolidated passenger transportation system for the Niagara Region ”
3. That subject to the adoption of the aforementioned By-law, the Chief Administrative Officer and General Manager of the future Transit Commission **BE AUTHORIZED** to negotiate municipal asset transfer agreements with the City of Niagara Falls, City of

St. Catharines, and City of Welland, on the basis of the principles in Appendix 3 and in a form satisfactory to the Director, Legal and Court Services.

4. That subject to the adoption of the aforementioned By-law, the Chief Administrative Officer **BE DIRECTED** to report back to Regional Council early in 2022 on the creation of a Regional Transit Commission, as described in this report and the attached appendices, and recommending the roles and responsibilities of the Commission.

Key Facts

- The purpose of this report is to seek Regional Council authority to create a single, consolidated transit system, that would formally integrate all existing Regional and local transit systems, and that will bring dramatic benefits to the residents of Niagara:
 - Creating a single branded system that can take riders anywhere in the Region, for a single fare, that will break down jurisdictional barriers and connect communities;
 - Leveraging and supporting GO rail and bus expansion;
 - Developing and supporting the economy, job retention, and creating and driving tourism;
 - Being environmentally sustainable and reducing traffic congestion;
 - Supporting accessibility; and
 - Providing better value and service to the taxpayers of Niagara.
- Regional Council approval to move forward with consolidation represents the first step in a required triple-majority process that will be followed by seeking similar authorization from each of Niagara's twelve municipalities, as set out in section 189 of the Municipal Act, 2001.
- Should triple-majority be achieved, the new Transit Commission will be created and would begin operation on January 1, 2023.
- The Linking Niagara Transit Committee (LNTC) has endorsed the proposed governance model for the consolidation of transit (September 29, 2021),

comprised of a comprehensive financial, Board composition, and service strategies.

- These combined strategies for the new Transit Commission reflect extensive consultation, including: two rounds of consultation with local municipalities, as well as engagement with interested parties from across Niagara and the public.
 - The recommended strategies reflect the consensus recommendation of the Governance Steering Committee (GSC), balancing the input and feedback received from all parties. The City of Welland has identified ongoing concerns, which are discussed in the companion memorandum to this report.
- Now is the opportunity to take the final step towards the establishment of a consolidated system. Only through a single Commission model – a single decision making authority for transit – can the benefits of these next steps be realized.

Financial Considerations

Should triple-majority approval be achieved, the financial strategy outlined in this report and in further detail in [LNTC-C 3-2021](#) proposes the Region upload the Municipal levy funding of the baseline local transit service net expenditure to the Regional levy, using the combined 2020 transit budgets at \$27.8M and estimated to be \$29.4M in 2023.

The upload to the new Transit Commission will occur in a single year 2023, following which the Regional Council approved budget of the Commission will be apportioned to each of the LAMs using twelve Special Levies, one for each municipality. All existing Niagara Region Transit (NRT) service costs transferred to the Commission will continue to be allocated to the Special Levy based on municipal share of Regional assessment and the local transit service costs will be allocated to the Special Levy based on service hours. Tax bills will show a separate LAM regional transit levy so this is clear for all property owners. An insert in the tax bill will explain to property owners that the Special Levy is not an additional charge, but instead reflects the upload of responsibility for transit, and the tax space associated with the cost of transit also moves to the Region.

The 2023 estimated baseline operating budget of the new Transit Commission will represent a 7.3% increase to the Regional budget resulting from the local transit service costs being shifted from LAMs to the Commission budget; to be levied by the Region. This increase is expected to be offset by equal and concurrent reductions to municipal

budgets to minimize the property taxpayer impact from transit consolidation. In addition, the establishment of a new transit capital reserve, requires an additional 0.5% (\$2.2M) increase to the 2023 Regional budget.

Note that all financial modeling is estimated based on 2020 budgets and would be adjusted prior to 2023 to reflect most recent financials, including final asset inventories and debt to be assumed by the Commission. Future growth and service strategies are subject to future budget approvals and will directly impact the proportion of costs a municipality is apportioned.

Analysis

Moving Transit Forward

The vision for a single regional transit agency for Niagara is a long-standing one, with a significant series of previous milestones having been achieved dating back well more than a decade.

Recent milestones include the formation of the inter-municipal transit working group (IMTWG) in 2015, the Niagara Transit Service Delivery and Governance Strategy Report (*Dillon Report*, 2017), unanimous triple majority approval in 2017 granting the Region legal jurisdiction to move NRT from a pilot to permanent operation – along with unanimous municipal approval to proceed to develop a new governance system for a consolidated transit system for all of Niagara, the establishment of LNTC, the 2017 MOU between Niagara's four major transit properties that endorsed a consolidated transit system in principle, and the completion of the Niagara Transit Governance Study (NTGS) in 2020.

LNTC has now developed and endorsed the final recommended governance proposal, comprised of the financial, Board composition, and service strategies as outlined in this report, and supported the initiation of the required triple-majority approval process.

Now is the opportunity to take that final step towards the establishment of that consolidated system, one that is anticipated to bring dramatic benefits to the residents of Niagara by:

- ✓ Creating **one unified transit system** for Niagara.
- ✓ Breaking down barriers and **connecting communities**, ensuring all residents in Niagara have access to transit.
- ✓ **Expanding and enhancing service** – with new, longer, and consistent operating hours.
- ✓ **Connecting to GO Transit** as service is expanded and enhanced in the near future.
- ✓ **Supporting business and economic development** by connecting employers with new customers and employees with new opportunities.
- ✓ **Driving Tourism** by connecting people to all the destinations and activities that Niagara has to offer.
- ✓ Connecting **Seniors** to their community – to access services, see family and friends, and maintain independence.
- ✓ Establishing **one single fare** that takes you anywhere in the Region, with a new payment system.
- ✓ Being **innovative**, using new methods to serve communities like on-demand transit.
- ✓ Having **one schedule**, with one website and one app to help you plan your trip.
- ✓ Creating a more **accessible and equitable** system by ensuring all residents have similar access to service.
- ✓ Supporting the **environment** by reducing greenhouse gas emissions and support future moves to a zero-emission fleet.
- ✓ Ensuring that **Students and Youth** can get to school, participate in extra-curricular activities, or access a job.
- ✓ Ensuring it is **funded fairly**, with residents only paying for the service they receive directly.
- ✓ Delivering **better value for the taxpayer** through the more efficient delivery of service and eliminating duplication.
- ✓ Providing access to **Health Care**, and improving social determinants of health.
- ✓ Ensuring **maximization of capital** resources.
- ✓ Ensuring consistent, reliable and **accessible infrastructure** which enables all riders to equitably access transit.

It is only through the move to one consolidated agency these outcomes can be achieved.

Significant work has been done to improve, integrate, and coordinate the existing systems in Niagara, and consolidation will mean a larger and combined resource pool, which will support efficiencies that cannot be otherwise achieved as separate entities duplicating efforts, and which will then be reinvested into the network to enhance service.

Operational integration under the current status quo can only go so far before decisions require political authority to make meaningful change – which creates inconsistencies, inequity, and disconnected operations. Only through a single Commission model – a single decision making authority for transit – can the benefits of these next steps be realized. Whether aligned fare policies (i.e. single fare), fare exemptions (i.e. Niagara-wide low income pass), single unified system branding on fare technology or fleet, addressing inconsistent service hours, or an ongoing lack of consistency in capital improvements – these benefits can only be achieved with a single governance model to ensure the consistency, reliability and frequency transit riders expect can be realized.

Under the status quo, if one Council is not aligned for investments, the system is out of sync. This is what has led to the inconsistencies that plague today's system. The IMTWG has made incredible strides to harmonize as much as possible, but obvious gaps and confusion to those using the system prevail.

Building Niagara

A move to a consolidated Region-wide transit agency is critical for ensuring that Niagara remains a competitive destination for people and businesses, and is able to retain those already here.

Regional transit systems have been established in a number of peer jurisdictions previously: Waterloo, Durham and York Regions in terms of bringing together local transit systems to a combined Region wide system for example, as well as those de-facto Region-wide systems established through municipal amalgamations such as in Hamilton.

These jurisdictions have all seen significant growth not only in transit ridership, driven by both the consolidation and expanded investment into the transit network, but also in terms of the associated benefits from transit such as business development and the expansion of their post-secondary institutions.

Niagara Region is experiencing significant and rapid growth. People and businesses coming to Niagara are often relocating from areas such as the GTA with existing transit systems, and accordingly are bringing with them the expectation that a robust transit system will be in place in their new home.

The move to a consolidated transit system will address this expectation - ensuring that Niagara is able to not only meet and support the growth that is already in place but to continue to meet it in the future, including an projected 19% increase in population and 16% growth in employment by 2031 (2019 Municipal Growth Plan). This growth will come from many areas, including: recent trends of relocation from the GTA, newcomers to Canada, the expansion of GO transit to Niagara, as well as the growth of institutions such as Brock University, Niagara College, and new facilities such as the Niagara South Hospital.

Establishing a consolidated transit system is critical to meeting the evolving needs of existing residents, as well as ensuring that Niagara remains an attractive and competitive place to attract new growth.

Creating a Consolidated Transit System - Triple Majority Approval

Creating authority for one consolidated transit system in Niagara will require triple-majority approval of a by-law to transfer to the Region the legislative authority to operate intra-municipal transit service in Niagara (the Region having received inter-municipal authority previously in 2017).

Triple majority support consists of:

- A majority of all votes on upper-tier council [Regional Council];
- A majority of all the lower-tier [LAM] councils passing resolutions consenting to the by-law; and
- The total number of electors in the lower-tier [LAM] municipalities that have passed resolutions consenting to the by-law form a majority of the electors in the upper-tier municipality.

This report is the first step in this process and the represents the Regional approval to move forward into a consolidated system. Should the recommendations of this report be adopted, each of Niagara's LAMs will then be asked to subsequently consider the by-law through the remainder of 2021.

Should triple-majority be achieved, an approximate one-year period would be required to establish the new Transit Commission and to prepare for the assumption of day-to-day operations on January 1, 2023. In the interim, the existing transit systems would continue to operate and deliver service while the Region will take steps to ensure a smooth transition. As outlined in the Municipal Transfer Agreement term sheet (Appendix 3), no additional changes in operation or new assets would be on-boarded after June 30, 2022 in order to provide a 'steady-state' for the final period prior to operations turnover. Changes made between 2021 and June 30, 2022 will alter the previously estimated special levies for each municipality.

The [Transition Plan of the NTGS](#) outlines the major milestones required to establish the Commission during this one-year period, with further discussion later in this report regarding some of the immediate next steps should triple-majority be achieved.

Final Governance, Service Standards, and Financial Strategies

The creation of a regional transit municipal service board to serve as the new Transit Commission, Board composition for the Commission, service standards, and financial strategies comprise the governance proposal for the new Transit Commission, outlining how the new agency would be established and the terms and conditions in which it will ultimately function.

These strategies have been summarized in the sections below, with reference provided to previous reports that provide additional detail where applicable.

Extensive Consultation

The aforementioned strategies were developed and articulated originally as part of the NTGS consultants study, as well as through the work of both local and Regional staff such as the Area CAOs and Treasurers. Since that time, they have been refined through significant engagement and consultation, including:

- **Two Rounds of Municipal Consultation** – Local municipal Councils reviewed the initial proposed strategy and provided feedback on both the original NTGS recommendations and associated financial model; followed by a second opportunity for further feedback based on the revised strategies developed by the GSC in response to the first round of engagement. The proposal was presented to Council of all local municipalities in public session providing an opportunity for members of council and the public to provide input. Significant change occurred

from the initial proposal to the subsequent revised strategies. This was a direct result of the municipal feedback.

A companion memorandum (CL-C 86-2021) has been prepared that outlines the outstanding discussion points raised by the City of Welland and how these items were acknowledged, weighed, considered and responded to throughout the current process.

- **Interested Party Consultation** - Following the LAM discussions, a series of workshops were conducted with interested parties from across Niagara, representing organizations or demographics who either rely on transit or with a mandate that is closely related to transit. Example attendees included members of environmental and accessibility advisory committees, local business leaders and Chambers of Commerce, institutional administrators, and other advocates.

The purpose of these sessions was to ensure that these groups had the latest information regarding the consideration of a consolidated transit system, and had an opportunity to provide feedback prior to the finalization of the proposal.

These sessions were organized thematically, covering a wide variety of topics such as the environment, seniors, youth, business and tourism, post-secondary institutions, diversity and inclusiveness, libraries, health services, and accessibility.

- **Public Consultation** – in September 2021, a website was launched (movingtransitforward.ca) that provided an overview of the proposal for a consolidated transit system, as well as details on the core strategies of the governance model. A survey asked for feedback from the public on the proposed models:

A total of 2,251 individuals took the survey. Respondents included representation from all Niagara municipalities, representing a mix of both transit and non-transit users (38% monthly or more frequent, 44 % non-transit users). Consistent support was expressed for all three of the governance strategies, with 'support' or 'strong support' being indicated by:

- 79% of respondents for the financial strategy;
- 82% of respondents for the Board composition structure; and

- 85% of respondents for the services standards strategy.

The details results of the public consultation survey are including in Appendix 2.

Board Composition Strategy

The LNTC has endorsed and recommends the creation of a 15-member elected Transitional Commission Board, to be comprised of either Regional or local councillors, supported by a 20-member Public Advisory Committee as shown in Figure 1 below.

The Region would be represented by the Regional Chair or the CAO (or their delegate) as ex-officio attendees to ensure that answers to questions concerning Regional operations and matters that impact the Region related to the Commission can be responded to for the Board in a timely way.

Figure 1 - GSC Recommended Board Structure

Transitional Transit Commission Board	Public Advisory Committee
<p>(15) Total Elected Official Representatives</p> <ul style="list-style-type: none"> • (3) St. Catharines • (2) Niagara Falls • (1) Welland • (1) Fort Erie • (1) Grimsby • (1) Lincoln • (1) Niagara-on-the-Lake • (1) Pelham • (1) Port Colborne • (1) Thorold • (1) Wainfleet • (1) West Lincoln 	<p>(20) Total Public Interested Party Representatives</p> <ul style="list-style-type: none"> • (12) Niagara Residents (one per Municipality) • (2) Members representing Accessibility Advisory Committees or other Accessibility Stakeholders • (2) Post-Secondary Representatives (1 student union representative from Brock University and 1 from Niagara College) • (1) Member representing Niagara's Chambers of Commerce • (1) Senior Issues Stakeholder • (1) Youth Issues Stakeholder • (1) Transit Commission General Manager (ex-Officio)
<p><i>Members recommended by local Councils; appointed by Regional Council.</i></p>	<p><i>Resident members recommended by local Councils; all members appointed by the Transit Commission Board.</i></p>

In the development of this recommendation, the GSC considered feedback from all 12 municipalities regarding the overall size, elected composition, and share of representation of the Transitional 15-member Commission Board.

This recommendation balances that input: ensuring that all local municipalities have direct representation during the transition period, providing additional representation to municipalities on the basis of ridership, while respecting the total size of the Board.

The mandate of the Transitional Board will end with the establishment of a future permanent Board structure that will coincide with next municipal election cycle (2026) after the creation of the Commission.

This will be preceded by an external third party review of the Transitional Board structure and governance that will revisit and make recommendations regarding the total Board size, and representation. The Municipal Transfer Agreements discussed later in this report include a specific requirement that this external review, examining alternative Board structures, takes place.

The GSC has maintained the position that the establishment of a hybrid governing model (councillors and independent experts) remains a preferred outcome for the future permanent Board structure and should be strongly considered during this review. Recent recommendations made as part of the Collingwood Judicial Inquiry suggest that the boards of municipally owned corporations should be composed of directors with a variety of experiences and backgrounds, skills and qualifications. These recommendations apply equally to municipal service boards.

Service Standards Strategy

Developed by the transit leaders in Niagara, the Service Standards Strategy, provided as [Appendix 5](#) to *LNTC-C 3-2021*, outlines a three-phased approach to the standardization and enhancement of transit service across Niagara to achieve consistent, equitable access to transit for all Niagara residents and communities:

Figure 2 - Niagara Service Standards Strategy Overview



- **Phase 1 – Standardized Operating Hours Across Niagara** – a move to one set of consistent operating hours to ensure all residents in Niagara have the same level of availability of transit in their community and the ability to make consistent connections across Niagara. Proposed hours are 6 a.m. to midnight (Monday to Saturday), and 7 a.m. to 9 p.m. (Sundays and Holidays). This would represent over 45,000 new annual service hours across Niagara to create this equity and availability in each municipality.
- **Phase 2 – Combine Specialized and Demand-Responsive Services** - combining specialized transit (accessible or Para-transit) with other existing demand-responsive (on-demand) services. The combination of specialized and demand-responsive transit into one combined service delivery model offers an opportunity to both improve the service residents receive, while more efficiently deploying the resources available to the Commission.
- **Phase 3 – Network Review and Growth** - undertaking a detailed network review study that would look for future opportunities to expand and enhance Niagara's transit footprint and significantly grow ridership in the long-term.

The new Transit Commission will also evaluate the performance of its services on a continual basis – starting right from its creation and in parallel with this strategy. At a minimum, there will be an annual performance review of required changes and service

enhancements, which may include evaluation of route performance, ridership, new housing/commercial development, customer feedback, and opportunities to implement existing expansion priorities such as those identified in municipal transit and transportation master plans, in keeping with industry best practices.

Financial Strategy

The recommended financial strategy proposes that all LAM transit service budgets be uploaded to the Commission in the 2023 budget year, as well as the Region's existing transit budget to be consolidated by the Commission and to be assessed to the LAMs by way of special levies to be approved annually by the Region as part of the budget process:

- The 2023 estimated Commission baseline service budget will require a 7.3% increase due to the transfer of local transit costs to the Regional budget with expected equal and concurrent reductions to municipal budgets therefore minimizing the net residential impact.
- Service levels are different in each municipality; therefore, the Region proposes that twelve Special Levies be adopted in 2023. Each Special Levy will allocate 65% of 2023 net transit costs based on service hours, with all current existing NRT services continuing to be allocated to the Special Levy based on local share of Region-wide assessment.

The full Financial Strategy is described in the Financial Considerations section of [LNTC-C 3-2021](#) and associated Appendices [1](#), [2](#), [3](#) and [4](#).

Over the course of 2022 it will also be necessary for all municipalities to review and make any necessary adjustments to Fees and Charges by-laws, Development Charges By-laws and other related administrative by-laws to ensure a smooth transition effective on January 1, 2023. A further report will be required to address these matters. Also, matters related to insurance coverage will need to be addressed.

Creating the Commission – Next Steps

Should triple-majority be achieved, an approximate one year transition period would commence during which the Commission would be established in advance of the assumption of day-to-day operations on January 1, 2023. The [NTGS](#) identified a total of five phases of transition (Approval, Commission Establishment, Commission Setup,

Service Launch, Enhancement), with *Phase 2 – Commission Establishment* and *Phase 3 – Commission Setup* intended to be achieved during this one year period before the assumption of operations.

Significant work and resources will be required to achieve the transition of operational responsibility on January 1, 2023. This will including the establishment of the Commission as a Municipal Services Board, appointment of the Commission Board, the completion of the Municipal Transfer Agreements, and the transfer of staff and assets. Each of these tasks will require significant coordination between Regional staff, municipal staff, and Commission staff when in place, with additional resources and support to be sought through external consulting assignments to be funded as part of the previously identified transition costs.

The purpose of this section is to provide an overview of some of the major activities of this transition period, including where future decisions of Regional Council will be sought.

Legal Establishment of the Commission as a Municipal Services Board

Following triple-majority, work will be required to formally establish the Transit Commission as a Municipal Services Board of the Region, through section 196 to 198 of the *Municipal Act*, 2001 (the “Act”).

A transit commission established under the *Act* is subordinate to Regional Council, unlike an independent board, like the Police Services Board or Board of Health, which are created under different legislation. At the same time, it is a body corporate, and so is independent from the Region in its day-to-day operations.

Regional Council will determine the roles and responsibilities of the Commission, governance structure including the board structure and membership as well as determine if committees are needed. Regional Council will also determine the budgetary process, financial management, transfer of assets and reporting structure of the transit commission. Policies respecting the sale or disposition of land, hiring of employees and procurement of goods and services are mandatory under s. 270(2) of the Act. The Commission would normally establish its own procedure by-law, policies respecting employees, procurement, asset management and board compensation however for efficiency could consider leveraging Regional services and policies. It would also appoint its own Auditor. The role of the Region’s auditor in providing oversight will need to be determined as well. To note, the entities consolidated

financially with the Niagara Region being Court Services, Niagara Regional Housing and Niagara Regional Police all leverage the Region's auditors which creates significant efficiency and cost savings.

As a "local board" the *Municipal Freedom of Information and Protection of Privacy Act* will apply to the transit commission and it will require a Code of Conduct. Its budget will be approved by Regional Council as part of the annual budget approval process. What if any corporate support services will be provided by the Region also needs to be considered (and may the subject of a future agreement between the Region and the Commission, similar to the "shared services" agreement in place between the Region and NRH for example).

The proposed organization of the new Transit Commission will be accomplished through the passage of a by-law by Regional Council at a future date that will create the Board and formalize aspects of the Board composition strategy such as the number of Commission Board representatives and eligibility of persons to hold office as Board members.

That by-law will further establish the relationship between the Commission and the Region, including their financial and reporting relationship. Transitional reports to implement these operational or structural components of the new Commission would be brought to Regional Council as needed during the transition period (2022). Terms of Reference for both the Commission Board and Public Advisory Committee will also be developed and brought forward for Council approval.

Municipal Transfer Agreements

A series of agreements will be required with each of Niagara Falls, St. Catharines, and Welland regarding the manner in which the existing assets used to deliver transit in Niagara would transfer to the new Transit Commission. These Municipal Transfer Agreements (MTAs) will also include principles for the transfer of personnel, guarantees regarding the minimum levels of service to be provided in municipalities in the future, and formalize the requirement that the governance review takes place.

A recommendation of this report is that the CAO, and the General Manager of the new Transit Commission once appointed, be authorized to negotiate these agreements, on the basis of the terms that are outlined in Appendix 3.

The principles outlined in this term sheet represent the consensus recommendations of the CAO GSC reflecting discussion, comments, and input received throughout the multi-year initiative to consolidate transit. The term sheets further include schedules that identify the assets that are to be transferred, as well as the current debt financing to be assumed by the Region as part of the financial strategy.

WEGO

Contained within the MTAs are principles related to the exclusion of WEGO from the initial consolidation of transit in Niagara. This approach has been taken as WEGO is delivered by the Niagara Parks Commission, a Provincial Crown agency, in partnership with the City of Niagara Falls. As such there are a series of pre-existing agreements regarding the operation of the system and the maintenance facility (paid for in part through Provincial funding) that would make consolidation of WEGO with the wider system challenging as part of the initial triple-majority exercise. WEGO also provides a specific a tourism-focused service that is unique from the other public transit systems in Niagara.

It is therefore anticipated that in the early days of the Commission that WEGO service will continue to be delivered as a partnership between the City of Niagara Falls and the Niagara Parks Commission. Accordingly, the WEGO fleet and the WEGO transit facility will remain with the City of Niagara Falls and not be transferred to the Commission.

Transit operators currently employed by the City of Niagara Falls in the joint delivery of Niagara Falls Transit and contracted WEGO routes will transfer to the Commission, with the Commission and the City of Niagara Falls entering into a service agreement, on the basis of an hourly fee, for the provision of operators to deliver the continued contracted City of Niagara Falls WEGO routes.

The initial exclusion of WEGO from consolidation does not preclude its future integration once the Commission has been fully established and/or as existing agreements between the Niagara Parks Commission and the City of Niagara Falls come to term. It also does not preclude agreements being entered into related to WEGO concerning operations in Niagara Falls, at any time.

Appointment of the Commission Board and Public Advisory Committee

Following the legal establishment of the Commission as a Municipal Services Board, the process to appoint members to the Transitional Commission Board and Public Advisory

Committee will commence. As outlined within the Board composition strategy, each municipality will be asked to forward to Regional Council a recommendation for both an elected representative on the Commission Board and a public or citizen representative for the Advisory Committee. Skills matrices and evaluation criteria will be developed for the other public members of the Advisory Committee, with an application process following the existing Regional process for appointment to advisory boards and committees.

The final approval for appointing members to both the Commission Board and the Public Advisory Committee will rest with Regional Council, reflecting the role of the Commission as an agency of the Region.

Recruitment of General Manager and Transition of Staff

An open competition will be held for the position of General Manager of the new Commission, anticipated to be supported through the use of an executive search consultant. The appointment of a General Manager would subsequently be ratified by the Commission Board once established.

The General Manager, along with a working group led by the Regional Treasurer/Commissioner Corporate Services, will finalize the organizational structure and complement of the new Commission for Regional Council approval. The preliminary organizational structure included in the NTGS will serve as the starting point for this discussion.

An external HR consultant vendor will be sought to support the transition of existing employees to the new Commission, and provide additional capacity to Regional staff to facilitate tasks such as the finalization of the organizational structure, development of job descriptions, and other human resources and labour relations components.

Appendix 4 outlines a high level overview of a series of Human Resources and Labour Relations considerations that are applicable to the transfer of staff to the new organization.

Consistent with these requirements and as outlined within the MTA Term Sheet, all full-time and part-time unionized employees employed by the existing transit entities as of June 30, 2022 will automatically transfer to the Commission.

Non-unionized employees will either be directly offered a position with the new Commission where there is anticipated to be a substantially similar role established, or have the opportunity to apply for new roles within the Commission. Any municipal corporate support personnel (i.e. those whose full time role with a municipality includes transit work as a portion of their duties) will remain with the municipality. Any municipal non-union staff who are not offered a position with the new Commission will remain the responsibility of the municipality.

The integration of the three existing Amalgamated Transit Union (ATUs) Locals will take place in through negotiation and in accordance with the defined provincial process as outlined under the *Public Sector Labour Relations Transition Act, 1997* and by the Ontario Labour Relations Board.

Alternatives Reviewed

The NTGS considered a series of alternative governance models for the consolidated transit system, including that of a partial Commission or Regional Division. The Full Commission was recommended on the basis of the level of independence and anticipated benefits arising from a defined budget envelope being set by Regional Council. Additional detail regarding the evaluation of the alternative governance models is contained within the final NTGS report, which was presented as [Appendix 2](#) to *LNTC-C 4-2020*.

Numerous alternative financial models, Board compositions, and service enhancement timelines have been considered throughout the process: both originally within the NTGS and as input and feedback has been received by municipalities. These considerations have included:

- 11 different alternative Special Levy financial models, including ones that considered divisions between conventional and on-demand systems, in addition to the single General Levy originally proposed;
- Alternative Commission Board structures including those that maintained a smaller total Board size; that included public members to retain a hybrid model; that grouped smaller LAMs into rotating seats; and
- Both shorter and longer timelines for the implementation of service enhancements and the external network review.

The original guiding principles of 'Customer Driven', 'Unconventional Solutions', 'Integrated', 'Economically Responsible', and 'Fair' were used throughout to evaluate alternatives. The final strategies and governance model represent the consensus recommendation of the GSC.

Relationship to Council Strategic Priorities

The proposed consolidation of transit services across Niagara into a consolidated transit entity directly aligns with the Council Strategic Priority: Responsible Growth and Infrastructure Planning (Objective 3.1) through advancing regional transit and facilitating the movement of people and goods.

Other Pertinent Reports

LNTC-C 5-2021	Niagara Transit Governance – Phase 2 Consultation Results and Triple-Majority Initiation
LNTC-C 3-2021	Niagara Transit Governance - Revised Strategies Reflecting Phase 1 Municipal Consultation
LNTC-C 2-2021	Niagara Transit Governance – Governance Steering Committee Update
LNTC-C 1-2021	Niagara Transit Governance – Detailed Phase 1 Consultation Summary
PW-9 2021	Niagara Transit Governance Study – Niagara Region Considerations
LNTC-C 6-2020	Councillor Information Request – Niagara Transit Governance – Local Area Municipality Engagement
LNTC-C 4-2020	Niagara Region Transit Governance Study
CAO 8-2017	Niagara Region's Transit Service Delivery and Governance Strategy
LNTC-C 21-2018	Inter-Municipal Transit (IMT) Service Implementation Strategy

Prepared by:

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GO Implementation Office

Recommended by:

Bruce Zvaniga, P.Eng.
Commissioner of Public Works (Interim)
Public Works Department

Submitted by:

Ron Tripp, P.Eng.
Chief Administrative Officer

This report was prepared in significant consultation with Scott Fraser, Transportation Lead GO Implementation, Heather Talbot, Financial & Special Projects Consultant – Financial Management and Planning; the Governance Steering Committee comprised of the CAOs from all thirteen (13) municipalities across Niagara; and reviewed by; Matt Robinson, Director, GO Implementation Office; Helen Chamberlain, Director, Financial Management & Planning/Deputy Treasurer; Todd Harrison, Commissioner of Corporate Services/Treasurer.

Appendices

Appendix 1	Draft By-law No. 96-2021 of the Regional Municipality of Niagara
Appendix 2	Online Resident Survey Results – Moving Transit Forward
Appendix 3	Municipal Transfer Agreements – Summary Term Sheet
Appendix 4	External Legal Overview: Regional Transit Integration: Labour Relations and Employment Processes and Implications

Bill No.

Authorization Reference:
Minute Item 5.1

THE REGIONAL MUNICIPALITY OF NIAGARA

BY-LAW NO. <>

A BY-LAW TO ESTABLISH, OPERATE AND MAINTAIN A
CONSOLIDATED PASSENGER TRANSPORTATION SYSTEM FOR THE
REGIONAL MUNICIPALITY OF NIAGARA

WHEREAS Niagara Region Council deems it expedient and beneficial to address transit issues in Niagara Region;

WHEREAS the Linking Niagara Transit Committee was established to lead the development of a consolidated governance model, as well as the harmonization and integration of operational and policy regimes of the existing transit properties;

WHEREAS the Inter-municipal Transit Working Group was established to gather information and provide guidance on operational matters related to the transition to a consolidated transit system;

WHEREAS Niagara's four (4) major transit operators entered into a Memorandum of Understanding in 2017 that, in principle, endorsed the creation of a consolidated transit system;

WHEREAS all local area municipalities have been consulted on and provided input regarding the results of the Niagara Transit Governance Study, associated financial strategy, and the subsequently revised models reflecting initial feedback;

WHEREAS the Linking Niagara Transit Committee has endorsed the Commission governance model, Niagara Service Standards Strategy and associated twelve (12) special levy financial strategy as the models under which consolidation should take place as identified in Regional Reports LNTC-C 5-2021 and PW 55-2021;

WHEREAS Niagara Region obtained triple-majority authority in 2017 to establish, operate and maintain an inter-municipal passenger transportation system in Niagara Region and enacted By-law No. 2017-21 on March 23, 2017, which came into effect on June 1, 2017, in this regard;

WHEREAS under this new consolidated system, Niagara Region would plan and operate both intra-municipal and inter-municipal transit routes, including specialized and demand-responsive transit services, throughout Niagara Region creating one unified transit system;

WHEREAS existing transit assets would transfer to the Commission on the basis of Municipal Transfer Agreements, to be negotiated and entered into with the major transit operators substantially on the basis of the terms outlined in Appendix 3 to PW 55-2021;

WHEREAS Section 11 of the Municipal Act, 2001, Ch. 25, as amended, grants exclusive jurisdiction over the operation of transit services to lower-tier municipalities in Niagara Region; and

WHEREAS Section 189 of the Municipal Act, 2001, Ch. 25, as amended, provides an upper-tier municipality with the ability to pass a by-law for the transfer of all or part of a lower-tier power to the upper-tier municipality, subject to certain rules regarding consideration and approval by the lower-tier municipalities.

NOW THEREFORE the Council of The Regional Municipality of Niagara enacts as follows:

1. That the authority to establish, operate and maintain a consolidated passenger transportation system for Niagara Region be transferred to The Regional Municipality of Niagara;
2. That steps to transfer jurisdiction and related assets essential to operating a consolidated passenger transportation system to The Regional Municipality of Niagara begin immediately after the following requirements have been met:
 - a. A majority of the councils of the lower-tier municipalities forming part of Niagara Region have passed resolutions consenting to the by-law;
 - b. The total number of electors in the lower-tier municipalities that have passed resolutions consenting to the by-law form a majority of all electors in the Region of Niagara as established in the revised list of electors for the municipal election held in the year 2018.
3. That in this by-law, the term “consolidated passenger transportation system” shall mean a single, unified public transportation services system operating within or between any two or more of the twelve (12) lower-tier municipalities which comprise the Region of Niagara;
4. That The Regional Municipality of Niagara does hereby assume from all lower-tier municipalities comprising the Region of Niagara, those parts of the lower-tier power and related assets essential to provide public transportation systems, other than highways, necessary to own and operate a consolidated passenger transportation system as contemplated by this by-law;

5. That Sections 1 and 2 of the by-law shall come into force and effect on the day the requirements of Section 189 of the Municipal Act 2001, Ch. 25, as amended, are met;
6. That Section 4 of this by-law respecting the transfer of assets and operations to the new transit commission does not come into effect until January 1, 2023. For clarity, the lower-tier municipalities that operate public transportation systems will continue to do so until these operations transition to The Regional Municipality of Niagara on January 1, 2023.

THE REGIONAL MUNICIPALITY OF NIAGARA

James Bradley, Regional Chair

Ann-Marie Norio, Regional Clerk

Passed: <date>

Appendix 2

Online Resident Survey Results – Moving Transit Forward

Introduction

In order to gauge wider community feedback on the proposed model for consolidation, a brief online survey was created and administered as part of the overall communications strategy.

The Moving Transit Forward survey was hosted online through a dedicated project website, available at www.MovingTransitForward.ca, as well as through municipal public engagement platforms such as BangTheTable. The survey was live from Sept. 21 – Oct. 1, 2021, and was open to all Niagara residents.

Brief Analysis

The survey gathered feedback from over 2,000 individuals from across Niagara. Approximately 56 per cent of respondents identified as regular transit users, which aligns with a general understanding of the ridership base in Niagara.

Geographically, the makeup of respondents by municipality proportionally reflects the population breakdown in Niagara, with more respondents from larger municipalities, and fewer from smaller municipalities.

Overall the survey results show strong approval among Niagara residents for each of the three main components of the proposed transit model, with the Governance Structure, Service Level Standards, and Financial Model all receiving approval levels of 79 per cent or higher.

Through the open-ended comment box, residents shared further feedback regarding the model and transit in general. Common themes included a need to move forward with the proposal as quickly as possible, and concerns that consolidation may negatively impact transit services or taxes in the respondent's own local municipality.

Methodology

Being an online, voluntary and self-identifying survey, the results present an anecdotal picture of residents' views on the proposed model for consolidated transit. This was not a scientific survey, and results should not be viewed as statistically valid. However, previous research conducted by the Region has shown our online survey results tend to be consistent with residents views.

Respondents were asked to identify where they lived, how often they used transit, and if they approved of or opposed the proposed Governance Structure, Financial Model and Service Standards Strategy. Residents were educated on the basics of the proposal through information and videos on the website, as well as a brief explanation within the survey itself.

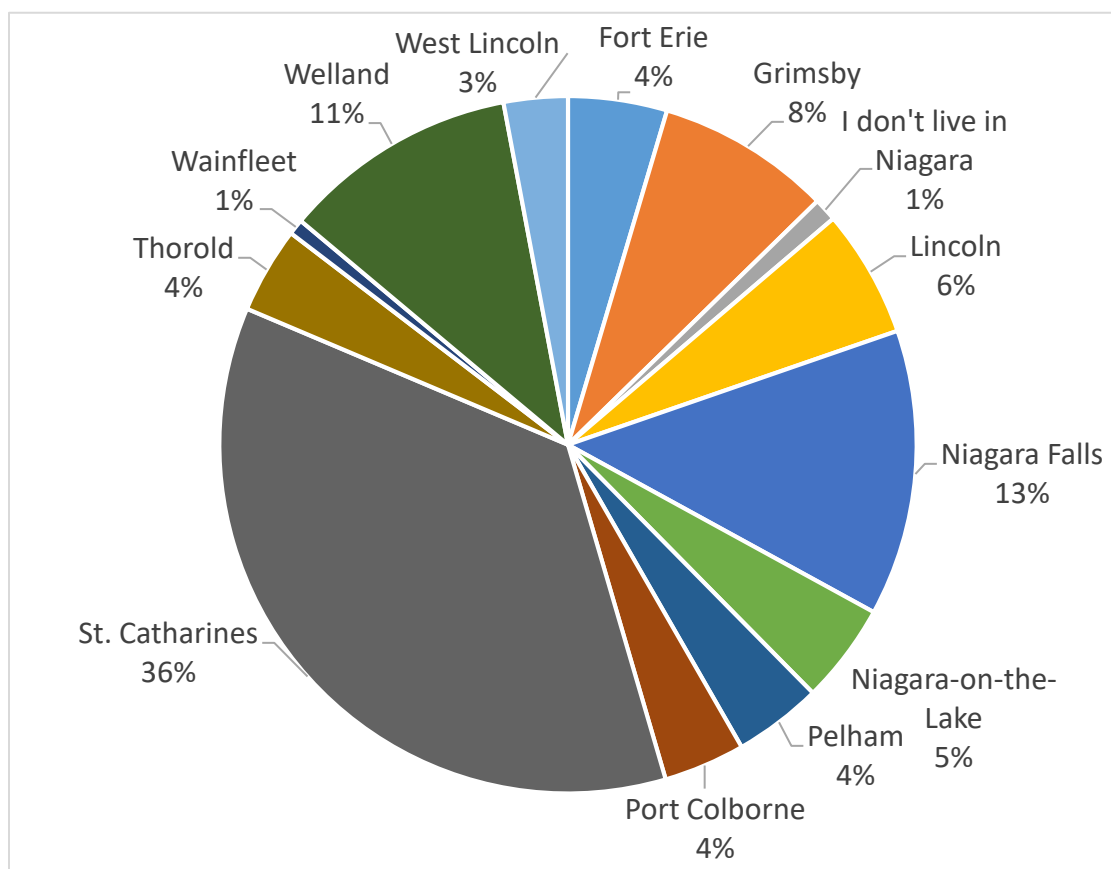
Respondents were also given the opportunity to add any additional comments about public transit in Niagara, and were invited to share their email address to be kept up-to-date as the project continues.

Number of respondents

A total of 2,251 individuals took the survey. Of those, 1,772 answered all questions in the survey, while the remainder only answered some. 789 respondents submitted comments through the survey, and 527 wished to receive further updates via email.

