

Date: 2023-10-26

Subject: Transition Process Overview and Budget Amendment

Contact: Christopher Ethier, Director, Municipal Transition and Integration

Report Number: CAO's Office-2023-926

Recommendations:

1. That the report from Christopher Ethier, Director, Municipal Transition and Integration to the Council Meeting of November 1, 2023, re: **Transition Process Overview and Budget Amendment**, be received; and,
2. That a budget amendment be approved and a new capital project be established in the amount of \$1,000,000 to support the Peel Dissolution work as described in the report, with funds to be transferred from the General Rate Stabilization Reserve.

Overview:

- On June 9, 2023, Bill 112: *The Hazel McCallion Act* (Peel Dissolution) was passed which enabled the province to establish a Transition Board of up to five members to facilitate this change in local government and provide recommendations that would help Mississauga, Brampton, and Caledon prepare to become single-tier municipalities by January 1, 2025.
- The Transition Board required the Region of Peel and each local municipality to appoint a staff member as the Transition Manager, who will be responsible for organizing each municipality's participation in the dissolution process.
- Christopher Ethier has been appointed as the Director of Municipal Transition and Integration to serve as the key leader overseeing engagement between the provincial Transition Board, organizing the internal work as required, and providing regular updates to Council.
- The Board has further directed each municipality to form "Transition Teams" and "Specialized Working Groups" to help inform the reallocation of assets throughout the dissolution process.

- **Staff are requesting a budget amendment of \$1,000,000 to support the Peel Dissolution work as described in this report, with funds to be transferred from the General Rate Stabilization Reserve.**

Background:

On Thursday, May 18, 2023, the Honorable Steve Clark, the Minister of Municipal Affairs and Housing, introduced Bill 112, *Hazel McCallion Act* (Peel Dissolution). On June 9, 2023, Bill 112 received Royal Assent and formalized the dissolution of the Region of Peel to prepare Mississauga, Brampton, and Caledon to become single-tier municipalities by January 1, 2025.

Since passed, the Government of Ontario has announced a five-member Transition Board to facilitate the municipal restructuring. Recommendations from the Transition Board are due to the Minister in the Summer/Fall of 2024, and the Minister and Cabinet will make the final decision.

The members of the transition board are:

1. John Livey, Chair
2. Tracey Cook
3. Eric Jolliffe
4. Sean Morley
5. Peter Weltman

Transition Board Duties

The five members who have been appointed to the Transition Board bring a range of experience across the public and private sectors, including municipal government and administration, policing, business law and business management, infrastructure delivery, and the provincial and federal governments.

The Transition Board's role includes:

- Winding down the financial operations of the Region of Peel,
- Transferring assets of Region of Peel,
- Assigning liabilities, debt, and other financial obligations of the Region of Peel,
- Employment matters, including pension and benefit obligations,
- The allocation, governance, use, and control of services provided by the Region of Peel, including whether joint municipal service boards or other entities should be established, or other shared servicing arrangements would be advisable,
- The impact on any municipality that may be affected by the dissolution of the Region of Peel,
- The long-term economic sustainability of the City of Mississauga, the City of Brampton, and the Town of Caledon as single-tier municipalities, and

- Any other matters that the board considers advisable or that the Minister may direct.

Facilitation Process

The Transition Board seeks to put in place a process that will allow for the participation of the appropriate representatives at the Region of Peel and each of the three local municipalities. The Transition Board does not propose to dictate how the services involved are to be redistributed or managed. This is to be a facilitated process, overseen by a neutral third party, by which the three local municipalities, with the assistance of the Region of Peel staff, provide advice to inform the Transition Board's recommendations to the Minister on:

- The **services to be transferred** to each municipality or the identification of an alternative model of service delivery.
- The appropriate **governance model** for each service:
 1. Absorbed into the administrative structure of each municipality,
 2. Provided through an overarching board jointly managed by all three municipalities, or
 3. Provided through a separate corporate structure to be controlled jointly.
- The **people, assets, liabilities, technology**, and other information necessary to deliver the services.
- The **source of funding and the cost of services** needed to deliver the service.

Current Situation:

The Transition Board has asked that the Region of Peel and each local municipality appoint a staff member as their respective Transition Manager, who will be responsible for organizing each municipality's participation in the dissolution process.

