



Legislation Text

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11.1

Disestablishment of the Edmonton Metropolitan Transit Services Commission

Notice given by: Councillor Hughes

PURPOSE OF REPORT

The purpose of this report is to present background information for a motion which Councillor Hughes gave notice of on December 21, 2022.

PROPOSED MOTION:

1. That Council supports disestablishment of the Edmonton Metropolitan Transit Services Commission (“the Commission”) pursuant to the Commission’s Dissolution Bylaw #4, effective April 30, 2023 or prior to the Commission’s targeted operational starting date if practicable, on the basis that it is apparent that the cost to Member municipalities of maintaining the Commission in existence is, and is likely to continue indefinitely to be, in excess of what would be justified by any potential increase in service levels achievable through delivering regional transit under the Commission model;
2. That the Mayor on behalf of Council is directed to send a letter to all eight Directors of the Commission with copy to the Mayors and CAOs of the eight municipalities that appointed those Directors, the Commission’s CEO and the Minister of Municipal Affairs, communicating the above resolution of St. Albert Council and requesting that at least three of those Directors initiate the process of Commission disestablishment by signing and delivering a Notice of Motion as provided for in sections 4 and 5 of Commission Bylaw #4.

ALIGNMENT TO PRIORITIES IN COUNCIL’S STRATEGIC PLAN

Strategic Priority #5: Financial Sustainability: ensure responsible and transparent fiscal management, decision making and long-term financial sustainability that allows the City to respond to changes to revenue sources.

Corporate Initiative: Intermunicipal Partnerships: leverage intermunicipal relationships and frameworks to build economies-of-scale and enhance regional service provision. This includes Edmonton Metropolitan Transit Services Commission (EMTSC) stand-up, Edmonton Intermunicipal Planning Framework, and the implementation of other collaboration frameworks and agreements.

ALIGNMENT TO LEVELS OF SERVICE DELIVERY

N/A

ALIGNMENT TO COUNCIL DIRECTION OR MANDATORY STATUTORY PROVISION

On November 22, 2022 City Council passed the following motion:

(AR-22-282)

That the report dated November 22, 2022 entitled “Edmonton Metropolitan Region Transit Services Commission (EMTSC) Opening Day Service Plan and 2023 Budget Update” be received as information.

That Administration bring the proposed negotiated service agreement between the City of St. Albert and the EMTSC to Council for information before the end of Q3 2023.

On June 7, 2022 City Council approved Bylaw 19/2022 - to amend Guarantee Bylaw 39/2021 - Edmonton Metropolitan Transit Services Commission.

(BL-22-039)

On January 26, 2021 the Government of Alberta established Ministerial Order No. MSD:010/21, establishing the Edmonton Metropolitan Region Transit Services Commission.

On December 21, 2020 City Council passed the following motion:

(AR-20-431)

The City of St. Albert agrees to establish a regional services commission jointly with 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 the 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.

On February 3, 2020 City Council passed the following motion:

(AR-19-522)

That the Chief Administrative Officer be directed to provide notice in writing to the Deputy Ministers of Transportation and Municipal Affairs for the Province of Alberta that the City of St. Albert supports enactment of a regulation under the Municipal Government Act creating a Regional Transit Services Commission for the Edmonton Metropolitan Region including St. Albert as a Commission member, provided that the governance, financial and operating models for the Commission are consistent with the recommendations in the Ernst & Young report entitled, “Accelerating Transit in the Edmonton Metropolitan Region: Building a Regional Transit Services Commission.”

BACKGROUND AND DISCUSSION

Since Administration last updated St. Albert Council on this project on November 22, 2022, Edmonton City Council voted not to include their portion of Edmonton Metropolitan Transit Services Commission (EMTSC) costs in their 2023 Budget, and to withdraw from the EMTSC. To date, no agreement has been signed between the EMTSC and Edmonton regarding costs payable by Edmonton as a result of their notice of withdrawal from the EMTSC.

Immediately following this decision, the EMTSC Board released a statement titled, “Edmonton City Council decision signals the end of Edmonton Metropolitan Region Transit Commission,” noting that the Commission Board and leadership will meet into 2023 to understand the specific ramifications and to plan accordingly.

At the time of the writing of this administrative backgrounder, the EMTSC Board is scheduled to meet on January 5, 2023 to discuss Edmonton’s withdrawal. Administration may be better able to provide a verbal update regarding the results of this meeting at the time of the January 10, 2023 St. Albert City Council meeting, as well as what other municipal members have planned.

If Council passes the motion as presented, this would initiate the process of the dissolution of the EMTSC in accordance with the EMTSC's *Bylaw Respecting the Process for Disestablishment of the Commission, including the Treatment of Assets and Liabilities on Disestablishment*. The request would go out from the City of St. Albert to the directors of the EMTSC Board, communicating St. Albert Council's resolution and requesting that at least three directors of the EMTSC sign and deliver a Notice of Motion to the EMTSC and other required parties to initiate the process of dissolving the EMTSC in accordance with the EMTSC's bylaws.

City Administration would work with the Mayor's Office to submit this letter, and would also request that the EMTSC mitigate/limit future expenditures to the fullest extent possible.

Assuming such a Notice of Motion, signed by three directors of the EMTSC Board, is delivered to the required parties in accordance with the EMTSC's bylaws, then before the proposed motion comes before the Board of the EMTSC, the Board may refer the issues raised by the motion to arbitration. Assuming the relevant bylaw has been complied with and the arbitration is not successful, the Board may, by special resolution (meaning a resolution that is supported by at least 2/3 of the directors present at the meeting of the EMTSC Board and where those directors cumulatively bear at least 2/3 of the weighted cost allocation), vote to dissolve the EMTSC.

Report Date: January 10, 2023

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