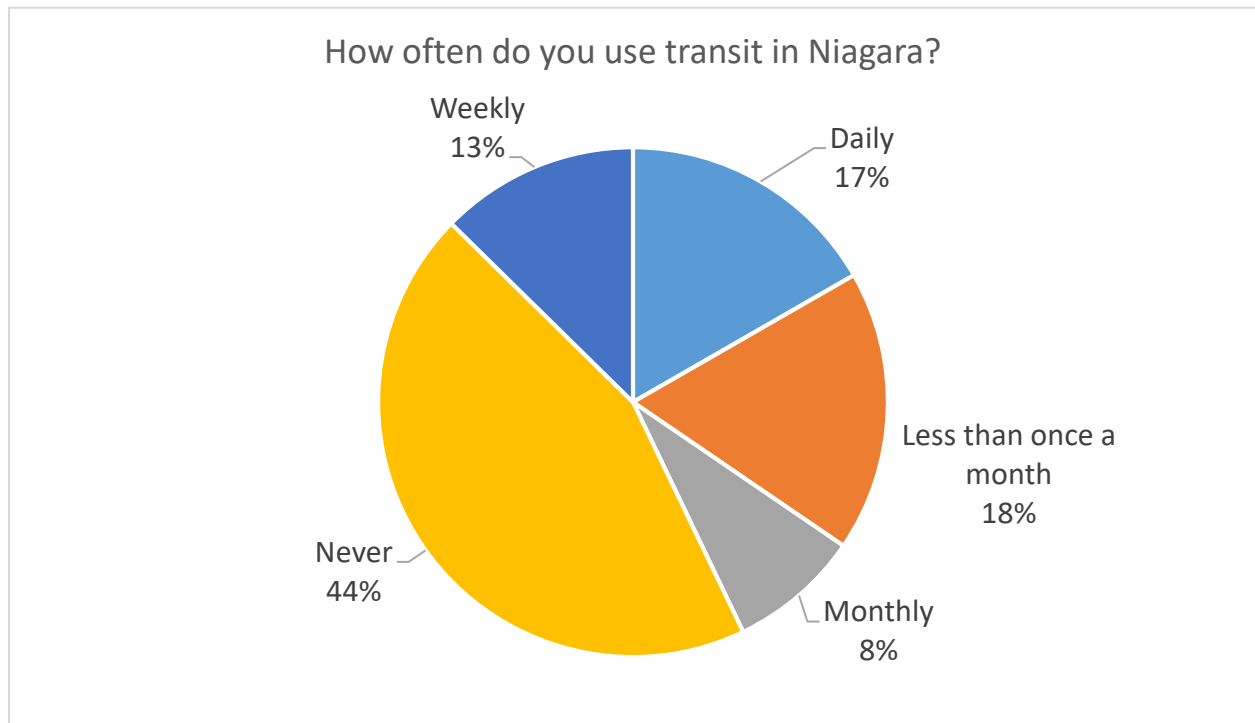
Survey questions and responses

1. Which municipality do you live in?

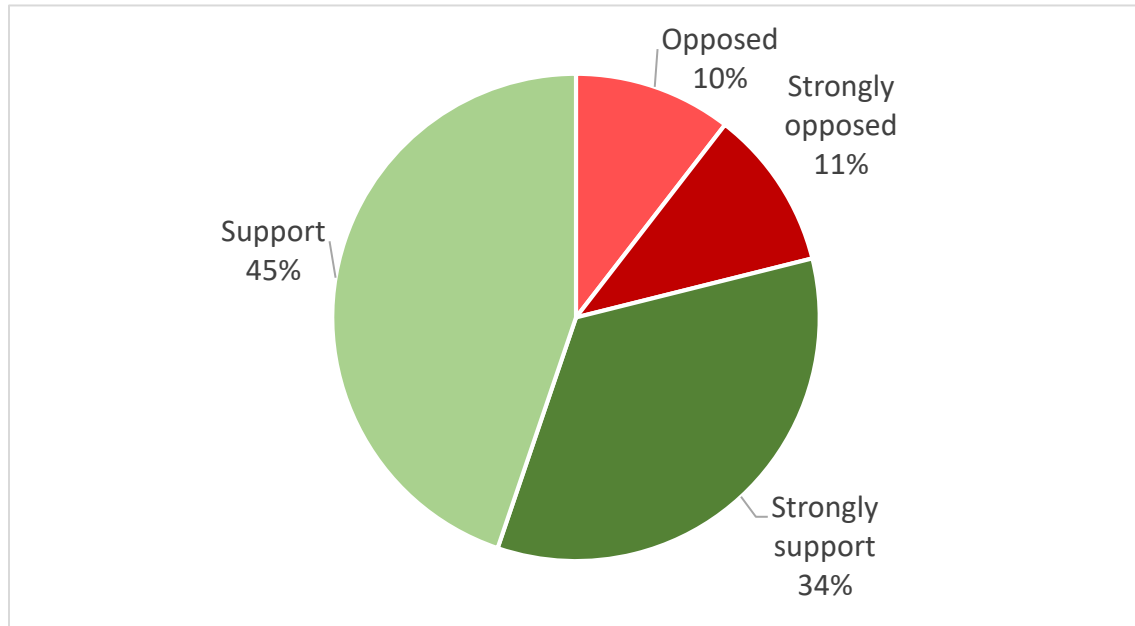


Local area municipality	Number of respondents
Fort Erie	102
Grimsby	180
I don't live in Niagara	24
Lincoln	132
Niagara Falls	295
Niagara-on-the-Lake	103
Pelham	91
Port Colborne	84
St. Catharines	798
Thorold	89
Wainfleet	16
Welland	243
West Lincoln	66

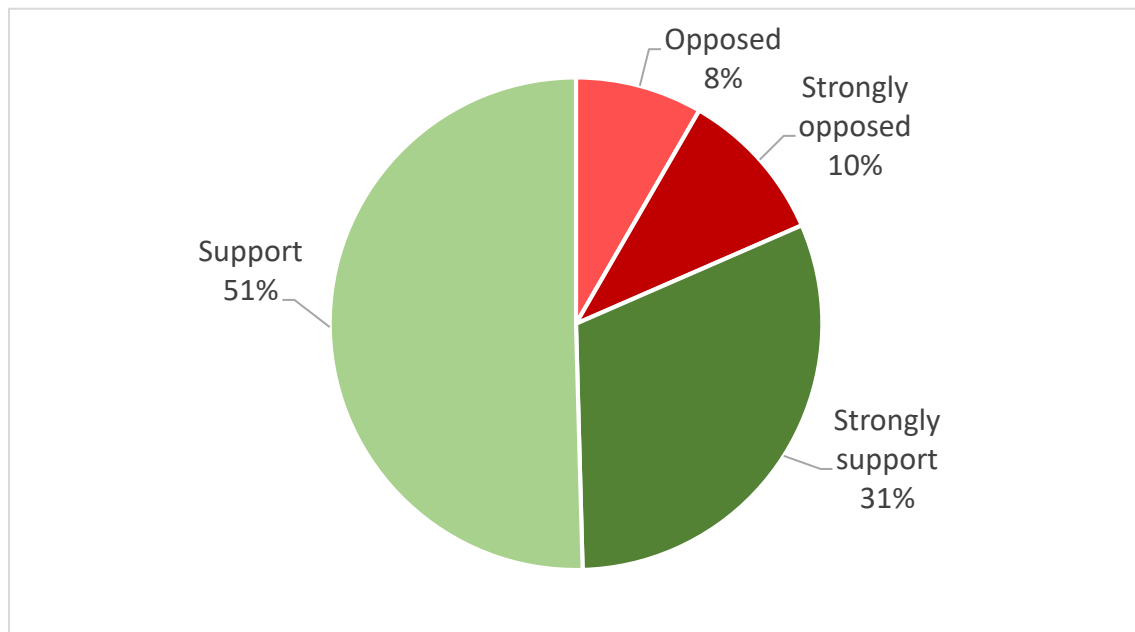
2. How often do you use transit in Niagara?



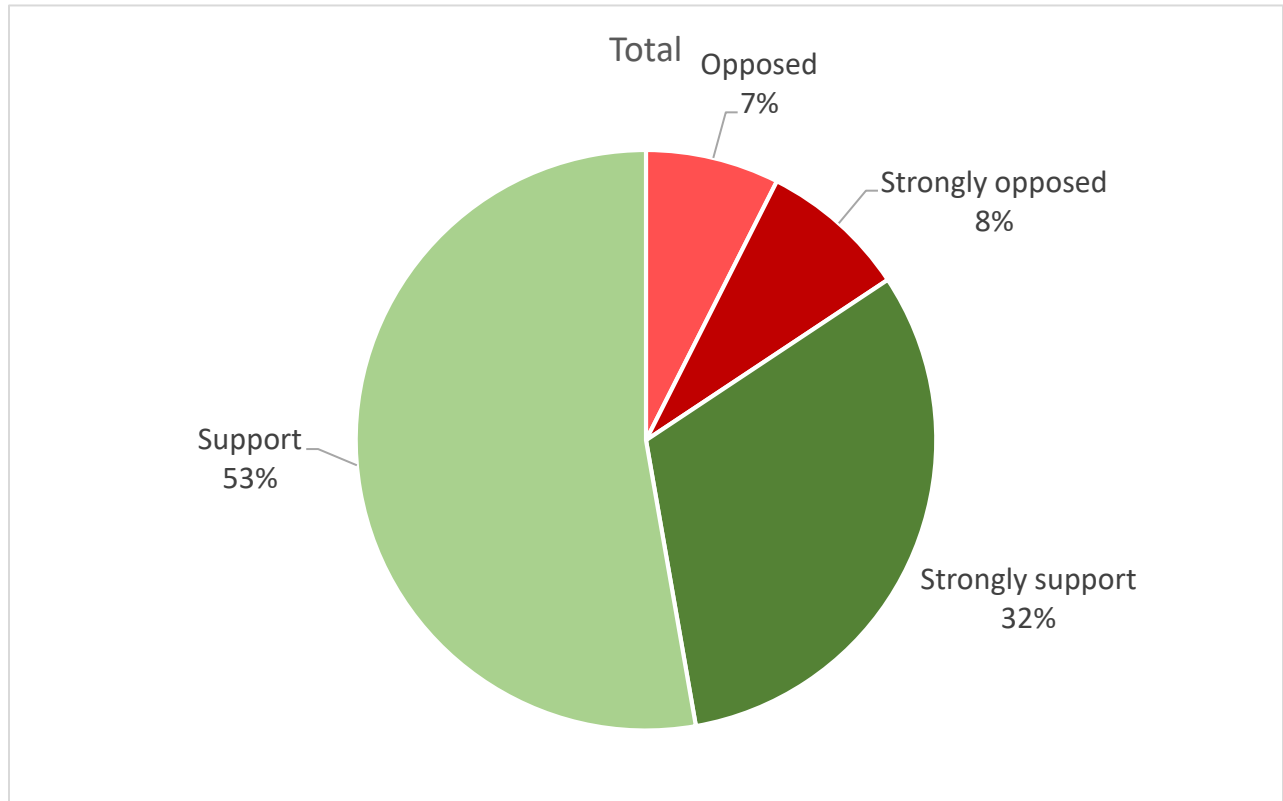
3. What is your level of support / opposition for the proposed financial strategy?



4. What is your level of support / opposition for the proposed governance structure?



5. What is your level of support / opposition for the Service Standards Strategy?



6. Open-ended comments

Residents shared a variety of comments about the proposed model, future service needs, and transit in general. Some of the more prominent themes among the comments included:

- Many respondents emphasized that any future service change must include expanded service hours, especially on Sundays and later into the evening
- A strong feeling that transit consolidation needs to happen as soon as possible, and is already long overdue
- Residents in smaller municipalities were concerned that they would have to shoulder the costs of service in larger urban municipalities. Conversely, residents in large municipalities like St. Catharines were worried that consolidation would result in a lower level of service in their community.

- Many respondents want to ensure that the future service particularly meets the needs of individuals with disabilities, seniors, and others who are unable to drive
- Respondents wish to see transit riders and Niagara residents strongly represented in the proposed governance model. Others, however, felt that there were too many representatives proposed.
- Respondents emphasized that the consolidated service must link effectively with the GO network in order to effectively link Niagara with the rest of the GTHA.
- Many respondents were supportive of the proposal, but did not want to see any cost increases to the taxpayer
- Respondents saw an opportunity for the model to incorporate green technology and environmentally friendly practices, emphasizing the positive effect such a system could have toward protecting Niagara's natural environment

Appendix 3 – Summary Term Sheet Municipal Transfer Agreements

The following is the proposed package of terms for the Municipal Transfer Agreements, which will guide the transfer of existing transit assets and personnel to the newly formed Transit Commission, subject to triple-majority approval, and to be negotiated individually between The Regional Municipality of Niagara and the City of Niagara Falls, City of St. Catharines, and City of Welland respectively.

The principles outlined in this term sheet represent the consensus recommendations of the CAO Governance Steering Committee, reflecting discussion, comments, and input received throughout the multi-year initiative to consolidate transit.

Note that all financial modeling was estimated based on 2020 budgets, assets, and debt levels. The final Financial Strategy will be adjusted prior to 2023 to reflect new assets and debt incurred and will be based on budget levels no less than 2020 operating budgets. Schedule A and B to this term sheet reflect the most recent estimates by municipalities - asset inventories and debt to be assumed by the Commission will be updated and finalized as part of the completion of the full Municipal Transfer Agreements.

Asset Transfer

- 1) Existing local transit assets, including but not limited to bus fleet, service vehicles, service equipment, and transit service facilities purchased or acquired prior to June 30, 2022 will transfer to the Transit Commission at no cost or, for the exclusive use of transit service delivery, in accordance with the Cummings Principle (the transfer of assets from one municipality to another at no additional compensation, because the municipal taxpayer has already paid for them).
 - a) Land on which transit service facilities reside will be retained by the local municipality, and the Region will conduct a Phase 2 environmental assessment.
 - b) Payment-in-lieu of taxes will be provided by the Commission to the local municipality, where applicable.
 - c) Transit service facilities with shared-use municipal components will transfer to the Commission, and be subject to an agreement to lease back at a nominal rate to the municipality those areas of the facility used for non-transit purposes.
 - d) Should the Commission no longer require a transferred asset to exclusively deliver transit services, the ownership of that asset will be transferred back to the original municipality.

- 2) The Commission will commit that existing fleet vehicles delivering local service within a municipality will continue to be utilized exclusively within that municipality for the remainder of their existing service life.
- 3) Local municipalities will make available to the Commission for inspection and condition assessment all transit assets prior to transfer, and will share all related documents related to the assets including information respecting insurance claims. The Commission will be under no obligation to assume assets deemed, at its discretion, to not be in suitable condition for transfer or to not be required to meet the future operational requirements of the Commission. The schedule of assets, specifically the asset count and with the corresponding cost to be transferred by each municipality is included as Schedule A to this document.
- 4) Any ongoing or in-progress capital improvement or acquisition projects will remain the responsibility of the municipality until completed and the asset transferred to Commission only upon completion at zero cost.
- 5) Local municipalities will disclose any agreements entered into related to transit operations in whole or in part, and that will extend beyond December 31, 2022. Copies will be provided to the Region.

Personnel Transfer

- 6) All current full-time, part-time, and union permanent staff, employed directly and fully in transit by local municipalities and hired prior to June 30, 2022, will transfer to the Commission.
- 7) Non-unionized employees will either be directly offered a position with the new Commission where there is anticipated to be a substantially similar role established, or have the opportunity to apply for new roles within the Commission. Where a non-unionized employee does not ultimately transfer to the Commission, they will remain employees of the Municipality in accordance with the *Public Sector Labour Relations Transition Act, 1997*.
- 8) Those employees whose full-time role with a municipality supports transit work as a only portion of their duties (i.e. corporate support personnel not fully employed in transit) will remain with the municipality.
- 9) The integration of the three existing Amalgamated Transit Unions (ATUs) will take place in accordance with the defined provincial process as outlined under the *Public Sector Labour Relations Transition Act, 1997* and by the Ontario Labour Relations Board.

Transit Operations

- 10) The Commission will assume full and exclusive operational responsibility for the delivery of transit on January 1, 2023.
- 11) The Commission will commit to maintain existing local service levels in each municipality, defined as a minimum of the budgeted 2020 local service hours, for a minimum of 7 years or unless otherwise consented to by the municipality.
- 12) The Commission will seek to establish a single common fare as identified in the financial model.
- 13) Municipalities will support the Commission in the placement of on-road transit infrastructure such as transit stops and shelters as required by facilitating their location.

WEGO

- 14) Niagara Region or the Transit Commission will negotiate and enter into an agreement with the Niagara Parks Commission and City of Niagara Falls such that authority for the delivery of the WEGO transit service will remain with the Niagara Parks Commission, in partnership with the City of Niagara Falls.
- 15) WEGO fleet and the WEGO transit facility will remain with the City of Niagara Falls and not be transferred to the Commission, unless otherwise agreed to by the parties as part of any future assumption of WEGO operations by the Commission.
- 16) The Niagara Parks Commission and City of Niagara Falls will continue to provide WEGO service for those routes currently delivered by each agency.
 - a) Transit operators currently employed by the Niagara Parks Commission in the delivery of WEGO service will not transfer to the Commission.
 - b) Transit operators currently employed by the City of Niagara Falls in the joint delivery of Niagara Falls Transit and contracted WEGO routes will transfer to the Commission.
 - c) The Commission and the City of Niagara Falls will enter into a service agreement, on the basis of an hourly fee, for the provision of operators to deliver the continued contracted City of Niagara Falls WEGO routes.

Transitional Period

- 17) A transitional 'steady-state' period will commence on July 1, 2022, beyond which municipalities will commit to make no additional operational, capital, or personnel changes beyond those previously budgeted, unless otherwise agreed to by the Commission, acting reasonably. This will include:

- a) The continued delivery of transit operations through December 31, 2022, including the maintenance of service levels in place as of June 30, 2022;
 - b) The assumption of additional or unplanned capital expenditures;
 - c) The undertaking of additional debt unless otherwise agreed to and may be subject to a different Municipal allocation than outlined in the Financial Strategy;
 - d) The onboarding of additional non-union or unionized staff; and
 - e) Continued adherence to asset management plans and the state-of-good repair of assets to be transferred to the Commission.
- 18) Assets, personnel, or debt acquired, on-boarded, or assumed by a municipality during this transition period will not transfer to the Commission, unless otherwise agreed to by the parties and the Region of Niagara.

Budgets

- 19) The transit budget associated with the transfer of local operating costs to the Region's twelve special levy model may be offset by equal and concurrent reductions to local Municipal budgets and levies to minimize the residential taxpayer impact from transit consolidation where possible.
- 20) Previously approved intergovernmental funding allocations for capital improvements related to transit will continue to be directed to the identified approved projects and initiatives within the original receiving municipality, until such time as the funding program commitments are satisfactorily met. . This includes any obligation referenced in paragraph 4.
- 21) Debt previously undertaken by municipalities to fund the purchase of transit assets will transfer to the Commission in accordance with Schedule B to this document.
- 22) Any financial assets or liabilities at December 31, 2022 will be accrued by the municipality in accordance with Public Sector Accounting Standards, and other than reserves and debt will remain the responsibility of the municipality at transition.
- 23) The assumption of any costs, operating contracts and debt by the Commission as at the transition date are subject to audit by the Region at the Region's discretion to confirm compliance with transition terms and obligations assumed by the Commission as at January 1, 2023.
- 24) Municipalities will be responsible to maintain and fund all 2022 operating costs from their 2022 transit operating budgets, inclusive of staff costs, until the Commission establishes its first budget in 2023.

- 25) Municipalities will provide an accurate record of claims history for a period of five (5) years before June, 2022 to assist the Commission in obtaining liability insurance coverage.

Commission Governance

- 26) The Commission must undertake a full governance review by an external third party and report back to Regional Council for decision by 2025. The implementation of the future permanent Board structure will coincide with the 2026 municipal election.
- 27) The Commission will obtain Officers and Director's and all other insurance coverage as soon as it is established.
- 28) The Commission will obtain Officers and Director's and commercial general liability insurance coverage as soon as it is established and all other insurance coverage required for the operation of a transit commission before January 1, 2023. The Commission is authorized to obtain competitive bids by reaching out to the insurers that currently provide coverage to the existing transit operations instead of issuing a Request for Proposals.
- 29) The Commission will appoint a General Manager to oversee the transition and who will report to the Commission Board.

Existing Agreements and Documentation

- 30) Existing agreements between municipal transit agencies and senior levels of government or third-party suppliers or contractors will transfer or be assigned subject to the provision of paragraph 22, to the Commission, subject to the specific requirements of those contracts. Where agreements cannot be assigned or transferred to the Commission, the originating municipality will retain responsibility, subject to adjustment at a later date.
- 31) Responsibility for existing legal claims or legal liabilities, or those initiated or founded in allegations related to the operations by the municipalities prior to the transfer of operational responsibility to the Commission on January 1, 2023 will remain with the municipalities.
- 32) Municipalities will provide and transfer applicable documentation, operating procedures, maintenance records, employee records or other materials necessary for the transition to the Commission.

Negotiation of Agreements and Dispute Resolution

- 33) The parties commit to the negotiation of the full municipal transfer agreements by no later than March 31, 2022.

34) Where direct discussion between the Region and municipalities does not satisfactorily resolve any issues, an independent mediator and/or arbitrator will be required to provide dispute resolution services, including binding decisions where agreement cannot be otherwise achieved between the parties. Costs for mediation or arbitration will be split between the Region and municipality.

Schedules

Schedule A – Municipal Assets for Transfer

Schedule B – Municipal Debt for Transfer

Schedule A – Municipal Assets for Transfer

Schedule A and B to this term sheet reflect current estimates - asset inventories and debt to be assumed by the Commission will be updated and finalized as part of the completion of the full Municipal Transfer Agreements.

Asset Category	Vehicle Count (Conventional & Specialized)	Acquisition Price	Accumulated Amortization	Current Net Book Value	Useful Life
Niagara Region					
Bus	30	\$14,245,039	\$2,267,951	\$11,977,088	10
St. Catharines					
Bus	91	\$46,362,278	\$26,987,076	\$19,375,202	12
Service Trucks	20	\$1,420,081	\$892,997	\$527,084	6
Land*		\$1,182,244	\$712,282	\$469,962	16
Facilities		\$11,475,701	\$3,987,557	\$7,488,144	22
Equipment		\$5,136,651	\$2,791,006	\$2,345,645	13
Technology		\$6,524,206	\$3,529,598	\$2,994,608	7
Sub-Total		\$72,101,162	\$38,900,517	\$33,200,645	
Niagara Falls					
Bus	47	\$24,135,770	\$15,423,652	\$8,712,118	12
Service Trucks	11	\$364,599	\$261,191	\$103,408	6
Land*		\$2,202,049	\$498,047	\$1,696,315	32
Facilities		\$21,832,585	\$3,724,925	\$18,107,660	24
Equipment		\$2,946,597	\$1,808,621	\$1,137,976	13
Technology		\$5,445,750	\$3,661,905	\$1,783,845	7
Sub-Total		\$56,927,350	\$25,378,341	\$31,541,321	

Asset Category	Vehicle Count (Conventional & Specialized)	Acquisition Price	Accumulated Amortization	Current Net Book Value	Useful Life
Welland					
Bus	22	\$7,438,333	\$2,563,944	\$4,874,389	12
Service Trucks	7	\$239,417	\$181,198	\$58,220	6
Land*		-	-	-	0
Facilities		\$4,329,238	\$2,089,308	\$2,239,930	21
Equipment		\$990,578	\$492,992	\$497,586	6
Technology		\$1,317,243	\$532,850	\$784,393	7
Sub-Total		\$14,314,809	\$5,860,291	\$8,454,518	

* In accordance with the principles outlined above, land will not transfer to the Commission and will remain with the original municipality.

Schedule B – Municipal Debt for Transfer

Balances as of December 31st, 2020*

	Debt year ending	Average Annual Debt Payment**	Long Term Debt	By-law Reference
Niagara Region Transit	2029	\$1,334,694	\$10,752,991	2019-59
St. Catharines Transit	2024/ 2027	\$73,824	\$481,635	2017-53, 2019-59
Niagara Falls Transit		\$0	\$0	
Welland Transit	2029	\$146,108	\$1,171,493	2012-73, 2017-51, 2019-14
Niagara-on-the-Lake				
Port Colborne				
Pelham				
Thorold				
Fort Erie				
Grimsby				
Lincoln				
West Lincoln				
Wainfleet				
		\$2,019,804	\$17,803,923	

*Final debt figures for transfer will be established as part of the negotiation of the full Municipal Transfer Agreements. The Region will not be required to transfer any debt above those totals identified in Schedule 'B' above unless otherwise agreed to and may be subject to a different Municipal allocation than outlined in the Financial Strategy.

**Includes principal and interest

*Prepared for the Regional Municipality of Niagara
(to be shared with Regional CAOs)
by Rae Christen Jeffries LLP
Privileged and Confidential*

Regional Transit Integration: Labour Relations and Employment Processes and Implications

Overview

You have asked us to provide a high level overview of how the amalgamation of three existing transit operations into one new entity might take place from a labour and employment perspective and to also highlight any potential issues, risks, or concerns.

We have had a chance to review the relevant law, legislation, and predecessor collective agreements but have not been provided with any employment contracts for review.

This overview is provided for the Regional Municipality of Niagara. We recommend that each of the existing transit units obtain individual legal advice regarding many of the issues raised below.

Factual Background

St. Catharines Transit Commission, Niagara Falls Transit, and Welland Transit are the three main transit units in the Niagara Region. St. Catharines Transit Commission is a stand alone entity and Niagara Falls Transit and Welland Transit are departments in their respective municipalities.

The Region is considering amalgamating these three entities, in addition to inclusion of the remaining nine municipalities without established unionized transit services, into one new Transit Commission.

Each of the three entities has unionized and non-union employees. The unionized employees at each entity are represented by three separate locals of the Amalgamated Transit Union (“ATU”), under three separate collective agreements, each with different terms and conditions of employment. St. Catharines Transit Commission is the largest entity, with more employees than the other two entities combined.

Each of the three collective agreements contemplates amalgamations, mergers, and/or successor rights. That said, these clauses add very little in terms of new obligations (on top of any obligations arising from statute and the common law). One requires 30 days’ notice; one requires that the predecessor employer make every reasonable effort to protect the interests of the bargaining unit employees. In general, the clauses reiterate the state of the law: that the new Transit Commission must recognize the predecessor collective agreements and the ATU’s bargaining rights.

Lastly, we understand that the WEGO service will stay with Niagara Falls Transit, with the operators either maintaining their employment with Niagara Falls Transit or having their employment transferred to the new Transit Commission but still working on the WEGO service.

The Amalgamation Itself: How Does it Occur from An Employment/Labour Relations Perspective

The new Transit Commission will need to pick an Amalgamation Date that will serve as the start date for the employees who are offered employment at the new Transit Commission.

Non-Union Employees

Non-union positions at the new Transit Commission may be filled with new external hires or with employees from the predecessor entities, or a combination of both. This can be determined through job competitions involving only external candidates, only predecessor entity candidates, or a combination of both. Or, the new Transit Commission can simply appoint/make an offer to an existing predecessor entity employee without a competition.

Typically, the majority of non-union employees in the new Transit Commission would come from the ranks of the predecessor entities in order to maintain knowledge transfer and to reduce severance costs, but there is no legal requirement for the new Transit Commission to retain any non-union employee.

Non-union employees from the predecessor entities who are offered employment at the new Transit Commission (either following a competition or without one) should be given two letters simultaneously, ideally at least eight weeks prior to the Amalgamation Date: the first letter is from their existing employer terminating their employment as of the Amalgamation Date, and it should refer to and enclose a second letter from the new Transit Commission offering employment as of the Amalgamation Date. The second letter should indicate the new job title (if any), any changes in terms and conditions of employment, and how the prior employment at the transit unit will be treated at the new Transit Commission for the purpose of various entitlements such as vacation and future termination of employment. This second letter may also include transitional information regarding issues such as pension, vacation, lieu time etc.

Employees from the predecessor entities should be given significant time (at least two weeks) to accept or reject this offer of employment in writing. Those who reject the offer of employment will be the responsibility of the relevant existing transit unit (unless otherwise agreed), but it likely can be successfully argued that they have failed to mitigate their damages and their entitlement is limited to their *Employment Standards Act, 2000* ("ESA") entitlements (this may be affected by any applicable language in any employment contract). Most employees tend to accept offers of this nature as long as the employee is provided with substantially the same terms and conditions of employment.

Some non-union employees from the predecessor entities may not be offered employment with the new Transit Commission. The termination of employment or reassignment of these employees would be the responsibility of the existing transit unit (unless otherwise agreed) and their entitlements would depend on any applicable contractual language and/or the common law.

Unionized Employees

As a basic principle, the new Transit Commission will inherit the existing Union(s) and collective agreements of the predecessor entities. While it need not retain all the unionized employees if it needs fewer employees than the combined existing complement (employees could be, for example, laid off by the predecessor entities prior to the amalgamation), it will be required to fill its complement of unionized employees with the existing unionized employees (i.e. it cannot hire externally for unionized positions unless it has already inherited all the existing unionized employees).

As soon as possible prior to the Amalgamation Date, the employees and the ATU Locals should be informed in writing of the Amalgamation Date and that the employment of the unionized employees who

are employed with the predecessor entity on the Amalgamation date will be transferred to the new Transit Commission. In order to avoid or narrow potential litigation either at arbitration or the Ontario Labour Relations Board ("OLRB") (likely under the *Public Sector Labour Relations Transition Act, 1997* ("PSLRTA")), negotiations should commence as soon as possible with the ATU Locals regarding:

- Whether all the employees will transfer and, if not, what options will be provided to any non-transferring employees.
- What the appropriate bargaining unit will be (the new Transit Commission should take the position that all employees should be in one bargaining unit, but the details at the edges of that unit will require negotiation).
- Who will represent the employees in the new bargaining unit (presumably one of the existing ATU Locals).
- What the terms and conditions of employment will be in the short term, prior to the negotiation of a new collective agreement (the collective agreements flow through, but items such as the grievance procedure and layoffs/recall are typically immediately harmonized – the parties could agree to something like the Composite Agreement that exists under the *PSLRTA*).
- Any immediate transition issues such as treatment of seniority.

In a situation such as this, where there is one Union (albeit with multiple Locals), it is possible (and perhaps even likely) that all of the above could be negotiated without the need for any litigation or OLRB application. However, if such negotiations are not fully successful, one of the Local Unions or the new Transit Commission could make an Application to the OLRB to resolve outstanding issues.

Primary Issues, Risks, Costs, Concerns

1. **Timing:** There are potentially significant cost savings and labour relations goodwill to be gained by providing significant notice of the Amalgamation Date to the employees and the Unions. Two months would be a minimum (to deal with *ESA* notice issues), but up to 12 months would be ideal in order to allow time for discussions/negotiations to narrow issues in dispute and make the transition as seamless as possible.
2. **Logistics:** There are many different logistical issues related to the new Transit Commission obtaining employees that will have to be considered and planned for, so they are in place by the Amalgamation Date, including but not limited to, setting up payroll, benefits, and pension, training, assignment of work, determining reporting structures, etc.
3. **Terminations of Employment (non-union):** Each non-union employee from a predecessor entity who is not offered employment will be entitled to pay in lieu of notice either at common law or in accordance with an employment contract (if valid).
4. **Layoffs (unionized employees):** Each unionized employee who is not offered employment will need to be laid off in accordance with the terms of the applicable collective agreement.
5. **Recognition of Service/Seniority:** For both union and non-union employees, there are costs associated with prior service whether they be ongoing (vacation) or potential (future termination).

6. Reconciling Seniority (unionized employees): There will be three separate seniority lists that need to be amalgamated.
7. Reconciling/Harmonizing Terms and Conditions of Employment (unionized employees): There will be three different wage grids, vacation entitlements, public holiday entitlements, benefits, pension, etc. All of this will need to be reconciled in a first post-transition collective agreement. This will potentially be costly.
8. WEGO: The exact nature of the arrangement regarding WEGO should be determined as soon as possible as it could result in complications regarding the status of the Niagara Falls Transit collective agreement and the employees operating the WEGO service.
9. Litigation: There may be litigation (arbitration or OLRB, or both) regarding any of the above union issues if they cannot be all agreed upon. For the non-union employees, there could be litigation over any of the terminations of employment.

October 5, 2021.

THE REGIONAL MUNICIPALITY OF NIAGARA

BY-LAW NO. 2021-96

A BY-LAW TO ESTABLISH, OPERATE AND MAINTAIN A
CONSOLIDATED PASSENGER TRANSPORTATION SYSTEM FOR THE
REGIONAL MUNICIPALITY OF NIAGARA

WHEREAS Niagara Region Council deems it expedient and beneficial to address transit issues in Niagara Region;

WHEREAS the Linking Niagara Transit Committee was established to lead the development of a consolidated governance model, as well as the harmonization and integration of operational and policy regimes of the existing transit properties;

WHEREAS the Inter-municipal Transit Working Group was established to gather information and provide guidance on operational matters related to the transition to a consolidated transit system;

WHEREAS Niagara's four (4) major transit operators entered into a Memorandum of Understanding in 2017 that, in principle, endorsed the creation of a consolidated transit system;

WHEREAS all local area municipalities have been consulted on and provided input regarding the results of the Niagara Transit Governance Study, associated financial strategy, and the subsequently revised models reflecting initial feedback;

WHEREAS the Linking Niagara Transit Committee has endorsed the Commission governance model, Niagara Service Standards Strategy and associated twelve (12) special levy financial strategy as the models under which consolidation should take place as identified in Regional Reports LNTC-C 5-2021 and PW 55-2021;

WHEREAS Niagara Region obtained triple-majority authority in 2017 to establish, operate and maintain an inter-municipal passenger transportation system in Niagara Region and enacted By-law No. 2017-21 on March 23, 2017, which came into effect on June 1, 2017, in this regard;

WHEREAS under this new consolidated system, Niagara Region would plan and operate both intra-municipal and inter-municipal transit routes, including specialized and demand-responsive transit services, throughout Niagara Region creating one unified transit system;

WHEREAS existing transit assets would transfer to the Commission on the basis of Municipal Transfer Agreements, to be negotiated and entered into with the major transit operators substantially on the basis of the terms outlined in Appendix 3 to PW 55-2021;

WHEREAS Section 11 of the Municipal Act, 2001, Ch. 25, as amended, grants exclusive jurisdiction over the operation of transit services to lower-tier municipalities in Niagara Region; and

WHEREAS Section 189 of the Municipal Act, 2001, Ch. 25, as amended, provides an upper-tier municipality with the ability to pass a by-law for the transfer of all or part of a lower-tier power to the upper-tier municipality, subject to certain rules regarding consideration and approval by the lower-tier municipalities.

NOW THEREFORE the Council of The Regional Municipality of Niagara enacts as follows:

1. That the authority to establish, operate and maintain a consolidated passenger transportation system for Niagara Region be transferred to The Regional Municipality of Niagara;
2. That steps to transfer jurisdiction and related assets essential to operating a consolidated passenger transportation system to The Regional Municipality of Niagara begin immediately after the following requirements have been met:
 - a. A majority of the councils of the lower-tier municipalities forming part of Niagara Region have passed resolutions consenting to the by-law;
 - b. The total number of electors in the lower-tier municipalities that have passed resolutions consenting to the by-law form a majority of all electors in the Region of Niagara as established in the revised list of electors for the municipal election held in the year 2018.
3. That in this by-law, the term "consolidated passenger transportation system" shall mean a single, unified public transportation services system operating within or between any two or more of the twelve (12) lower-tier municipalities which comprise the Region of Niagara;
4. That The Regional Municipality of Niagara does hereby assume from all lower-tier municipalities comprising the Region of Niagara, those parts of the lower-tier power and related assets essential to provide public transportation systems, other than highways, necessary to own and operate a consolidated passenger transportation system as contemplated by this by-law;

5. That Sections 1 and 2 of the by-law shall come into force and effect on the day the requirements of Section 189 of the Municipal Act 2001, Ch. 25, as amended, are met;
6. That Section 4 of this by-law respecting the transfer of assets and operations to the new transit commission does not come into effect until January 1, 2023. For clarity, the lower-tier municipalities that operate public transportation systems will continue to do so until these operations transition to The Regional Municipality of Niagara on January 1, 2023.

THE REGIONAL MUNICIPALITY OF NIAGARA



James Bradley, Regional Chair



Ann-Marie Norio, Regional Clerk

Passed: November 25, 2021

Mayor Gibson and Members of Council
Township of Wainfleet
31940 Highway 3, PO Box 40
Wainfleet, Ontario, L0S 1V0

December 2, 2021

To the Mayor and Members of Council,

We, the undersigned, represent four councils of community leaders: the Women in Niagara Council, representing women in business; NEXTNiagara, representing the emerging generation; the Non-Profit Council, representing non-profits in Niagara; and the Government Affairs Council, a policy advisory council to the Greater Niagara Chamber of Commerce (GNCC).

On behalf of our councils, we ask that you vote in favour of the transit amalgamation plan that was advanced at Regional Council and will shortly come before you for your assent.

Better public transit in Niagara is a need that we have consistently identified for years. The transit system we currently have is simply inadequate to the needs of our community. Some places in Niagara take hours to get to without a car; others are off-limits entirely.

The Niagara Community Observatory calculated that poverty costs our region \$1.3 billion every year. A lack of viable public transit contributes to this. Since it is impractical to live and work in Niagara without a vehicle, every household must add the cost of a car, maintenance, insurance, and repairs to their cost of living. Statistics Canada finds that the average household spends 20% of its income on transportation – more than anything else, with the sole exception of shelter. When including depreciation, the average Canadian household will spend between \$8,600 and \$13,000 each year to own a vehicle. Families are already being squeezed by rising prices for rent and homes (increasing by over 25% per year locally), gasoline (up by 33% in one year), and food (up almost 6% year-over-year).

While pre-pandemic trends saw the percentage of Canadian households in poverty slowly decreasing, the combined effects of the COVID economic slowdown and prices rising far faster than wages risk reversing this trend. While the limited resources of municipal governments make action more difficult than for their provincial and federal counterparts, there are still options for poverty reduction, and the provision of good public transit is one of them.



Investment in public transit should be seen as precisely that: investment. A U.S. study of public transportation systems in Silicon Beach, CA; Austin, TX; and Durham, NC found that investments in public transit paid off in economic activity at a 2:1 ratio. A 2013 study found that the agglomerating effects alone of public transit yielded returns of \$1.5 million to \$1.8 billion per year, depending on the size of the community. Municipal governments already make investments that do not deliver nearly as great a return as public transit will. Niagara should not turn down the opportunity to fund this significant driver of economic growth.

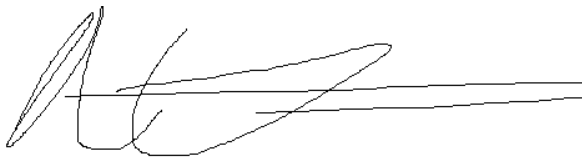
We have heard nothing but enthusiasm for this plan, which is the result of lengthy community consultations and reflects the needs of the community as best they can be met. Most feel it is long-overdue. We urge you to heed the wishes of Niagara's residents and give this plan your support.



Michael Ras
Chair, Government Affairs Council



Clayton Letourneau
Chair, NEXTNiagara Council



Adam Durrant
Chair, Non-Profit Council



Grace Eldajani
Chair, Women in Niagara Council



Mishka Balsom
President & CEO, GNCC





Administration

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December 3, 2021

CL 21-2021, November 18, 2021
BRCOTW 5-2021, November 4, 2021
CSD 67-2021, November 4, 2021

LOCAL AREA MUNICIPALITIES

SENT ELECTRONICALLY

**RE: Report CSD 67-2021 – 2022 Budget – Waste Management Services
Operating Budget and Rate Requisition**

Regional Council, at its meeting of November 18, 2021, approved the following recommendation of its Budget Review Committee of the Whole:

That Report CSD 67-2021, dated November 4, 2021, respecting 2022 Budget-Waste Management Services Operating Budget and Requisition, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That the 2022 Waste Management Services net operating budget increase of \$2,246,285 or 5.54% inclusive of mitigations and reserve funding **BE APPROVED**;
2. That the 2022 Waste Management Services gross operating budget of \$69,306,516 and net budget of \$42,813,049 as per Appendix 4 of Report CSD 67-2021, **BE APPROVED**;
3. That the net budget amount of \$42,813,049 **BE APPORTIONED** between the local municipalities in accordance with the methodology approved in PWA 55-2011, as per Appendix 2 of Report CSD 67-2021;
4. That the necessary by-laws **BE PREPARED** and **PRESENTED** to Council for consideration; and
5. That a copy of Report CSD 67-2021 **BE CIRCULATED** to the Local Area Municipalities.

A copy of Report CSD 67-2021 and By-law 2021-89 are enclosed for your information.

Yours truly,

A handwritten signature in black ink, appearing to read "Ann-Marie".

Ann-Marie Norio
Regional Clerk

Distribution List: H. Chamberlain, Director, Financial Management & Planning/Deputy Treasurer
T. Harrison, Commissioner, Corporate Services/Treasurer
K. Beach, Executive Assistant, Commissioner, Corporate Services

Subject: 2022 Budget-Waste Management Services Operating Budget and Requisition

Report to: Budget Review Committee of the Whole

Report date: Thursday, November 4, 2021

Recommendations

1. That the 2022 Waste Management Services net operating budget increase of \$2,246,285 or 5.54% inclusive of mitigations and reserve funding **BE APPROVED**;
2. That the 2022 Waste Management Services gross operating budget of \$69,306,516 and net budget of \$42,813,049 as per Appendix 4 of Report CSD 67-2021, **BE APPROVED**;
3. That the net budget amount of \$42,813,049 **BE APPORTIONED** between the local municipalities in accordance with the methodology approved in PWA 55-2011 as per Appendix 2 of Report CSD 67-2021;
4. That the necessary by-laws **BE PREPARED** and **PRESENTED** to Council for consideration; and
5. That a copy of this Report **BE CIRCULATED** to the Local Area Municipalities.

Key Facts

- The proposed Waste Management Service (WMS) net budget represents an approximately \$2.2 million increase, or 5.54% over 2021 as shown in Appendix 1.
- The 2022 Budget Strategy increase of 9.9% has been mitigated to 5.54% by using increased reserve draws resulting from the forecasted 2021 surplus attributed to higher than budgeted recycling commodity prices and as part of a longer term strategy that considers long-term budget impacts from extended producer responsibility regulations beginning in 2024.
- Assessment growth for Niagara Region and Area Municipalities has not been finalized; however, estimated assessment growth by municipality is summarized in Appendix 2. The Region's year-to-date overall assessment growth (as of October 18, 2021) is 1.36% for 2021, resulting in the net requisition increase to be approximately 4.18% (5.54% less 1.36%) with an average typical residential impact of \$6.85 per year.

- The net requisition amount has been allocated in accordance with the methodology approved in PWA 55-2011. The impacts by municipality in Appendix 3 are affected by the budget increase as well as growth in households and the enhanced services (as requested and selected by each Local Area Municipality (“LAM”)).

Financial Considerations

Current Year

The gross budget proposed for 2022 totals \$69.3 million with a net budget of \$42.8 million, which is an approximately \$2.2 million or a 5.54% increase over 2021 as outlined in Appendix 1. A significant driver of the annual increase remains the new collection contract for which 2021 was the first full year. A landfill operations contract, which came in approximately \$1M over budget as well as an expansion of the current compost processing contract with Walker Industries are also major drivers in the 2022 proposed budget. The proposed 2022 budget also includes increases as a result of reintroducing budget mitigation measures from 2021. As part of the multi-year mitigation strategy for the new collection contract, staff are recommending use of stabilization reserve funding of \$2.4 million as part of the 2022 budget.

A schedule providing the revenues and expenditures for 2021 and 2022 is included as Appendix 4. This appendix includes the 2021 budget and the 2022 budget including the percentage change for comparison.

Multi-Year Forecast

As can also be noted in Appendix 1, the multi-year collection contract strategy includes proposed stabilization reserve funding for the 2023 budget totaling \$4.0 million. This additional reserve funding mitigation strategy is possible due to the anticipated changes to occur in 2023 to WMS operations. Staff are recommending leveraging the net savings to be realized by Niagara Region as part of the Material Recovery Facility (MRF) opportunity review in 2023 and transition to extended producer responsibility slated to take place on January 1, 2024.

After transition to extended producer responsibility, municipalities will no longer have financial or operational control of the residential Blue Box Program and producers (brand holders or first importers of any paper, packaging, or packaging-like product managed through the Blue Box Program) will be accountable for all costs associated

with collection, haulage and processing of the material. The key assumptions affecting the multi-year are as follows:

- 2023 – Anticipated reduction in operating expenditure and revenue associated with the MRF opportunity review and divestiture. One year temporary reduction in capital reserve contribution as discussed in greater detail under the Analysis section of this report as part of the multi-year rate mitigation strategy. Waste management stabilization reserve funding estimated at \$4.0 million for the year.
- 2024 – Further reduction in operating expenditures for the collection contract as a result of the completed transition to extended producer responsibility, with a corresponding reduction in Resource Productivity & Recovery Authority revenue.
- 2025 – Anticipated additional contributions to the waste capital reserve of \$3.0 million and stabilization reserves of \$3.2 million as part of the reserve replenishment strategy.
- 2026 – Operations anticipated to be relatively stable in 2026 and onwards in comparison to prior years. The 2025 base transfer to reserves are maintained.

To better detail the anticipated impacts of the extended producer responsibility transition on Niagara Region, staff have prepared a multi-year forecast to 2026, which has also been included as part of Appendix 1. The forecast reflects annual increases of 5.54% for 2022, 5.50% for 2023, 1.97% for 2024, 2.00% for 2025 and 2.00% for 2026. There are many assumptions and unknowns included in these forecasts and therefore staff will reevaluate the long term strategy each year until all the extended producer responsibility transitions decisions are complete to ensure that we moderate rate impacts while also being mindful of reserve impacts.