The Transition Manager is to be the main point of contact with the Transition Board and will need the support of a team to assist in coordinating communication, conducting research, recording minutes, etc.

City staff have successfully facilitated the appointment of a Transition Manager who will work with city departments and the Region of Peel to ensure that there is a mutual understanding of the division of services.

Christopher Ethier has been appointed as the Director of Municipal Transition and Integration to serve as the key leader overseeing engagement between the provincial Transition Board and the City, organizing the internal work required by the Transition Board, and providing regular updates to Council and CLT throughout the dissolution process.

There are several timelines that staff are currently working towards to ensure the best outcomes for residents. Timelines that have been identified thus far can be found in the chart included in this report.

Additionally, the Transition Board has asked each local municipality to share agendas and minutes of all open and closed session meetings from May 18, 2023, onward as part of its legislated monitoring duty.

Internal Staff Teams

Core Team

The Core Team will attend the critical milestone meetings to be held once a month in November, December, and January and will be responsible for decision-making and recommendations to Council. The Core Team will also attend weekly “Transition Teams” meetings with the Transition Board.

Internal Core Team

The Internal Core Team will be responsible for facilitating the necessary work within their departments and bringing forward recommendations to be presented to the Corporate Leadership Team (CLT) and Council for final decisions. This team will be expected to meet multiple times a week with the Transition Coordinators to ensure that the City is meeting the timelines set out by the Transition Board.

Specialized Working Groups

The Transition Board has identified 12 key working groups and has asked that each municipality form Specialized Working Groups for each to help inform the reallocation of services highlighted within each working group. These Specialized Working Groups will involve a larger number of representatives from the Region of Peel and the three local municipalities and are required to meet on a bi-weekly basis.

Members of the Specialized Working Groups will discuss their specific service areas and undertake a detailed analysis to support determinations on the assignment of services. In total, 40 staff members have been assigned to the 12 Specialized Working Groups. Staff will be required to report back any findings to their Internal Core Team leader.

MEETING	DATE	PARTICIPATION
Internal Transition Teams Meetings	Weekly basis starting November 6, 2023	Internal Core Team meeting with Transition Manager.
Transition Teams Meetings	Weekly basis starting November 6, 2023	Transition Manager and Core Team meeting with Transition Board.
Specialized Working Group Meetings	Bi-weekly basis starting November 3, 2023	Members from each of our Specialized Working Groups, staff from the ROP, Town of Caledon, and City of Mississauga.

Critical Milestones Meeting #1	Fall 2023	Core Team and Transition Manager meeting with the Transition Board.
Critical Milestones Meeting #2	Winter 2023	Core Team and Transition Manager meeting with the Transition Board.
Critical Milestones Meeting #3	Winter 2024	Core Team and Transition Manager meeting with the Transition Board.
External Meeting with Stakeholders	Ongoing	Core Team to meet with external stakeholders throughout the dissolution process.

This chart highlights the work required during Stage 1 of the dissolution process. Stage 1 spans from October 2023 to January 2024. Staff will keep Council informed on the work required during Stage 2 of the process.

Division of Services

The City of Brampton is committed to working with the Transition Board to ensure the redistribution of services are adequately assessed and communicated with the Transition Board throughout the dissolution process. The services that will be reviewed include:

1. Water and Wastewater
2. Waste Management
3. Land Use Planning
4. Human Services
5. Health
6. Housing
7. Transportation – Regional roads, fleet facilities, sidewalks, storm sewers
8. Regional Policing
9. Paramedics
10. Labour Relations
11. Heritage, Arts and Culture
12. Information Technology

Corporate Implications:

Financial Implications:

Staff is requesting that a budget amendment be approved and a new capital project be established in the amount of \$1,000,000 to support the Peel Dissolution work, with funds to be transferred from the General Rate Stabilization Reserve.

Strategic Focus Area:

The Transition Board Overview supports the Government and Leadership area by focusing on continued service delivery through the implementation of a transparent and efficient process.

Conclusion:

Staff remain committed to working with the Transition Board, the Ministry of Municipal Affairs and Housing, and colleagues in the local municipalities to bring forward informed recommendations regarding Peel's dissolution.

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