

Regional Transit Service Commission Application Update

Resolution on a Transit Commission for the Edmonton Metropolitan Region

Recommendation

That City Council agrees to establish a regional services commission jointly with the other Members and specifies that:

1. the name of the regional services commission is the “Edmonton Metropolitan Transit Services Commission”;
2. the names of the Members of the Edmonton Metropolitan Transit Services Commission are:
 - a. the City of Beaumont,
 - b. the Town of Devon,
 - c. the City of Edmonton,
 - d. the City of Fort Saskatchewan,
 - e. the City of Leduc,
 - f. the City of Spruce Grove,
 - g. the City of St. Albert, and
 - h. the Town of Stony Plain;
3. the names of the members of first board of directors of the Edmonton Metropolitan Transit Services Commission are:
 - a. Sam Munckhof-Swain;
 - b. Ray Ralph;
 - c. Michael Walters;
 - d. Gordon Harris;
 - e. Glen Finstad;
 - f. Chantal McKenzie;
 - g. Wes Brodhead; and
 - h. Justin Laurie;
4. the name of the first chair of the Edmonton Metropolitan Transit Services Commission is: Wes Brodhead.

Previous Council/Committee Action

At the February 19, 2020, City Council meeting, the following motion was passed:

That Administration provide notice in writing to the Government of Alberta that the City of Edmonton supports enactment of a regulation under the *Municipal Government Act* creating a Regional Transit Services Commission for the Edmonton Metropolitan Region including Edmonton as a Commission member, as outlined in Attachment 1 of the February 19, 2020, Urban Form and Corporate Strategic Development report CR_7974.

At the December 5/8, 2017, City Council meeting, the following motion was passed:

1. That Councillors M. Walters and A. Knack be appointed to the Regional Transit Services Commission Transition Team.

Executive Summary

Through a motion passed on February 19, 2020, City Council supported the creation of a regional transit services commission for the Edmonton metropolitan area. That proposed commission is now known as the Edmonton Metropolitan Transit Services Commission (“the Commission”).

The *Municipal Government Act* (“MGA”) was amended effective September 1, 2020, to streamline the process for establishing regional services commissions. However, as a result of this amendment, all the municipalities who are members of the Commission now need to adopt an additional resolution that complies with the new technical requirements for the establishment of the Commission.

The proposed resolution, which will be considered by the Councils of each proposed Member of the Commission, complies with the requirements of the amended MGA. It:

- expresses Council’s agreement to establish the Commission; and
- specifies
 - the name of the Commission;
 - the names of the members of the Commission;
 - the names of the individuals who will form the initial board of directors of the Commission; and
 - the name of the initial chair of the Commission.

The resolution has been advertised as required under the MGA and does not require a public hearing.

The proposed resolution reflects the existing agreement between the municipalities and the steps taken and reported to Councils through their delegates to the Commission.

Report

Eight municipalities have committed to participation in the Commission. They are the City of Beaumont, the Town of Devon, the City of Edmonton, the City of Fort Saskatchewan, the City of Leduc, the City of St. Albert, the City of Spruce Grove and the Town of Stony Plain (the “Members”).

The Councils of the Members passed resolutions in February and March 2020 supporting the adoption of a Cabinet regulation that would legally establish the Commission. Copies of the resolutions are attached as Attachment 1.

At the time the resolutions were passed, the process for legally establishing the Commission involved three steps:

- a. an application to the provincial Ministry of Municipal Affairs containing information required under the guidelines adopted by the Department;
- b. a recommendation by the Minister of Municipal Affairs to the Cabinet; and
- c. a Cabinet regulation.

On June 11, 2020, an application was made to Municipal Affairs for the establishment of the Commission in accordance with the process in effect at that time. See Column 1 of Attachment 2 for the relevant MGA provisions in effect at that time.

On September 1, 2020, the provisions of the MGA for the establishment of regional services commissions were amended by the Government of Alberta so that the process for establishing a Commission lay exclusively in the hands of the municipalities involved and the Minister of Municipal Affairs. There are now two requirements:

- resolutions from each of the municipalities that agree to establish the Commission, which resolutions must include the name of the Commission, the members of the Commission, the names of the initial board and chair of the Commission; and
- an order from the Minister updating the list of the names of all the commissions established under the MGA to include the Commission.