Analysis

The 2022 WMS budget represents an increase of 5.54% over the approved 2021 net operating budget. In Table 1, the increases/pressures for 2022 are \$5.2 million before recommended mitigation measures totaling \$2.9 million.

Table 1 – Summary of Proposed Waste Management Budget with Pressures and Mitigations ('000)

Waste Management 2022 Budget Summary	Total \$	Total %
2021 Net Requisition	40,567	
Gross Increase/Pressures	5,178	
Operating Subtotal	45,745	12.8%
Mitigations	(2,819)	
COVID-19 Costs Funded from Reserve	(113)	
Net Operating Increase	2,246	
2022 Net Requisition	42,813	5.54%

Increases/Pressures/Mitigation

The budget strategy proposed a 9.9% increase; however, this increase has been mitigated by using additional reserve draws for 2022 due to the projected 2021 surplus associated with commodity revenues and as part of a longer term strategy that takes into consideration the future divestiture of recycling operations. Recommended reserve mitigations reduce the increase as much as possible without introducing risk in the future years due to lack of available reserves. Through the use of reserves, the overall budget increase of 12.8% or \$5.2 million from 2021 to 2022 has decreased to 5.54% or \$2.2 million as identified in Table 1.

Approximately 48% (\$33 million) of the gross budget is related to the waste collection followed by 26% (\$18 million) for waste diversion, 20% (\$14 million) for disposal operations and processing, with the remaining 6% (\$5 million) of the budget for administration, policy and planning. As much of the program is delivered through partnerships with private service providers, 82% of the operating-related costs (before capital financing and business support) are in the form of outsourced costs (alternative service delivery) and are subject to contract escalations and conditions. Of total expenses, only approximately 3% are considered discretionary.

The pressures in operations that contributed to the net operating increase before mitigations are comprised of the following:

- \$1.9 million increase from \$5.6 million to \$7.5 million for landfill/ recycling/ composting services due to new contracts (based on tender process) and increase in processing volumes.

- \$1.4 million or 4% increase in collection contract due to annual increases (CFI, fuel, household increases) associated with base and enhanced collection services. Increased from \$30.9 million to \$32.2 million.
- \$1.0 million decrease in use of stabilization reserve funding from 2021. The 2020 budget proposed a three-year mitigation plan to assist in phasing in the increased costs of the new collection contract. The 2022 budget recommends Waste Management Stabilization reserve funding to mitigate the 2022 budget be reduced from \$3.4 million to \$2.4 million.
- \$0.5 million decrease from \$1.3 million to \$0.8 million in garbage bag tag revenue, as projected sales did not materialize in 2021 due to impacts of every-other-week waste collection.
- \$0.3 million or 8% increase in labour-related expenditures net of \$0.1 million of reserve funding for the temporary staff to assist with the transition to extended producer responsibility. The wage and benefit pressure is \$0.1million and the balance relates to the addition of students that were removed in 2021 to mitigate rate increases and the addition of a new part-time position to assist with waste exemption application which have seen an increase of 400% over prior years.
- \$0.3 million increase for bin exchange program purchases from \$0.4 million to \$0.7 million. As part of the 2021 budget mitigation measures, the Region canceled the bin exchange program but was later reinstated through a budget amendment.
- \$0.2 million increase in consulting services (net of one-time reserve funding for waste management strategy) from \$0.3 million to \$0.5 million required to undertake a study to address disposal needs for excess soils and carry out waste composition audits at various multi-residential properties to provide baseline data for transition to extended producer responsibility.
- \$0.2 million increase from \$0.2 million to \$0.4 million to promotion and education budget as a result of communications for long-term strategic plan, printing and delivery of collection guide and green bin campaign.

The pressures noted above were partially offset by positive variance which are comprised of the following:

- \$3.5 million increase in end market revenue excluding Waterloo and Haldimand contracts from \$5.1 million to \$8.6 million due to projected increase in 2022 material rates based on year-to-date 2021 actuals and projected trends in 2022.
- \$0.5 million net increase in recycling revenue after purchases for Haldimand and Waterloo contracts based on trending of recycling commodity prices.

The mitigations to the 2022 budget are \$2.8 million and are comprised of the following:

- Net stabilization reserve funding as noted previously.
- \$0.06 million in one-time reserve funding for additional funding for the long-term strategic plan, temporary staff to support extended producer responsibility and reimbursement to correct an enhanced service cost error that was part of the 2021 requisition.

Reserve Management

The operating budget includes a \$4.1 million transfer to capital reserves, which is split between Landfill Liability Reserve (\$2.3 million) to fund the liability related to closed landfills and the Waste Capital Reserve (\$1.8 million) to fund open landfill sites and MRF capital. The reserve contributions follow the methodology set through CSD 70-2017.

As previously identified in Appendix 1, 2022 funding from the WMS stabilization reserve totalling \$2.4 million is proposed to mitigate the impacts of the collection contract increases. The reserve funding is part of a multi-year strategy, which was originally presented with the 2020 budget deliberations.

In 2023, there is inadequate stabilization reserve to meet the multi-year mitigation strategy; therefore, staff are also proposing that for 2023, the capital reserve contributions be decreased to \$1.1 million but reinstated in 2024 with an additional top up in 2025 as noted in Appendix 1. Also as noted in Appendix 1, the WM stabilization reserve balance will be reduced to near zero by the end of 2023 but will be replenished in future years as a result of budgetary savings associated with the transition to extended producer responsibility. This approach does have risk, as there will be no stabilization funding available in the future to mitigate one-time pressures, therefore contributions to the stabilization reserve will be evaluated each year. In the absence of reserve balances to fund year-end deficits, increases to future budgets will be required. The current multi-year budget includes \$3.2 million in 2024 and \$3.3 million in 2025 to replenish the stabilization reserve.

COVID-19 Impacts

Staff have identified \$0.1 million in COVID-19 related expenditures that will be funded from any remaining Safe Restart funding or Waste Management stabilization reserves in the absence of external funding. These amounts primarily relate to enhanced cleaning and social distancing measures for Regional staff.

2022 Waste Management Requisition

The net requisition amount will be allocated in accordance with the methodology approved in PWA 55-2011. As such, base WMS costs will be apportioned based on the 2020 percentage of residential units in each municipality, while the enhanced collection services and associated disposal costs will be apportioned to the requesting municipalities.

The year-over-year increase in requisition amount by municipality before assessment growth equates to an increase ranging from 4.62% to 8.74% with an average increase of 5.54%, as outlined in Appendix 2.

The net requisition changes by municipality after year-to-date assessment growth (as at October 18, 2021) of 1.36% ranges from 3.29% to 5.35%. This range is the result of the differences in household growth between local area municipalities as well as net assessment growth. The WMS levy is collected as a special levy with the Region establishing the tax rates for each municipality (with the exception of Niagara on the Lake). Note that these are average impacts and the actual impact will vary on each individual property based on year-over-year assessment change relative to the average assessment change attributed to growth.

Appendix 3 provides the impacts of the WMS requisition for 2022 in comparison to 2021 on a cost per typical residential unit basis by area municipality. The 5.54% increase on the budget will impact the average residential property from \$4.11 to \$8.78 annually depending on the municipality (average impact of \$6.85 per year).

Waste Management staff, in consultation with Finance staff, are reviewing the allocation methodology utilized for the WMS requisition between area municipalities. The current methodology was reaffirmed by Council in 2011 and has not been reviewed since that time. As part of the review, staff will engage the local area municipalities and review relevant legislation to determine if there is a need to amend the current methodology. No change is proposed for 2022.

Risks & Opportunities

The proposed budget, like any budget, has a number of risks, as well as opportunities, which include:

- Recycling Commodity Prices –The market for commodities fluctuates. The 2022 commodity process are based on current market trends.
- Uncertainty around the Waste Free Ontario Act and the transition to extended producer responsibility and the impacts on the recycling facility.
- Other Price Risks – the collection contract with the private sector contains a number of contract adjustments related to fuel prices and CPI. If these factors exceed the forecast, that could have a material impact on the budget.
- Counterparty risk related to the waste collection contract for services that represents 47% of WMS's 2022 total gross operating costs.
- Reserve mitigation – utilization of the Waste Management Stabilization Reserve to phase-in the pressure from the new collection contract that started in October 2020. This is projected to decrease the reserve to a balance of \$0.7 million by the end of 2023. This may limit staff's ability to mitigate budget pressures as they arise (i.e. decreased end-market revenues) and could therefore result in increased pressure on future year budgets.

Alternatives Reviewed

None.

Relationship to Council Strategic Priorities

The 2022 WMS budget supports responsible growth and infrastructure planning and supports Council's objective of environmental sustainability and stewardship.

Other Pertinent Reports

PWA 55-2011 – Waste Management Services Financing Study

CSD 70-2017 – Waste Management Reserve Strategy

WMPSC-C 33 – 2018 Waste Management Tipping Fees

PW 61-2019 – Base Level Service for Waste Management Collection Contract

PW 65-2019 – Confidential – Pricing of Successful Proponents and Review of Optional Services for WM Collection Contract

Prepared by:

Helen Chamberlain, CPA, CA
Director, Financial Management &
Planning/Deputy Treasurer
Corporate Services

Recommended by:

Todd Harrison, CPA, CMA
Commissioner/Treasurer
Corporate Services

Submitted by:

Ron Tripp, P.Eng.
Chief Administrative Officer

This report was prepared by Rob Fleming, Senior Tax & Revenue Analyst in consultation with Sara Mota, Program Financial Specialist and reviewed by Margaret Murphy, Associate Director, Budget Planning & Strategy and Catherine Habermehl, Director, Waste Management Services.

Appendices

Appendix 1	Extended Multi-Year Forecast
Appendix 2	Proposed 2022 Requisition by Municipalities
Appendix 3	2022 WM Requisition for Typical residential Property by Municipality
Appendix 4	Waste Management Schedule of Revenues and Expenditures

Mult-year Budget Forecast 2022 to 2026 (\$000)

Budget Summary	2021	2022	2023	2024	2025	2026
Total Operating	57,153	63,445	58,839	45,751	40,666	41,479
Business Support	1,575	1,712	1,728	1,851	1,888	1,926
Capital Transfer to Reserve & Debt Charges	4,146	4,149	1,190	4,188	7,272	7,417
Gross Budget	62,874	69,307	61,757	51,790	49,826	50,822
Less: Revenues	-18,735	-23,562	-12,621	-5,954	-6,073	-6,194
Net Budget Requisition - Before Reserve Transfers	44,138	45,745	49,136	45,836	43,753	44,628
Percentage Change		3.64%	7.41%	-6.72%	-4.55%	2.00%
COVID-19 Costs Funded from Reserve	-126	-113	0	0	0	0
One-Time Reserve Funding	0	-385	0	0	0	0
New Collection Contract Mitigation (2020-2023) / Replenishment Strategy (2024-2026)	-3,446	-2,434	-3,969	220	3,225	3,290
Net Budget Requisition – After Reserve Funding	40,567	42,813	45,167	46,056	46,978	47,918
Percentage Change		5.54%	5.50%	1.97%	2.00%	2.00%

Waste Management Stabilization Reserve Projected Balances (\$000)

Reserve	Projected 2021 YE Balance	Projected 2022 YE Balance	Projected 2023 YE Balance	Projected 2024 YE Balance	Projected 2025 YE Balance	Projected 2026 YE Balance
Waste Stabilization Reserve	7,463	4,581	612	932	4,257	7,647
Target Balance	6M to 9M	6M to 9M	6M to 9M	5M to 7M	4M to 6M	4M to 6M

Proposed 2022 Requisition by Municipality

Municipality	2021 Charges (\$000)	2022 Requisition (\$000)	Increase/ (Decrease) (\$000)	Increase/ (Decrease) (%)	Taxable Assessment Growth (%)**	Net Increase/ (Decrease) (%)
Fort Erie	\$ 3,083	\$ 3,255	\$ 172	5.59%	2.24%	3.35%
Grimsby	\$ 2,231	\$ 2,386	\$ 154	6.91%	1.56%	5.35%
Lincoln	\$ 1,854	\$ 2,000	\$ 146	7.88%	2.88%	5.00%
Niagara Falls	\$ 7,953	\$ 8,363	\$ 410	5.16%	1.41%	3.75%
Niagara-on-the-Lake*	\$ 1,758	\$ 1,845	\$ 87	4.94%	0.94%	4.00%
Pelham	\$ 1,407	\$ 1,504	\$ 97	6.89%	2.35%	4.54%
Port Colborne	\$ 2,042	\$ 2,139	\$ 98	4.79%	0.73%	4.05%
St. Catharines	\$ 12,312	\$ 12,880	\$ 568	4.62%	0.17%	4.45%
Thorold	\$ 1,736	\$ 1,888	\$ 152	8.74%	5.45%	3.29%
Wainfleet	\$ 625	\$ 655	\$ 30	4.75%	0.48%	4.27%
Welland	\$ 4,533	\$ 4,803	\$ 269	5.94%	1.08%	4.86%
West Lincoln	\$ 1,031	\$ 1,095	\$ 63	6.13%	1.54%	4.60%
Total	\$ 40,567	\$ 42,813	\$ 2,246	5.54%	1.36%	4.18%

Notes:

* NOTL assessment growth value on increase in residential units NOT CVA (as per NOTL requisition methodology).

** Total taxable assessment growth percentage of 1.36% represents Niagara actual growth for 2020 as of October 18, 2021

Change in Residential Units - 2022 Budget over 2021 Budget

Municipality	Residential Units 2021 Budget	Residential Units 2022 Budget	Increase/ (Decrease)	Increase/ (Decrease) (%)
Fort Erie	15,792	15,964	172	1.09%
Grimsby	11,297	11,576	279	2.47%
Lincoln	9,363	9,668	305	3.26%
Niagara Falls	38,496	39,036	540	1.40%
Niagara-on-the-Lake	8,711	8,793	82	0.94%
Pelham	7,097	7,249	152	2.14%
Port Colborne	10,313	10,346	33	0.32%
St. Catharines	60,012	60,046	34	0.06%
Thorold	8,608	8,982	374	4.34%
Wainfleet	3,231	3,239	8	0.25%
Welland	23,415	23,702	287	1.23%
West Lincoln	5,462	5,547	85	1.56%
Total	201,797	204,148	2,351	1.17%

2022 WM Requisition For Typical Residential Property by Municipality

Municipality	2021 Final CVA ¹	2021 Final WM Tax Rate	2021 Final WM Taxes	2022 Draft CVA ¹	2022 Draft WM Tax Rate ³	2022 Draft WM taxes	Annual Increase/ (Decrease) (\$)	Annual Increase/ (Decrease) (%)	Monthly Increase/ Decrease (\$)
Fort Erie	216,145	0.00071936	\$ 155.49	216,145	0.00074217	\$ 160.42	\$ 4.93	3.17%	\$ 0.41
Grimsby	400,088	0.00042417	\$ 169.71	400,088	0.00044611	\$ 178.48	\$ 8.78	5.17%	\$ 0.73
Lincoln	364,773	0.00044543	\$ 162.48	364,773	0.00046667	\$ 170.23	\$ 7.75	4.77%	\$ 0.65
Niagara Falls	262,988	0.00054682	\$ 143.81	262,988	0.00056582	\$ 148.80	\$ 5.00	3.47%	\$ 0.42
Niagara-on-the-Lake ²									
Pelham	364,292	0.00048218	\$ 175.65	364,292	0.00050332	\$ 183.36	\$ 7.70	4.38%	\$ 0.64
Port Colborne	207,501	0.00092220	\$ 191.36	207,501	0.00095832	\$ 198.85	\$ 7.49	3.92%	\$ 0.62
St. Catharines	259,643	0.00069068	\$ 179.33	259,643	0.00072096	\$ 187.19	\$ 7.86	4.38%	\$ 0.66
Thorold	228,358	0.00060894	\$ 139.06	228,358	0.00062692	\$ 143.16	\$ 4.11	2.95%	\$ 0.34
Wainfleet	273,324	0.00059993	\$ 163.98	273,324	0.00062529	\$ 170.91	\$ 6.93	4.23%	\$ 0.58
Welland	214,079	0.00079307	\$ 169.78	214,079	0.00083032	\$ 177.75	\$ 7.97	4.70%	\$ 0.66
West Lincoln	323,030	0.00047179	\$ 152.40	323,030	0.00049298	\$ 159.25	\$ 6.85	4.49%	\$ 0.57

Notes:

¹ 2021 and 2022 average CVA based on average value from 2020 tax policy study. No change from 2020 to 2022 as a result of Provincial delay of new assessment cycle.

² NOTL charge to residents based on fixed household amount as determined by the Town.

³ 2022 draft WM rates based on 2022 tax policy (except discount factors), 2022 draft requisition amounts and 2022 estimated returned roll assessment values.

2022 Waste Management Schedule of Revenues and Expenditures by Object of Expenditure

Object of Expenditure	2021 WMS Budget Total (\$)	2022 WMS Budget Total (\$)	Total Variance (\$)	Combined Variance (%)	Note
A_40000AB Compensation	3,574,470	3,994,881	420,411	11.8%	(1)
A_41000AB Administrative	742,484	1,363,955	621,471	83.7%	(2)
A_44000AB Operational & Supply	49,749,724	54,969,582	5,219,858	10.5%	(3)
A_50000AB Occupancy & Infrastructure	1,620,477	1,557,301	(63,176)	(3.9%)	
A_52000AB Equipment, Vehicles, Technology	1,150,164	1,180,084	29,920	2.6%	
A_56000AB Partnership, Rebate, Exemption	196,178	224,658	28,480	14.5%	
A_75100AC Transfers To Funds	4,135,500	4,135,500	0	0.0%	
A_60000AC Allocation Between Departments	119,341	154,473	35,132	29.4%	
Gross Expenditure Subtotal	61,288,339	67,580,435	6,292,096	10.3%	
A_30000AB Taxation	(40,566,764)	(42,813,047)	(2,246,283)	5.5%	
A_32400AB By-Law Charges & Sales	(12,269,077)	(17,051,374)	(4,782,297)	39.0%	(4)
A_34950AB Other Revenue	(6,466,388)	(6,510,449)	(44,061)	0.7%	
A_75000AC Transfers From Funds	(3,571,710)	(2,931,646)	640,064	(17.9%)	(5)
Gross Revenue Subtotal	(62,873,938)	(69,306,516)	(6,432,576)	10.2%	
Net Expenditure (revenue) before indirect allocations	(1,585,599)	(1,726,081)	(140,482)	8.9%	
A_70000AC Indirect Allocation	1,507,622	1,602,385	94,763	6.3%	
A_70200AC Capital Financing Allocation	77,977	123,697	45,720	58.6%	
Allocation Subtotal	1,585,599	1,726,081	140,482	8.9%	
Net Expenditure (revenue) after indirect allocations	0	0	0	0	

Notes:

- (1) Includes reintroducing staffing mitigation measures that were part of the 2021 budget for the purposes of COVID-19 as well as inclusion of temporary staff for end producer responsibility support (to be funded from reserves) of \$0.4M.
- (2) Includes increases for consulting services required to complete waste management strategy; additional consulting to undertake soil study and mixed-residential waste audits of \$0.4M (Net \$0.2M after reserve funding), promotion and education expenditure of \$0.2M.
- (3) Includes pressures related to the landfill/recycling/composting services \$1.9M, new collection contract of \$1.4M, recycling purchases of \$1.3M, bin purchases of \$0.3M.
- (4) Includes increased end market recycling revenue of \$5.2M and decreased bag tag revenue of \$0.5M.
- (5) Includes proposed stabilization reserve mitigation measure of \$2.4M for 2022 less one-time stabilization reserve draw in 2021 of \$3.4M.

THE REGIONAL MUNICIPALITY OF NIAGARA

BY-LAW NO. 2021-89

A BY-LAW TO ADOPT THE 2022 WASTE MANAGEMENT
BUDGET FOR THE REGIONAL MUNICIPALITY OF
NIAGARA

WHEREAS subsection 289 (1) of the Municipal Act, 2001, S.O. 2001, c.25, as amended, requires that an upper-tier municipality shall in each year prepare and adopt a budget; and,

WHEREAS the Council of the Regional Municipality of Niagara adopted its 2022 Waste Management Budget as described herein.

NOW THEREFORE the Council of The Regional Municipality of Niagara enacts as follows:

1. That the 2022 Waste Management Gross Operating Budget of \$69,306,516 and Net Operating Budget of \$42,813,049 be and hereby adopted.
2. That the 2022 budgeted net waste management operating budget be apportioned to the lower-tier municipalities as follows:

Municipality	2022 Net Budget Allocation (\$)
Fort Erie	3,255,090
Grimsby	2,385,612
Lincoln	2,000,161
Niagara Falls	8,362,513
Niagara-on-the-Lake	1,845,340
Pelham	1,504,306
Port Colborne	2,139,471
St. Catharines	12,880,404
Thorold	1,887,676
Wainfleet	655,208
Welland	4,802,535
West Lincoln	1,094,733
Total	42,813,049

3. That this by-law shall come into force and effect on the day upon which it is passed.

THE REGIONAL MUNICIPALITY OF NIAGARA



James Bradley, Regional Chair



Ann-Marie Norio, Regional Clerk

Passed: November 18, 2021



Administration

Office of the Regional Clerk

1815 Sir Isaac Brock Way, PO Box 1042, Thorold, ON L2V 4T7

Telephone: 905-685-4225 Toll-free: 1-800-263-7215 Fax: 905-687-4977

www.niagararegion.ca

December 3, 2021

CL 21-2021, November 18, 2021
BRCOTW 5-2021, November 4, 2021
CSD 68-2021, November 4, 2021

LOCAL AREA MUNICIPALITIES

SENT ELECTRONICALLY

RE: Report CSD 68-2021 – 2022 Budget – Water and Wastewater Operating Budget, Rate Setting and Requisition

Regional Council, at its meeting of November 18, 2021, approved the following recommendation of its Budget Review Committee of the Whole:

That Report CSD 68-2021, dated November 4, 2021, respecting 2022 Budget-Water and Wastewater Operating Budget, Rate Setting and Requisition, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That the 2022 Water & Wastewater net operating base budget increase of \$2,508,401 (or 2%) for Operating plus \$3,950,509 (or 3.15%) for Capital Financing over the 2021 operating budget **BE APPROVED** in accordance with the Safe Drinking Water Act (SDWA) Financial Plan;
2. That the 2022 Water Operations gross operating budget of \$48,895,951 and net budget in the amount of \$48,517,726 for the Water Budget, Rates and Requisition **BE APPROVED**;
3. That the proposed fixed water requisition shown in Table 3 of Report CSD 68-2021, based on 25% of the Region's water net operating budget for the year and divided by 12 to determine the monthly charge, to be billed to each of the serviced Local Area Municipalities starting January 1, 2022, apportioned based on their previous three year's average water supply volumes, **BE APPROVED**;
4. That the Region's proposed 2022 variable water rate of \$0.636, shown in Table 4 of Report CSD 68-2021, to be effective January 1, 2022 and calculated by taking 75% of the Region's water net operating budget and dividing by the estimated supply volume, to be billed on a monthly basis to each serviced Local Area Municipality based on the previous month's metered flows, **BE APPROVED**;
5. That the 2022 Wastewater Operations gross operating budget of \$86,535,117 and net budget in the amount of \$83,341,487 for the Wastewater Budget, Rates and Requisition **BE APPROVED**;

6. That the proposed 2022 fixed wastewater requisition as shown in Table 5 of Report CSD 68-2021, based on 100% of the Region's net operating budget for the year and divided by 12 to determine the monthly charge, to be billed to each of the Local Area Municipalities starting January 1, 2022, apportioned based on their previous three year's average wastewater supply volumes, **BE APPROVED**;
7. That the 2022 wastewater monthly bills **INCLUDE** the reconciliation for the 2020 net requisition allocation based on actual wastewater flows versus the estimated flows, as shown in Table 6 of Report CSD 68-2021;
8. That the necessary by-laws **BE PREPARED** and **PRESENTED** to Council for consideration; and
9. That a copy of Report CSD 68-2021 **BE CIRCULATED** to the Local Area Municipalities.

A copy of Report CSD 68-2021 and By-laws 2021-90 and 2021-91 are enclosed for your information.

Yours truly,



Ann-Marie Norio
Regional Clerk

CLK-C 2021-181

Distribution List:

H. Chamberlain, Director, Financial Management & Planning/Deputy Treasurer
T. Harrison, Commissioner, Corporate Services/Treasurer
K. Beach, Executive Assistant, Commissioner, Corporate Services

Subject: 2022 Budget-Water and Wastewater Operating Budget, Rate Setting and Requisition

Report to: Budget Review Committee of the Whole

Report date: Thursday, November 4, 2021

Recommendations

1. That the 2022 Water & Wastewater net operating base budget increase of \$2,508,401 (or 2%) for Operating plus \$3,950,509 (or 3.15%) for Capital Financing over the 2021 operating budget **BE APPROVED** in accordance with the Safe Drinking Water Act (SDWA) Financial Plan;
2. That the 2022 Water Operations gross operating budget of \$48,895,951 and net budget in the amount of \$48,517,726 for the Water Budget, Rates and Requisition **BE APPROVED**;
3. That the proposed fixed water requisition shown in Table 3 of Report CSD 68-2021, based on 25% of the Region's water net operating budget for the year and divided by 12 to determine the monthly charge, to be billed to each of the serviced Local Area Municipalities starting January 1, 2022, apportioned based on their previous three year's average water supply volumes, **BE APPROVED**;
4. That the Region's proposed 2022 variable water rate of \$0.636, shown in Table 4 of Report CSD 68-2021, to be effective January 1, 2022 and calculated by taking 75% of the Region's water net operating budget and dividing by the estimated supply volume, to be billed on a monthly basis to each serviced Local Area Municipality based on the previous month's metered flows, **BE APPROVED**;
5. That the 2022 Wastewater Operations gross operating budget of \$86,535,117 and net budget in the amount of \$83,341,487 for the Wastewater Budget, Rates and Requisition **BE APPROVED**;
6. That the proposed 2022 fixed wastewater requisition as shown in Table 5 of Report CSD 68-2021, based on 100% of the Region's net operating budget for the year and divided by 12 to determine the monthly charge, to be billed to each of the Local Area Municipalities starting January 1, 2022, apportioned based on their previous three year's average wastewater supply volumes, **BE APPROVED**;

7. That the 2022 wastewater monthly bills **INCLUDE** the reconciliation for the 2020 net requisition allocation based on actual wastewater flows versus the estimated flows, as shown in Table 6 of Report CSD 68-2021;
8. That the necessary by-laws **BE PREPARED** and **PRESENTED** to Council for consideration; and
9. That a copy of Report CSD 68-2021 **BE CIRCULATED** to the Local Area Municipalities.

Key Facts

- The proposed Water net budget represents a \$1.9 million increase, or 3.99% over 2021; the proposed Wastewater net budget represents a \$4.6 million increase, or 5.84% over 2021, for a combined Water & Wastewater Budget increase of 5.15% as shown in Table 1.
- Staff have reinstated the Safe Drinking Water Act (SDWA) Financial Plan annual increase of 5.15%, inclusive of enhanced capital financing of 3.15%, aligning with the 2022 Budget Planning Strategy.
- Incorporated in the base operating 2% increase for the 2022 operating budget is the additional requirement for debt servicing cost associated with the increased to the South Niagara Falls Wastewater treatment facility project. This has been accommodated with a reduction in the transfer to the capital reserve which will be re-established through future commitments to the 5.15% increase in accordance with the SDWA Financial Plan.
- The requisition methodology conforms to Councils approved cost recovery methodology from 2011, which was reaffirmed through report CSD 61-2015, on July 2, 2015. The methodology apportions to the LAMs water at 75% variable rate and 25% as a fixed component and wastewater 100% fixed.
- The proposed variable water rate is increased to \$0.636 (2021 = \$0.611) attributed to the budget increase with no projected change in water flows for 2022.

Financial Considerations

The Water and Wastewater Division's proposed 2022 net budget amount of \$131.9 million represents a \$6.5 million net increase or 5.15% (2% for base operating and 3.15% for enhanced capital financing) from the 2021 budget, as shown in Table 1. The total net cost related to the Wastewater program is \$83.3 million, representing a net increase of \$4.6 million, or 5.84% from 2021. The remaining \$48.5 million relates to the

Water program, which has increased by \$1.9 million, or 3.99% from 2021. The proposed gross budget and comparison to the 2021 net budget are outlined in Table 1.

Table 1 – Summary of Proposed Water and Wastewater Budget ('000)

Water & Wastewater 2022 Budget Summary	Water (\$)	Wastewater (\$)	Total (\$)
2021 Net Requisition	46,656	78,744	125,401
2022 Budget:			
Total Operating Expenses	22,704	50,043	72,747
Business Support	1,946	3,559	5,504
Reserve Transfer & Debt Charges	23,446	29,784	53,230
2022 Gross Budget Total - Before Enhanced Capital Financing	48,096	83,385	131,481
Enhanced Capital Financing (3.15%)	800	3,150	3,950
2022 Gross Budget Total	48,896	86,535	135,431
Less: Revenues	(354)	(3,110)	(3,464)
Less: COVID-19 Costs Funded from Reserve	(24)	(84)	(108)
2022 Net Requisition	48,518	83,341	131,859
Percentage Change	3.99%	5.84%	5.15%

Analysis

The 2022 Water and Wastewater budgets were developed giving consideration to historical results (2020 actuals, 2021 forecast), operational concerns, legislative compliance, standard operating procedures, impacts as a result of COVID-19 and cross-divisional and corporate business support costs. In Table 2, the increases/pressures identified for 2022 are \$3.1 million before recommended mitigation measures totaling \$0.6 million.

Table 2 – Summary of Proposed Water and Wastewater Budget with Pressures and Mitigations ('000)

Water & Wastewater 2022 Budget Summary	Water \$	Wastewater \$	Total \$	Total %
2021 Net Requisition	46,656	78,744	125,401	
Gross Increase/Pressures	1,086	1,981	3,067	
Base Subtotal	47,742	80,725	128,467	2.44%
Mitigations	0	(450)	(450)	
COVID-19 Costs Funded from Reserve	(24)	(84)	(108)	
Net Operating Increase	1,062	1,447	2,508	
Base Total	47,718	80,191	127,910	2.00%
Enhanced Capital Financing	800	3,150	3,950	3.15%
2022 Net Requisition	48,518	83,341	131,860	5.15%

Council previously adopted a 5.15% increase as per the SDWA financial plan. This has allowed for a budget increase of \$6.5 million overall of which only \$2.5 million or 2% being for operating with the remainder being allocated to capital financing. Based on the 2022 Budget Strategy, staff propose \$0.5 million or 0.36% in mitigation measures as outlined in Table 2. Given the largely fixed cost nature of the operations (i.e., chemicals, utilities, property tax, previously approved debt charges) staff needed to identify mitigations options within the very small budget of discretionary spending so not to impact the daily operations of the services. Of the total requisition amount of \$132M for 2022 approximately 94% of the total amount is fixed as it relates to treatment of water and wastewater and capital financing. The remaining 6% can be classified as discretionary expenditures that does not specifically relate to water/wastewater treatment (i.e., CSO grants, certain building maintenance such as snow removal and grass cutting). The proposed mitigations will decrease the net requisition increase from 5.59% or \$7.0 million to the budget planning strategy amount of 5.15% or \$6.5 million.

The increases/pressures to the budget of \$3.1 million are largely due to the following:

- \$1.0 million or 2% increase to the base capital financing budget of \$52.2 million.
- \$1.0 million net (Gross = \$2.0M) or 100% increase to reinstate CSO program that was funded from reserves in 2021 as part of COVID-19 mitigation measures.
- \$0.7 million or 15% increase for sludge/hauling for increased volumes due to compliance issues and annual contract rate.
- \$0.4 million or 2% increase to labour related costs. Wage and benefit pressures total \$0.3 million and the balance of \$0.1 million is to add back in the water wagon program (\$0.1 million) which was deferred in 2021. Student positions that were deferred in 2021 as part of COVID-19 mitigation measures will continue to

be deferred into 2022. The budget includes a request to convert 9 FTE from temporary to permanent. These funding for these positions has already been approved in prior year base budget at a total gross cost of \$0.8 million (net \$0.6 million after \$0.2 million allocation to capital).

- \$0.4 million or 7% increase to business support (i.e. facilities, finance, insurance, etc.)
- \$0.2 million or 48% reduction in repair and maintenance trunk sewer as a result of reduced spend in 2021.
- \$0.2 million or 2% reduction in electricity as a result of projected 2021 expenditures.

The mitigations of \$0.5 million are comprised of the following:

- \$0.5 million net (Gross = -\$0.9M) or 23% decrease to CSO program from annual level of \$4.0 million (\$2.0 million funded from the rate requisition and \$2.0 million funded from Development Charges) to \$3.1 million. The initial awarded CSO grants for 2021 was \$3.25 million of the \$4.0 million budget which aligns with the recommended budget for 2022.

Reserve Management - Capital/Infrastructure

The proposed 2022 budget adheres to the Council approved SDWA Financial Plan which proposed combined water/wastewater capital financing increase of 3.15% for 2022. The Budget Strategy recommended that the financial plan be reinstated for 2022 in order to address both the asset renewal backlog as well as the Region's annual funding gap of \$77 million (10 year Average Annual Renewal Investment – AARI) that had been identified in the 2017 Council approved comprehensive Asset Management Plan (AMP). The SDWA Financial Plan recommended annual increases to capital financing from 2019 to 2028. The projected annual capital financing contribution until 2028 have been included as Appendix 1 to this report. Appendix 1 also includes the target based on the 2017 AMP for comparison.

The transfer to reserve is being temporarily reduced to accommodate the new South Niagara Falls WWTP debt charges and operating costs budget within a 2% overall budget increase. However, until the plant is operational, this budget (placeholder) will continue to fund pay-as-you-go capital projects (in accordance with the Budget Planning By-law) to invest in critical infrastructure similar to the transfer to capital reserve.

South Niagara Falls Wastewater Treatment Facility

As identified in report PW 39-2020 – South Niagara Falls Update, the SNF WWTP capital projects required debt financing of \$3.8 million and annual operating costs of \$5.4 million which were accommodated in the base budget through a temporary reduction in the transfer to the WW capital reserve. As a result of PW 39-2021, the debt charges associated with the project were increased by an additional \$0.6 million due to revised capital project estimates which have also been accommodated through an additional temporary decrease in reserve contributions.

COVID-19 Impacts

Staff have identified \$0.1 million in COVID-19 related expenditures that will be funded from any remaining 2021 Safe Restart funding or Water and Wastewater stabilization reserves in the absence of external funding. These amounts primarily relate to enhanced cleaning and social distancing measures for Regional staff.

Fixed Water Requisition

As per Council's approved methodology, \$12,129,432 (25%) of the net Water budget will be recovered from fixed monthly requisitions to the local municipalities based on historical flows. The historical water flows and percentages utilized are included in Appendix 2 and 3. This annual amount based on the historical flows is then divided by 12 to determine the monthly charge to be billed to each of the services LAMs starting January 1, 2022. Also included as part of Appendix 2, is the annual impact on the fixed water requisition between 2021 and 2022 for each LAM. Table 3 summarizes the fixed amounts to be billed to each LAM based on the above methodology.

Table 3 – Fixed Water Requisition for 2022 Net Budget

Municipality	3-Year Avg. (%)	Allocation (\$)	Monthly (\$)
Fort Erie	7.48%	\$907,590	\$75,633
Grimsby	5.55%	\$672,776	\$56,065
Lincoln	4.37%	\$530,067	\$44,172
Niagara Falls	24.68%	\$2,993,791	\$249,483
Niagara-on-the-Lake	5.77%	\$699,367	\$58,281
Pelham	2.49%	\$301,906	\$25,159
Port Colborne	4.60%	\$558,477	\$46,540
St. Catharines	25.98%	\$3,151,522	\$262,627
Thorold	4.18%	\$507,327	\$42,277
Welland	13.04%	\$1,581,938	\$131,828
West Lincoln	1.85%	\$224,670	\$18,722
Total	100.00%	\$12,129,432	\$1,010,786

Variable Water Rate

The remaining \$36,388,295 (75%) will be charged through the variable rate. The recommended variable rate of \$0.636 per cubic metre as outlined in Table 4 is based on a water forecast using the past three year average flows plus an anticipated growth factor. Despite above average growth for the Region in recent years the flow estimates are still volatile and are dependent on weather conditions and most recently impacts related to COVID-19. The resulting estimate for 2022 is an overall volume consistent with the amount used for the 2021 budget. An overview of the water trends and related risk is outlined in more detail in Appendix 3. The proposed variable water rate increase is \$0.025 (4.0%) (2020 = \$0.611) which is attributed only to the budget increase. Any variation in water flows that result from COVID-19 will be mitigated at 2022 year-end with Safe Restart funding held in the taxpayer relief reserve if available.

Table 4 – Variable Water Rate for 2022 Net Budget

2022 Variable Water Rate	\$/Volume
Variable Allocation (75% x \$48,517,726)	\$36,388,295
2022 Water Flow Forecast (m ³)	57,250,000
Variable Rate (\$/m ³)	\$0.636

Wastewater Requisition

The wastewater net requisition is recovered 100% from fixed monthly requisitions to the local municipalities, apportioned based on the historical three year average flows. The annual amount is divided by twelve to determine the monthly charge to each of the serviced LAMs starting January 1, 2022. The historical wastewater flows and apportionments are included in Appendix 4 as well as the comparison of the fixed wastewater requisition amount between 2021 and 2022 for each LAM. Table 5 provides the fixed amounts to be billed to each LAM based on the above methodology.

Table 5 – Fixed wastewater Requisition for 2022 Net Budget

Municipality	3-Year Avg. (%)	Allocation (\$)	Monthly (\$)
Fort Erie	10.37%	\$8,645,876	\$720,490
Grimsby	4.00%	\$3,335,979	\$277,998
Lincoln	3.87%	\$3,222,926	\$268,577
Niagara Falls	18.21%	\$15,174,167	\$1,264,514
Niagara-on-the-Lake	3.91%	\$3,258,940	\$271,578
Pelham	1.88%	\$1,566,779	\$130,565
Port Colborne	5.90%	\$4,920,879	\$410,073
St. Catharines	29.34%	\$24,454,734	\$2,037,894
Thorold	5.84%	\$4,869,086	\$405,757
Welland	14.88%	\$12,404,268	\$1,033,689
West Lincoln	1.79%	\$1,487,851	\$123,988
Total	100.00%	\$83,341,487	\$6,945,124

As per Council's approved cost recovery methodology, the 2022 monthly Wastewater charges will include reconciliation of the 2020 Wastewater requisition payments. Municipal 2020 rebates or charges will be based on their respective share of actual flows versus the estimated share used to initially allocate the 2020 charges. This reconciliation results in a total of \$2,596,581 in payments to, and \$2,596,581 in rebates from, the local municipalities. Tables outlining the calculation of the reconciliation have been included as Appendix 5, and the total charge including the 2022 requisition and 2020 reconciliation by local municipality has been included as Appendix 6.

Table 6 – Wastewater Reconciliation for 2020 included in 2022 Requisition

Municipality	Reconciliation (\$)	Monthly Rebate (\$)	Monthly Payment (\$)
Fort Erie	100,828	0	8,402
Grimsby	(851,170)	(70,931)	0
Lincoln	90,646	0	7,554
Niagara Falls	(1,579,048)	(131,587)	0
Niagara-on-the-Lake	(166,363)	(13,864)	0
Pelham	119,823	0	9,985
Port Colborne	46,516	0	3,876
St. Catharines	996,145	0	83,012
Thorold	614,024	0	51,169
Welland	419,680	0	34,973
West Lincoln	208,919	0	17,410
Total	0	(216,382)	216,382

Risks & Opportunities

- Water/wastewater flows are weather dependant and therefore subject to fluctuations that are outside the Region's control.
- COVID-19 has also caused reductions in water flows. Any variation in water flows as a result of COVID-19 will be offset at year-end 2022 with Safe Restart funding (taxpayer relief reserve).
- Unanticipated equipment and underground infrastructure failure may impact operating expenditures.

Alternatives Reviewed

None.

Relationship to Council Strategic Priorities

The 2022 Water and Wastewater proposed budgets support Council's strategic priorities of organizational excellence, by meeting or exceeding legislative requirements and having 42% of the total program costs related to infrastructure renewal and replacement.

Other Pertinent Reports

PW 4-2019	Safe Drinking Water Act Financial Plan
PW 39-2020	South Niagara Falls WWTP Update
PW 39-2021	South Niagara Falls Wastewater Treatment Plant - Budget and Property

Prepared by:

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Director, Financial Management &
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Corporate Services

Recommended by:

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Commissioner/Treasurer
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Submitted by:

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Appendices

Appendix 1	Forecasted Water and Wastewater Capital Financing
Appendix 2	Water Flows and Fixed Water Requisition by Local Area Municipality
Appendix 3	Water Volume Analysis
Appendix 4	Wastewater Flows and Fixed Wastewater Requisition by Local Area Municipality
Appendix 5	2020 By-law Wastewater Reconciliation
Appendix 6	Fixed Wastewater Requisition including Reconciliation by Local Area Municipality
Appendix 7	2022 Water and Wastewater Schedule of Revenues and Expenditures by Object of Expenditure

Forecasted Water and Wastewater Capital Financing (\$Millions)

Capital Financing (\$M)	2021	2022	2023	2024	2025	2026	2027	2028	Target Balance
Water	\$23	\$24	\$24	\$24	\$25	\$27	\$28	\$30	\$38
Wastewater	\$29	\$33	\$36	\$39	\$48	\$50	\$55	\$60	\$97
Total	\$52	\$57	\$59	\$63	\$74	\$76	\$83	\$90	\$135

Water Flows and Fixed Water Requisition by Local Area Municipality

Table 1 - Water Flows by Municipality

Municipality	3-Year Avg. per 2021 By- law (ML)	3-Year Avg. per 2021 By- law (\$)	3-Year Avg. per 2022 By- law (ML)	3-Year Avg. per 2022 By- law (\$)
Fort Erie	4,308	7.58%	4,130	7.48%
Grimsby	3,106	5.46%	3,061	5.55%
Lincoln	2,365	4.16%	2,412	4.37%
Niagara Falls	14,370	25.27%	13,623	24.68%
Niagara-on-the-Lake	3,259	5.73%	3,182	5.77%
Pelham	1,278	2.25%	1,374	2.49%
Port Colborne	2,873	5.05%	2,541	4.60%
St. Catharines	15,099	26.55%	14,340	25.98%
Thorold	2,152	3.78%	2,308	4.18%
Welland	7,062	12.42%	7,198	13.04%
West Lincoln	988	1.74%	1,022	1.85%
Total	56,860	100%	55,193	100%

Table 2 - Fixed Water Requisition by Municipality

Municipality	2021 (\$000)	2022 (\$000)	Difference (\$000)	Difference (%)
Fort Erie	884	908	24	2.69%
Grimsby	637	673	36	5.59%
Lincoln	485	530	45	9.25%
Niagara Falls	2,948	2,994	46	1.56%
Niagara-on-the-Lake	669	699	31	4.60%
Pelham	262	302	40	15.19%
Port Colborne	589	558	(31)	-5.25%
St. Catharines	3,097	3,152	54	1.75%
Thorold	441	507	66	14.94%
Welland	1,449	1,582	133	9.20%
West Lincoln	203	225	22	10.81%
Total	11,664	12,129	465	3.99%

Water Volume Analysis

Flows in ML	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Projected Flows for Rate Setting	59,067	59,067	58,613	57,000	57,000	57,000	57,250	57,250	57,250	57,250
Actual Flows	56,896	56,474	57,622	58,800	56,986	58,491	55,458	55,517	56,211	N/A
Variance	-2,171	-2,593	-991	1,800	-14	1,491	-1,792	-1,733	-1,039	N/A

The 2021 actual flows are estimated to finish the year approximately 1.8% lower than projected flows. The water usage in 2021 is estimated to total 56,211 ML.

