

CITY OF HAMILTON

NOTICE OF M O T I O N

Special General Issues Committee Date: December 18, 2017

MOVED BY COUNCILLOR M. GREEN.....

Good Jobs and Community Benefits Respecting the Operations and Maintenance of Hamilton LRT

WHEREAS at the Special General Issues Committee Light Rail Transit LRT Report 17-016, dated August 9, 2017, the following motion was passed which was subsequently ratified by Hamilton City Council as follows:

“That staff be directed to advise Metrolinx that the forthcoming operating and maintenance agreement between the City of Hamilton and Metrolinx for Light Rail Transit should include the Hamilton Street Railway as the party responsible to operate and maintain the new Light Rail Transit line, and any other future transit expansion, in the city of Hamilton.”

WHEREAS both the government of the province of Ontario and Metrolinx raised official concerns with the above motion, which in turn led to Hamilton Council directing staff on December 1, 2017, to advise on the potential responsibilities, risks and obligations of a DBFM versus a DBFOM model;

WHEREAS Staff Report Operation and Maintenance of the Hamilton Light Rail Transit (LRT) System (PED17185/HUR17024) (City Wide) submitted December 1, 2017 by LRT Project Coordination Planning and Economic Development Department Mr. Paul Johnson recommending that the key risks and responsibilities associated with a DBFM model are below.

“On March 28, 2017, staff prepared an information report on the Light Rail Transit (LRT) Procurement Model (PED17030), which sets out some of the key differences between DBFOM and DBFM delivery models. Key differences between the delivery models were summarized in a table appended to that report, and is re-attached hereto with updates to reflect further labour relations analysis, as Appendix “B” to Report PED17185/HUR17024.”

WHEREAS Council is required to indicate a preference between the DBFM and DBFOM process by January 24, 2018;

WHEREAS Council has further been advised by way of Metrolinx's procurement policy that HSR is prohibited from bidding for the maintenance work on the new LRT expansion under current provincial regulations;

WHEREAS ATU 107 have been and remain an integral contributor to the growth and prosperity of our city of Hamilton by providing safe, affordable and efficient Public Transit for almost 120 years and have maintained stable labour relations in the community;

WHEREAS the City and ATU Local 107 had previously collectively bargained and ratified language in their collective agreement extending Local 107's bargaining rights in the event that, transit in Hamilton was extended or otherwise expanded by the City of Hamilton;

WHEREAS the agreement specifically referred to a Letter of Understanding between the parties described as Re: Alternative Services Delivery New Services (Appendix A);

WHEREAS the City further recognizes and acknowledges it's existing and subsequent collective bargaining agreements and commitments with the ATU and it's Local 107 including, but not limited to the Letter of Understanding referenced above;

WHEREAS, the City has a recognized obligation under such collective agreement for recognition of this obligation for operations and maintenance of the new LRT line as proposed by Metrolinx without any further delay to the RFP process; and

WHEREAS, The following motion was introduced Light Rail Transit Sub-Committee January 30, 2017 Report 17-001 at General Issues Committee – February 15, 2017 That staff be directed to report back to the LRT Sub-Committee on a framework for a Community Benefits Agreement focussing on, but not limited to: affordable housing, employment, local procurement and environmental improvement

THEREFORE BE IT RESOLVED:

(a) That the City of Hamilton ensure in its contract with Metrolinx and/or ProjectCo:

- (i) That ProjectCo shall be required to contractually recognize that they assume operations as a successor employer pursuant to the Labour Relations Act and therefore enter into a legally enforceable written voluntary recognition agreement with Amalgamated Transit Union, Local 107 for bargaining rights for all ProjectCo LRT employees below the rank of Supervisor employed in the operations and maintenance of Hamilton's LRT;
- (ii) That the Fair Wage Schedule be amended to include the Total Hourly Compensation for all positions set out in Schedule "A" of the collective agreement between the City and Amalgamated Transit Union, Local 107.

Totally Hourly Compensation to be determined pursuant to the formula set out in Section 3 of the Fair Wage Policy;

- (iii) That ProjectCo agree to abide by the amended Fair Wage Policy and the amended Fair Wage Schedule;
 - (iv) That ProjectCo agree to provide LRT employees all benefits at or above those set out in the collective agreement between the City and Amalgamated Transit Union, Local 107;
 - (v) That, pursuant to section 6 of the *OMERS Act*, ProjectCo enter into an agreement with the City to provide municipal transit services and that ProjectCo seek status as an OMERS Associated Employer, and that ProjectCo LRT employees be enrolled in OMERS. In the event that ProjectCo is denied status as an Associated Employer, that ProjectCo provide to its employee's pension rights equivalent to OMERS membership.
- (b) That Metrolinx confirm that within the Request For Procurement process, that up to 2 representatives from the Hamilton Community Benefits Network be present for the Community Benefits presentations by the qualified bidders for information and to provide community feedback.

Letter of Understanding with the City of Hamilton Re:

Alternative Service Delivery New Services:

"A Request for Proposal (RFP) for a private contract for the provision of transit service will be prepared by HSR management. HSR management will prepare an internal bid for provision of the service together with the ATU based on:

- (a) Wage - maximum Step 1 Bus Operator rate and a 70-hour bi-weekly guarantee; 88
- (b) (c)

Benefits - "X" % of Step 1 Bus Operator rate; All other costs including overheads, maintenance, capital depreciation, etc., costed at -"X" % of Step 1 Bus Operator rate. The internal ATU bid will be sealed and opened publicly with private sector submissions. Award of the bid will be solely on the basis of lowest cost with the understanding that if the ATU bid is within 10% of the lowest bid, ATU will be awarded the contract. (3) (2)

Conversion of Existing Services to Alternate Service Delivery

It is agreed that any conversion of existing fixed route conventional transit services from the date of ratification of a Collective Agreement will be exclusively ATU work. The new service will be posted for bid to current Operators. The wage rate and bi-weekly guarantee will be that of the Operator who successfully bids this work. Additional duties may be assigned to the Operator as determined necessary by Management such as the use of a cellular phone to take bookings without access to wage premium(s).

MAINTENANCE DIVISION

In addition, the Company further agrees that the Engineering Maintenance Division will not contract out more than 10% of its annual gross operating budget as approved each year by City Council. Warranty and capital projects are excluded from this clause. This letter will remain in effect for the term of the agreement. Note: It is agreed that unconventional transit service shall include demand responsive service, community bus service and flexible routing bus service.

LETTER OF UNDERSTANDING - CONTRACTING OUT

All conventional fixed route transit services within the Urban Transit Service Area will be assigned to AT.U. Local 107