See Column 2 of Attachment 2 for the relevant new MGA provisions.

While the resolutions adopted in February and March 2020 by the Councils of each of the Members complied with the MGA rules in effect at that time, they do not comply with the new technical requirements of the amended MGA. There is no transition provision in the amended MGA that addresses what is to happen with applications filed before September 1, 2020.

Therefore, the amended MGA requires that each Member adopt a resolution consistent with the new requirements as the foundation for the legal establishment of the Commission.

Next Steps

After the resolutions are adopted, they must be sent to the Minister of Municipal Affairs within 60 days, along with contact information of the Commission and an office location. Each Council's decision will be communicated to the Commission's Interim Board who will be responsible for submitting the Member motions to the Minister.

Public Engagement

The City of Edmonton has undertaken extensive engagement on various elements of public transit over the past three years, including engagement on Transit Fare Options, Alternative Transit, and the Bus Network Redesign. These engagements have informed the City's focus on greater regional coordination and provided a strong foundation for the Regional Transit Services Commission project. Members of the new commission are planning a collective engagement approach with a focus on the more resident-facing aspects of the new regional service sometime in 2021.

The public notification requirements under the new provincial legislation for the adoption of the Council resolution have been fulfilled and a public hearing is not required.

Corporate Outcomes and Performance Management

Corporate Outcome(s): Edmontonians use public transit and active modes of transportation. Edmonton Region is a catalyst for industry and business growth.			
Outcome(s)	Measure(s)	Result(s)	Target(s)
A fast, convenient, simple, reliable, efficient, and affordable integrated regional transit service	# of Edmonton Metro Region municipalities that join the RTSC through Municipal Government Act Regulation	8 Edmonton Metro Region municipalities have voted in favour of making a joint application to the Government of Alberta to form a new regional transit commission through a new Municipal Government Act Regulation	By Q1 2020 8 Edmonton Metro Region municipalities have voted in favour of making a joint application to the Government of Alberta to form a new regional transit commission through a new Municipal Government Act Regulation

Risk Assessment

Risk Element	Risk Description	Likelihood	Impact	Risk Score (with current mitigations)	Current Mitigations	Potential Future Mitigations
Corporate Governance	The eventual upload of ETS will require the establishment of new strategic and operational relationships with an external agency	5 - Almost Certain	1 - minor	1 - low	Governance model for the proposed RTSC provides Edmonton with appropriate influence for the initial upload of operation	An independent review of the governance model will be conducted 24 months from its inception, examining board effectiveness
Employees	The creation of an even larger public transportation operation than ETS may attract key staff resources from our own operations in the interim	3 - Possible	1 - Minor	3 - Low	TBD The initial upload of ETS provided service hours may be contracted back to Edmonton	TBD
Financial	Financial assumptions in the Business Case may be inaccurate	2 - Unlikely	1 - Minor	2 - Low	The RTSC financial model expected to be reviewed after 5 years by the RTSC Board (in advance of a full upload of the ETS services)	The City should undertake its own periodic internal review of the RTSC's finances through the initial 5 years of operations to ensure an ongoing understanding of the organization's financial health
Political Influences	City will be relinquishing direct control of a key strategic city building lever	2 - Unlikely	2 - Moderate	4 - Low	Governance model for the proposed RTSC provides Edmonton with appropriate influence operations and strategy development	TBD

Public Perception	A primary city service will now be delivered by an external agency with less accountability to local needs	2 - Unlikely	1 - Minor	2 - Low	Public release of the Transition Team report was successful and attracted positive media coverage and public response	Members of the new commission are planning a collective engagement approach with a focus on the more citizen-facing aspects of the new service sometime in 2021.
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Attachments

1. Resolutions by the Councils of the Members of the Commission
2. Comparison of the Process for Establishing a Regional Services Commission

Others Reviewing this Report

- M. Persson, Deputy City Manager and Chief Financial Officer, Financial and Corporate Services
- G. Cebryk, Deputy City Manager, City Operations
- J. Meliefste, Acting Deputy City Manager, Integrated Infrastructure Services
- K. Armstrong, Deputy City Manager, Employee Services
- S. McCabe, Deputy City Manager, Urban Form and Corporate Strategic Development
- B. Andriachuk, City Solicitor