The water volume forecast for 2022 has been prepared giving consideration to historical and current trends and has not resulted in a proposed change from 2021.

The volume forecast for 2022 is above the 3-year and 5-year calendar average of 55,729 ML and 56,533 ML, respectively. 2018 flows represent more typical summer weather years. 2016 experienced drought conditions during the summer. 2017 and 2019 experienced very wet summers. The 2020 and 2021 flows are impacted by a dry summer and COVID-19 shutdowns. The 2022 estimate reflects no change over previous year's projection. COVID-19 volatility may continue into 2022. Any variation in flow as a result of COVID-19 that has a negative impact on variable water revenue will be mitigated with reserves/Provincial funding if available.

Variation in water flows may also be experienced as a result of: capital repairs to address water loss at Region and Local levels, growth in user base, and increased conservation efforts.

Wastewater Flows and Fixed Requisition By Local Area Municipality

Table 1 - Wastewater Flows by Municipality

Municipality	3-Year Avg. per 2021 By- law (ML)	3-Year Avg. per 2021 By- law (%)	3-Year Avg. per 2022 By- law (ML)	3-Year Avg. per 2022 By- law (%)
Fort Erie	7,712	10.25%	7,436	10.37%
Grimsby	3,308	4.40%	2,869	4.00%
Lincoln	2,892	3.84%	2,772	3.87%
Niagara Falls	14,069	18.70%	13,051	18.21%
Niagara-on-the-Lake	3,050	4.06%	2,803	3.91%
Pelham	1,378	1.83%	1,348	1.88%
Port Colborne	4,590	6.10%	4,232	5.90%
St. Catharines	21,966	29.20%	21,033	29.34%
Thorold	3,987	5.30%	4,188	5.84%
Welland	10,962	14.57%	10,669	14.88%
West Lincoln	1,303	1.73%	1,280	1.79%
Total	75,218	100%	71,680	100%

Table 2 - Fixed Wastewater Requisition by Municipality

Municipality	2021 (\$000)	2022 (\$000)	Difference (\$000)	Difference (%) ¹
Fort Erie	8,074	8,646	572	7.09%
Grimsby	3,463	3,336	(127)	-3.68%
Lincoln	3,027	3,223	196	6.46%
Niagara Falls	14,729	15,174	445	3.02%
Niagara-on-the-Lake	3,193	3,259	66	2.06%
Pelham	1,443	1,567	124	8.61%
Port Colborne	4,805	4,921	116	2.41%
St. Catharines	22,996	24,455	1,459	6.34%
Thorold	4,173	4,869	696	16.67%
Welland	11,476	12,404	928	8.09%
West Lincoln	1,364	1,488	124	9.06%
Total	78,744	83,341	4,597	5.84%

Note:

(1) Municipalities with increases above the average are generally the municipalities that have the highest assessment growth, meaning that average impact to be expected by the average user will be less than the percentage change noted in the requisition due to the relative increase in the number of users (i.e., properties).

2020 By-law Wastewater Reconciliation

Table 1 - Wastewater Flows by Municipality

Municipality	Prior 3 yr. Avg.	2020 By-Law Period Actual Flows ¹
Fort Erie	7,931	7,319
Grimsby	3,688	2,596
Lincoln	2,907	2,731
Niagara Falls	14,901	12,162
Niagara-on-the-Lake	3,141	2,713
Pelham	1,360	1,347
Port Colborne	4,480	4,125
St. Catharines	21,608	20,590
Thorold	3,845	4,056
Welland	10,858	10,273
West Lincoln	1,220	1,300
Total	75,939	69,213

Table 2 - Wastewater Fixed Allocation Percentages

Municipality	Prior 3-Yr Avg	2020 By-Law Period Actual Flows ¹	Difference
Fort Erie	10.4%	10.6%	0.1%
Grimsby	4.9%	3.8%	-1.1%
Lincoln	3.8%	3.9%	0.1%
Niagara Falls	19.6%	17.6%	-2.0%
Niagara-on-the-Lake	4.1%	3.9%	-0.2%
Pelham	1.8%	1.9%	0.2%
Port Colborne	5.9%	6.0%	0.1%
St. Catharines	28.5%	29.7%	1.3%
Thorold	5.1%	5.9%	0.8%
Welland	14.3%	14.8%	0.5%
West Lincoln	1.6%	1.9%	0.3%
Total	100.0%	100.0%	0.0%

Table 3 - Wastewater Fixed Allocation Charge Reconciliation (\$000)

Municipality	Prior 3-Yr Avg Billed ^{1,2}	2020 By-Law Period Actual Flows ¹	Underpayment/ (Overpayment) ³
Fort Erie	\$ 8,044	\$ 8,145	\$ 101
Grimsby	3,740	2,889	(851)
Lincoln	2,949	3,039	91
Niagara Falls	15,114	13,534	(1,579)
Niagara-on-the-Lake	3,185	3,019	(166)
Pelham	1,379	1,499	120
Port Colborne	4,544	4,591	47
St. Catharines	21,916	22,912	996
Thorold	3,900	4,514	614
Welland	11,012	11,432	420
West Lincoln	1,238	1,446	209
Total	\$ 77,021	\$ 77,021	\$ (0)

Sum of Overpayment: (2,597)
Percentage of Requisition 3.37%

Notes:

1. 2020 By-Law period consists of the 12 month period from January 2020 to December 2020.
2. Charges paid excluded payments made/rebates received for 2018 reconciliation.
3. Underpayments/(Overpayments) based on comparing 2 difference allocation methodologies (3-yr average vs. actual flows during By-law period).

Fixed Wastewater Requisition Including Reconciliation by Municipality Comparison

Municipality	Requisition 2021 By-law (\$000)	Requisition 2022 By-law (\$000)	Reconciliation 2021 By-law (2019 Rec.) (\$000)	Reconciliation 2022 By-law (2020 Rec.) (\$000)	Total Charge 2021 By-law (\$000)	Total Charge 2022 By-law (\$000)	Difference (\$000)	Difference (%)
Fort Erie	8,074	8,646	(299)	101	7,775	8,747	972	12.50%
Grimsby	3,463	3,336	(246)	(851)	3,217	2,485	(732)	-22.76%
Lincoln	3,027	3,223	(65)	91	2,962	3,314	352	11.87%
Niagara Falls	14,729	15,174	(1,272)	(1,579)	13,457	13,595	138	1.03%
Niagara-on-the-Lake	3,193	3,259	63	(166)	3,256	3,093	(163)	-5.01%
Pelham	1,443	1,567	(62)	120	1,381	1,687	306	22.17%
Port Colborne	4,805	4,921	382	47	5,187	4,967	(220)	-4.24%
St. Catharines	22,996	24,455	662	996	23,658	25,451	1,793	7.58%
Thorold	4,173	4,869	451	614	4,624	5,483	859	18.57%
Welland	11,476	12,404	311	420	11,787	12,824	1,037	8.80%
West Lincoln	1,364	1,488	77	209	1,441	1,697	256	17.75%
Total	78,744	83,341	-	-	78,744	83,341	4,597	5.84%

2022 Water and Wastewater Schedule of Revenues and Expenditures by Object of Expenditure

Object of Expenditure	2021 Water Budget Total (\$)	2021 Wastewater Budget Total (\$)	2021 Combined Total (\$)	2022 Water Budget Total (\$)	2022 Wastewater Budget Total (\$)	2022 Combined Total (\$)	Combined Total Variance (\$)	Total Combined Variance (%)	Note
A_40000AB Compensation	7,672,587	10,588,464	18,261,051	7,815,034	10,784,552	18,599,586	338,535	1.9%	(1)
A_41000AB Administrative	488,996	1,084,905	1,573,901	461,076	1,114,395	1,575,471	1,570	0.1%	
A_44000AB Operational & Supply	2,078,986	11,499,124	13,578,110	2,227,801	12,166,665	14,394,466	816,356	6.0%	(2)
A_50000AB Occupancy & Infrastructure	5,999,040	12,032,768	18,031,808	5,915,009	11,831,987	17,746,996	(284,812)	(1.6%)	(3) (4)
A_52000AB Equipment, Vehicles, Technology	1,157,143	3,129,063	4,286,206	1,182,143	3,153,063	4,335,206	49,000	1.1%	
A_56000AB Partnership, Rebate, Exemption	10,000	4,000,000	4,010,000	50,000	3,100,000	3,150,000	(860,000)	(21.4%)	(5)
A_75100AC Transfers To Funds	20,698,764	16,539,843	37,238,607	22,147,810	18,462,196	40,610,006	3,371,399	9.1%	(6)
A_60000AC Allocation Between Departments	613,820	914,836	1,528,656	698,777	970,068	1,668,845	140,189	9.2%	
A_60260AC Allocation Within Departments	4,204,378	6,664,251	10,868,629	4,354,096	6,922,083	11,276,179	407,550	3.7%	
Gross Expenditure Subtotal	42,923,714	66,453,254	109,376,968	44,851,746	68,505,009	113,356,755	3,979,787	3.6%	
A_30000AB Taxation	(46,656,371)	(78,744,319)	(125,400,690)	(48,517,726)	(83,341,487)	(131,859,213)	(6,458,523)	5.2%	
A_32400AB By-Law Charges & Sales	(12,000)	(1,505,443)	(1,517,443)	(12,000)	(1,527,090)	(1,539,090)	(21,647)	1.4%	
A_34950AB Other Revenue	(339,663)	(2,066,894)	(2,406,557)	(342,025)	(1,582,940)	(1,924,965)	481,592	(20.0%)	(5)
A_75000AC Transfers From Funds	(30,950)	(92,900)	(123,850)	(24,200)	(83,600)	(107,800)	16,050	0.0%	
Gross Revenue Subtotal	(47,038,984)	(82,409,556)	(129,448,540)	(48,895,951)	(86,535,117)	(135,431,068)	(5,982,528)	4.6%	
Net Expenditure (revenue) before indirect allocations	(4,115,270)	(15,956,302)	(20,071,572)	(4,044,205)	(18,030,108)	(22,074,313)	(2,002,741)	10.0%	
A_70000AC Indirect Allocation	1,766,598	3,205,914	4,972,511	1,817,936	3,600,142	5,418,078	445,566	9.0%	(7)
A_70200AC Capital Financing Allocation	2,348,673	12,750,389	15,099,061	2,226,269	14,429,967	16,656,236	1,557,174	10.3%	(6)
Allocation Subtotal	4,115,270	15,956,302	20,071,572	4,044,205	18,030,108	22,074,313	2,002,741	10.0%	
Net Expenditure (revenue) after indirect allocations	0	0	0	0	0	0	0	0	

Notes:

- (1) Includes compensation pressure which represents base compensation changes and reintroduction of the water wagon program which was deferred in 2021 which are partially offset by student position deferral for 2022 totaling \$0.4M.
- (2) Includes pressures related sludge and sludge haulage of \$0.7M.
- (3) Includes reduction in R&M Repairs Trunk Sewer of \$(0.2M).
- (4) Includes reduction in electricity of \$(0.2M).
- (5) Includes \$0.9M gross deferral of the 2022 CSO funding of which \$(0.5M) relates to the requisition. Corresponding decrease in Development Charge revenue of \$(0.5M).
- (6) Includes base capital financing increase of \$1.0M, enhanced capital financing of \$4.0M and impacts of SNF WWTP with net impact of \$0.
- (7) Includes pressure related to business support/department allocation (i.e., self supported operations) of \$0.4M.

THE REGIONAL MUNICIPALITY OF NIAGARA

BY-LAW NO. 2021-90

A BY-LAW TO ADOPT THE 2021 WATER BUDGET AND
TO SET THE REQUISITION TO BE CHARGED FOR
WATER SUPPLIED TO LOWER-TIER MUNICIPALITIES
FOR THE PERIOD JANUARY 1, 2022 TO DECEMBER 31,
2022

WHEREAS Section 11 of the Municipal Act, 2001, S.O. 2001, c.25, provides that a municipality may pass by-laws respecting services and things that the municipality is authorized to provide;

WHEREAS section 390 of the Municipal Act, 2001, S.O. 2001, c.25, provides that the definition of a person includes a municipality;

WHEREAS section 391 of the Municipal Act, 2001, S.O. 2001, c.25, provides that a municipality is authorized to impose fees or charges on persons for costs payable by it for services or activities provided or done by or on behalf of any other municipality; and

WHEREAS water supplied to the lower-tier municipalities is a service provided by the Regional Municipality of Niagara on behalf of the lower-tier municipalities within the Niagara Region.

NOW THEREFORE the Council of The Regional Municipality of Niagara enacts as follows:

1. That the 2022 Water Gross Operating Budget of 48,895,951 and Net Operating Budget of \$48,517,726 be and hereby is adopted.
2. That 75% of the Net Operating Budget, \$36,388,295 be recovered from the lower-tier municipalities based on actual metered water flows multiplied by the Region's annually set uniform water rate.
3. That the rate payable by the lower-tier municipalities for treated water supplied by the Regional Waterworks system shall be established at \$0.636 for every cubic meter supplied to each lower-tier municipality for the period of January 1, 2022 to December 31, 2022.
4. That 25% of the Net Operating Budget, \$12,129,432 be apportioned to the lower-tier municipalities based on their proportionate share of the Region's total three year average historical flows.

5. That the lower-tier municipalities be requisitioned during the period January 1, 2022 to December 31, 2022 as follows:

Municipality	3-Year Avg. (%)	Allocation (\$)	Monthly (\$)
Fort Erie	7.48%	\$907,590	\$75,633
Grimsby	5.55%	\$672,776	\$56,065
Lincoln	4.37%	\$530,067	\$44,172
Niagara Falls	24.68%	\$2,993,791	\$249,483
Niagara-on-the-Lake	5.77%	\$699,367	\$58,281
Pelham	2.49%	\$301,906	\$25,159
Port Colborne	4.60%	\$558,477	\$46,540
St. Catharines	25.98%	\$3,151,522	\$262,627
Thorold	4.18%	\$507,327	\$42,277
Welland	13.04%	\$1,581,938	\$131,828
West Lincoln	1.85%	\$224,670	\$18,722
Total	100.00%	\$12,129,432	\$1,010,786

6. That the Treasurer of the Regional Corporation shall submit similar invoices on or before the 15th day of each month commencing February 15, 2022 for the monthly requisition. Such monthly invoices shall continue thereafter until the December monthly requisition has been invoiced. Each lower-tier municipality shall remit the amount of each such invoices to the Treasurer of the Regional Corporation on or before the last business date of the month in which such invoice is submitted.
7. That in the event of default of payment of any monies payable under this by-law by a lower-tier municipality, interest at the rate of 15 per cent per annum shall be added to the amount in arrears from the date of default until the date of payment thereof.
8. That this by-law shall come into force and effect on January 1, 2022.

THE REGIONAL MUNICIPALITY OF NIAGARA


James Bradley, Regional Chair


Ann-Marie Norio, Regional Clerk

Passed: November 18, 2021

THE REGIONAL MUNICIPALITY OF NIAGARA

BY-LAW NO. 2021-91

A BY-LAW TO SET THE REQUISITIONS TO BE CHARGED
FOR WASTEWATER RECEIVED FROM THE LOWER –
TIER MUNICIPALITIES FOR THE PERIOD OF JANUARY
1, 2022 TO DECEMBER 31, 2022

WHEREAS section 11 of the *Municipal Act, 2001*, S.O. 2001, c.25, provides that a municipality may pass by-laws respecting services and things that the municipality is authorized to provide;

WHEREAS section 390 of the *Municipal Act, 2001*, S.O. 2001, c.25, provides that the definition of a person includes a municipality;

WHEREAS section 391 of the *Municipal Act, 2001*, S.O. 2001, c.25, provides that a municipality is authorized to impose fees or charges on persons for costs payable by it for services or activities provided or done by or on behalf of any other municipality,

WHEREAS wastewater received from the lower-tier municipalities is a service provided by the Regional Municipality of Niagara on behalf of the lower-tier municipalities within the Niagara Region; and

WHEREAS the Council of the Regional Municipality of Niagara passed By-Law No. 119-2011 which indicated that, consistent with the wastewater reconciliation methodology described in PWA 87-2011, a reconciliation adjustment will commence with the 2013 Budget.

NOW THEREFORE the Council of The Regional Municipality of Niagara enacts as follows:

1. That the 2022 Wastewater Gross Operating Budget of \$86,535,117 and Net Operating Budget of \$83,341,487 be and hereby is adopted.
2. That the 2022 budgeted net wastewater operating budget be apportioned to the lower-tier municipalities based on their proportionate share of the Region's total three year average historical wastewater flows.
3. That the 2022 wastewater bills also include reconciliation of the 2020 net requisition allocated based on actual wastewater flows versus the estimated flows.
4. That the lower-tier municipalities be requisitioned during the period January 1, 2022 to December 31, 2022 as follows:

Municipality	2022 Net Budget Allocation (\$)	2020 Reconciliation (\$)	Total (\$)	Monthly (\$)
Fort Erie	8,645,876	100,828	8,746,704	728,892
Grimsby	3,335,979	(851,170)	2,484,809	207,067
Lincoln	3,222,926	90,646	3,313,571	276,131
Niagara Falls	15,174,167	(1,579,048)	13,595,119	1,132,927
Niagara-on-the-Lake	3,258,940	(166,363)	3,092,577	257,715
Pelham	1,566,779	119,823	1,686,603	140,550
Port Colborne	4,920,879	46,516	4,967,395	413,950
St. Catharines	24,454,734	996,145	25,450,879	2,120,907
Thorold	4,869,086	614,024	5,483,110	456,926
Welland	12,404,268	419,680	12,823,948	1,068,662
West Lincoln	1,487,851	208,919	1,696,771	141,398
Total	83,341,487	-	83,341,487	6,945,125

5. That the Treasurer of the Regional Corporation shall submit similar invoices on or before the 15th day of each month commencing February 15, 2022 for the monthly requisition. Such monthly invoices shall continue thereafter until December monthly requisition has been invoiced. Each lower-tier municipality shall remit the amount on each such invoice to the Treasurer of the Regional Corporation on or before the last business day of the month in which such invoice is submitted.
6. That in the event of default of payment of any monies payable under this by-law by the lower-tier municipality, interest at the rate of 15 per cent per annum shall be added to the amount in arrears from the date of default until the date of payment thereof.
7. That this by-law shall come into force and effect on January 1, 2022

THE REGIONAL MUNICIPALITY OF NIAGARA


James Bradley, Regional Chair


Ann-Marie Norio, Regional Clerk

Passed: November 18, 2021

Overall NRT OnDemand Service Metrics

Data as of:
Tuesday, November 30, 2021

Number of Rides

47,870

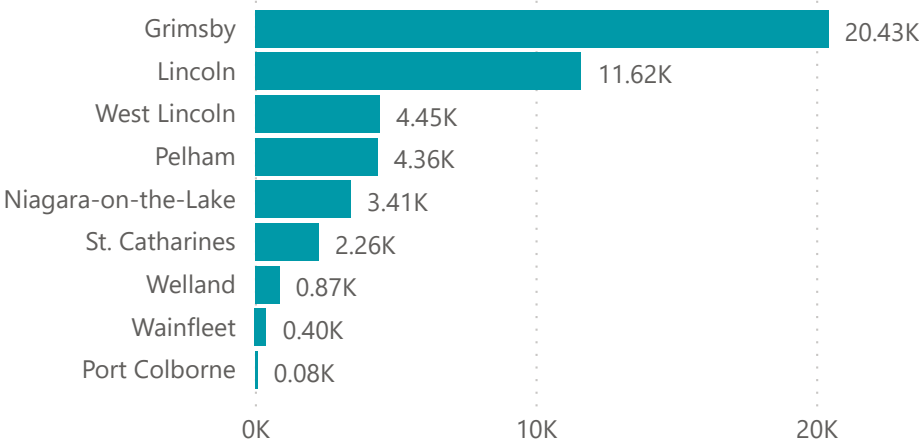
Number of Trips

43294

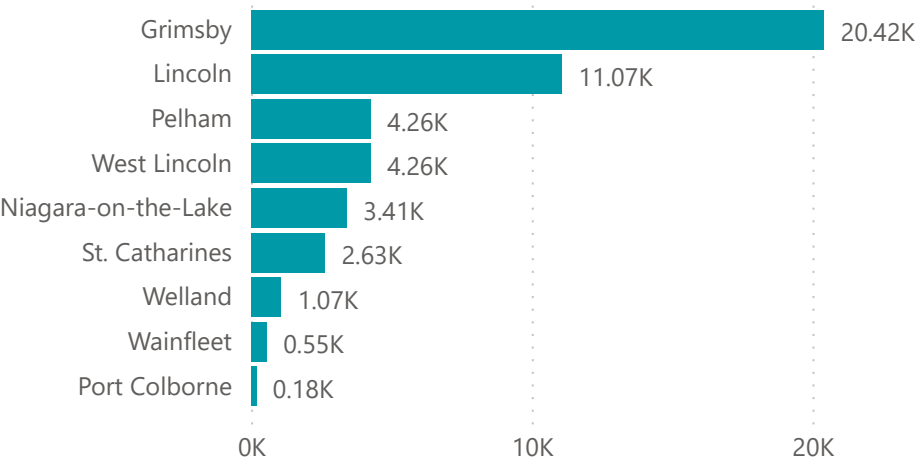
WAV Trips

275

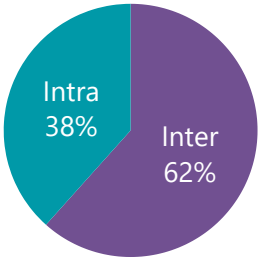
Rides by Origin Municipality



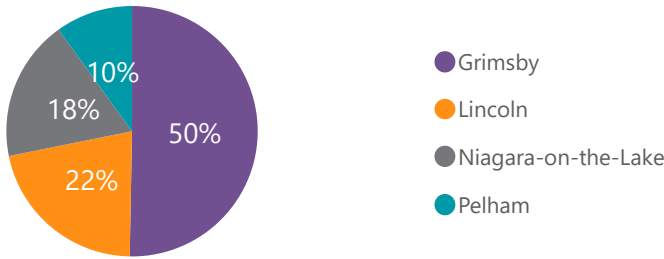
Rides by Destination Municipality



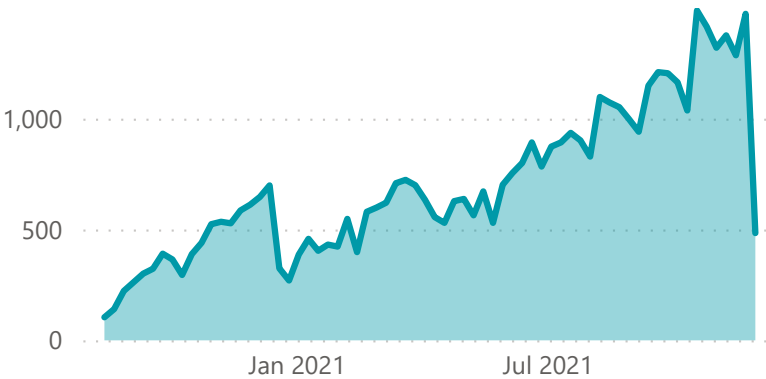
Inter vs. Intra-Municipal Rides



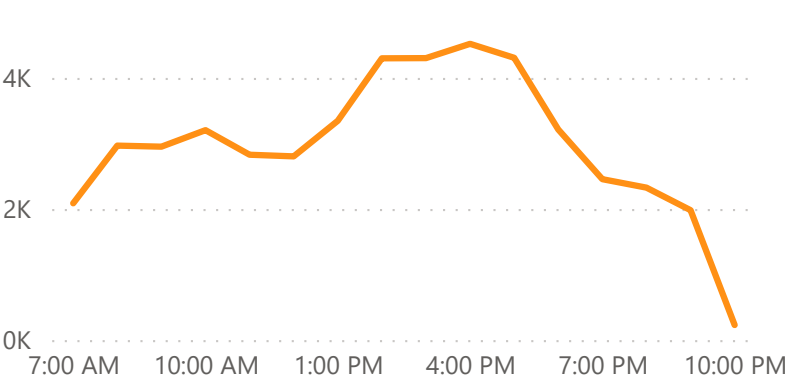
Intra-Municipal Rides



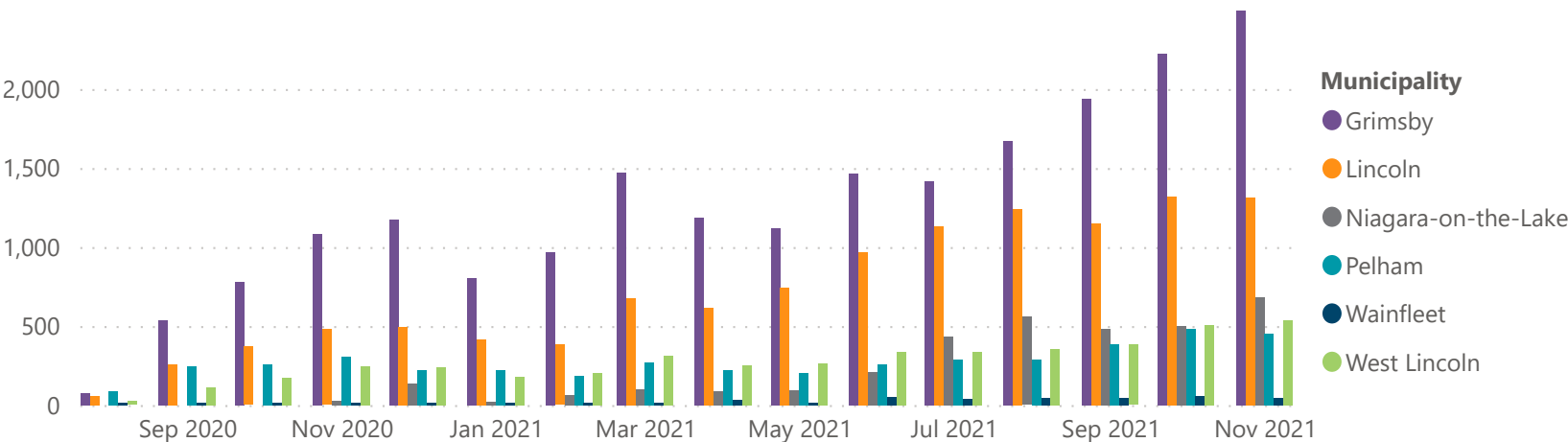
Ridership



Ride Time of Day



Monthly Ridership



Overall NRT OnDemand Service Metrics

Data as of:
Tuesday, November 30, 2021

Average Wait Time (min)

17.95

Average Trip Length (min)

15.64

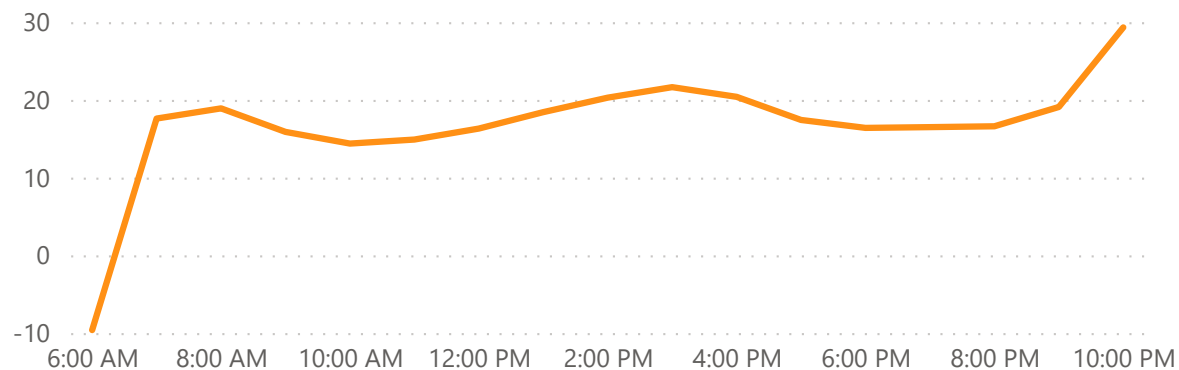
Average Trip Distance (km)

10.75

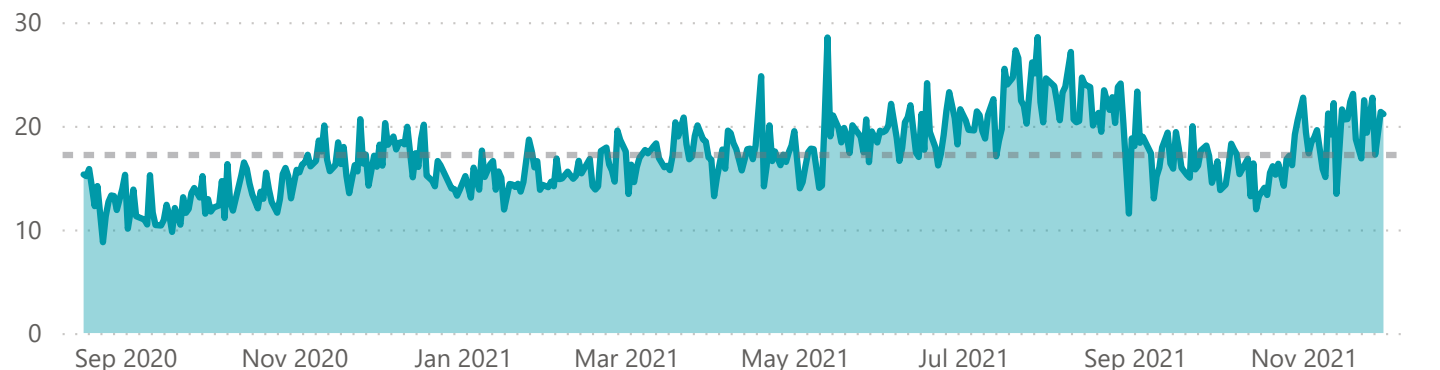
Trip Rating



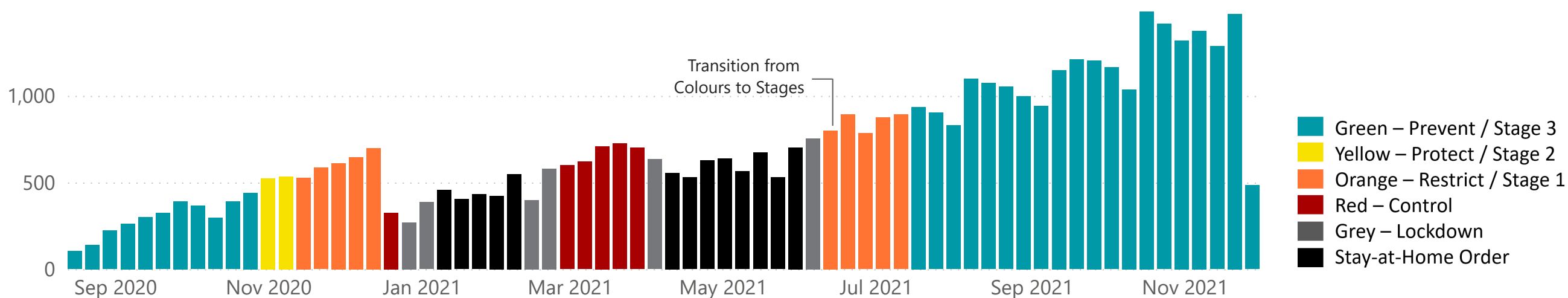
Average Wait Time vs. Time of Day



Average Wait Time



Ridership vs. Covid Reopening Stages



Overall NRT OnDemand Pre-Booking Service Metrics

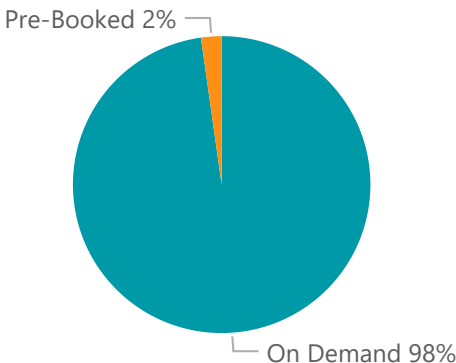
Launched September 1st, 2021!

Data as of:
Tuesday, November 30, 2021

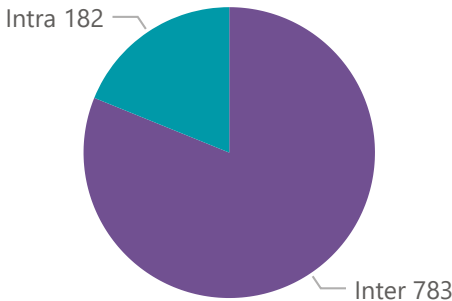
Number of Pre-Booked Trips

965

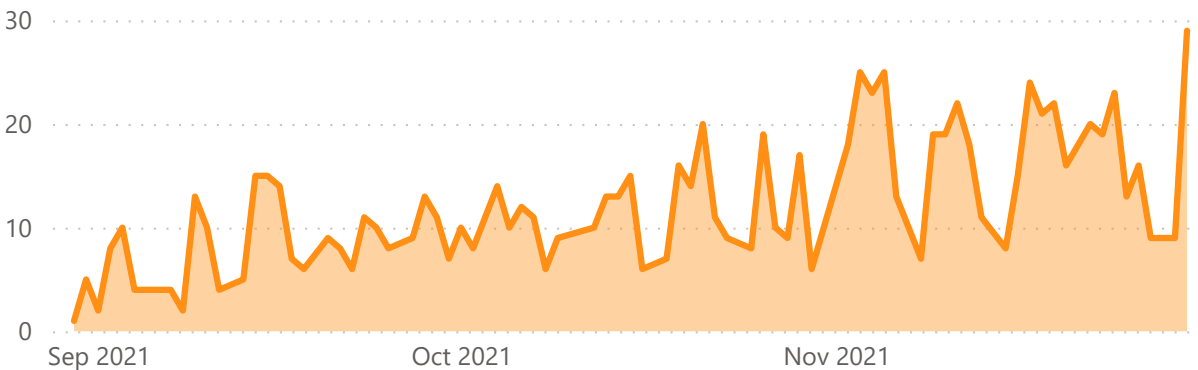
Pre-Booked vs. On-Demand



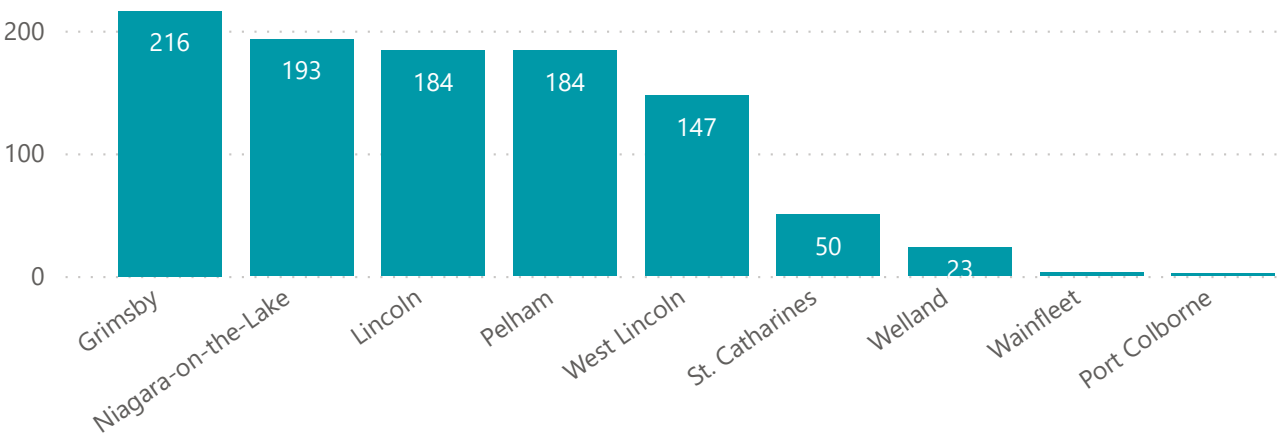
Pre-Booked vs. On-Demand



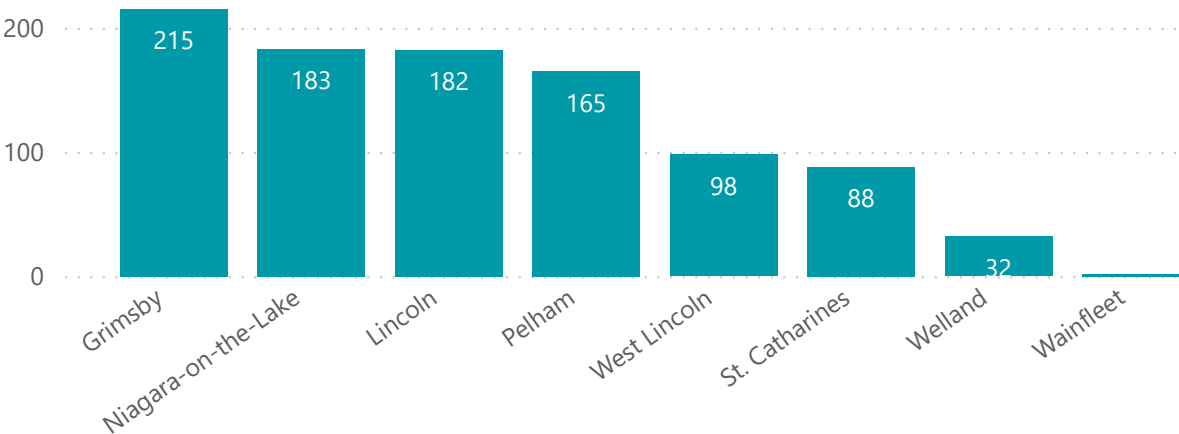
Pre-Booked Trips



Origin of Prebooked Trips



Destination of Prebooked Trips



NRT OnDemand Service Metrics

Grimsby
Origin and/or Destination

Tuesday, November 30, 2021
Data as of

Number of Rides

24,812

Number of Trips

22,343

WAV Trips

117

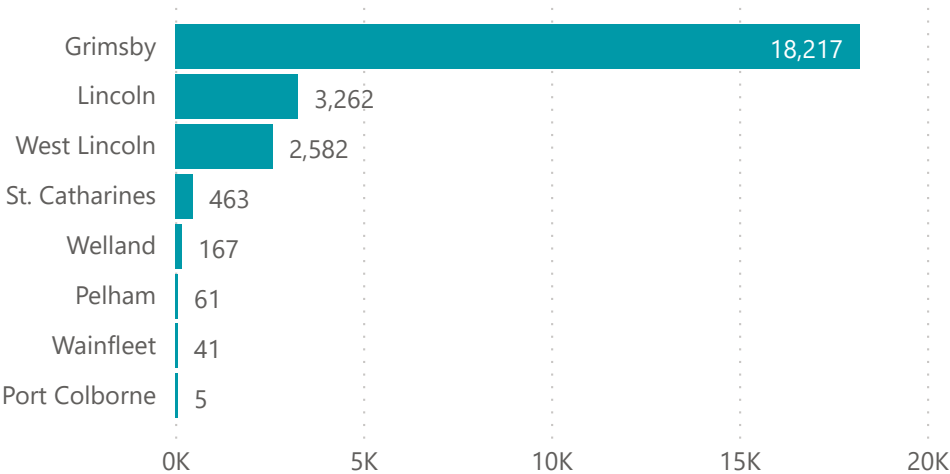
Average Wait Time (min)

