



Hamilton

INFORMATION REPORT

TO:	Chair and Members Light Rail Transit Committee
COMMITTEE DATE:	June 2, 2023
SUBJECT/REPORT NO:	Hamilton Light Rail Transit (LRT) Agreements Update (PED23150) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Abdul Shaikh (905) 546-2424 Ext. 6559
SUBMITTED BY:	Abdul Shaikh Director, Hamilton LRT Project Office Planning and Economic Development Department
SIGNATURE:	

COUNCIL DIRECTION

Not applicable.

INFORMATION

On September 15, 2021, City Council ratified a Memorandum of Understanding (MOU) with Metrolinx and the Ministry of Transportation (MTO) to move forward with the 14-kilometre Hamilton Light Rail Transit (LRT) project. The MOU contemplates a series of agreements and protocols which would be negotiated and executed after the execution of the MOU. Such agreements and protocols are to be incorporated into the MOU as “schedules” to the MOU and are as follows:

- Schedule A: Train Operator Services Agreement;
- Schedule B: Municipal Funding Agreement;
- Schedule C: Commissioning and Acceptance Protocol;
- Schedule D: Fare and Non-Fare Revenue Matters;
- Schedule E: Staffing Agreement;
- Schedule F: Municipal Infrastructure Agreement;

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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- Schedule G: Real Estate Protocol;
- Schedule H: Permits, Licenses and Approvals;
- Schedule I: Communications Protocol;
- Schedule J: Dispute Resolution Protocol; and,
- Schedule K: Governance Protocol.

Report Hamilton Light Rail Transit (LRT) Project Memorandum of Understanding (PED21176), received by Council on September 15, 2021, provided the City Manager with delegated authority to negotiate and execute the Staffing Agreement.

Furthermore, staff provided updates on the agreements and protocols through Information Report Light Rail Transit (LRT) Agreements Update (PED21176(a)), received by Council on March 30, 2022. Report PED21176(a) authorized and directed the City Manager to execute the Communications Protocol and provided the City Manager with delegated authority to negotiate and execute the Governance Protocol and Real Estate Protocol.

Executed Agreements and Protocols

1. Communications Protocol

The Communications Protocol sets out the roles of the Ministry of Transportation, Metrolinx and the City for all communications related to the LRT project. The Communications Protocol is applicable to the pre-procurement phase and has been executed by the City Manager pursuant to the delegated authority provided in Report PED21176(a).

The Communications Protocol will require future amendments for the procurement and construction phases of the LRT project.

2. Governance Protocol

The purpose of the Governance Framework is as follows:

- to streamline intergovernmental relationships with respect to the delivery of capital programs and projects that impact transit expansion;
- to identify, escalate and resolve intergovernmental delivery issues affecting capital programs; and,
- to provide structured forums for senior staff from each organization to advance shared objectives, seek strategic direction and input and guide collaboration between the partners.

The Governance Protocol has been executed by the City Manager pursuant to the delegated authority provided in Report PED21176(a).

3. Staffing Agreement

The Staffing Agreement creates temporary and permanent full-time equivalents (FTEs) for the City to work on the LRT project, provided there is no levy impact.

The Staffing Agreement has been executed by the City Manager pursuant to the delegated authority provided in Report PED21176.

4. Preparatory Activities Agreement

In addition to the agreements and protocols contemplated in MOU, Council authorized and directed the Mayor and City Manager to execute a Preparatory Activities Agreement (PAA) pursuant to Report Preparatory Activities Agreement - Hamilton Light Rail Transit (LRT) (PED23050), received by Council on March 29, 2023. The PAA outlines the process which obliges the City to deliver certain municipal infrastructure works required before major LRT construction can begin and obliges Metrolinx to fund the required City staffing costs and the actual construction costs for such preliminary infrastructure works. A work authorization form is required prior to commencement of each enabling work project.

Roadmap of Future Agreements and Protocols

There are several agreements and protocols staff continue to negotiate with Metrolinx. Many of these agreements and protocols require technical input, and some may not be finalized until the LRT project has been awarded, following the Province's completion of the procurement process. Staff will continue to engage with Metrolinx and intend to report back to Council as further agreements and protocols are developed, which is anticipated to be in Q4 2023.

The following provides a brief description of such agreements and protocols:

1. Real Estate Protocol

The Real Estate Protocol addresses the transfer of lands from the City to Metrolinx, (to build LRT) and from Metrolinx to the City (for example, for transfer of future road allowances). It does not address how Metrolinx will acquire lands from third-parties or dispose of lands to third parties.

Council has provided delegated authority to the City Manager to negotiate and execute the Real Estate Protocol pursuant to Report PED21176(a). As of the date of writing this report, the City and Metrolinx are working toward finalizing the Real Estate Protocol, with anticipated execution in Q2 2023.

2. Municipal Funding Agreement

The Municipal Funding Agreement sets out the terms which will govern the payments for operation, lifecycle and non-lifecycle maintenance costs related to the Hamilton LRT project. Metrolinx and City staff are currently working to develop a term sheet respecting the Municipal Funding Agreement. Staff anticipate being able to provide an update to the LRT Sub-Committee on this agreement in Q4 2023.

3. Permits, Licenses and Approvals

The Permits, Licenses and Approvals protocol sets out the provisions applicable to processing the City's permits, licences and approvals pertaining to the LRT project and the City's role as regulatory and planning authority related thereto. Metrolinx and City staff have recently started working to develop a term sheet respecting the Permits, Licenses and Approvals Protocol. Staff anticipate being in a position to provide an update to the LRT Sub-Committee on this protocol in Q4 2023.

4. Commissioning and Acceptance Protocol

The Commissioning and Acceptance Protocol sets out the requirements for commissioning and acceptance of infrastructure owned by the City and the step-by-step process pertaining to such commissioning and acceptance. This protocol is scheduled for 2024.

5. Fare and Non-Fare Revenue Matters

The Fare and Non-Fare Revenue Matters Agreement sets out the fare and certain non-fare revenue to which the City is entitled to compensate the City's obligations for the payment of operations and non-lifecycle maintenance for LRT. This agreement is scheduled for 2024.

6. Municipal Infrastructure Agreement

The Municipal Infrastructure Agreement sets out the terms applicable to "additional City infrastructure" the City may request Metrolinx build as part of the LRT project (at the City's sole expense). This agreement is scheduled for 2024.

7. Dispute Resolution Protocol

The Dispute Resolution Protocol sets out a process to expedite disputes with a view to ensuring construction delays are reduced or eliminated. This protocol is scheduled for 2024.

8. Train Operator Services Agreement

The Train Operator Services Agreement is an agreement between Metrolinx and the City related to the City's Operational responsibilities. Work on this agreement will begin once the LRT's operator(s) have been confirmed. This agreement is scheduled for 2024-2025.

APPENDICES AND SCHEDULES ATTACHED

Not applicable.