
MEMORANDUM

LNTC-C 09-2019

Subject: Niagara Transit Governance Review

Date: May 29, 2019

To: Linking Niagara Transit Committee

From: Kumar Ranjan, Transportation Lead GO Implementation

The *Niagara Transit Service and Governance Strategy Report (Dillon Consulting, 2017)* lays out the following recommendations as next steps towards integrated transit governance for Niagara:

1. Approve Consolidated Transit Model
2. Reach Triple Majority for Region's involvement in transit
3. Consolidated Transit Model Implementation Plan
4. Implement Inter-municipal Transit Service Strategy

Further to these recommended steps, Niagara Region received Triple Majority (#2) to operate inter-municipal transit. The Linking Niagara Transit Committee (LNTC) was established through Council approval by the four major transit partners to provide overall leadership on the implementation of the recommendations and act as a champion for transit advocacy. Consequently, a Memorandum of Understanding (MOU) was signed between Niagara's four major transit operating municipalities which laid the groundwork for further transit service improvements and evaluating future governance structure options.

In 2018, Regional Council endorsed the Inter-Municipal Transit Service Implementation Strategy that contained inter-municipal transit service improvements aligned with the Dillon Report recommendations (#3, and #4), and also a framework for transit governance with aspirational timelines¹. With the Dillon recommendation #2 achieved, and with work ongoing on recommendations #3, and #4, recommendation #1 – requiring the development of a Business Case – was slated for commencement in Fall 2019 as laid out in the LNTC/IMTWG approved workplan.

In April 2019, the LNTC requested an accelerated timeline for bringing forward the Business Case for governance options. Following LNTC direction, the IMTWG has begun advancing this work in earnest to select a consultant or a consortium for developing the Business Case for LNTC and Council(s) consideration. A team consisting of CAOs from St. Catharines, Niagara Falls, Welland, NOTL, and Lincoln, along with the Director and staff from the GO Implementation Office, has been formed

¹ Reports: LNTC 21-2018, LNTC 22-2018, and LNTC 23-2018

to oversee the governance review study. This memo summarizes the terms of reference for the Business Case development. It is important to emphasize that the Dillon Report recommended municipal transit services in Niagara be consolidated, as outlined in the MOU, pending the consideration of the Business Case. The subsequent Business Case will identify a preferred model and associated structures, timelines and costing for decision as outlined below.

The objective for this Business Case and the broad terms of reference are outlined below, the key tasks are further expanded upon in Appendix 2. Appendix 3 shows the Council approved framework for governance review and where this study scope fits within the framework.

Study Objective:

Recommend a future municipal consolidated transit model for Niagara with a suggested governance structure and transition plan (including costs) based on a Business Case.

Study Tasks:

Problem/ Opportunity Identification

- Review and refresh the Guiding Principles (refer Appendix 1)
- Baseline Niagara's current municipal transit systems
- Project 10-year transit demand in Niagara
- Review peer transit systems governance models: GTA (Durham, York, Waterloo, Hamilton), one from outside Ontario within Canada, and one from U.S.
- Industry best practices scan
- Projected transit service levels to meet 10-year transit ridership demand

Solution Development

- Identify ideal transit governance model options, or candidate options
- Evaluate candidate options to recommend a preferred option
- Preferred Option: outline detailed governance structure, organizational structure, 10-year capital and operating costs, human resources needs, legal requirements, transition plan and costs, and potential and preferred funding sources

The key tasks of the study are further expanded upon in Appendix 2. Appendix 3 shows the Council approved framework for governance review and where this study scope fits within the framework.

Key external influencing factor:

- Regional government review by Province

The ongoing governance review of upper-tier municipalities by the Province could conclude while this consultant assignment is being undertaken. This assignment fully recognizes that likelihood and includes a provision to make any necessary changes to the project scope to consider and if appropriate, align this work to the outcomes of the Province's review. Completion of this work is intended to provide a blueprint for implementation of a preferred governance model that would compliment any provincial outcomes, where appropriate.

Preliminary timelines:

RFP issue and consultant onboarding:	June 2019
Interim presentations:	September to December 2019
Draft Report:	Oct/ Nov 2019
Final Report:	Jan/ Feb 2020

A firm timeline would be in place following the consultant selection and workplan determination. LNTC should note that aforementioned timelines could also be affected based on any relevant outcomes from the Provincial review of regional governments.

Respectfully submitted and signed by,

Kumar Ranjan, P.Eng.
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