18.14

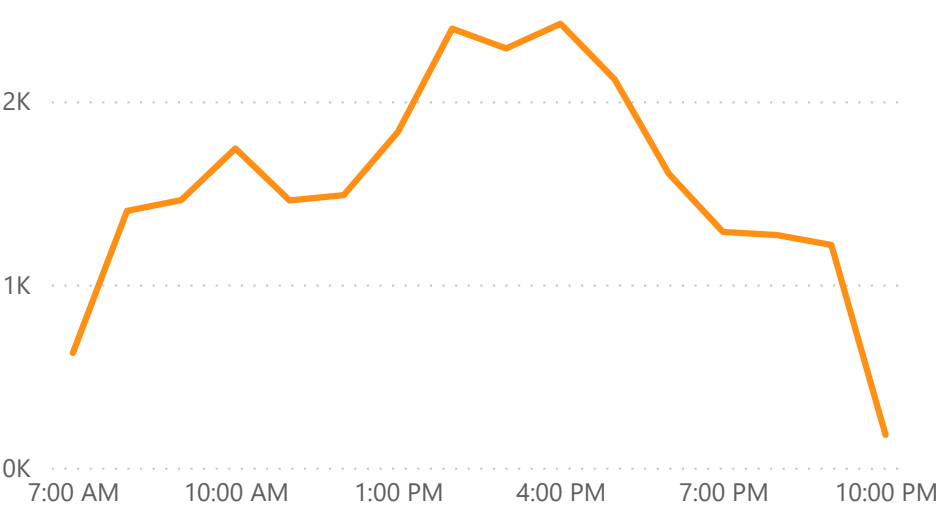
Trip Rating



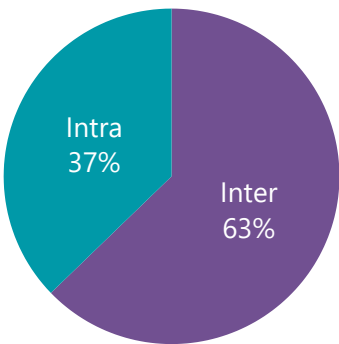
Rides by Origin Municipality



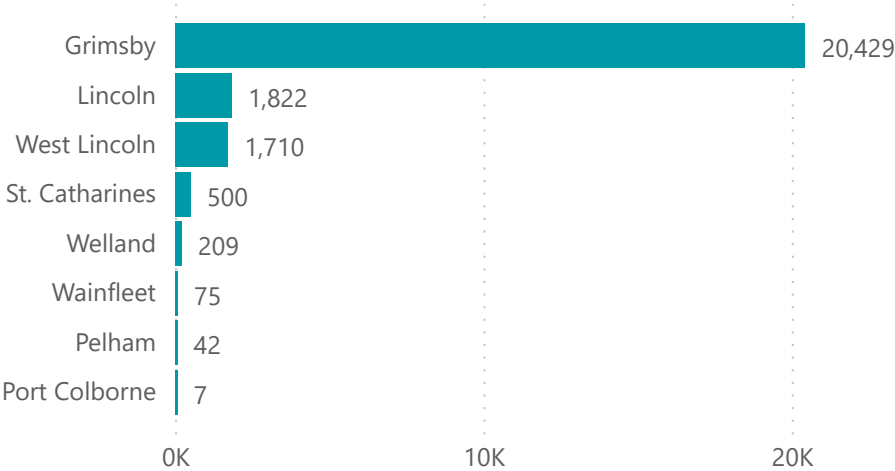
Ride Time of Day



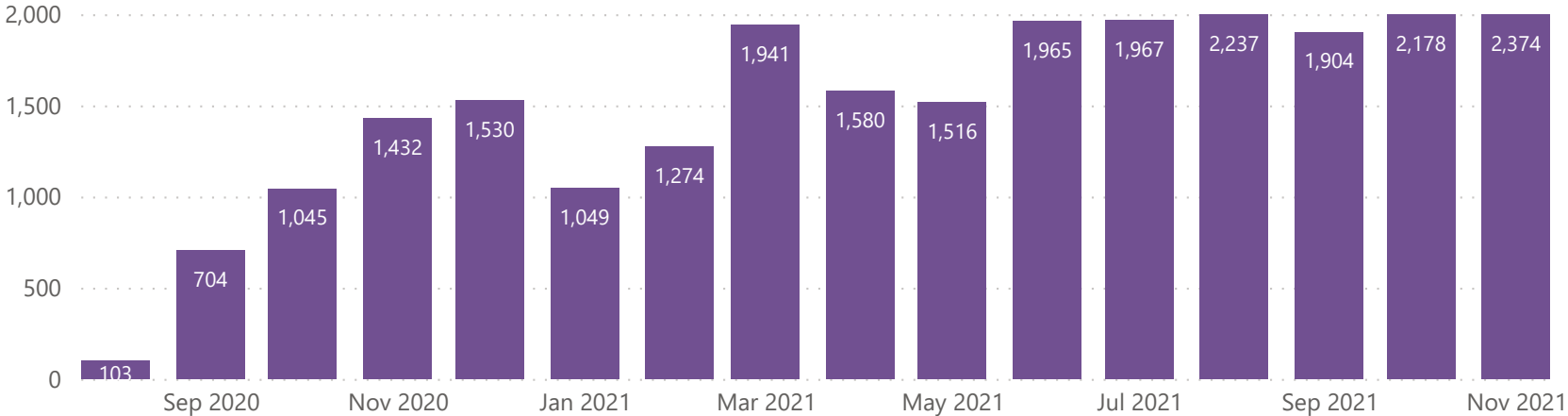
Inter vs. Intra-Municipal Rides



Rides by Destination Municipality



Monthly Ridership



NRT OnDemand Service Metrics

Lincoln
Origin and/or Destination

Tuesday, November 30, 2021
Data as of

Number of Rides

14,875

Number of Trips

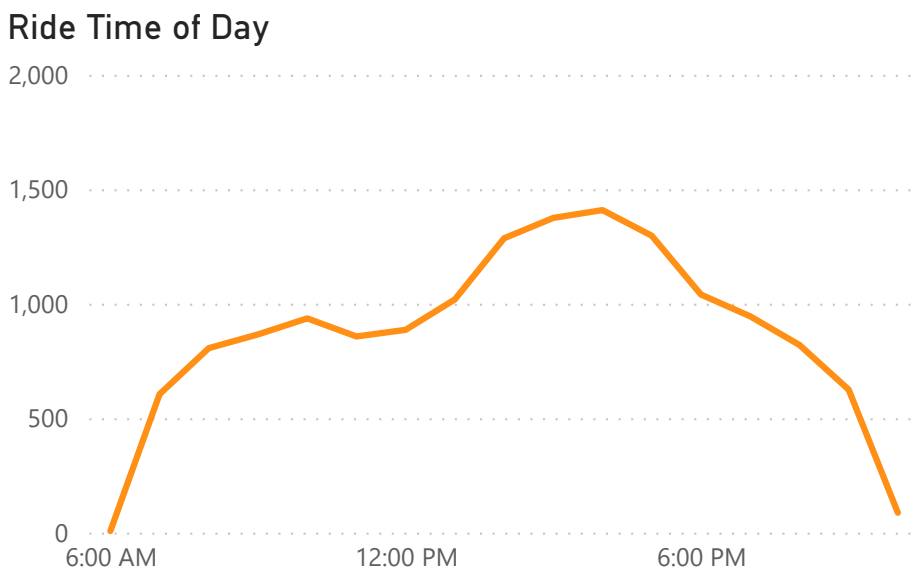
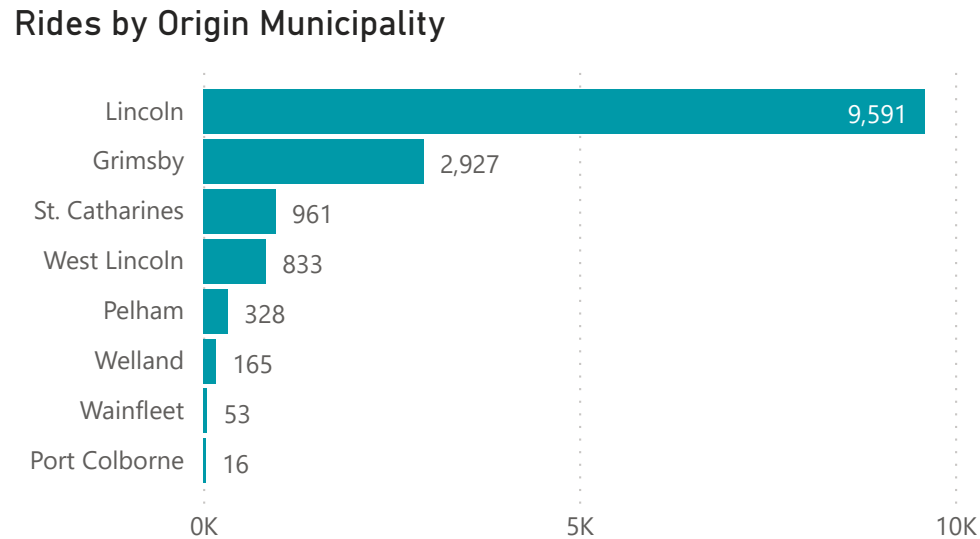
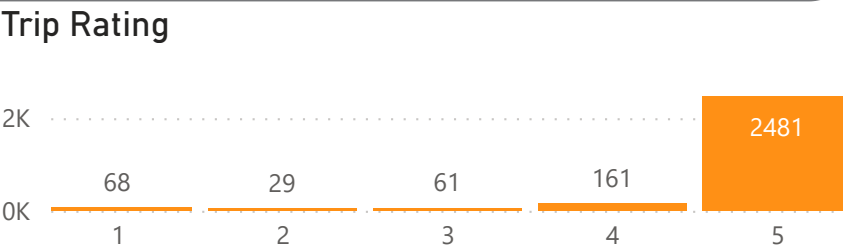
13,262

WAV Trips

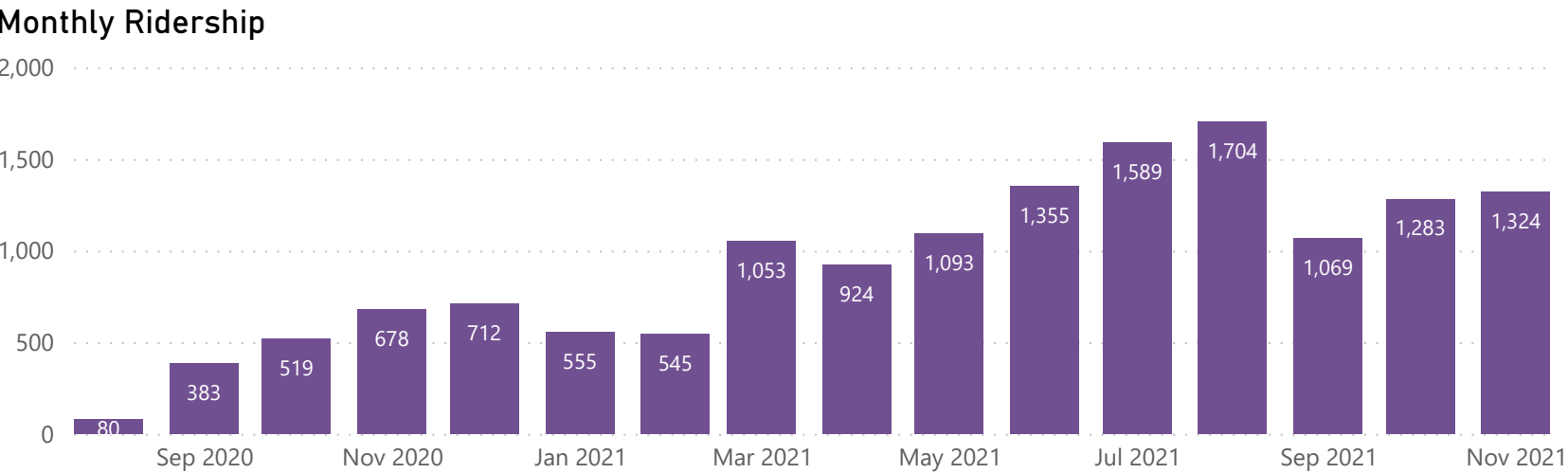
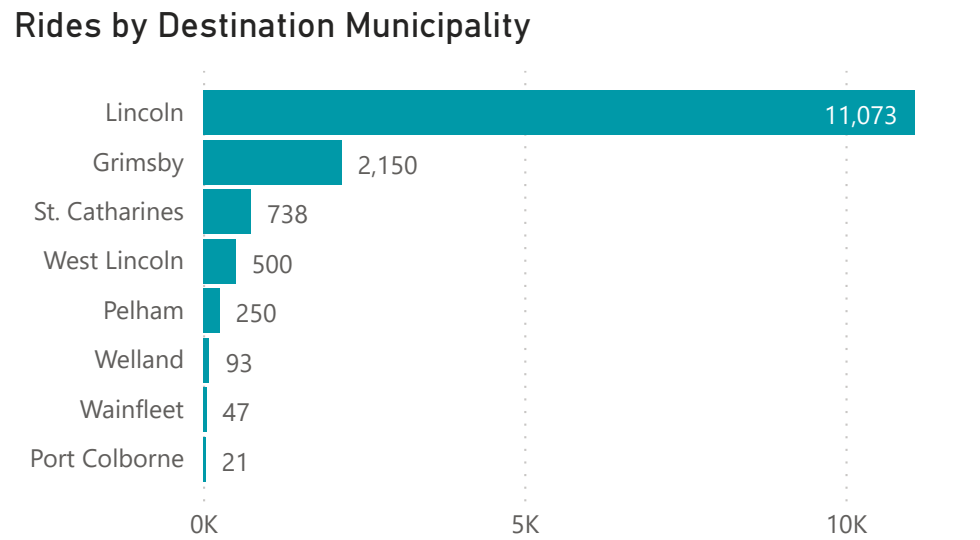
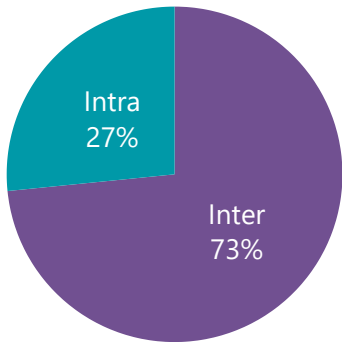
94

Average Wait Time (min)

19.20



Inter vs. Intra-Municipal Rides



NRT OnDemand Service Metrics

Pelham
Origin and/or Destination

Tuesday, November 30, 2021
Data as of

Number of Rides

5,457

Number of Trips

5,120

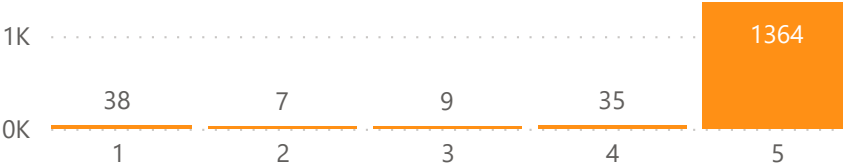
WAV Trips

12

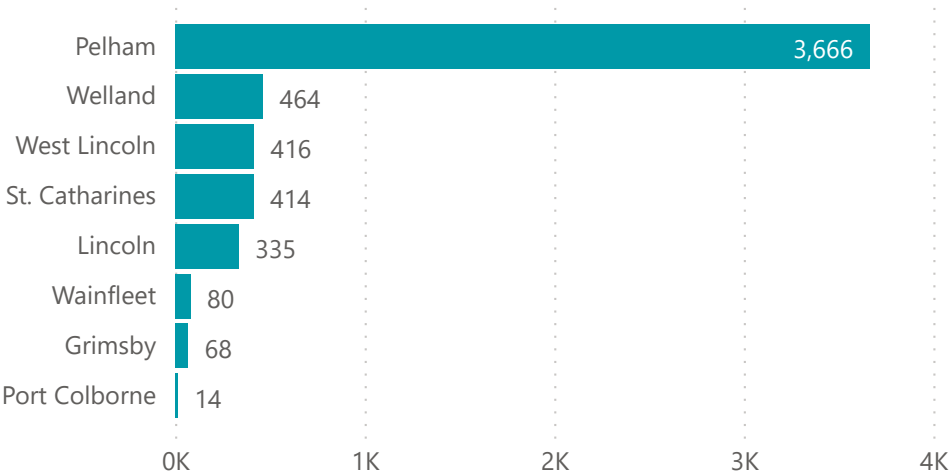
Average Wait Time (min)

16.96

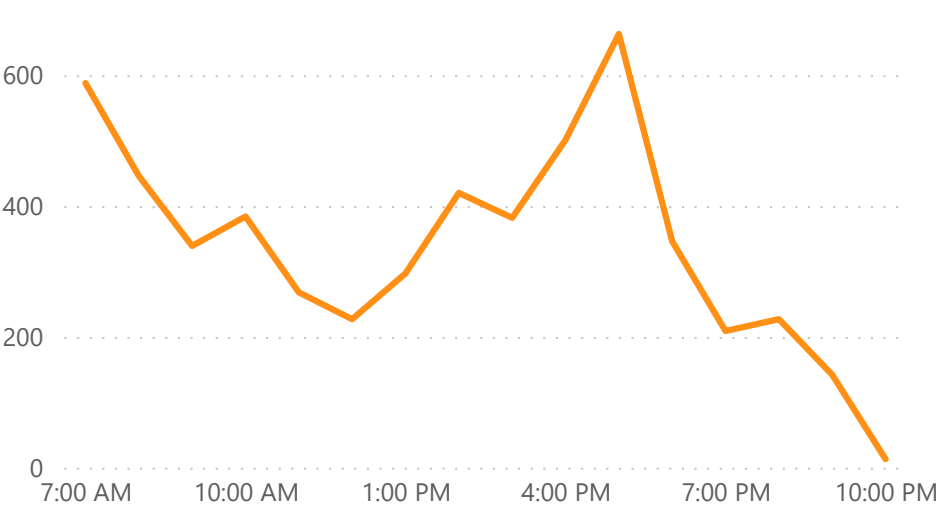
Trip Rating



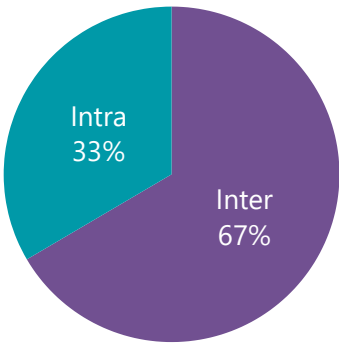
Rides by Origin Municipality



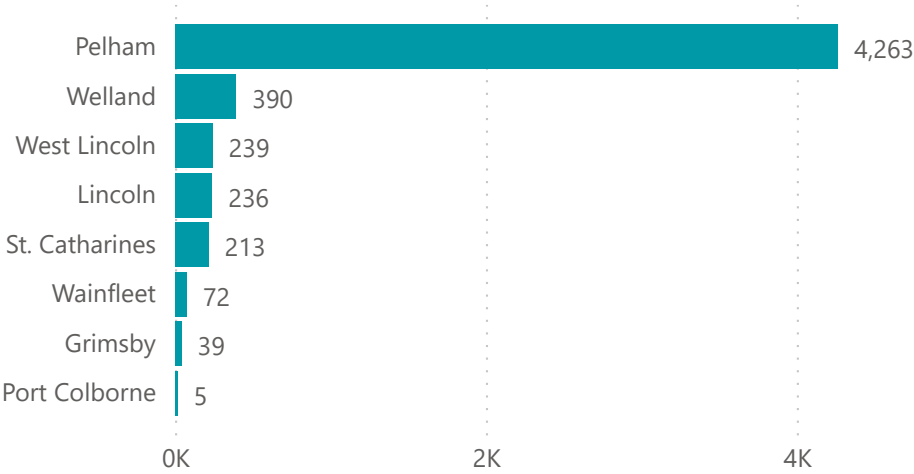
Ride Time of Day



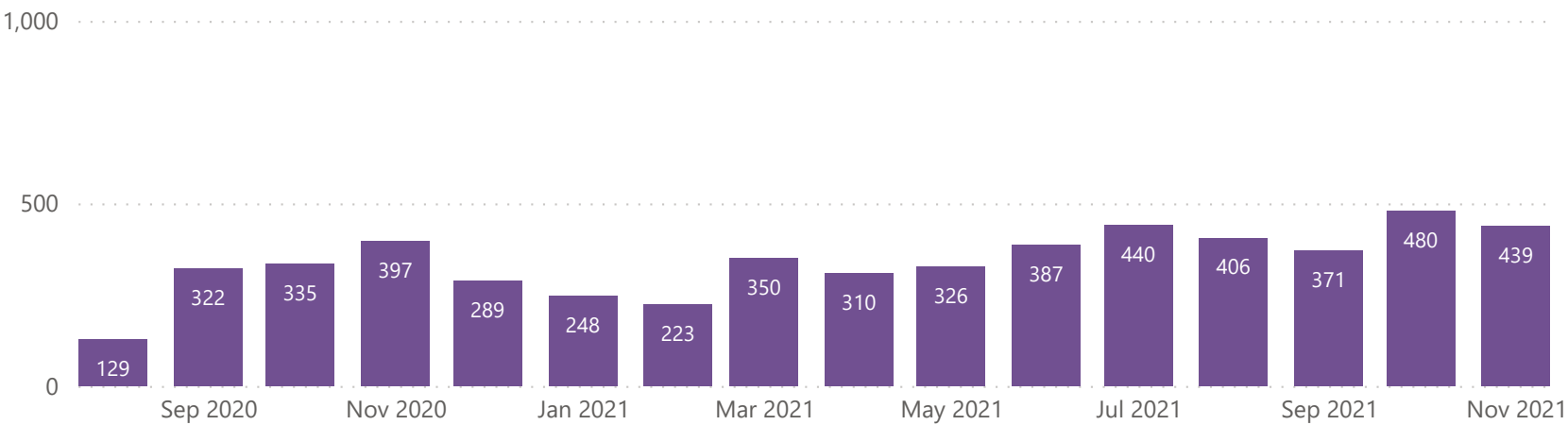
Inter vs. Intra-Municipal Rides



Rides by Destination Municipality



Monthly Ridership



NRT OnDemand Service Metrics

Wainfleet
Origin and/or Destination Municipality

Tuesday, November 30, 2021
Data as of

Number of Rides

799

Number of Trips

705

WAV Trips

3

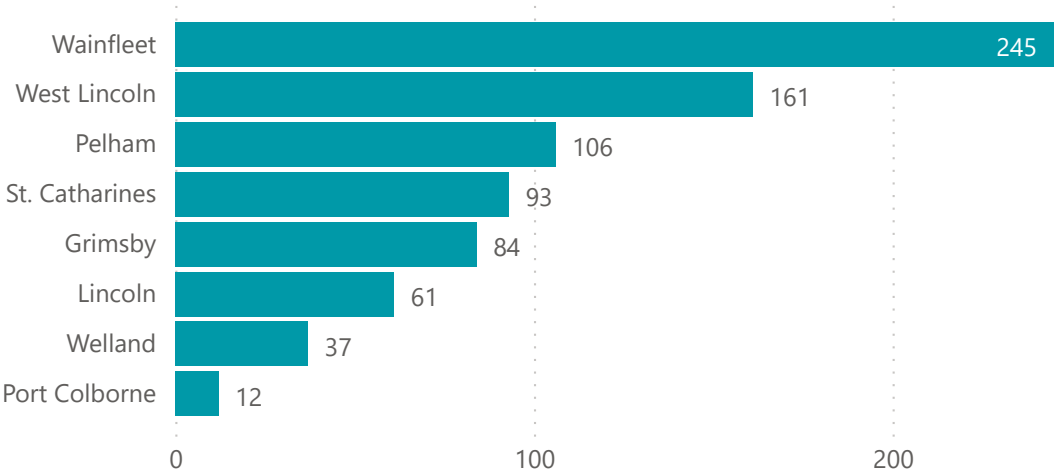
Average Wait Time (min)

22.78

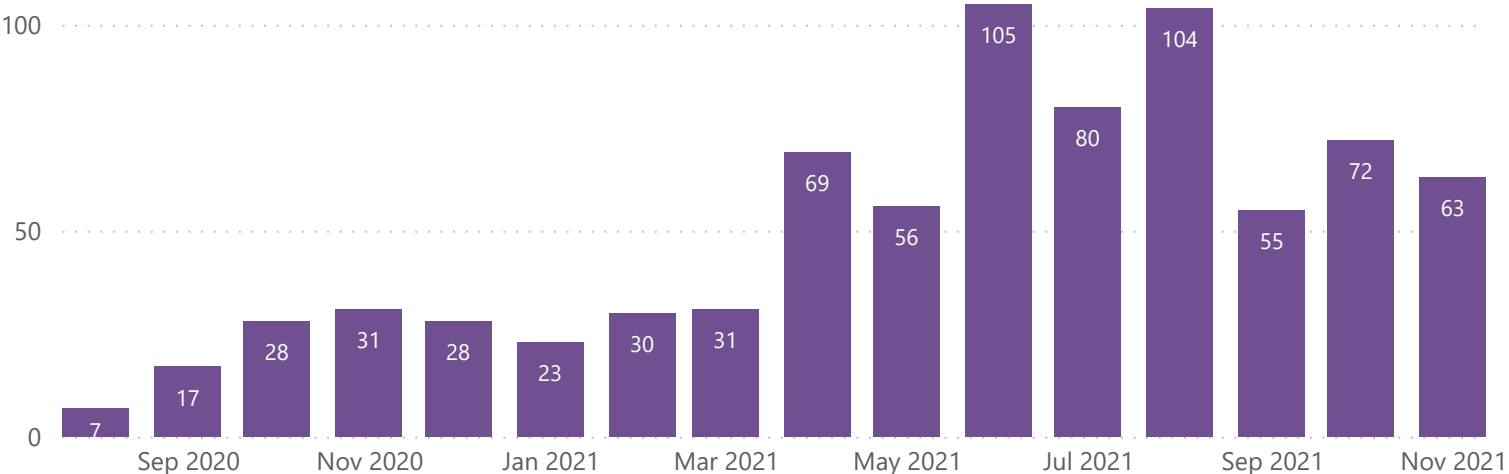
Trip Rating



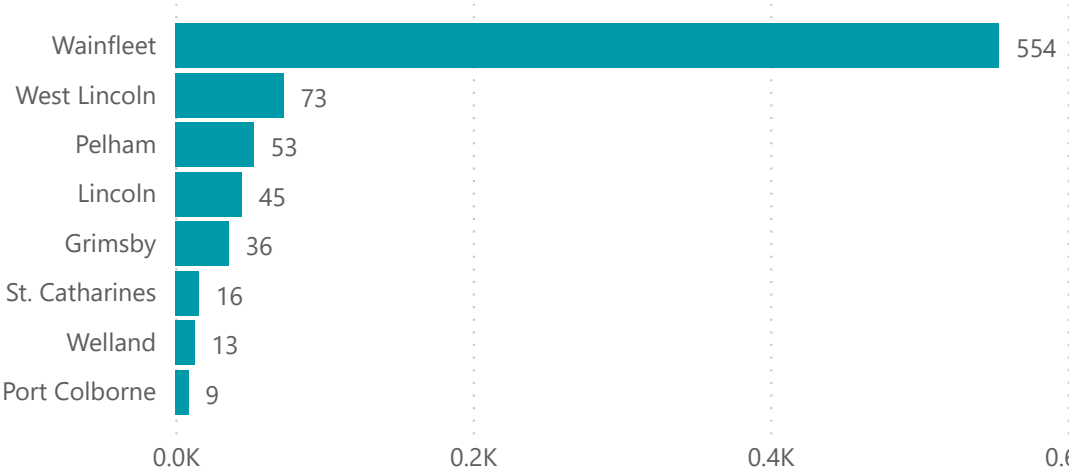
Rides by Origin Municipality



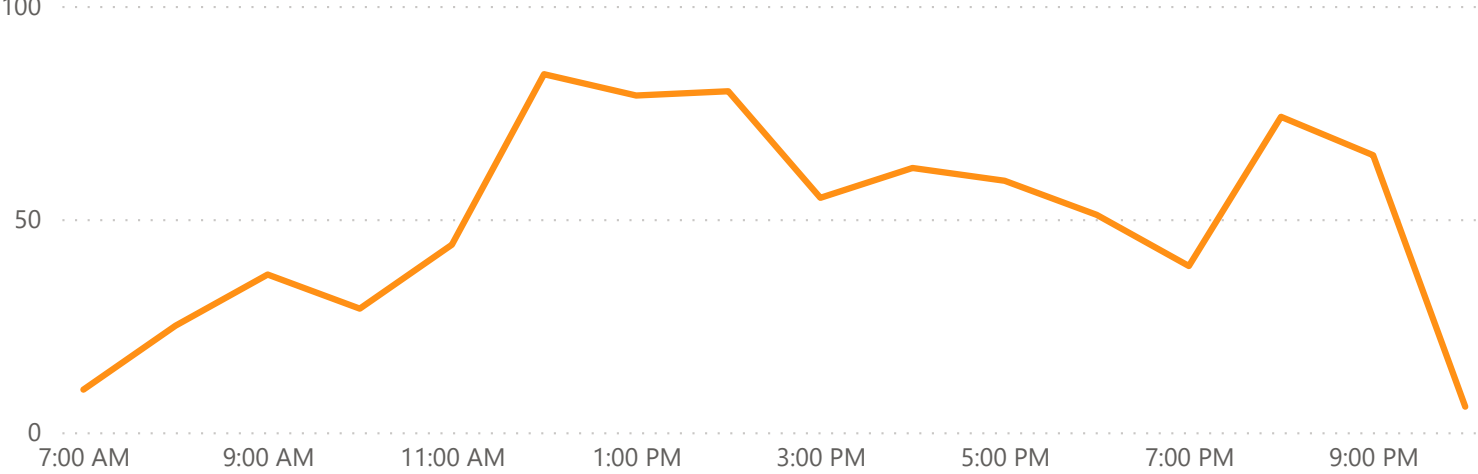
Monthly Ridership



Rides by Destination Municipality



Ride Time of Day



NRT OnDemand Service Metrics

West Lincoln
Origin and/or Destination Municipality

Tuesday, November 30, 2021
Data as of

Number of Rides

7,252

Number of Trips

6,508

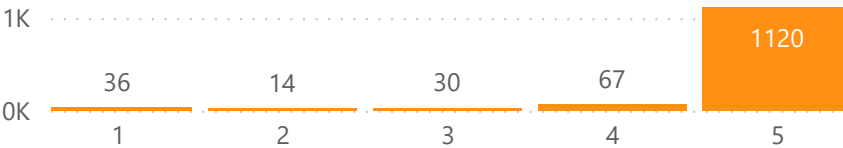
WAV Trips

36

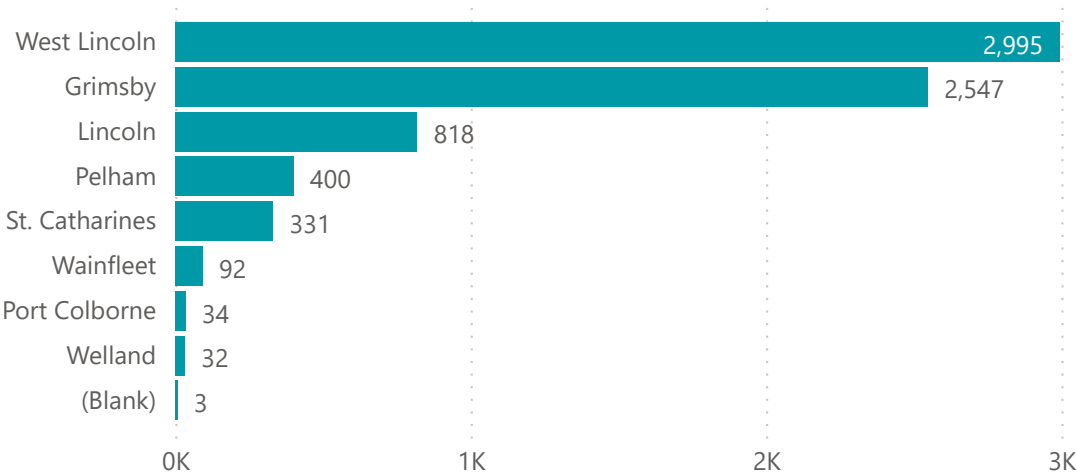
Average Wait Time (min)

20.24

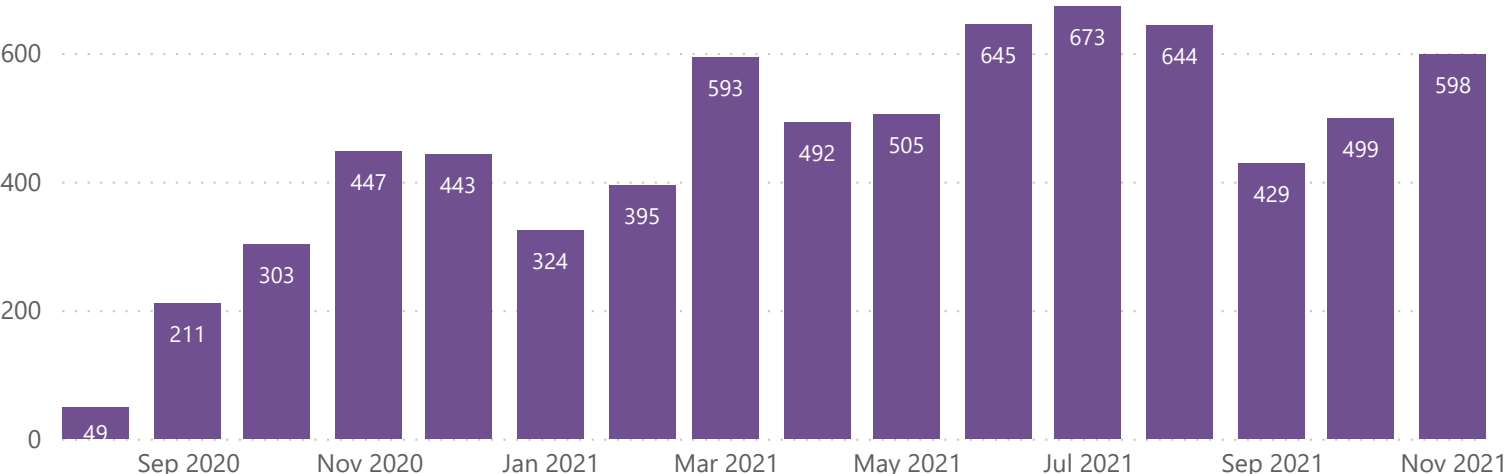
Trip Rating



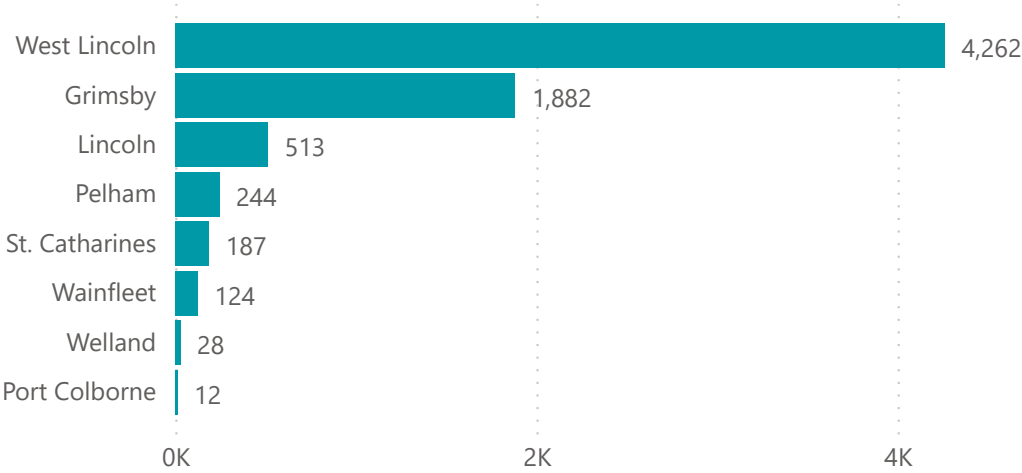
Rides by Origin Municipality



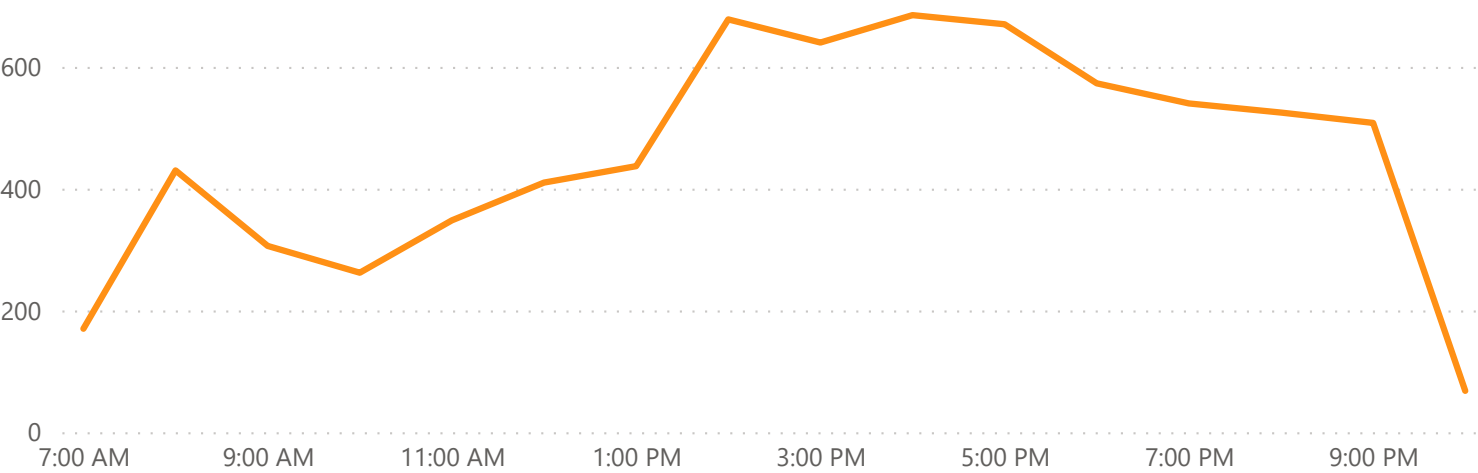
Monthly Ridership



Rides by Destination Municipality



Ride Time of Day





City of Welland
Office of the Chief Administrative Officer
Office of the City Clerk
60 East Main Street, Welland, ON L3B 3X4
Phone: 905-735-1700 Ext. 2159 | **Fax:** 905-732-1919
Email: clerk@welland.ca | www.welland.ca

December 10, 2021

File No. 21-19

SENT VIA EMAIL

Attention: Regional Clerk & Clerks of Local Area Municipalities

Dear Clerks:

Re: ACTION REQUIRED - December 9, 2021 – CITY OF WELLAND SPECIAL COUNCIL MEETING

At its meeting of December 9, 2021, Welland City Council passed the following motion:

“THAT THE COUNCIL OF THE CITY OF WELLAND receives for information report PW-55-2021 – Moving Transit Forward in Niagara: Creation of a Consolidated Transit Commission from the Niagara Region; and

THAT Welland City Council recognize the request for local area municipalities to pass resolutions consenting to the By-law No. 2021-96 of the Regional Municipality of Niagara, being a By-law to provide Niagara Region with the exclusive authority to establish, operate and maintain a consolidated passenger transportation system for the Niagara Region; and

THAT Welland City Council supports the future state of Inter Regional Transit and the consolidation of Welland, St. Catharines and Niagara Falls Transit Systems, provided the following outstanding issues are addressed:

- a) City of Welland request for 2 members from the City of Welland to be included in the new Transit Commissions Governance structure.***
- b) The proposed financial model which will apportion future Transit Operating and Capital costs be updated to present the financial impact to all lower tier municipalities based on approved 2022 Transit Operating Budgets and updated 5-year Transit Capital Budgets,***
- c) Clarification on how existing and future Transit Debt for Capital Budgets is to be apportioned to all lower tier municipalities,***

- d) *That municipalities be compensated for their Transit Fleet based on the net book value valuation as of Dec 31, 2022, of their average vehicle price based on the difference between the lowest municipal valuation per vehicle and that municipalities valuation per vehicle.*

THAT Welland City Council requests the local area municipalities (Fort Erie, Grimsby, Lincoln, Niagara Falls, Niagara-on-the-Lake, Pelham, Port Colborne, St. Catharines, Thorold, Wainfleet, West Lincoln) present the following amended resolution to their councils for consideration:

“That the Council of (name of municipality) consents to the passage of By-law No. 2021-96 of The Regional Municipality of Niagara, being a by-law to provide Niagara Region with the exclusive authority to establish, operate and maintain a consolidated passenger transportation system for the Niagara Region, only if the following conditions are addressed:

- a. *City of Welland request for 2 members from the City of Welland to be included in the new Transit Commissions Governance structure.*
- b. *The proposed financial model which will apportion future Transit Operating and Capital costs be updated to present the financial impact to all lower tier municipalities based on approved 2022 Transit Operating Budgets and updated 5-year Transit Capital Budgets,*
- c. *Clarification on how existing and future Transit Debt for Capital Budgets is to be apportioned to all lower tier municipalities,*
- d. *That municipalities be compensated for their Transit Fleet based on the net book value valuation as of Dec 31, 2022, of their average vehicle price based on the difference between the lowest municipal valuation per vehicle and that municipalities valuation per vehicle; and further*

That a copy of this resolution be sent to the Niagara Region and local municipalities.”

Yours truly,



Tara Stephens
City Clerk

TS:bl



The TOWNSHIP of
NORTH DUMFRIES

2958 Greenfield Road
PO Box 1060
Ayr, ON N0B 1E0

December 14, 2021

RE: Resolution related to Regional Governance Review Report

Attention: Doug Ford, Premier of Ontario

This letter is to advise you that the Township of North Dumfries Council, at their Regular Council Meeting held on November 22, 2021 adopted the following resolution:

“THAT Report CLK-23-2021 be received;

WHEREAS in 2018 the Ontario Government announced it would appoint two special advisors to review eight regional municipalities, Simcoe County, and their lower-tier municipalities to ensure that the upper and lower-tier municipalities in these geographic areas are efficient and accountable to their residents and business; and,

WHEREAS in 2019 the Minister of Municipal Affairs and Housing received the complete report from the special advisors; and,

WHEREAS in October 2019, the Minister announced the regional review was complete, and made available \$143 million to municipalities to help them lower costs and improve services for local residents; and further,

WHEREAS the Ontario Government has declined to make the final regional review report available to the public;

THEREFORE BE IT RESOLVED that the Ontario Government be urged to release the final report to the public in order for municipalities to make informed decisions regarding service delivery improvements;

BE IT FURTHER RESOLVED that if the Ontario Government does not wish to release the full and complete report, that specific recommendations and comments contained in the final report be provided to those municipalities affected;

BE IT FINALLY RESOLVED that this resolution be forwarded to the Honourable Premier of Ontario; Minister of Municipal Affairs and Housing; the Association of Municipalities of Ontario; the Local Members of Provincial Parliament; and, to the eight regional municipalities, Simcoe County, and their lower-tier municipalities included in the regional review.

Please contact the undersigned should you require anything further.

Sincerely,

A handwritten signature in blue ink, reading "Ashley Sage", enclosed in a thin black rectangular border.

Ashley Sage, Clerk
Township of North Dumfries

cc. Minister of Municipal Affairs and Housing; the Association of Municipalities of Ontario; the Local Members of Provincial Parliament; and, to the eight regional municipalities, Simcoe County, and their lower-tier municipalities included in the regional review



Board of Directors Meeting Highlights – November 19th, 2021

On Friday November 19th, 2021, the Board of Directors of the Niagara Peninsula Conservation Authority (NPCA) held its regular monthly meeting electronically. Highlights from the meeting included:

2022 NPCA Conservation Area Fee Adjustments

Following the third party review of the NPCA's direct and capital costs of conservation area operations, the Board of Directors approved the revised fee structure for conservation area admissions in 2022. The third party firm, Watson and Associates Economists Ltd, recommended that the NPCA fees adjustment be spread out over a course of three years to cover the gap in time for the 2024 Conservation Authorities Act regulatory transition period. Anticipated admission and service fee revenues will fully recover the costs to deliver active recreation programs and services, including the operation of day use conservation areas, campgrounds, facilities rentals, and educational programming.

Delegation by Friends of Twelve Mile Creek Regarding a Mountain Bike Racecourse for the Niagara 2022 Canada Summer Games

The Board heard a presentation from Guy Graveline representing Friends of Twelve Mile Creek in which he outlined concerns with the development of a mountain bike race course in the Twelve Mile Creek valley lands. As a result, the Board adopted a resolution requesting dialogue with Niagara 2022 Canada Summer Games on the present trail and future condition of the site.

Wainfleet Bog Advisory Committee Terms of Reference

The Board of Directors approved the Terms of Reference for a new NPCA Wainfleet Bog Advisory Committee. The Terms of Reference was established with an aim to provide collaborative perspective, guidance, and expert advice in the review, revision and implementation of the Wainfleet Bog Management Plan and other site strategies for the Wainfleet Bog Conservation Area. The Terms of Reference occurred in consultation with First Nations and various other relevant stakeholders.

Following approval of the Terms of Reference, NPCA staff will initiate the recruitment process to establish the Wainfleet Bog Advisory Committee. The Board advised that the approved report be circulated to the City of Port Colborne and the Township of Wainfleet.

NPCA Transition Plan in Accordance with Amendments to the Conservation Authorities Act

The Board of Directors approved the NPCA Transition Plan in accordance with Section 21.1.4 of the updated Conservation Authorities Act (CAA). The NPCA Transition Plan is required to be presented to the Ministry of the Environment, Conservation and Parks (MECP) as well as participating municipalities by no later than December 31st, 2021. The NPCA will begin taking a complete inventory of its program and services as well as the development and execution of MOU's/Agreements following the requirements set forth by Section 21.1.4 of the updated CAA.

2022ft Budgets and Municipal Levies

The Board of Directors approved of the NPCA's 2022 Draft Budgets and Municipal Levies for presentation to the participating municipalities. Staff were also directed to discuss the possibility of reinstating the Land Acquisition Reserve contributions with municipal funding partners.

The list of unfunded budget priorities for 2022 was also approved by the Board and will be provided to partner municipalities to establish potential future opportunities outside the 2022 budget through collaborative projects or external funding.

Links to Agendas, Minutes and Video:

<https://npca.ca/administration/board-meetings>

**Ministry of
Municipal Affairs
and Housing**

Office of the Minister
777 Bay Street, 17th Floor
Toronto ON M7A 2J3
Tel.: 416 585-7000

**Ministère des
Affaires municipales
et du Logement**

Bureau du ministre
777, rue Bay, 17^e étage
Toronto ON M7A 2J3
Tél. : 416 585-7000



234-2022-61

Dear Head of Council:

The supply of housing in Ontario has not kept up with demand over the past decade and everyone has a role to play in fixing Ontario's housing crisis. More than ever, we need municipalities, non-profits and private industry to work with us to encourage the building of different kinds of housing – so that Ontario families have more affordable options.

To help support this important priority, I am pleased to provide you with an update on recent changes our government has made to help streamline and simplify Ontario's planning system.

Bill 13, the *Supporting People and Businesses Act, 2021*

Schedule 19 of Bill 13, the *Supporting People and Businesses Act, 2021* came into force December 2, 2021 upon royal assent.

Changes have been made to help streamline the planning system and, in some cases, help shorten approval timelines by providing municipal councils broader authority to allow more planning decisions to be made by committees of council or staff. Municipalities can now, subject to having appropriate official plan policies, delegate decisions dealing with minor amendments to zoning by-laws, such as temporary use by-laws and the lifting of holding symbols, should they choose to.

You can find more information about these changes on the Environmental Registry of Ontario ([019-4419](https://www.ontario.ca/environmental-registry)) and the Regulatory Registry ([21-MMAH025](https://www.ontario.ca/regulatory-registry)) and some frequently asked questions are provided below.

At this time, I encourage you to review and update your existing delegation policies and consider exercising this new authority to help streamline your decision-making processes, and free up council's valuable time to focus on other more strategic matters.

Bill 276, the *Supporting Recovery and Competitiveness Act, 2021*

As you know, we also recently made *Planning Act* changes related to control of the division of land, including subdivision control, plans of subdivision, consents and validations through Bill 276, the *Supporting Recovery and Competitiveness Act, 2021*, which received Royal Assent on June 3, 2021. I am writing to confirm that Schedule 24 of Bill 276 and associated regulations came into force on January 1, 2022.

We are proud to make these changes, which will help save time and money for those involved in the land division approval process, including municipalities, landowners, purchasers and some lease holders. Our changes will continue to protect Ontarians when they buy and sell property, while making the rules of subdivision control clearer and simpler.

Your municipality may wish to consider whether adjustments to your land division application and review processes to align with the changes would be beneficial.

More information about these changes and the feedback we received during our consultation can be found on the Environmental Registry of Ontario ([019-3495 and 019-3958](#)) and Regulatory Registry ([Proposal 21-MMAH008 and Proposal 21-MMAH015](#)). Some frequently asked questions are provided below. Any further questions about the changes to the *Planning Act* and related regulations can be directed to ProvincialPlanning@ontario.ca.

Sincerely,



Steve Clark
Minister

c: Chief Administrative Officer

FAQs

Schedule 19 (Planning Act) to Bill 13, the Supporting People and Businesses Act, 2021

What changes have been made to the Planning Act?

- Changes to the Planning Act, Municipal Act, 2001 and City of Toronto Act, 2006 provide municipalities with discretionary authority to delegate additional decisions to committees of council or municipal staff for minor amendments to zoning by-laws like:
 - Temporary use by-laws
 - Lifting of holding provisions
- Before matters may be delegated, official plan policies will need to be developed to establish the type of minor zoning by-law amendments that may be delegated, such as authorization of temporary uses, the lifting of a holding symbol, and other minor zoning by-law amendments.

What types of “minor” amendments to a zoning by-law may be delegated?

- If a municipality would like to use this authority, official plan policies will need to be established to scope and define the types of “minor” zoning amendments that may be delegated. This could include matters like temporary use by-laws and by-laws lifting holding provisions.
- This approach is intended to allow for a locally tailored approach that reflects input from the public.

What types of conditions could council apply when delegating its authority?

- Council will have the ability to apply conditions on the delegation of its decision(s). These conditions would be determined locally when the official plan policies and implementing by-law for the delegation are being developed.

Will this new delegation authority alter the public meeting or appeal rights of the matters delegated?

- The delegation of additional planning matters would not alter any notice or public meeting requirements or limit appeal rights.

What other planning decisions can be delegated?

- Under the Planning Act, municipal council can delegate the following decisions to a committee of council, staff, or, in some cases, a committee of adjustment:
 - Community planning permit system permits
 - Approval of adopted lower-tier official plan amendments
 - Plans of subdivision and condominiums
 - Consents
 - Site plan
 - Validations
- Other planning matters, such as administrative functions related to by-laws, may be delegated by council based on the delegation provisions in the Municipal Act, 2001 (or City of Toronto Act, 2006).

Schedule 24 (Planning Act) to Bill 276, the Supporting Recovery and Competitiveness Act, 2021

What changes will be made to the Planning Act?

- The changes include technical, administrative and policy changes to provisions in sections 50, 51, 53, 54, 55 and 57 of the Planning Act related to control of the division of land, as well as other housekeeping or consequential changes.
- Upon proclamation, the changes will:
 - provide new exceptions to subdivision control and part lot control (i.e., exceptions from the need for land division approval) – for example, by preventing parcels from merging with other lands in certain circumstances
 - change the plan of subdivision process – for example, by aligning the requirements for public notice, information, and public meetings with other instruments under the Act
 - change the consent application process – for example, by requiring a municipality or the Minister, where requested, to issue a certificate for the retained land in addition to providing a certificate for the lands that are subject to the consent application, and
 - make other changes regarding subdivision control and its related processes – for example, by requiring that a decision on a validation conform with the same criteria which are applicable to consents.

What changes will be made with respect to “lot mergers”?

- Changes will be made to the subdivision control provisions to prevent lots from merging where lands were previously owned by, or abutted land previously owned by, joint tenants and where the ownership would have otherwise merged as a result of the death of one of the joint tenants.
- Outside of a “death of a joint tenant” scenario, lot mergers will continue to occur.

What changes will be made to the consent application process?

- Changes will be made to the consent application process to, for example:
 - permit a purchaser of land or the purchaser’s agent to apply for a consent
 - establish a new certificate of cancellation
 - provide for certificates to be issued in respect of retained land in addition to the lands that are subject to the consent application
 - provide for a standard two-year period during which the conditions of a consent must be satisfied, and
 - permit a consent application to be amended by an applicant prior to a decision about the consent being made by the consent-granting authority.
- Municipalities may need to modify or update certain administrative processes as a result of some of these changes.

What is a certificate for retained land?

- Changes to the Planning Act will provide for a consent-granting authority to issue a certificate for the retained land (the other part of the parcel approved through the land division process) resulting from certain consents.
- This certificate will show that the retained land has “consent” status.
- An applicant will need to specify in their application whether they are requesting a retained land certificate, and if so, require that a statement from a solicitor

confirming the extend of the owner's retained land be included as part of that application.

What is a certificate of cancellation?

- In some situations, the original consent granted for a parcel of land may no longer be wanted or needed. This could occur, for example, where a parcel created by consent may need to be widened to accommodate a driveway. In these cases, the original consent may need to be cancelled to ensure the revised parcel will function as a single unit.
- Changes to the Planning Act will allow owners to apply to the consent-granting authority for a certificate of cancellation for a parcel that was previously severed with a consent. The consent-granting authority may also require the owner to apply as a condition of approval.
- Once a certificate of cancellation is issued, the parcel would be treated as though the previous consent had not been given. This could mean that the parcel would merge with neighbouring lands that are owned by the same person.

What considerations need to be applied to validation requests?

- A validation can be used in place of obtaining a consent to the contravening transaction (transfer or other transaction that was made in breach of the Planning Act requirements) in certain situations; for example, where the landowners at the time of the contravention are not available to sign the new transfer documents.
- The validation allows the validation authority to consider each situation on its merits and decide whether a request to validate title should be supported. The validation authority may, as a condition to issuing the validation, impose conditions as it considers appropriate.
- Bill 276 will make changes to require that a decision regarding a validation must conform with the same criteria which are applicable to consents, for example:
 - having regard to provincial interests and the land division criteria set out in the Planning Act
 - ensuring the validation is consistent with the Provincial Policy Statement and conforms, or does not conflict, with provincial plans, and
 - ensuring the validation conforms with all applicable official plans.



CHRISTINE TARLING
Director of Legislated Services & City Clerk
Corporate Services Department
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Phone: 519.741.2200 x 7809 Fax: 519.741.2705
christine.tarling@kitchener.ca
TTY: 519-741-2385

December 1, 2021

The Right Honourable Justin Trudeau
Prime Minister of Canada
80 Wellington Street
Ottawa ON K1A 0A2

Dear Prime Minister:

This is to advise that City Council, at a meeting held on November 22, 2021, passed the following resolution regarding conversion therapy:

"WHEREAS Conversion practices or conversion "therapy" (also known as "reparative therapy", "reintegrative therapy" or "aversiontherapy") include any treatment, practice, or sustained effort that has the intended effect of denying, repressing, discouraging or changing a person's non-heterosexual sexual orientation, noncisgender gender identity or gender expression, or any behaviours associated with a gender other than the person's sex assigned at birth; and,

WHEREAS all such practices are unscientific, dangerous and proven to cause harm to their victims; and,

WHEREAS such practices are opposed by more than 50 professional associations, including the Canadian Association the Canadian Association of Social Workers, Canadian Psychiatric Association, Canadian Professional Association for Transgender Health, Canadian Psychological Association, College of Registered Psychotherapists of Ontario, as well as the United Nations and World Health Organization; and,

WHEREAS Bill C-6-2020, An Act to Amend the Criminal Code (Conversion Therapy), which proposed five conversion therapyrelated offences, was an historic piece of legislation preceded by decades of advocacy by conversion practice survivors, that progressed to the second reading stage in the Senate before dying on the order paper when an election was called in August 2021; and,

WHEREAS several cities across Canada have adopted bylaws to prohibit conversion practices or are in the process of doing so, including the City of Kingston and the City of Thunder Bay in Ontario; and,

WHEREAS the City has adopted a Strategic Plan with a theme of being a “Caring Community”, which includes a commitment to supporting our diverse populations, including the removal of social stigmas and where possible being more equitable and inclusive; and,

WHEREAS Kitchener continues to seek opportunities to demonstrate leadership in making all those within our community feel equal and included;

THEREFORE BE IT RESOLVED that Kitchener City Council formally denounce conversion practices as dangerous and harmful, perpetuating myths and stereotypes about sexual orientation and gender identity and expression; and,

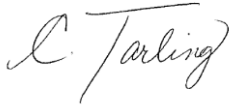
THEREFORE BE IT FURTHER RESOLVED that the City of Kitchener request our Office of Equity, Anti-Racism and Indigenous Initiatives explore ways to support conversion therapy survivors and those at risk; and,

THEREFORE BE IT FURTHER RESOLVED that Kitchener City Council direct City staff to continue to monitor legislative developments at the federal and/or provincial orders of government pertaining to conversion therapy, and in conjunction with any actions taken by them and our regional and municipal partners locally, bring a report to Council outlining any further legislative and/or policy actions which may be contemplated by the municipality to further prohibit conversion practices, and,

THEREFORE BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to the Right Honourable Prime Minister of Canada, Minister of Housing, and Diversity and Inclusion, Minister of Justice, Minister for Women and Gender Equality and Youth, and area Members of Parliament urging creation of a new bill within the first 100 days of their mandate which will include a “no consent” provision to protect Canadians of all ages; and,

THEREFORE BE IT FINALLY RESOLVED that a copy of this resolution be forward to the Honourable Premier of Ontario, area Members of Provincial Parliament, the Association of Municipalities of Ontario, and all other municipalities in Ontario encouraging both the Province and other municipalities to also formally denounce and take action to prohibit conversion practices against all persons regardless of age."

Yours truly,

A handwritten signature in cursive script, appearing to read "C. Tarling".

C. Tarling
Director of Legislated Services
& City Clerk

c: Hon. Ahmed Hussen, Minister of Housing, Diversity and Inclusion
Hon. David Lametti, Minister of Justice
Hon. Marci Ien, Minister for Women and Gender Equality and Youth
Hon. Doug Ford, Premier of Ontario
Tim Louis, MP (Kitchener-Conestoga)
Raj Saini, MP (Kitchener Centre)
Marwan Tabbara, MP (Kitchener South-Hespeler)
Laura Mae Lindo, MPP (Kitchener Centre)
Mike Harris, MPP (Kitchener Conestoga)
Amy Fee, MPP (Kitchener South-Hespeler)
Monika Turner, Association of Municipalities of Ontario
Ontario Municipalities



MUNICIPALITY OF
SHUNIAH

COUNCIL RESOLUTION

Resolution No.: 430-21

Date: Dec 14, 2021

Moved By: _____

Seconded By: _____

THAT Council hereby supports the attached resolution from the City of Kitchener regarding Bill C-6-2020, An Act to Amend the Criminal Code (Conversion Therapy); and

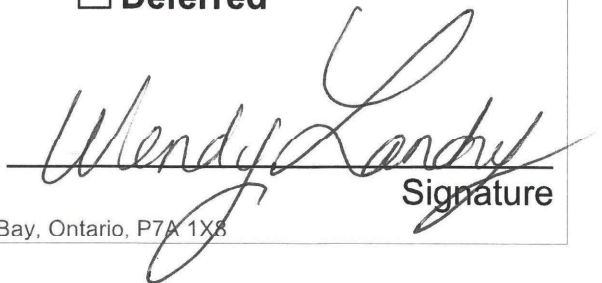
BE IT RESOLVED that a copy of this resolution be forwarded to the Premier of Ontario Honourable Doug Ford, area Members of Provincial Parliament, local MP's and MPP's, the Association of Municipalities of Ontario, and all other Ontario municipalities.

☒ Carried

☐ Defeated

☐ Amended

☐ Deferred


Signature

Municipality of Shuniah, 420 Leslie Avenue, Thunder Bay, Ontario, P7A 1X8



**THE CORPORATION OF THE CITY OF SARNIA
City Clerk's Department**

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Sarnia ON Canada N7T 7N2
519-332-0330 (phone) 519-332-3995 (fax)
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www.sarnia.ca clerks@sarnia.ca

December 16, 2021

The Right Honourable Justin Trudeau
Prime Minister of Canada
House of Commons
80 Wellington Street
Ottawa, ON K1A 0A2

The Honourable Doug Ford
Premier of Ontario
Legislative Building
Queen's Park
Toronto, ON M7A 1A1

RE: "Catch and Release" Justice

At its meeting held on December 13, 2021, Sarnia City Council adopted the following resolution with respect to "Catch and Release Justice":

That the City of Sarnia send a letter to the Federal and Provincial Governments requesting meaningful improvements to the current state of "catch and release" justice in the Ontario legal system. Police Services across Ontario are exhausting precious time and resources having to manage the repeated arrests of the same offenders, which in turn, is impacting their morale, and ultimately law abiding citizens who are paying the often significant financial and emotional toll of this broken system. This resolution should also be sent to other Municipalities throughout Ontario for their endorsement consideration; and

That the request also be referred to the Sarnia Police Services Board and be presented via AMO delegations for endorsement consideration.

Your consideration of this matter is respectfully requested.

Yours sincerely,

Amy Burkhart
City Clerk

Cc: Bob Bailey, MPP
Marylyn Gladu, MP
All Ontario Municipalities

From: Julie Reid [<mailto:deputyclerk@arran-elderslie.ca>]
Sent: December 23, 2021 7:47 AM
To: William Kolasa <WKolasa@wainfleet.ca>
Cc: sam.oosterhoffco@pc.ola.org
Subject: Letter from the MMWTWG regarding Wind Turbine Failures

Multi-Municipal Wind Turbine Working Group

TOM ALLWOOD, COUNCILLOR, GREY HIGHLANDS, CHAIR
STEVE ADAMS, COUNCILLOR, BROCKTON, VICE-CHAIR
1925 BRUCE ROAD 10, BOX 70, CHESLEY, ON NOG 1L0
[519-363-3039](tel:519-363-3039) FAX: [519-363-2203](tel:519-363-2203)
deputyclerk@arran-elderslie.ca

William Kolasa
wkolasa@wainfleet.ca

RE: Wind Turbine Failures

Dear Mayor and Council:

I am writing to share information compiled by the Multi-Municipal Wind Turbine Group (MMWTWG) on some recent catastrophic failures of wind turbines. Because you are a municipality with an operating wind turbine project, we expect this information will be of interest to you.

The MMWTWG was initially created in 2009 by municipalities in Bruce, Grey and Huron Counties to share information on wind turbine projects being proposed or operating in our municipalities. The organization is a joint committee with elected and citizen representatives from the member municipalities. Since its formation, we have been monitoring the operation of wind turbines and advocating on behalf of our residents adversely affected by the wind turbines.

The group has seen the number of catastrophic wind turbine failures increase, and is deeply concerned about the associated implications. At the same time, there has been no public response from the provincial government that indicates these potentially serious incidents are being investigated either in the context of public and/or workplace safety.

As a result, we have compiled the attached overview of a range of failures based on statements from project operators, pictures and other available information. This assessment of these events points to a variety of causes. Based

on these observations, the attached document also outlines a list of recommendations for action by the provincial government.

We suggest that your Council review these attached summaries to see how they might apply to the wind turbine project(s) in your municipality. It may be possible for the municipality to review the situations with the owner of each project to confirm that appropriate activities are underway to ensure public safety.

If you agree with the recommendations for action by the provincial government, we ask that you communicate your support to David Piccini, Ontario Minister of Environment, Conservation and Parks.

When these projects were approved and built, provincial regulations limited municipal input into the projects and the supervision of their construction. This self-regulation process led to some serious problems for the municipalities in our role of protecting the health of our citizens. Now that further gaps in this process are becoming evident, the province needs to take responsibility for addressing the mistakes that were made.

Yours truly,

Tom Allwood,
Chair, Multi-Municipal Wind Turbine Working Group
Councillor, Municipality of Grey Highlands

c.c.

Honourable David Piccini, Minister of Environment, Conservation and Parks,
minister.mecp@ontario.ca

Honourable Monte McNaughton, Minister of Labour, Training and Skills
Development, minister.mltzd@ontario.ca

Sam Oosterhoof, MPP, Niagara West – sam.oosterhoffco@pc.ola.org

Wind Turbine Failures

Based on the number of catastrophic wind turbine failures, the Multi Municipal Wind Turbine Working Group (MMWTWG)¹ is deeply concerned about the associated implications. While the wind power industry reports that each is an isolated incident, there are now too many incidents for this response to be credible. At least 10 known turbines failures have happened in Ontario since 2007. Each of these resulted in significant portions of blades or the tower hitting the ground at some distance from the turbine base.

At the same time, there has been no public response from the provincial government that indicates these potentially serious incidents are being investigated either in the context of public and/or workplace safety. To date, there has been no information shared with MMWTWG member municipalities.

As a result, we have been working with several people that have technical experience with industrial applications of power and rotating equipment. We have developed our own assessment of the failures based on statements from project operators, pictures and other available information. This assessment of the following events points to a number of different causes:

- **Bow River** – Pictures suggest that tower collapse was linked to a bolt failure of tower sections.
- **Skyway 8** – Rotor failure occurred shortly after the installation of an experimental device.
- **Raleigh Wind** – Published information from the project owner indicates that the tower collapse is related to a single blade failure. Marks on the tower suggest that the blade struck the tower.
- **Sumac Ridge** – Blade fractures, no explanation available.
- **Kingsbridge 1** – Fire in the nacelle spread to the blades resulting in wide debris scatter.
- **Huron Wind** – Blade failure with the location of the debris thrown by this failure highlighting the inadequacy of current setbacks from property lines.

Another recent incident in New Brunswick adds to our concerns:

- **Kent Hills, NB** – Project operator linked the collapse of tower to a foundation failure.

Collectively, the assessments of these situations increased our concern that action is required to formally investigate these incidents. We believe they clearly demonstrate that the current setback distances are inadequate to protect the public and they will increase as tower heights and blade lengths increase.

Faced with continued public inaction by the provincial government, the MMWTWG decided to prepare this summary of available information relative to these failures with a goal of sharing the information with other municipalities that host wind turbine projects to enable them to better protect their citizens.

The MMWTWG recommends that the provincial government needs to:

¹ The MMWTWG formed in 2009 by member municipalities in Bruce, Grey and Huron Counties to share information on wind turbine projects being proposed or operating in our municipalities. The working group is a joint committee with elected and municipally-appointed citizen representatives from the member municipalities.

1. **Establish a formal public process for investigations of wind turbine failures** so that the cause can be firmly determined. These would involve third-party independent engineers starting with initial inspection procedures through to the public release of the final report;
2. **Complete comprehensive inspections of existing projects** to identify any project that shows signs of similar weaknesses;
3. **Establish requirements** for on-board predictive maintenance equipment for operating wind turbines to allow early identification of problems and establish protocols for information transfer to the MECP for review and sharing with the host municipality.
4. **Review the emergency response procedures** submitted by the proponents of wind turbine projects as part of the approval process to ensure that the plans are current and responsive to the types of failures being experienced; and
5. **Increase the setbacks** from property lines to a minimum of tower height plus blade length for new towers or repowering of existing sites to at least reflect the impact of a tower collapse while recognizing additional distances would be required to protect against ice throw and debris scatter like that seen in the Huron Wind failure where debris with the dimensions of a car were found 2.5 times the height of the tower plus blade length.

We suggest that Councils review these attached summaries to consider how they apply to the wind turbine project(s) in your municipality. It may be possible for the municipality to review the situations with the owner of each project to confirm that appropriate activities are underway to ensure public safety.

If you agree with the recommendations for action by the provincial government we ask that you communicate your support to David Piccini, Ontario Minister of Environment, Conservation and Parks.

When these projects were approved and built, provincial regulations limited municipal input into the projects and the supervision of their construction. This self-regulation process led to some serious problems for the municipalities. Now that further gaps in this process are becoming evident, the province needs to take responsibility for addressing the mistakes that were made.

Attachment 1: Bow Lake, Algoma Region, Ontario

Project Details:

Owners:

Batchewana First Nation – 50%

DIF Infrastructure V – 50%

BluEarth Renewables - operator

Location: Northwest of Sault Ste Marie

Capacity: 58.3 MW

Commissioned:

Phase 1: May 2015

Phase 2: April 2016

Equipment – GE Energy 1.6 MW

Height – 80 m tower; 50 metre blades

Date of Failure: August 28, 2021

Assessment of Failure:

The pictures strongly suggest that the failure mechanism was fatigue of the bolts holding the tower together. There is no evidence of buckling, tearing of the steel plate or general deformation at the adjoining section flanges.

A portion of one blade was found located on the ground near the tower base. The other two blades appear to have remained attached to the rotor as it collapsed into the adjacent trees.

Even though the tower contained 60 gallons of flammable petrochemical lubricants, the MECP Environmental Officer did not visit the site until 3 days after the accident took place.



Potential Learnings:

Tower bolt failures can have many potential causes; i.e. wrong bolts, excessive cyclical loading beyond design criteria, improper installation method regarding torque application, inadequate bolt maintenance checks during regular maintenance etc.

Fatigue damage cannot be seen until a crack develops. Since all aspects of the other towers seem to be identical, it would seem necessary to replace all their tower section bolts.



Attachment 2: Skyway 8, Grey County, Ontario

Project Details:

Owner: Capstone Infrastructure

Location: South west of Dundalk

Capacity: 9.5 MW

Commissioned: August 2014

Equipment

3 - Vestas V100- 1.8 MW

2 - Vestas V100- 2.0 MW

Height – 80 m tower; 50 metre blades

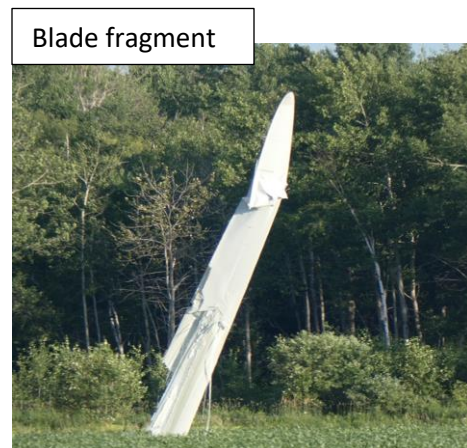
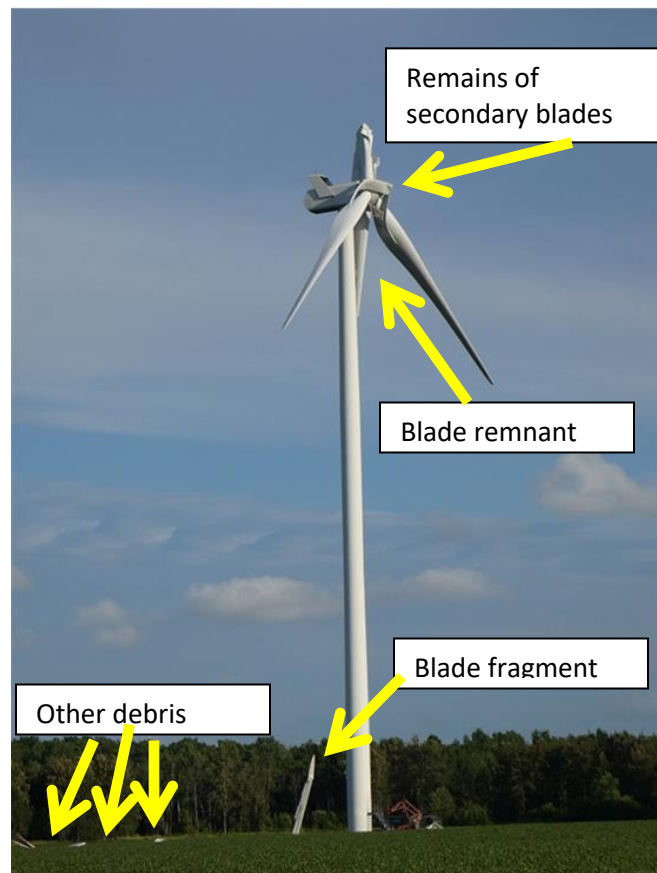
Modification – Biome Renewables secondary blades installed on this turbine in early 2021.

Date of Failure: June 30, 2021

Assessment of Failure:

This turbine was retrofitted approximately 3 months prior to the failure with a secondary rotor of three curved blades that fastened to the hub between the existing blades. This experimental device was not part of the original design and was added to increase power output. The failure resulted in the separation of one of the secondary blades and one of the existing blades. Although the exact sequence of the failure is not known, the most likely scenario is that the experimental blade partly separated, impacting the main blade which then failed.

MECP approved the change but there is no public information confirming that the turbine could handle the additional static and dynamic loads imposed by the secondary rotor.



Learnings:

This turbine was located only 195m from the road, Grey Rd. 8. The road closure that was immediately put in place for public safety confirms that existing setback requirements are insufficient. The failure raises many questions concerning how this project was executed and the engineering safety margins for the original wind turbine design.

Attachment 3: Raleigh Wind, Chatham-Kent

Project Details:

Owner:

2018 – Terraform Power

2020 – Brookfield Renewables

Location: South of Chatham

Capacity: 78 MW

Commissioned: January, 2011

Equipment: 52 - GE 1.5 MW

Height – 80 m tower;

42 metre blades

Date of Failure: Jan. 19, 2018



Assessment of Failure:

The company reported that their investigations indicated that the failure was caused by a single faulty blade.

This tower at Chatham-Kent buckled at approximately its midpoint and fell toward the wind. It was found with one blade wrapped around the tower base and markings on the tower that were above the fold line.

Based on the evidence of publicly available pictures, it seems that the most likely scenario for this catastrophic failure was that the tower was struck by a blade which weakened it such that it collapsed.



Learnings:

If the failure was indeed caused by a blade strike on the tower, this raises questions as to how this occurred. This suggests that the clearance may not have been adequate for the conditions encountered during operation. Alternately the blade may have started to separate and this caused it to get so close to the tower that it made contact with it. There may be other possibilities and variations as well.

Chatham-Kent Ward 2 Councillor Frank Vercooterren told CBC News at the time that he believed that the setback from roads was insufficient to protect public safety.

Attachment 4: Sumac Ridge, Kawartha Lakes

Project Details:

Owner:

2016: wpd

2021: Capstone Infrastructure

Location: Southwest of Peterborough

Capacity: 10.5 MW

Commissioned: November, 2017

Equipment: 5 - Senvion MM92 2.05 MW

Height – 80 m tower;

46 metre blades

Date of Failure: April 20, 2019

Assessment of Failure:

Residents reported hearing a grinding sound followed by a loud explosion at 9 a.m. on the morning of the incident.

It was found that one of the blades of the turbine had shattered. Parts of the blade fell to the ground while other pieces were still dangling off of the remaining sections of the blade. The nearby road was closed to ensure public safety.

Initial speculation was that the failure may have been related to the strong winds associated with the storm that moved through the area on the previous weekend.

The investigation and follow up on this incident was hampered as Senvion had filed for bankruptcy protection on April 9 – just before incident.

Learnings:

The blade that failed was relatively new having been in operation for only 1.5 years. This highlights the fact that failures can occur at any time during the life of a wind turbine.

If the failure was related to the strong winds, it raises questions concerning the design safety margins.



Attachment 5: Kingsbridge 1, Ashfield-Colborne-Wawanosh

Project Details:

Owner: Capital Power

Location: North of Goderich

Capacity: 40 MW

Commissioned: 2006

Equipment: Initially 21 – Vestas V80 with the failed turbine being replaced with a Vestas V 90.

Height – 80 m tower; 45m blades

Date of Failure: April, 2013

Assessment of Failure:

The fire started at about 1 am and burned for about two hours. Most of the nacelle was completely destroyed. The intensity of the fire also ignited the blades.

The fire department was called to the site but there was not much that they could do given the elevation of the fire and risks posed by burning pieces of the nacelle and the blades that were falling off of the towers.

Blades continued to rotate and could not be stopped due to the fire in control mechanisms.

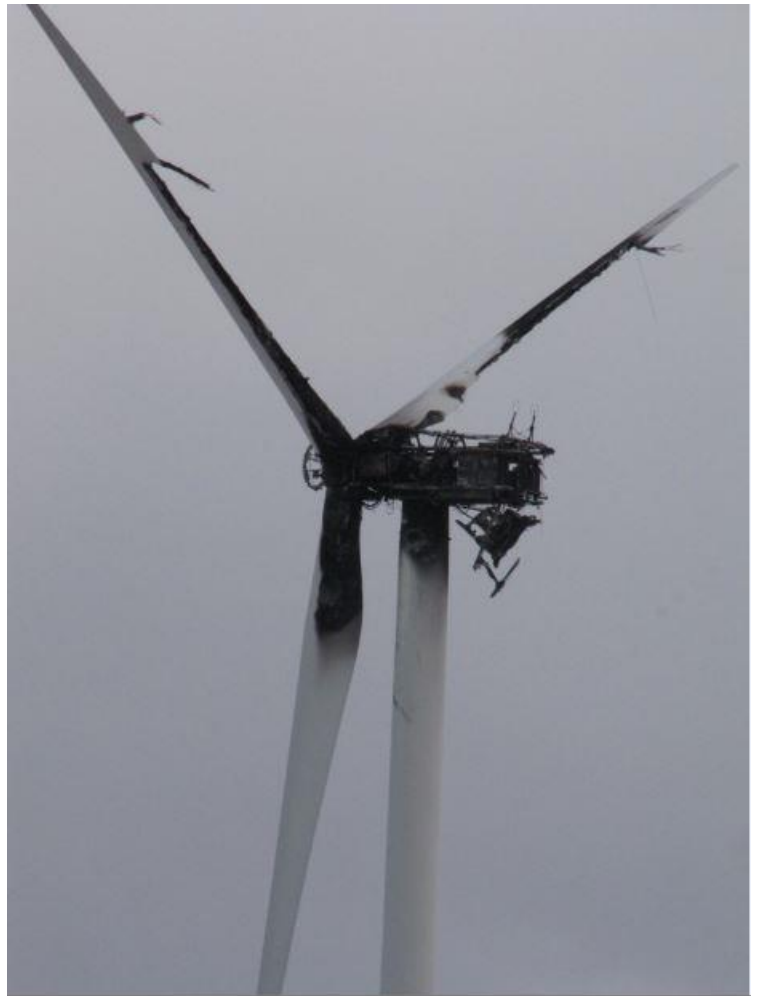
A representative of the operator addressed ACW Council the following day and indicated that elements of the turbine were found over 200 metres from the tower.

As the fire occurred in early spring, the ground was wet and there were no crops to be set on fire when burning elements fell off of the tower.

Learnings:

This failure highlights the need for fire identification and suppression systems to be installed within the nacelles of all wind turbines.

Had this fire occurred when dry crops were in the field below the turbine, the fire progression would have been more serious.



Attachment 6: Huron Wind, Bruce County

Project Details:

Owners:

TC Energy

OMERS

Location: North of Kincardine

Capacity: 9.0 MW

Operational: November 2002

Equipment – 5 Vestas V80 - 1.8 MW

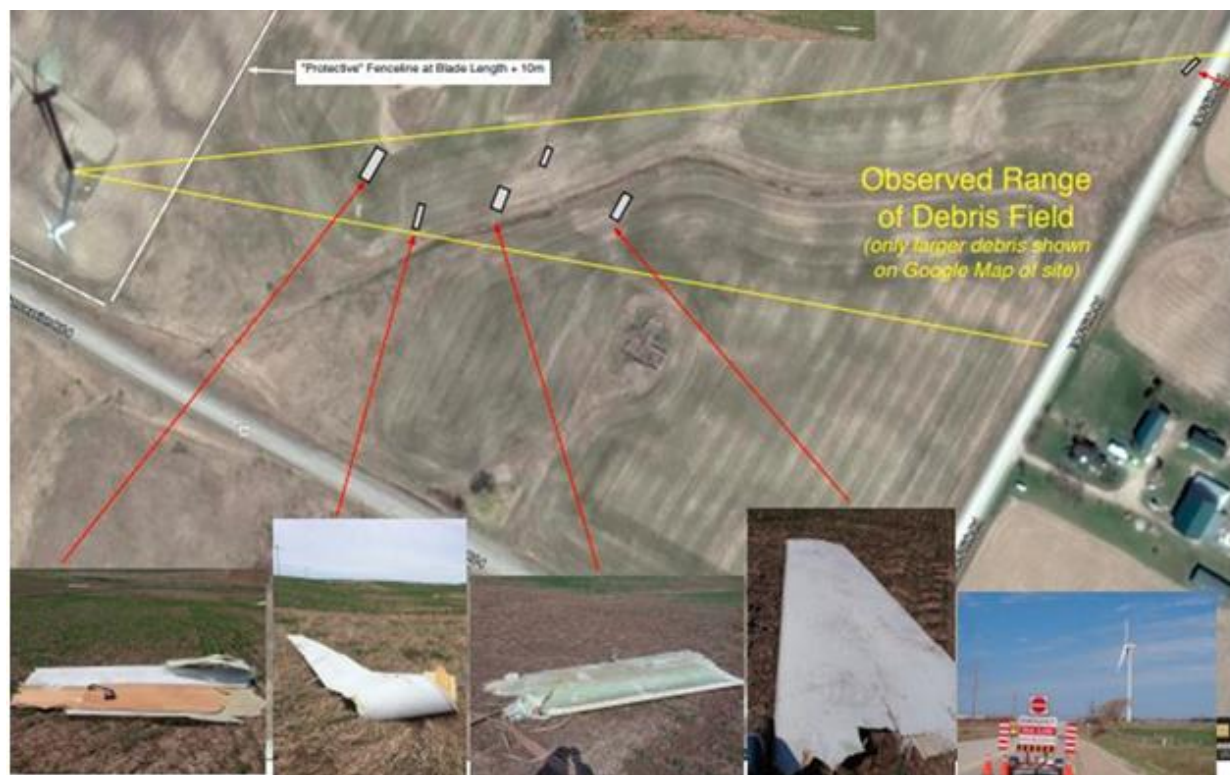
Height – 65 m tower; 40 metre blades

Date of Failure: May 4, 2018

Assessment of Failure:

Immediate access to the site allowed full documentation of the debris created by this blade failure.

The map below compares the limit of the protected area of 50 m with the actual locations of debris from the blade failure. Large pieces of debris found 280 m from the tower.



Debris at 150m
from tower -
1.3m X 3.6m

Debris at
170m from
tower

Debris at 210 m
from tower
1.2m X 3.0m

Debris at
280m from
tower
1.2m X 3.0m

Concession 4
closed to danger

Attachment 7: Kent Hills, New Brunswick

Project Details:

Owner: Trans Alta Renewables

Location: Southwest of Moncton, NB
Site shared with ATV/snowmobile trails

Capacity: 167 MW

Commissioned in Phases:

Dec 2008 – 25 turbines; Nov 2010 – 24 turbines; Oct 2018 – 5 turbines

Equipment – Vestas V90 3 MW

Height – 80 m tower; 45 metre blades

Date of Failure: October 14, 2021

Assessment of Failure:

As confirmed by the operator, this tower collapse was linked to a foundation failure (sub-surface crack propagation). The tower itself seems to have all the sections intact and bolted together. Basically, the pictures indicate that the top part of the foundation directly below the tower base was no longer adequately supporting the tower.

A close-up picture of the foundation shows the failed surfaces consists of concrete rubble and rebar. There does not seem to be evidence of the long primary anchor bolts that should fasten to the flange at the base of the tower and then be embedded deep into the concrete foundation.

Earlier pictures taken of wind turbines in this project indicate that numerous anchor bolts had been installed in the concrete bases. This is highly unusual and suggests that they were added when problems with the foundations became evident.

Potential Learnings:

The foundation problem(s) that caused the failure are very likely not an isolated case. Foundation failures can result from many factors i.e., faulty design, quality control, construction techniques, procedures etc.

This failure raises many questions that relate to how likely it is that the other foundations have the same problems. As well, it raises the question of public safety and the need for safe separation distances.



Attachment 8: History of Turbine Failures in Ontario

The following table documents the known equipment failures at Ontario wind turbine projects. that resulted in wind turbine blades hitting the ground so that members of the public may have been harmed if present in locations outside any protective exclusion zone. While the industry response to each failure is that the situation is unique and an exception, the table confirms that this is not the case.

#	Date	Project	Type	Equipment	Age at Failure
1	April 2007	Port Burwell	Blade Failure	GE 1.5	11 months
2	January 2008	Prince Wind	Blade Failure	GE 1.5	2.1 years
3	April 2013	Kingsbridge 1	Fire	Vestas V80	7 years
4	August 2015	Goshen	Blade Failure	GE 1.62	6 months
5	April 2017	Bornish	Blade Failure	GE 1.62	3 years
6	January 2018	Raleigh	Tower Collapse	GE 1.62	7 years
7	May 2018	Huron Wind	Blade Failure	Vestas V80	15.4 years
8	April 2019	Sumac Ridge	Blade Failure	Senvion MM92	1.3 years
9	June 2021	Skyway 8	Blade Failure	Vestas V100	6.9 years*
10	August 2021	Bow Lake	Tower Collapse	GE 1.62	6 years

*100 days after secondary blades installed.

These situations are similar to the operating experience with wind turbines in other jurisdictions. It suggests that the positioning of wind turbines relative to other adjacent activities needs to anticipate the potential for failure either the blades or the tower and other dangers such as ice throws or fires. Analysis of these failures indicates that the current Ontario setback of blade length plus 10 metres is not sufficient to protect the wider public.

The failures also indicate that there needs to be a program of ongoing monitoring of operation of these wind turbines with public reporting of the results of inspections and remedial actions ordered to address faults identified.



Received December 17, 2021
C-2022-013

789 Broadway Street
Wyoming, ON | N0N 1T0

519.914.1308

swiftruralbroadband.ca



December 17, 2021

Meredith Ciuffetelli
Deputy Clerk, Township of Wainfleet
31940 Highway #3
Wainfleet, ON
L0S1V0

SENT ELECTRONICALLY
MCiuffetelli@wainfleet.ca

Hello Meredith,

Re: Internet Service Levels in Wainfleet

SWIFT would like to acknowledge receipt of the letter provided on behalf of the Township of Wainfleet dated December 10, 2021 regarding internet service levels in Wainfleet.

The SWIFT program has now completed its procurement and as a result awarded funding to support 96 projects to bring improved connectivity to more than 63,000 homes and businesses throughout Southwestern Ontario, including in the Niagara Region and within portions of Wainfleet. All available funding has been exhausted and as a result SWIFT is unable to add or extend any additional projects at this time through the program.

With that being said, the provincial government has launched the Accelerated High-Speed Internet Program (AHSIP) with the goal of connecting all of Ontario's remaining underserved areas by 2025. Infrastructure Ontario (IO) is overseeing the newly announced program on behalf of the province and the expectation is that awarded projects and the successful proponents will be announced in Spring 2022.

Additional information on AHSIP can be found on the [Ontario Connects](#) website.

The federal government is also running the [Universal Broadband Fund \(UBF\)](#) program to support high-speed internet projects across the Country, including in Ontario. This program is part of the Government of Canada's plan to connect all Canadians to internet speeds of at least 50 megabits per second (Mbps) download and 10 Mbps upload (50/10).

Both the provincial AHSIP and the federal UBF program are separate and apart from SWIFT.

It should also be noted that for the purposes of the provincial and federal programs, as well as for SWIFT, there are no varying degrees of "underserved". Areas that do not have access to 50/10 service, the Universal Service Objective set by the CRTC in 2016, are considered underserved.

Regarding Innovation, Science and Economic Development Canada's (ISED) National Broadband Internet Service Availability Map, SWIFT does not have any input into the federal government's mapping. We would however encourage you to reach out to the ISED contact we have provided below to notify the federal government that areas in Wainfleet have been incorrectly identified as having internet speeds of 25/5 Mbps.



ISED Contact:

Yannick Lacharité,
Director, Broadband Engineering, Mapping and Data Coordination, Connected Canada
Branch Spectrum and Telecommunications Sector
Innovation, Science and Economic Development Canada
yannick.lacharite@ised-isde.gc.ca
Tel: 613-513-5964 / TTY: 1-866-694-8389

Sincerely,

Barry Field, Executive Director
SWIFT

To Mayor Gibson and Wainfleet Councillors Cridland, Gilmore, MacLellan and Van Vliet.

From: France McCabe 10423 Lakeshore Road West.

Re: Approving Lakewood Beaches Property Project and Liability Issues

In the Standard today there is an article by Dave Johnson with the headline: Storms slam Erie shoreline. This past year we personally had to spend over \$150,000.00 to secure our shoreline and break-wall. Even with that protection the waves have since pulled down more of our dune. All properties along the shore of Lake Erie are suffering. It makes me wonder why Council is unable to simply say "STOP" to the project.

I know the 'professionals' have approved every step of the way, but much of their information is pre high water levels and pre climate change winds whipping up waves of 3 metres high.

This brings up the question of liability to the Township and to the Region. If this project proceeds as designed and no additional mitigation is implemented then there will be damage to those future homes. The developer will be long gone.

Before you proceed with approval, I would advise and strongly urge council to have legal advice and have your lawyers draw up the appropriate release documents freeing the Township and the Region from any and all liability concerning this development and that the Condominium owners be SOLELY responsible for any damages or loss.

If there is language already in the Condominium Agreement addressing liability, Council must be totally satisfied that those measures are strong enough to protect the Township and the Region from any legal action. For your protection, this must be a public statement from your lawyers that is recorded in your minutes.

It is important to make clear that you are approving reluctantly, and with strong words of caution regarding the vulnerability and unsustainability of the current design's location and the inadequate measures for protection from Lake Erie.

Respectfully,

France McCabe

Overall NRT OnDemand Service Metrics

Data as of:
Friday, December 31, 2021

Number of Rides

54,267

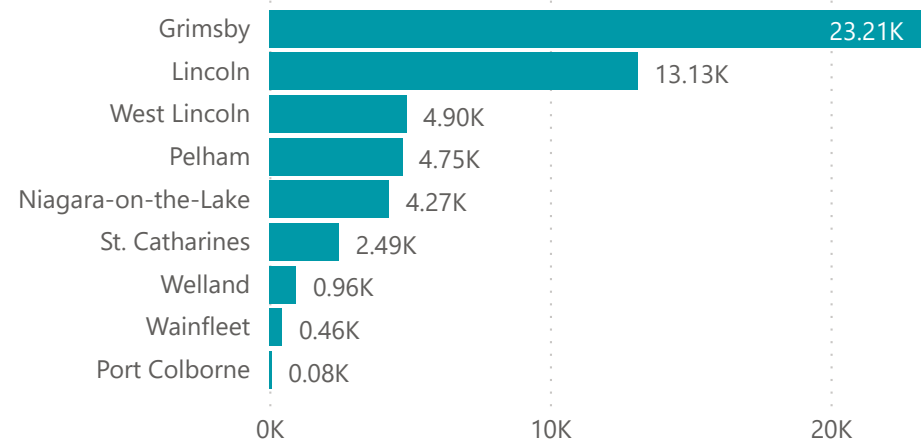
Number of Trips

49,026

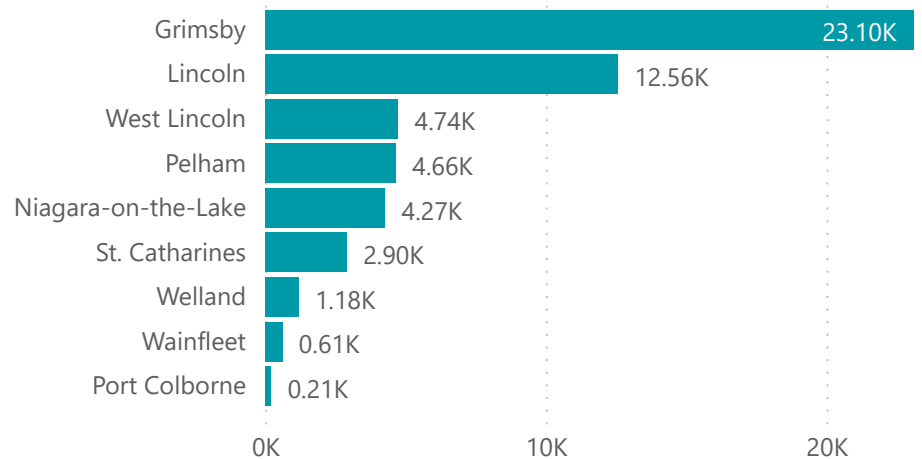
WAV Trips

310

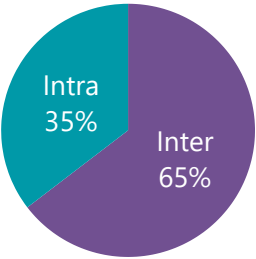
Rides by Origin Municipality



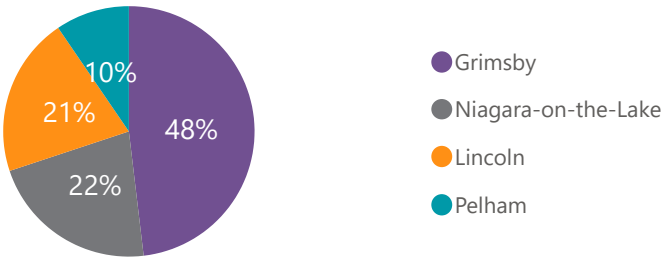
Rides by Destination Municipality



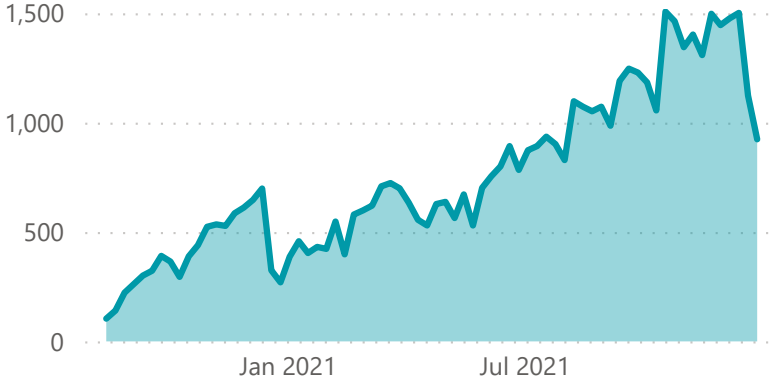
Inter vs. Intra-Municipal Rides



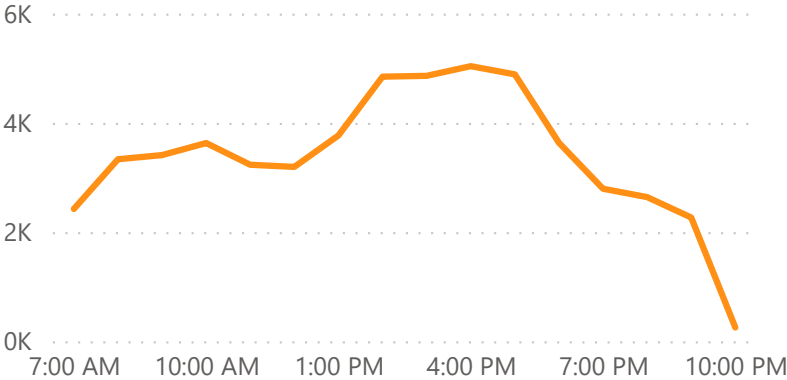
Intra-Municipal Rides



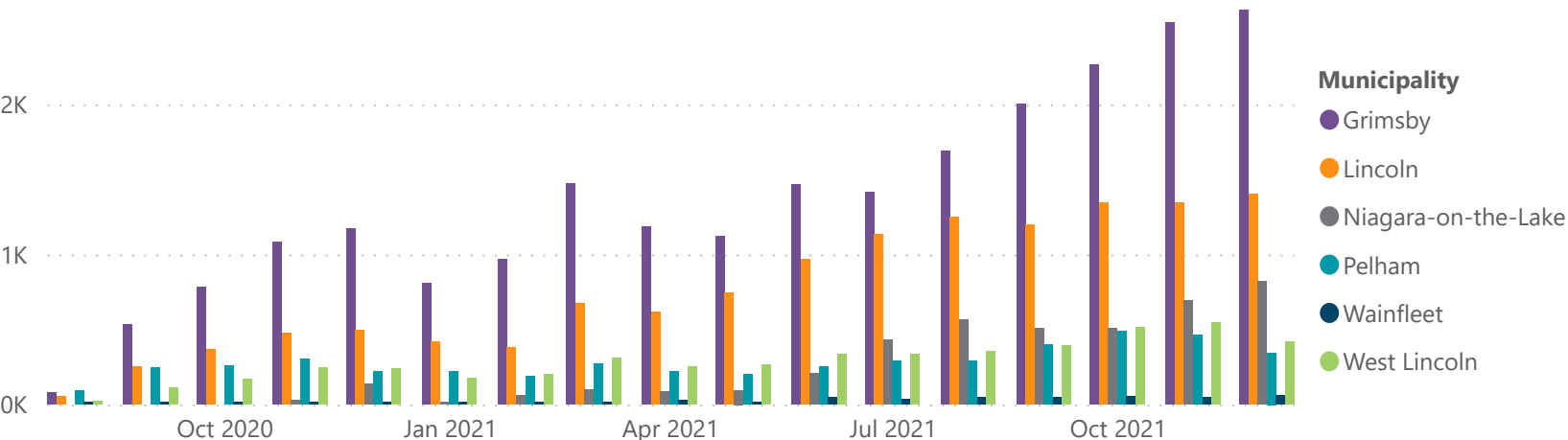
Ridership



Ride Time of Day



Monthly Ridership



Overall NRT OnDemand Service Metrics

Data as of:
Friday, December 31, 2021

Average Wait Time (min)

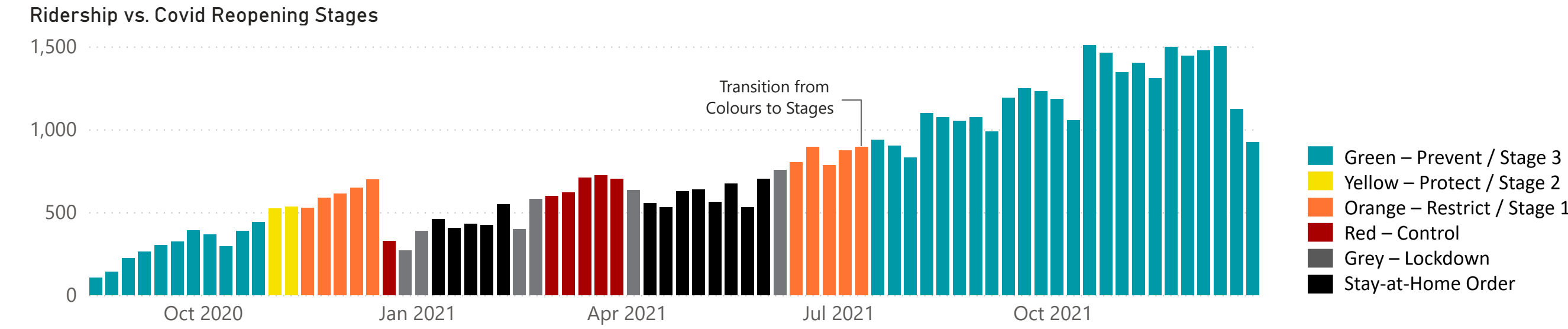
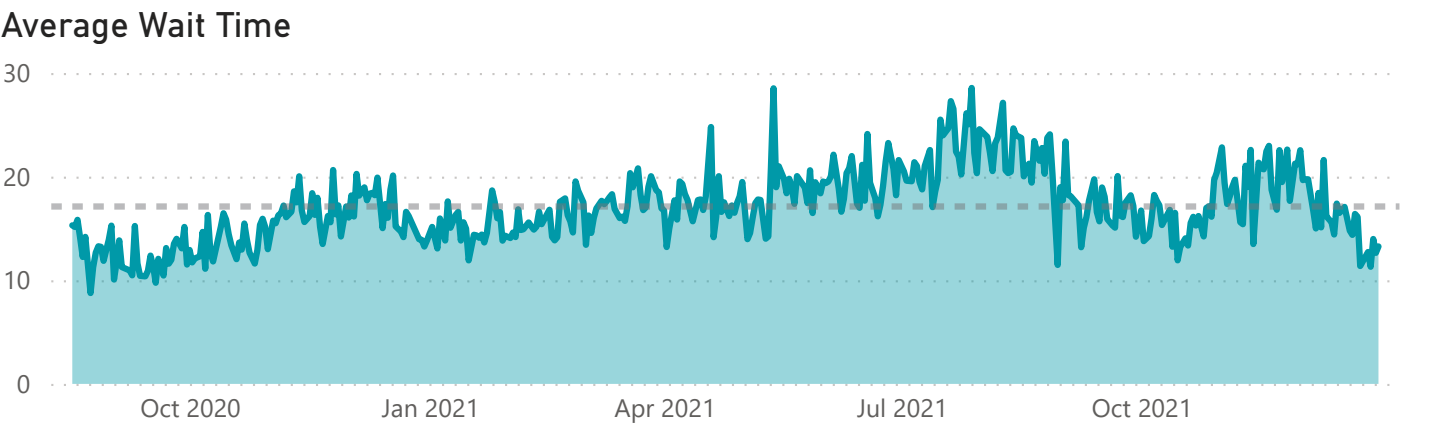
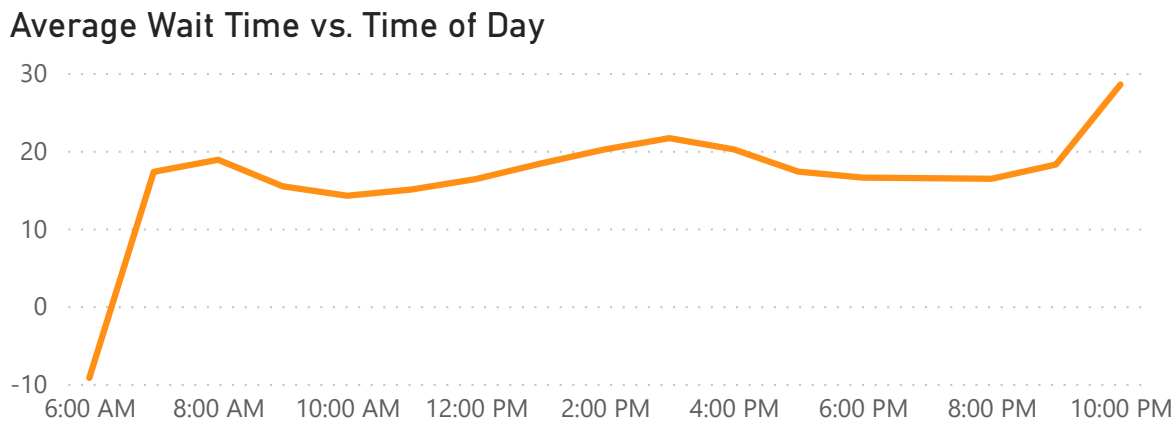
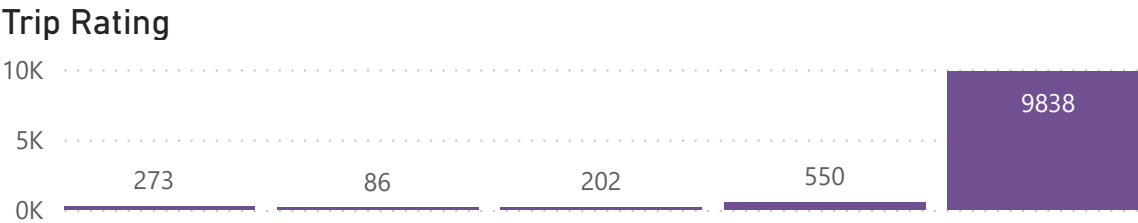
17.78

Average Trip Length (min)

15.80

Average Trip Distance (km)

10.99



Overall NRT OnDemand Pre-Booking Service Metrics

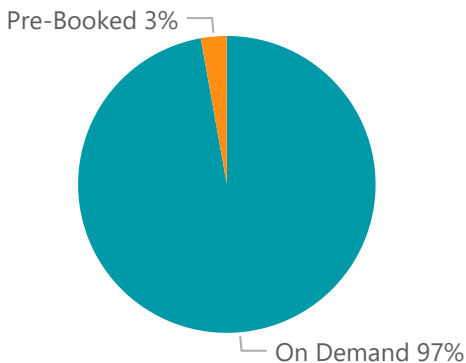
Launched September 1st, 2021!

Data as of:
Friday, December 31, 2021

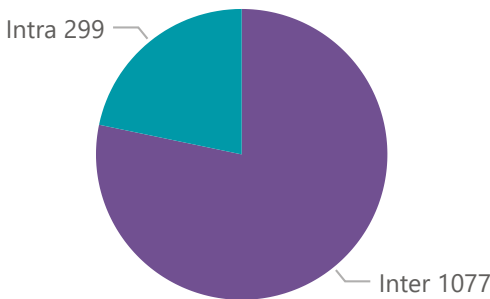
Number of Pre-Booked Trips

1376

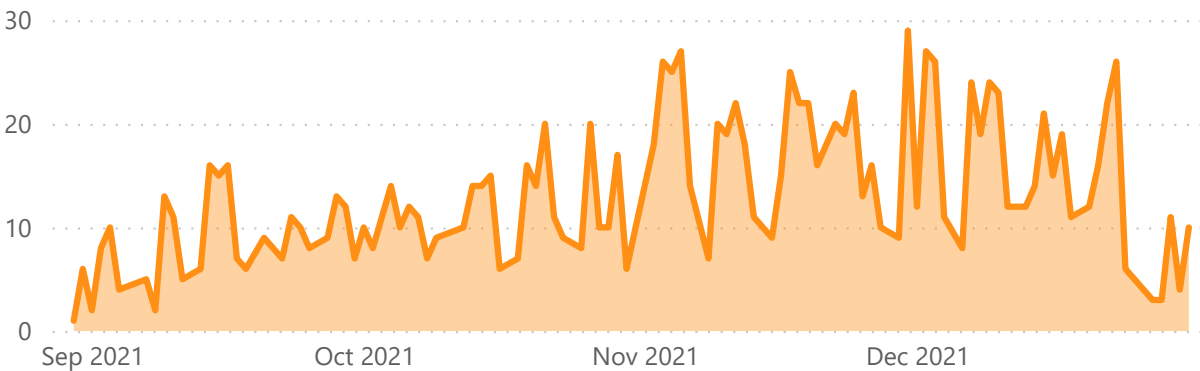
Pre-Booked vs. On-Demand



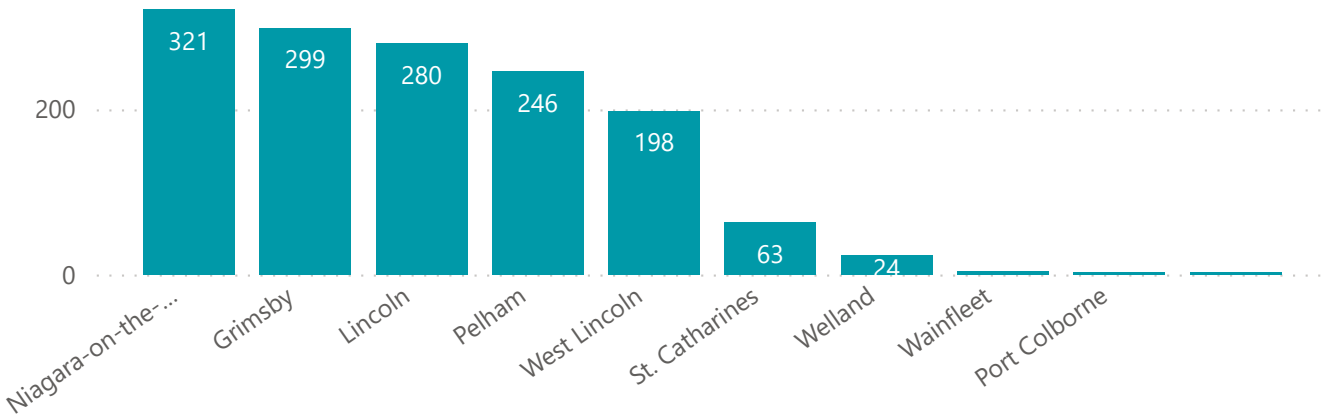
Pre-Booked vs. On-Demand



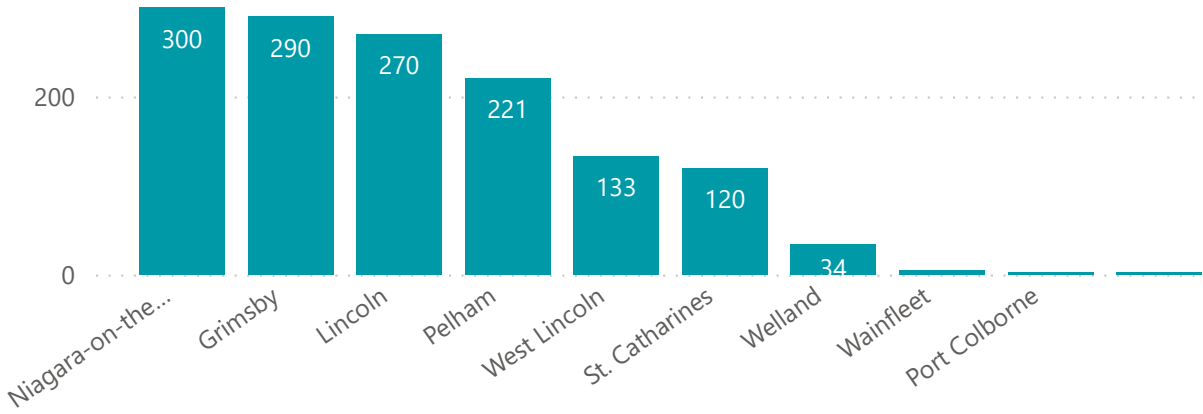
Pre-Booked Trips



Origin of Prebooked Trips



Destination of Prebooked Trips



NRT OnDemand Service Metrics

Grimsby
Origin and/or Destination

Friday, December 31, 2021
Data as of

Number of Rides

27,500

Number of Trips

24,722

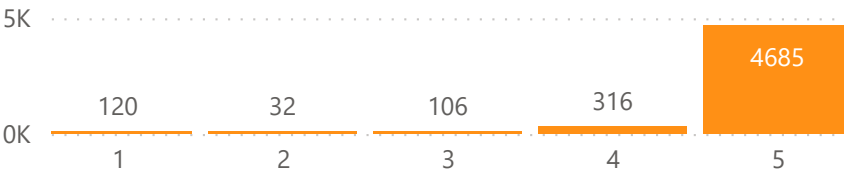
WAV Trips

122

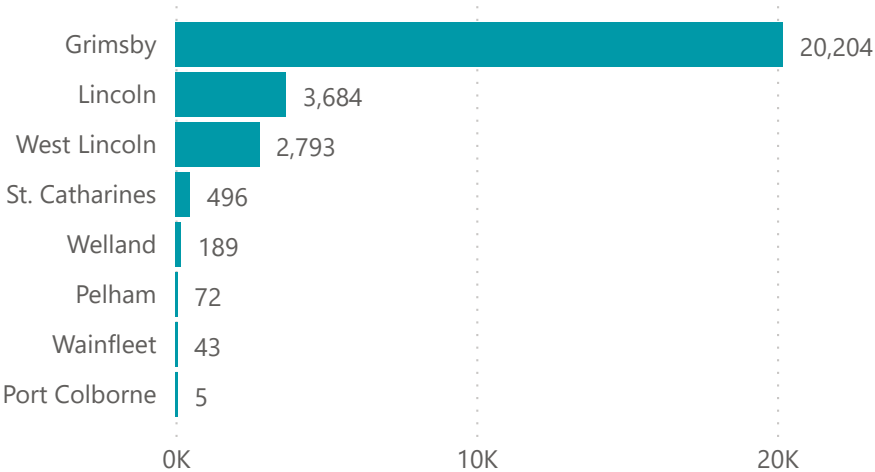
Average Wait Time (min)

18.02

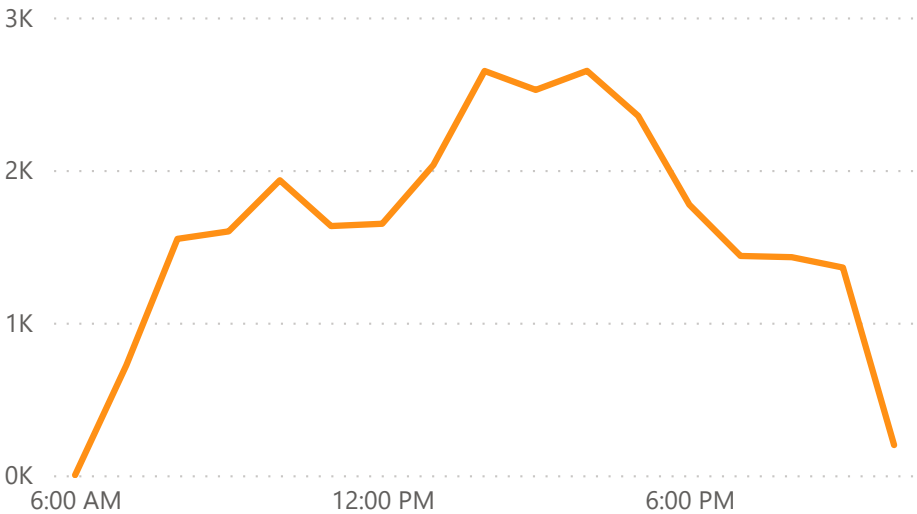
Trip Rating



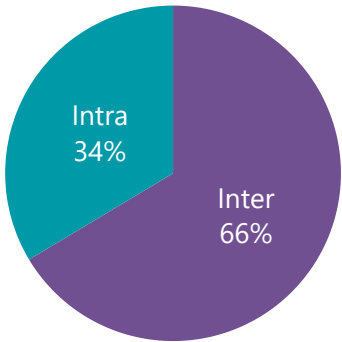
Rides by Origin Municipality



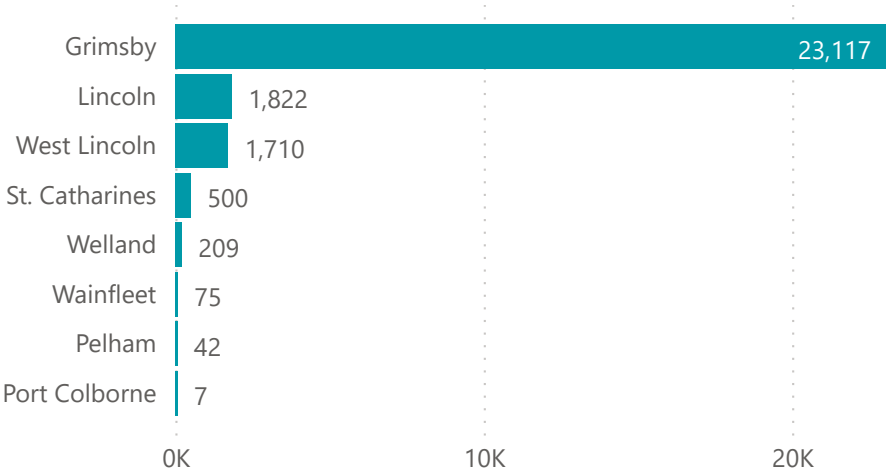
Ride Time of Day



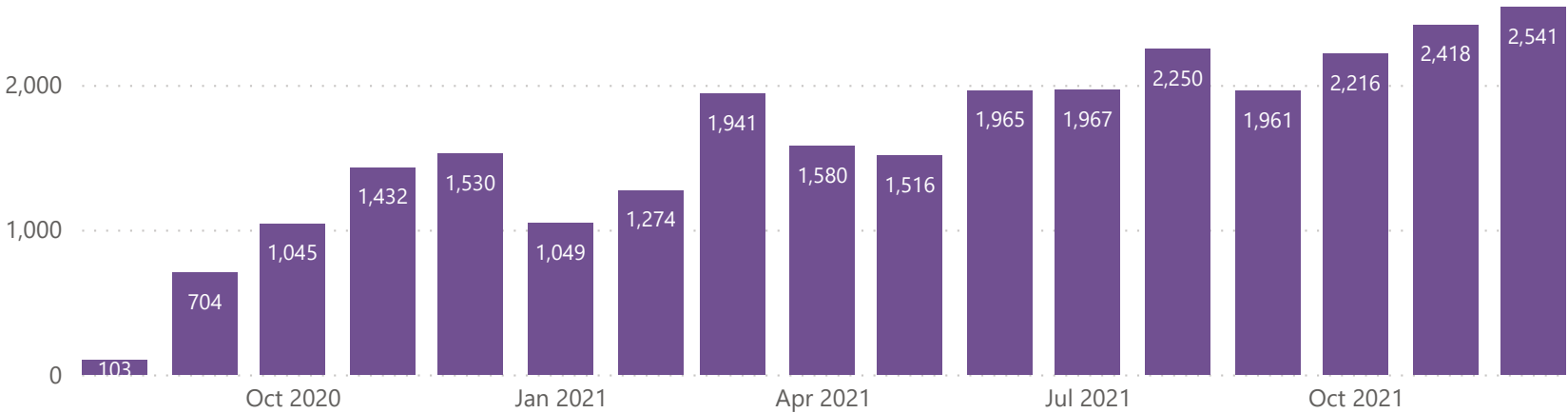
Inter vs. Intra-Municipal Rides



Rides by Destination Municipality



Monthly Ridership



NRT OnDemand Service Metrics

Lincoln
Origin and/or Destination

Friday, December 31, 2021
Data as of

Number of Rides

16,362

Number of Trips

14,600

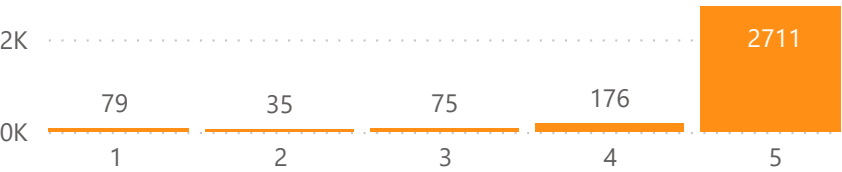
WAV Trips

100

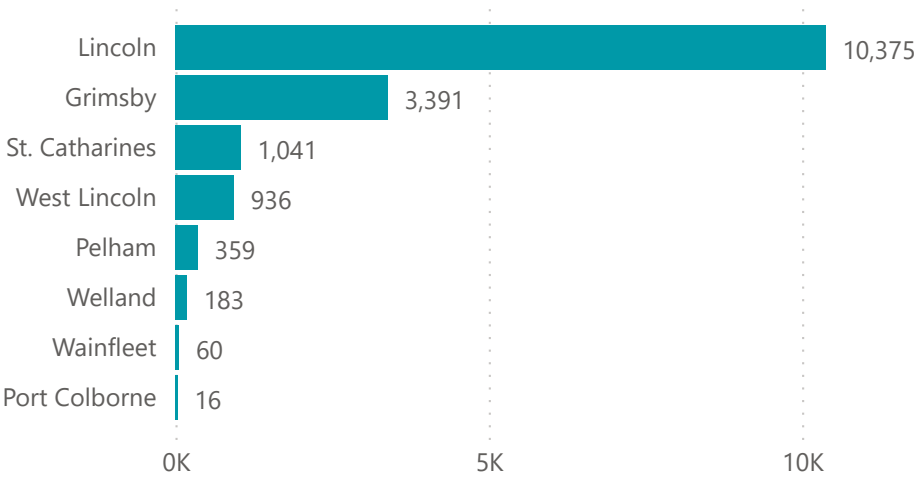
Average Wait Time (min)

19.11

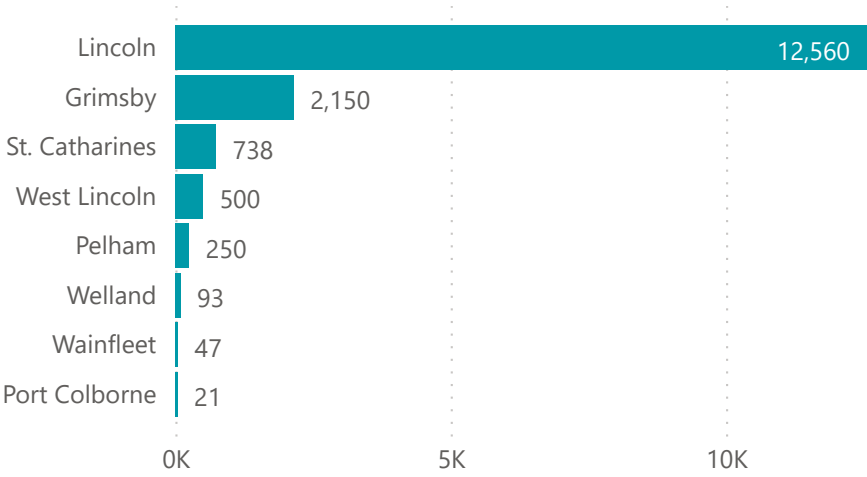
Trip Rating



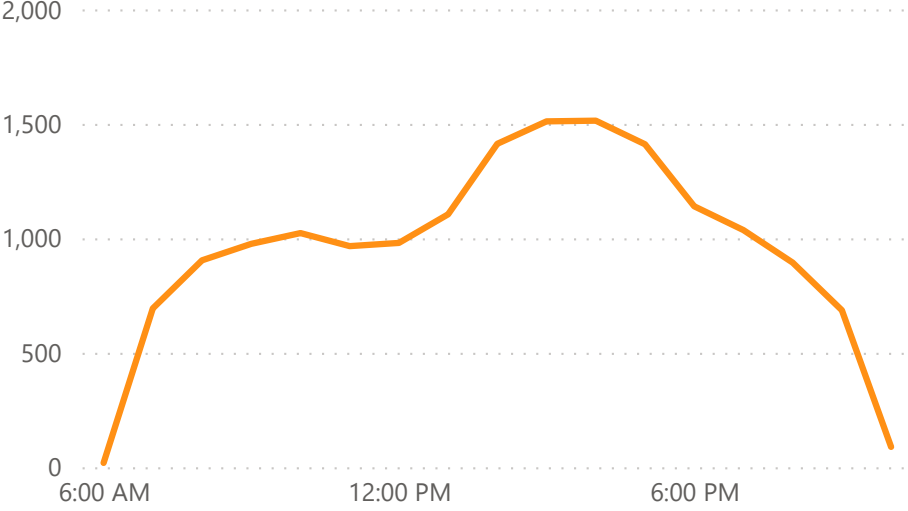
Rides by Origin Municipality



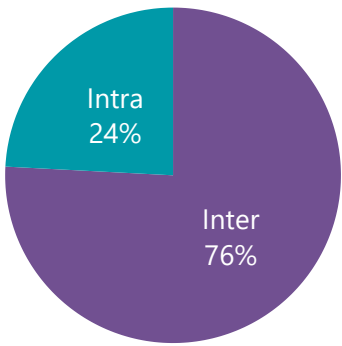
Rides by Destination Municipality



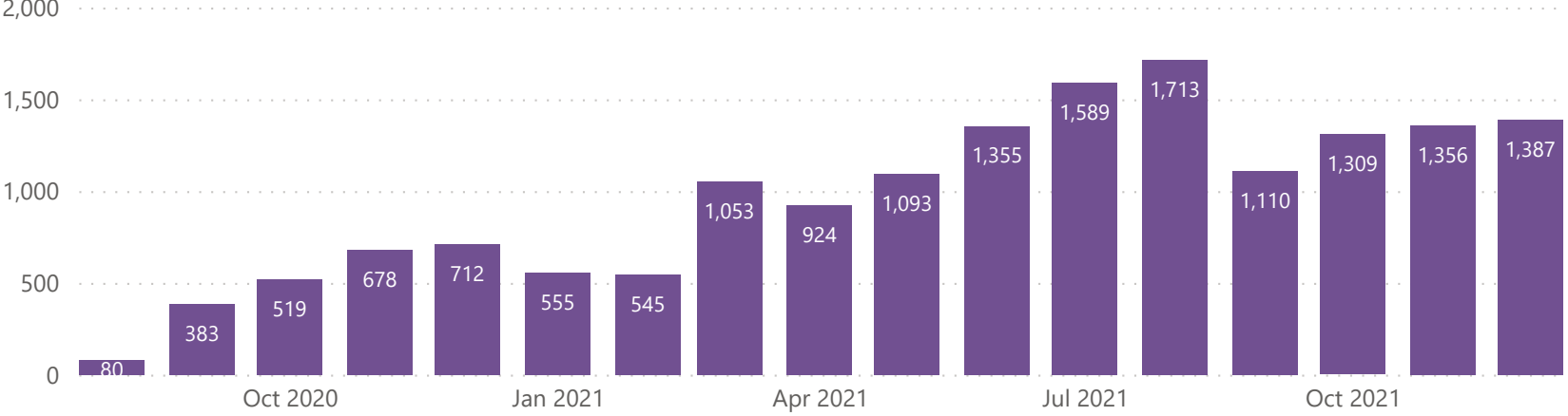
Ride Time of Day



Inter vs. Intra-Municipal Rides



Monthly Ridership



NRT OnDemand Service Metrics

Pelham
Origin and/or Destination

Friday, December 31, 2021
Data as of

Number of Rides

5,849

Number of Trips

5,489

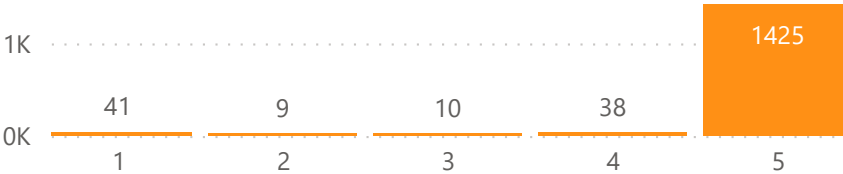
WAV Trips

12

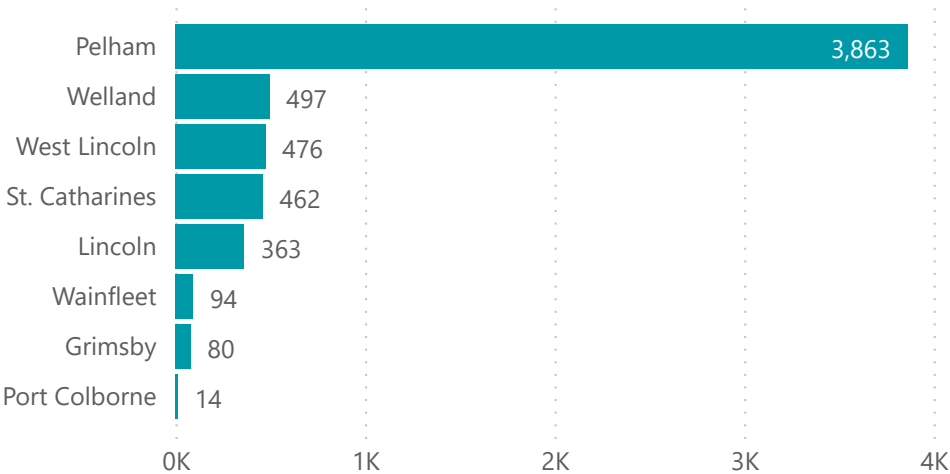
Average Wait Time (min)

16.98

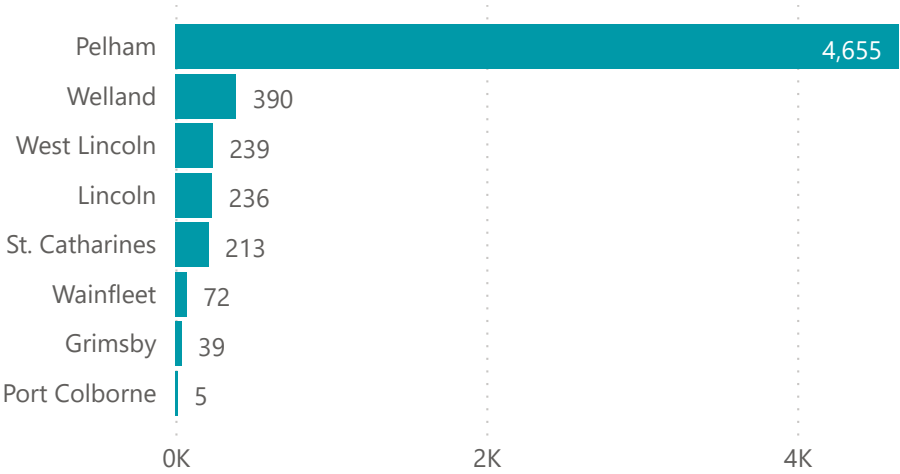
Trip Rating



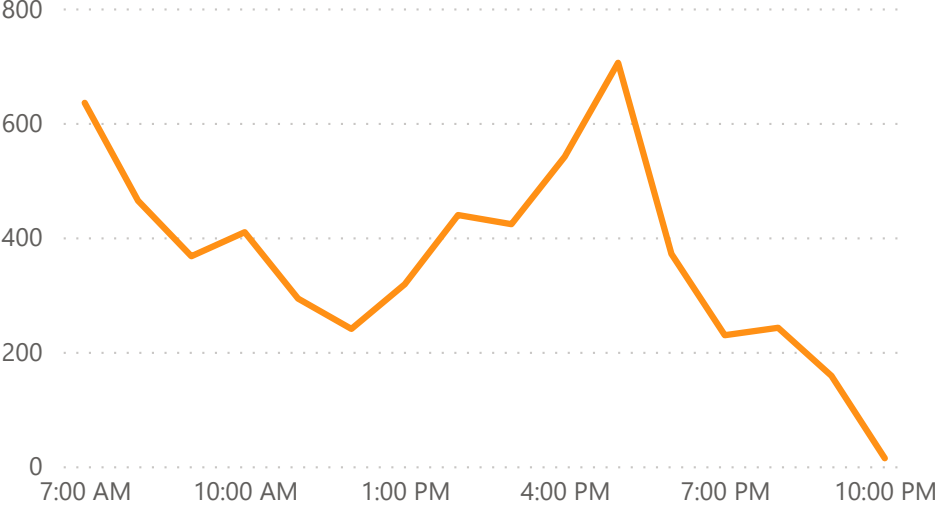
Rides by Origin Municipality



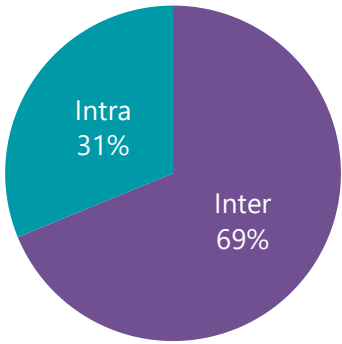
Rides by Destination Municipality



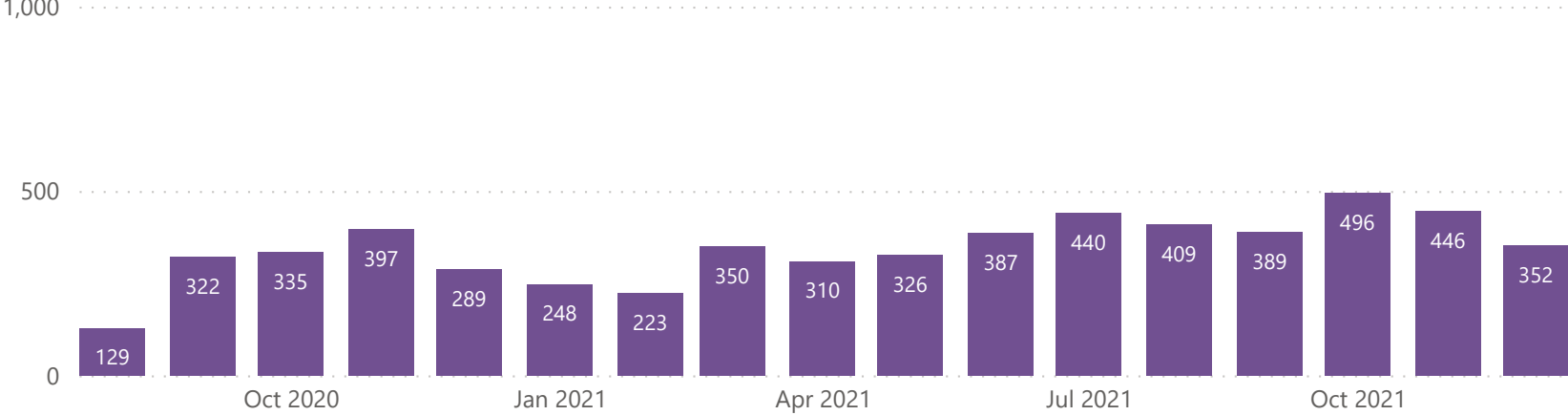
Ride Time of Day



Inter vs. Intra-Municipal Rides



Monthly Ridership



NRT OnDemand Service Metrics

Wainfleet
Origin and/or Destination Municipality

Thursday, December 30, 2021
Data as of

Number of Rides

855

Number of Trips

758

WAV Trips

4

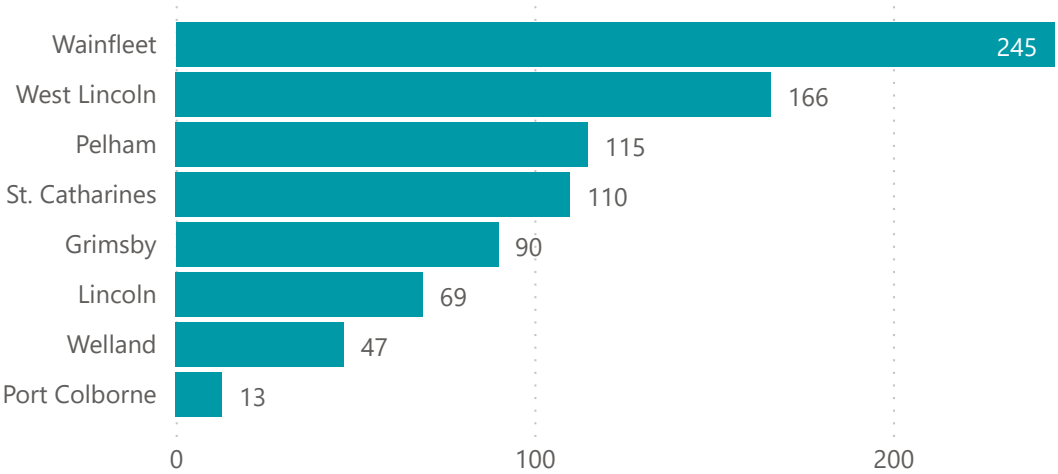
Average Wait Time (min)

22.41

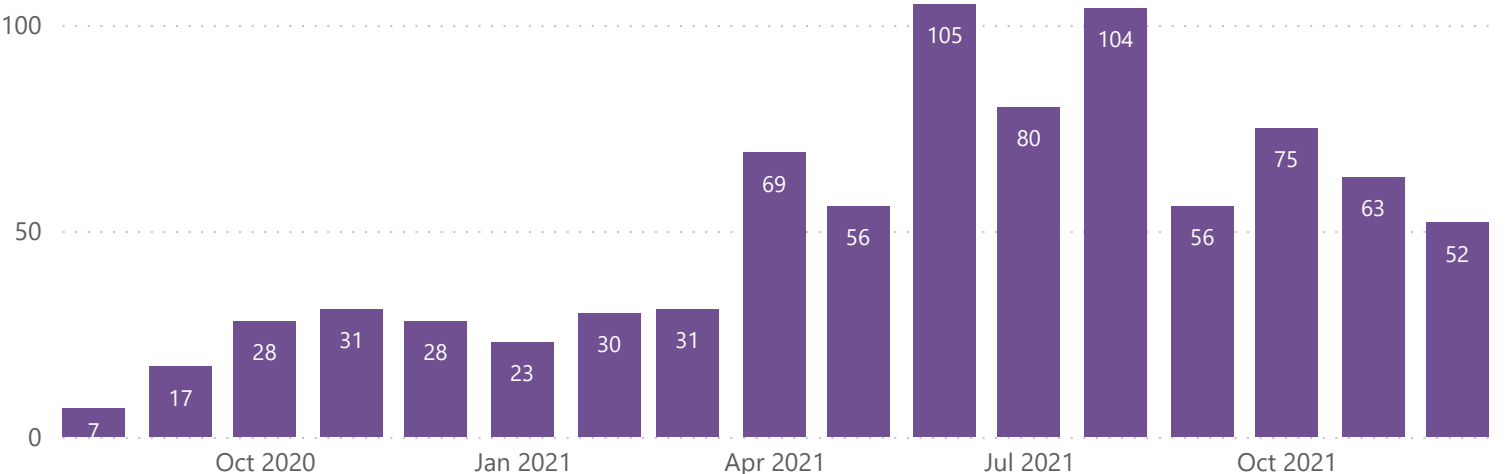
Trip Rating



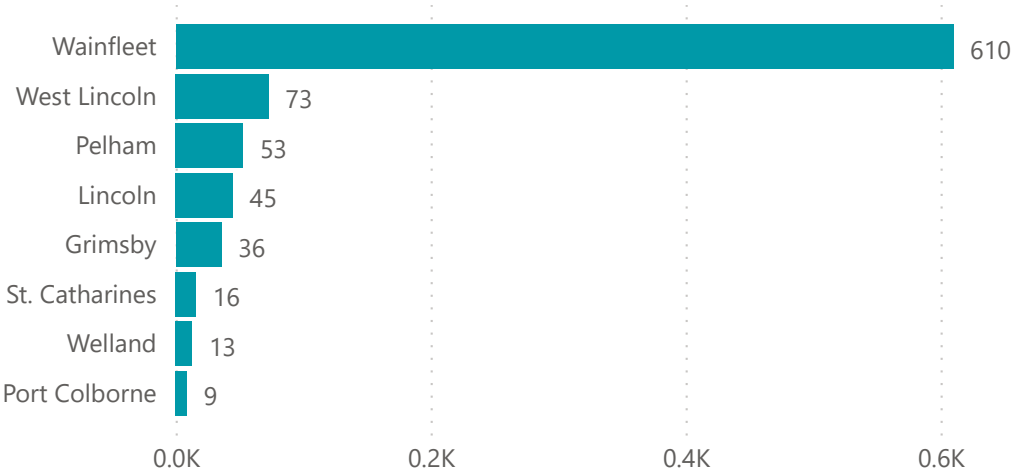
Rides by Origin Municipality



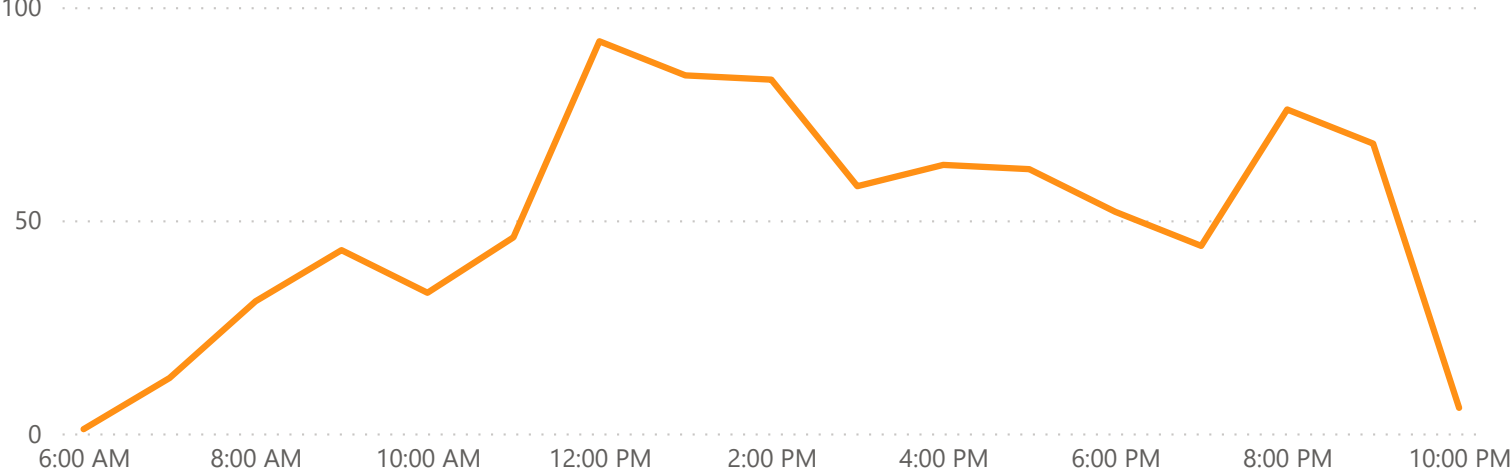
Monthly Ridership



Rides by Destination Municipality



Ride Time of Day



NRT OnDemand Service Metrics

West Lincoln
Origin and/or Destination Municipality

Friday, December 31, 2021
Data as of

Number of Rides

7,731

Number of Trips

6,936

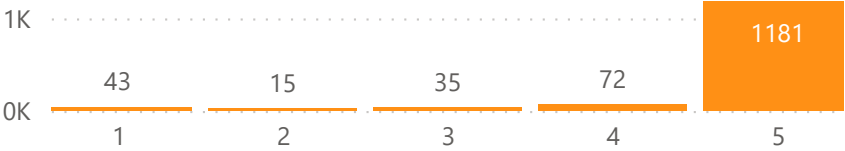
WAV Trips

36

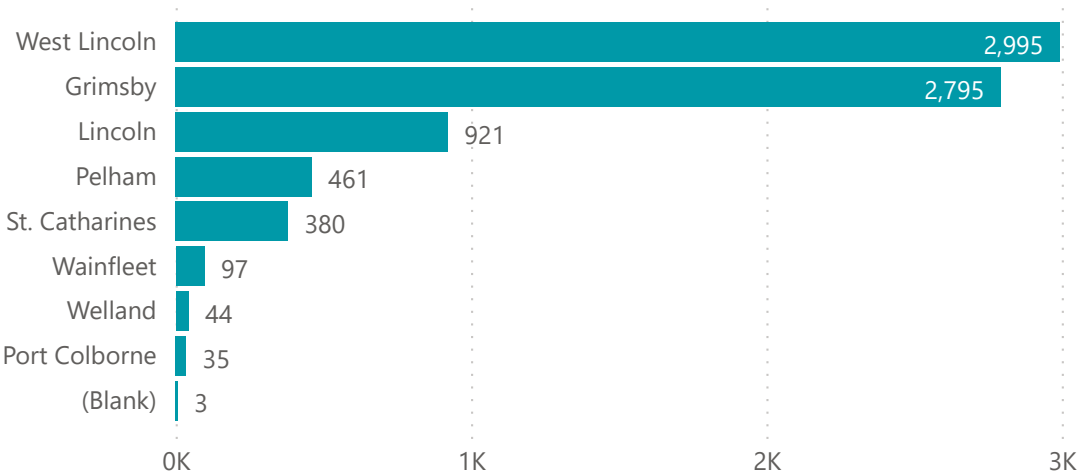
Average Wait Time (min)

20.10

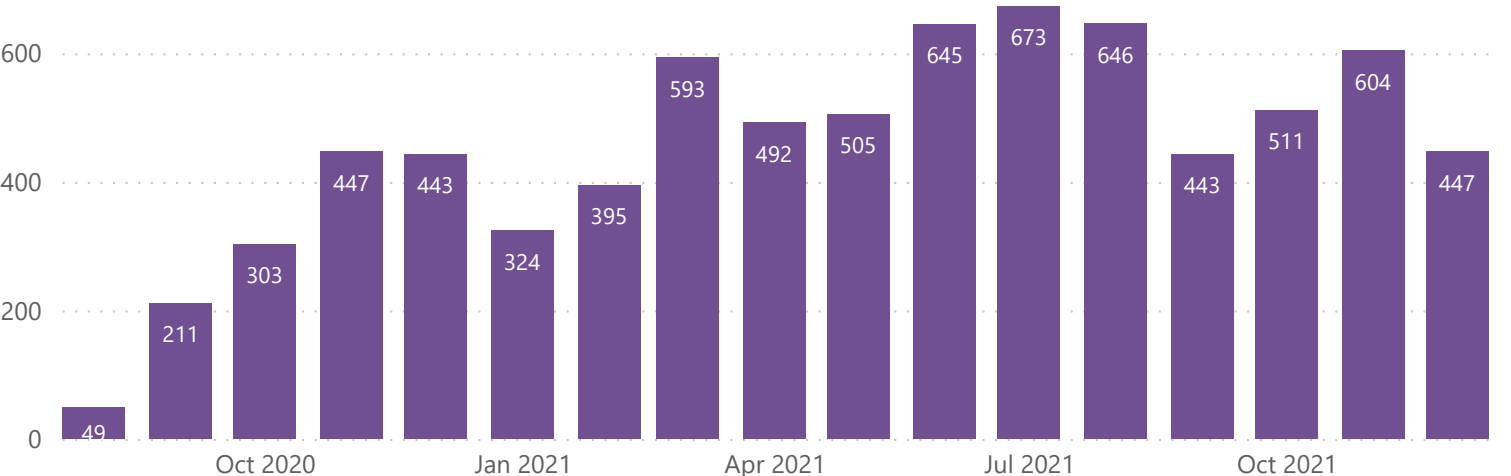
Trip Rating



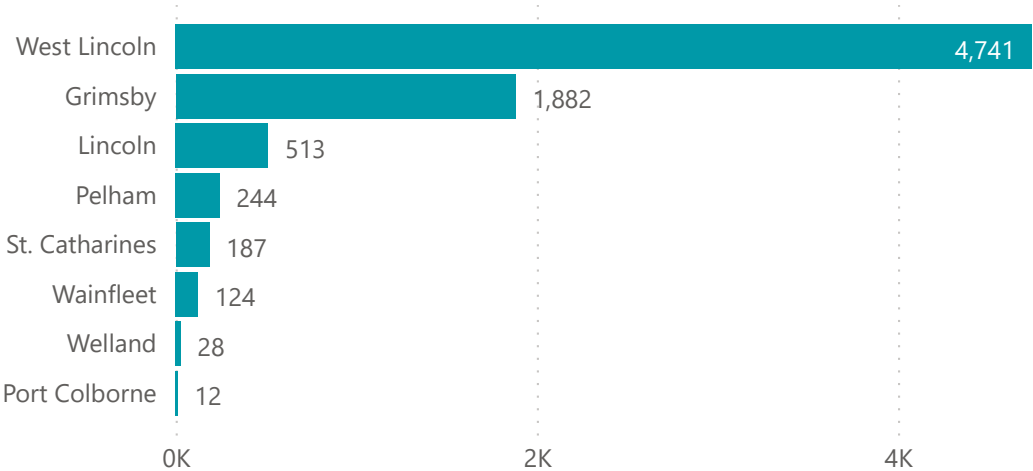
Rides by Origin Municipality



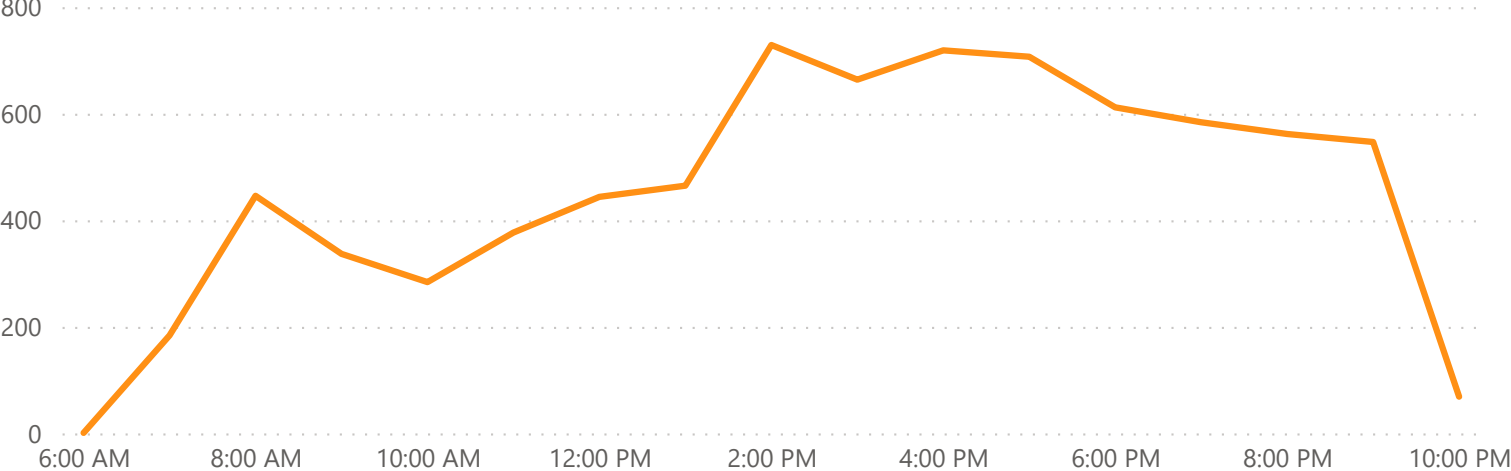
Monthly Ridership



Rides by Destination Municipality



Ride Time of Day





Town of Bradford West Gwillimbury
100 Dissette St., Unit 4
P.O. Box 100, Bradford, Ontario, L3Z 2A7
Telephone: 905-775-5366
Fax: 905-775-0153

www.townofbwg.com

December 22, 2021

VIA EMAIL

Honourable Doug Ford, Premier of Ontario
Legislative Building
Queen's Park
Toronto, ON M7A 1A1

Dear Honourable Doug Ford,

Re: Motion Against Quebec's Bill 21

At its Regular Meeting of Council held on December 21st, 2021, the Town of Bradford West Gwillimbury Council approved the following resolution regarding the Province of Quebec's Bill 21.

Resolution 2021-424 Scott/Sandhu

WHEREAS Quebec's Bill 21 unfairly discriminates against public-sector workers by directly infringing on their freedom of religion and freedom of expression rights as enshrined into law by the Canadian Charter of Rights and Freedoms;

WHEREAS Bradford West Gwillimbury is a growing community that is proud of its diversity and diligently working to tear down barriers, advance anti-racism work and foster an inclusive community;

WHEREAS municipalities across Ontario are passing motions condemning Bill 21;

AND WHEREAS the Ontario Legislature unanimously passed a motion in 2019 stating: "Ontario and its government shall oppose any law that would seek to restrict or limit the religious freedoms of our citizens; and, that Ontario's Legislature affirms that we value our diversity and assert that we shall promote and protect free expression and the rights of religious minorities, consistent with the Charter of Rights and Freedoms";

THEREFORE BE IT RESOLVED that the Town of Bradford West Gwillimbury Council declares its opposition to Bill 21 and supports efforts to see this discriminatory law overturned; and

THAT a copy of this resolution be forwarded to the Honourable Doug Ford, Premier of Ontario, the Honourable Francois Legault, Premier of Quebec, the Honourable Caroline Mulroney, MPP York-Simcoe, Scot Davidson, MP York-Simcoe, the Association of Municipalities of Ontario, and all other municipalities in Ontario.
CARRIED.

Thank you for your consideration of this request.

Regards,



Tara Reynolds
Deputy Clerk, Town of Bradford West Gwillimbury
(905) 775-5366 Ext 1104
treynolds@townofbwg.com

CC: Hon. Francois Legault, Premier of Quebec
Hon. Caroline Mulroney, MPP York-Simcoe
Scot Davidson, MP York-Simcoe
The Association of Municipalities of Ontario
All Municipalities in Ontario



Administration

Office of the Regional Clerk

1815 Sir Isaac Brock Way, PO Box 1042, Thorold, ON L2V 4T7

Telephone: 905-685-4225 Toll-free: 1-800-263-7215 Fax: 905-687-4977

www.niagararegion.ca

December 17, 2021

CL 25-2021, December 16, 2021

CSC 12-2021, December 8, 2021

CSD 75-2021, December 8, 2021

LOCAL AREA MUNICIPALITIES

SENT ELECTRONICALLY

Approval of 2022 Interim Levy Dates and Amounts

CSD 75-2021

Regional Council, at its meeting held on December 16, 2021, passed the following recommendation of its Corporate Services Committee:

That Report CSD 75-2021, dated December 8, 2021, respecting Approval of 2022 Interim Levy Dates and Amounts, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That the interim Regional levy amounts and dates **BE APPROVED** in accordance with Appendix 1 to Report CSD 75-2021;
2. That the appropriate by-law **BE PREPARED** for presentation to Regional Council for consideration and approval; and
3. That Report CSD 75-2021 **BE CIRCULATED** to the Local Area Municipalities for information.

A copy of Report CSD 75-2021 and By-law 2021-113 are enclosed for your reference.

Yours truly,

A handwritten signature in dark ink, appearing to read "Ann-Marie Norio".

Ann-Marie Norio

Regional Clerk

:kl

Approval of 2022 Interim Levy Dates and Amounts

December 17, 2021

Page 2

cc:

R. Fleming, Senior Tx & Revenue Analyst

M. Murphy, Associate Director, Budget Planning & Strategy

H. Chamberlain, Director, Financial Planning & Management/Deputy Treasurer

T. Harrison, Commissioner, Corporate Services/Treasurer

K. Beach, Executive Assistant to the Commissioner of Corporate Services

Subject: Approval of 2022 Interim Levy Dates and Amounts

Report to: Corporate Services Committee

Report date: Wednesday, December 8, 2021

Recommendations

1. That the interim Regional levy amounts and dates **BE APPROVED** in accordance with Appendix 1 to Report CSD 75-2021.
2. That the appropriate by-law **BE PREPARED** for presentation to Regional Council for consideration and approval.
3. That Report CSD 75-2021 **BE CIRCULATED** to the Local Area Municipalities for information.

Key Facts

- The purpose of this report is to approve the interim levy amounts and due dates.
- Section 316 of the *Municipal Act, 2001*, provides that the council of an upper-tier municipality may requisition an amount equivalent to 50% of the prior year's approved levy from each area municipality in order to continue core services prior to the adoption of budget estimates for the year.
- The Region's Budget Control Bylaw (2017-63, section 6.3 paragraph a.) provides that prior to Council's approval of the Operating Budget bylaw, a current year's expenditures may be incurred if a budget for a similar item existed in the previous year's operating budget and the expenditures is at the same service level as the prior year and does not exceed 50% of the amount appropriated in the previous year's operating budget. The interim levy ensures sufficient funds are available to sustain operations.
- Interim levy dates are consistent with the prior years. The local area municipalities were consulted and no alternative dates are considered.

Financial Considerations

The interim levy amounts to be requisitioned from the local area municipalities total \$202,650,307 for the General Levy and \$20,283,382 for the Waste Management special levy for a total of \$222,933,689 or 50% of the 2021 levied amounts. The interim levy will

provide sufficient cash flows for current year Region operations until approval of the 2022 operating budget and final levy amounts.

Analysis

The authority to incur expenditures by Regional departments, boards and agencies is granted by Regional Council through the annual approved operating budget as prescribed by the *Municipal Act, 2001*. Prior to the annual budget being adopted by Regional Council, bylaw 2017-63 as approved by Regional Council provides that Regional departments, boards and agencies may incur expenses up to 50% of their prior year's operating budget in order to maintain business as usual for Regional services.

Further to this, Section 316 of the *Municipal Act, 2001*, authorizes Council through a by-law to provide an interim levy equivalent to 50% of the prior year's approved estimates (subject to certain adjustments) before the adoption of budget estimates for the year. It has been the Region's past practice to levy an interim amount in order to fund Regional services prior to the approval of the annual budget and final levy amounts. As such, Appendix 1 to Report CSD 75-2021 includes the proposed interim levy dates and amounts by Local Area Municipality.

Alternatives Reviewed

Alternative thresholds were not considered as the interim levy of 50% permitted by the *Municipal Act, 2001* will generally ensure cash inflows in the shorter term are able to accommodate the level of expenditures. The *Municipal Act, 2001* does not have a requirement to approve a spending limit in advance of the budget approval however the practice has been adopted by the Region through bylaw 2017-63

Relationship to Council Strategic Priorities

The recommendations in this report align with Council's Strategic Priority of Sustainable and Engaging Government.

Other Pertinent Reports

None.

Prepared by:

Rob Fleming, MBA
Senior Tax & Revenue Analyst
Corporate Services

Recommended by:

Todd Harrison, CPA, CMA
Commissioner/Treasurer
Corporate Services

Submitted by:

Ron Tripp, P.Eng.
Chief Administrative Officer

This report was prepared in consultation with Margaret Murphy, Associate Director, Budget Planning & Strategy, and reviewed by Helen Chamberlain, Director, Financial Management & Planning/Deputy Treasurer.

Appendices

Appendix 1 Interim Levy Payments and Dates

Appendix 1 - Interim Levy Payments and Dates

Table 1 - Interim General Levy (\$)

Municipality	March 9, 2022	May 11, 2022	Total Interim Levy
Fort Erie	6,295,227	6,295,227	12,590,454
Grimsby	7,727,795	7,727,795	15,455,589
Lincoln	6,114,347	6,114,347	12,228,694
Niagara Falls	21,363,065	21,363,065	42,726,129
Niagara-on-the-Lake	8,772,817	8,772,817	17,545,634
Pelham	4,287,289	4,287,289	8,574,579
Port Colborne	3,252,185	3,252,185	6,504,369
St. Catharines	26,184,956	26,184,956	52,369,912
Thorold	4,187,699	4,187,699	8,375,397
Wainfleet	1,531,526	1,531,526	3,063,051
Welland	8,396,817	8,396,817	16,793,633
West Lincoln	3,211,431	3,211,431	6,422,862
Total	101,325,151	101,325,151	202,650,303

Table 2 - Waste Management Interim Special Levy (\$)

Municipality	March 9, 2022	May 11, 2022	Total Interim Levy
Fort Erie	770,721	770,721	1,541,442
Grimsby	557,873	557,873	1,115,745
Lincoln	463,521	463,521	927,043
Niagara Falls	1,988,145	1,988,145	3,976,290
Niagara-on-the-Lake	439,618	439,618	879,235
Pelham	351,829	351,829	703,657
Port Colborne	510,435	510,435	1,020,869
St. Catharines	3,077,998	3,077,998	6,155,996
Thorold	434,000	434,000	867,999
Wainfleet	156,374	156,374	312,747
Welland	1,133,355	1,133,355	2,266,710
West Lincoln	257,863	257,863	515,725
Total	10,141,729	10,141,729	20,283,458

Table 3 - Total General & Waste Management Interim Levy (\$)

Municipality	March 9, 2022	May 11, 2022	Total Interim Levy
Fort Erie	7,065,948	7,065,948	14,131,896
Grimsby	8,285,667	8,285,667	16,571,334
Lincoln	6,577,868	6,577,868	13,155,737
Niagara Falls	23,351,210	23,351,210	46,702,419
Niagara-on-the-Lake	9,212,435	9,212,435	18,424,869
Pelham	4,639,118	4,639,118	9,278,236
Port Colborne	3,762,619	3,762,619	7,525,238
St. Catharines	29,262,954	29,262,954	58,525,908
Thorold	4,621,698	4,621,698	9,243,396
Wainfleet	1,687,899	1,687,899	3,375,798
Welland	9,530,172	9,530,172	19,060,343
West Lincoln	3,469,294	3,469,294	6,938,587
Total	111,466,880	111,466,880	222,933,760

THE REGIONAL MUNICIPALITY OF NIAGARA

BY-LAW NO. 2021-113

A BY-LAW TO AUTHORIZE A 2022 INTERIM TAX AND
WASTE MANAGEMENT SPECIAL UPPER-TIER LEVY
FOR THE REGIONAL MUNICIPALITY OF NIAGARA

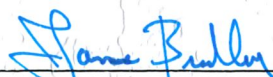
WHEREAS subsection 316 (1) and (2) of the Municipal Act S.O., 2001, Chapter 25, as amended, authorizes the Council of an upper-tier municipality to requisition an amount not exceeding 50% of the prior year's levy from each lower-tier municipality prior to Niagara Regional Council's adoption of its final levy for the year; and

WHEREAS in order for the Niagara Region to continue providing services and pay the related costs, it is necessary to request, as an interim measure, a levy from the Area Municipalities to bridge the period until the tax rate by-law is approved.

NOW THEREFORE the Council of The Regional Municipality of Niagara enacts as follows:

1. That a 2022 interim general levy in the amount of \$202,650,303 which represents 50% of the Niagara Region's 2021 general taxation levy, be requested from the Area Municipalities.
2. That a 2022 interim special levy in the amount of \$20,283,458 which represents 50% of the Region's special upper-tier levy for 2021 Waste Management purposes, be requested from the Area Municipalities.
3. That the respective Area Municipalities be required to remit the interim levies in two equal installments on the dates, and in the amounts, as outlined in Schedule A attached hereto (from Report CSD 75-2021).
4. That this by-law shall come into force and effect on January 1, 2022.

THE REGIONAL MUNICIPALITY OF NIAGARA


James Bradley, Regional Chair


Ann-Marie Norio, Regional Clerk

Passed: December 16, 2021

Schedule A

Table 1 – Interim General Levy (\$)

Municipality	March 9, 2022	May 11, 2022	Total
Fort Erie	6,295,227	6,295,227	12,590,454
Grimsby	7,727,795	7,727,795	15,455,589
Lincoln	6,114,347	6,114,347	12,228,694
Niagara Falls	21,363,065	21,363,065	42,726,129
Niagara-on-the-Lake	8,772,817	8,772,817	17,545,634
Pelham	4,287,289	4,287,289	8,574,579
Port Colborne	3,252,185	3,252,185	6,504,369
St. Catharines	26,184,956	26,184,956	52,369,912
Thorold	4,187,699	4,187,699	8,375,397
Wainfleet	1,531,526	1,531,526	3,063,051
Welland	8,396,817	8,396,817	16,793,633
West Lincoln	3,211,431	3,211,431	6,422,862
Total	101,325,151	101,325,151	202,650,303

Table 2 – Waste Management Interim Special Levy (\$)

Municipality	March 9, 2022	May 11, 2022	Total
Fort Erie	770,721	770,721	1,541,442
Grimsby	557,873	557,873	1,115,745
Lincoln	463,521	463,521	927,043
Niagara Falls	1,988,145	1,988,145	3,976,290
Niagara-on-the-Lake	439,618	439,618	879,235
Pelham	351,829	351,829	703,657
Port Colborne	510,435	510,435	1,020,869
St. Catharines	3,077,998	3,077,998	6,155,996
Thorold	434,000	434,000	867,999
Wainfleet	156,374	156,374	312,747
Welland	1,133,355	1,133,355	2,266,710
West Lincoln	257,863	257,863	515,725
Total	10,141,729	10,141,729	20,283,458

Schedule A

Table 3 – Total General & Waste Management Interim Levy (\$)

Municipality	March 9, 2022	May 11, 2022	Total
Fort Erie	7,065,948	7,065,948	14,131,896
Grimsby	8,285,667	8,285,667	16,571,334
Lincoln	6,577,868	6,577,868	13,155,737
Niagara Falls	23,351,210	23,351,210	46,702,419
Niagara-on-the-Lake	9,212,435	9,212,435	18,424,869
Pelham	4,639,118	4,639,118	9,278,236
Port Colborne	3,762,619	3,762,619	7,525,238
St. Catharines	29,262,954	29,262,954	58,525,908
Thorold	4,621,698	4,621,698	9,243,396
Wainfleet	1,687,899	1,687,899	3,375,798
Welland	9,530,172	9,530,172	19,060,343
West Lincoln	3,469,294	3,469,294	6,938,587
Total	111,466,880	111,466,880	222,933,760

Note: Difference may exist due to rounding.



POLICY UPDATE

January 5, 2022

AMO Policy Update – New Year Calls to Action and other issues of municipal concern

Call to Action – Joint and Several Liability

In 2018, Premier Ford committed to reviewing the matter of municipal joint and several liability. This review was conducted in 2019 with AMO and municipalities fully participating. Unfortunately, the results of this provincial review have not been released and municipalities are still awaiting news of how the Attorney General will address this important matter.

As municipal leaders are aware, liability and risks are one major driver of exponentially increasing insurance costs. However, managing risk and liability also has environmental impacts such as road salt application affecting wetlands and water quality in our lakes and streams.

To help drive the policy discussion, AMO submitted “[Towards a Reasonable Balance – Addressing Growing Municipal Liability and Insurance Costs](#)” in October 2019 that provides a refresh on the municipal argument to find a balance to the issues and challenges presented by joint and several liability, including implementing full proportionate liability and a cap on economic loss awards. It provided seven straightforward recommendations for actions to deal with this problem.

AMO is now asking for municipal councils to lend their support to the 7 recommendations contained in the AMO submission to re-establish the priority for provincial action on this issue. Councils are encouraged to pass a resolution when you next meet to ask the government to work with us to on a plan for resolution before the end of its current mandate.

Please send your supportive resolutions to the Attorney General, the Honourable Doug Downey at attorneygeneral@ontario.ca and copy the Minister of Municipal Affairs and Housing, the Honourable Steve Clark at minister.mah@ontario.ca as well as the AMO President, Jamie McGarvey, at amopresident@amo.on.ca.

Call to Action – CN Rail and Drainage

AMO has prepared a [template letter](#) (also available for download in [.docx](#) format) for municipal Councils that are experiencing issues with drainage maintenance work, construction of new drains, and the collection of assessed costs to Railways for the *Drainage Act*. The template letter, which can be modified by each municipal Council, is intended to amplify support of the Ontario Minister of Agriculture, Food and Rural Affairs (OMAFRA)'s [letter](#) dated December 23, 2021. As the Minister states in her letter, "Given that federally regulated railways are indeed subject to the *Drainage Act*, we expect CN Rail to pay its costs as assessed under the *Drainage Act* and not to hinder the progress of these projects or others in the future."

Municipal Councils are encouraged to send the letter to each of the recipients copied in the letter and forward a copy to policy@amo.on.ca.

***Providing More Care, Protecting Seniors and Building More Beds Act* Receives Royal Assent**

On December 9th, the *Providing More Care, Protecting Seniors, and Building More Beds Act, 2021*, received [Royal Assent](#). The legislation will repeal the *Long-Term Care Homes Act, 2007* and replace it with the *Fixing Long-Term Care Act, 2021*. This new Act establishes in law the commitment to provide an average of four hours of direct care per resident per day by March 31, 2025, with increasing interim goals to increase care; establish new compliance and enforcement tools, including doubling the fines on the conviction of an offence; and align the Residents' Bill of Rights with the Ontario *Human Rights Code* and recognize the role caregivers play in resident health and well-being. The legislation also makes changes to the *Retirement Homes Act, 2021*.

AMO provided both a [written submission](#) to the Standing Committee on the Legislative Assembly and presented to the Committee our feedback on the Bill. The legislature made a revision to include emotional needs in the preamble of the Act, but not as a fundamental principle as was advocated for by AMO and other organizations. The government is set to propose and publicly consult on regulations for the two Acts in the coming months. AMO will continue to provide input and advocate for increased funding for municipal homes to implement emotion-focused models of care.

Call for Ideas: Housing Accelerator Fund and Rent-to-Own Program

The federal Minister of Housing and Diversity has launched a Call for Ideas for two of the federal government's priorities outlined in the Speech for the Throne. The Housing Accelerator Fund would aim to remove barriers and help municipalities build housing more quickly in an ambitious and innovative manner, while the Rent-to-Own program would aim to help make it easier for renters to work towards home ownership. Municipalities, provinces and territories, Indigenous governments, organizations and communities, private and non-profit housing sectors, and Canadians are invited to share their ideas on how these programs could be most effective.

Ideas can be submitted until January 31, 2022 at <https://www.placetocallhome.ca/callforideas>.

AMO Submission to the Ministry of Health on Municipal-OHT Engagement

AMO has submitted [recommendations](#) to the Minister of Health that will improve and standardize the relationship between Ontario Health Teams (OHTs), municipal governments, and District Social Service Administration Boards (DSSABs). Currently 50 OHTs have been established in the province; however, of the 42 OHTs that were approved prior to September 17th, 2021, only 40% have listed a municipality as a partner or member.

The integration of municipal governments and District Social Service Administration Boards into Ontario Health Teams' (OHTs) decision-making across the province has been inconsistent and inappropriate for an order of government. AMO has long called upon the province to mandate a municipal voice into health care service planning and decision making. AMO's submission calls on the Ministry to implement these recommendations and ensure that municipal knowledge is integrated into local system planning and management of the health care system.

Municipal Cannabis Resources Available

AMO has assembled resources and key messages for municipalities to consider when addressing personal and designated medical cannabis grows in their communities and in their provincial and federal cannabis advocacy. [The Municipal Resources](#) have been assembled to provide examples of how Ontario communities have addressed issues related to medical cannabis grows. They do not reflect any requirements but offer examples of possible tools for municipal governments to consider.

The [Key Messages for Municipalities](#) offer messaging that municipal governments may choose to consider in their provincial and federal cannabis advocacy. Both

resources have been compiled based on the input and contributions of AMO's Personal and Designated Medical Cannabis Grows Staff Working Group.

AMO's [COVID-19 Resources](#) page is being updated continually so you can find critical information in one place. Please send any of your municipally related pandemic questions to covid19@amo.on.ca.

*Disclaimer: The Association of Municipalities of Ontario (AMO) is unable to provide any warranty regarding the accuracy or completeness of third-party submissions. Distribution of these items does not imply an endorsement of the views, information or services mentioned.