



**Negotiated Request for Proposal ("NRFP")
No. 932934
for
Consulting Services for the Development of a
Regional Transit Services Commission**

**Deadline for
submission of
proposals:**

4:00 p.m. Alberta time, December 21, 2018

Contact Person:

Mary Baraghin, Senior Buyer

Contact Information:

Corporate Procurement & Supply Services Branch
4th Floor, Century Place
9803 – 102A Avenue
Edmonton, Alberta T5J 3A3
Email: Mary.Baraghin@edmonton.ca

Copies of the NRFP documents may be obtained by proponents on the Government of Alberta's Alberta Purchasing Connection website at www.purchasingconnection.ca.

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CR_3564 - Edmonton Metro Region Commuter Service
CR_2616 ETS/St. Albert Regional Transit - Progress Report
Edmonton Metro Region Commuter Service - Memorandum of Understanding to Establish a Regional Transit Services Commission
Memorandum of Understanding Regional Transit Services Commission, October 11th, 2018
Certificate of Insurance
Proposal Price Schedule (Sample)

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Part 1 - Introduction

1.1 Invitation and schedule

Proposals for: Consulting Services for the Development of a
Regional Transit Services Commission

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Will be received by: The City of Edmonton
Corporate Procurement & Supply Services Branch
4th Floor Century Place
9803-102A Avenue
Edmonton, AB T5J 3A3
Email: Mary.Baraghin@edmonton.ca

A proponents' conference will be held at:

Edmonton Tower
10111 - 104 Avenue NW
3rd Floor, Room 340
Edmonton, AB, T5J 4X1

on the date and time set out in the schedule below.

Rectification. The deadline for rectification of proposals is on the date and time set out in the schedule below.

The following is the schedule for this NRFP. Any dates identified in the schedule as "target dates" are approximate and are provided for information only. Target dates are subject to change at the sole discretion of the City. All times referenced in this document are Alberta time.

Event	Date and Time
NRFP posting date	November 27, 2018
Proponents' Conference - Optional	9:00 a.m. December 7, 2018
Deadline for questions	4:00 p.m. December 13, 2018
Deadline for submission of proposals	4:00 p.m. December 21, 2018

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Deadline for rectification of proposals	3:00 p.m. on the third Working Day following notification by the City of deficiency
Target date for evaluation of proposals	Week of January 16, 2019
Target date for start of negotiations	Week of January 23, 2019
Target date for start of Contract	February 15, 2019

Proposals received by the City after the deadline for submission of proposals will not be considered by the City.

1.2 NRFP Documents

The NRFP Documents are the basis upon which Proposals **must** be submitted and consist of the following:

- This document
- Agreement Form
- Description of Work
- Payment Terms
- General Terms
- Additional Terms
- [Contractor's Environmental Responsibilities Package](#) (link)
- Attachments
 - o Team Composition Availability Schedule (Sample)
 - o Moving Integrated Transit Forward
 - o Edmonton Metro Region Commuter Service
 - o CR_3564 - Edmonton Metro Region Commuter Service
 - o CR_2616 ETS/St. Albert Regional Transit - Progress Report
 - o Edmonton Metro Region Commuter Service - Memorandum of Understanding to Establish a Regional Transit Services Commission
 - o Memorandum of Understanding Regional Transit Services Commission, October 11th, 2018
 - o Certificate of Insurance
 - o Proposal Price Schedule (Sample)

1.3 Mandatory Requirements

If there are any conflicts, discrepancies, errors or omissions between the mandatory requirements listed in the tables below and the NRFP documents, the NRFP documents will take precedence and govern. The descriptions contained in

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the tables below are for reference only and are not to affect the interpretation of the mandatory requirements.

Mandatory requirements are set out in the tables below. Please note that the tables do not include pre-conditions of award, which must be met by the Preferred Proponent in order to be awarded the Contract.

Note to Proponent:

This Section 1.3 - Mandatory Requirements does not include non-negotiable items in the Form of Agreement (see Section 1.7.1 for information on which items in the Form of Agreement are non-negotiable). The City will not enter into a Contract with any proponent who cannot comply with any of the non-negotiable provisions in the Form of Agreement included in this NRFP.

STANDARD MANDATORY REQUIREMENTS

Section	Description
1.1	Proposals received by the City after the deadline for submission of proposals will not be considered by the City.
1.2	The NRFP documents are the basis upon which Proposals must be submitted.
3.4.4	Proponents shall carefully examine all NRFP documents and shall report any errors, omissions, discrepancies, ambiguities or clauses requiring clarification in writing and before the deadline for questions and inquiries to the Contact Person.
3.6.4	Proponent's submissions shall be written in English.
3.14.1	Proponents, their employees, agents, advisors and representatives must not engage in any form of political or other lobbying, of any kind whatsoever, to attempt to influence the outcome of this NRFP.
3.14.2	Proponents, its employees, agents and representatives must not contact or attempt to contact, directly or indirectly, any of the individuals listed in Section 3.14.2 at any time during the NRFP process or with respect to any of the following on matters related to the NRFP process, the NRFP Documents, or a proponent's proposal.

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3.15	If a proponent knows of any information contrary to the representations and warranties it makes under Section 3.15 when submitting a proposal, or knows of any information required to be disclosed by Section 3.15, the proponent must disclose the information in its proposal.
5.1	<p>Proposal must be submitted in one of the following two ways:</p> <ul style="list-style-type: none">• In a hard copy form, in a physical package clearly marked with the proponent's name and address, the NRFP number and title, and the NRFP deadline for submission of proposals. The package should include:<ul style="list-style-type: none">○ 1 original of unbound proposal marked "Original";○ 1 electronic version in (searchable bookmarked) pdf format on CD/DVD/USB flash drive. <p>In the event of a conflict between the original hardcopy version of the proposal and copies of the original hardcopy version, the original will govern.</p> <ul style="list-style-type: none">• In electronic form, with the proposal submitted as an attachment or set of attachments to an email message(s). Please note that pursuant to section 3.6.3 of the NRFP, the City may not follow links contained in email messages nor evaluate any information located at any such link. The email message(s) should include the NRFP number and title in the subject line. The body of the email message(s) should clearly contain the proponent's name address, the NRFP deadline for submission of proposals and, if more than one (1) email message is needed to submit the proposal, how many email messages the City should expect to receive.

1.4 Purpose of NRFP

The City of Edmonton (the "City") invites proponents to submit Proposals for Consulting Services for the Development of a Regional Transit Services Commission.

The Work to be performed by the successful proponent is outlined in the attached Description of Work.

The terms and conditions found in Part 6 - Form of Agreement are to form the basis

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for commencing negotiations between the City and the Preferred Proponent.

It is the City's intention to enter into a Contract with 1 proponent(s).

1.5 Contract term

The successful proponent shall be required to commence performance of the Work immediately upon execution of the Agreement Form and complete performance of such services by no later than the date provided in Article 3 of the Agreement Form.

1.6 Summary of NRFP process

The City is using a multi-stage procurement process to select a Consultant to do the Work. The process may be summarized as follows:

- (a) proposals will be submitted and evaluated as described in this NRFP;
- (b) the proponent with the highest total score will become the City's Preferred Proponent;
- (c) contract negotiations will be entered into with the Preferred Proponent with Part 6 - Form of Agreement as the starting point for negotiations;
- (d) if contract negotiations with the Preferred Proponent are unsuccessful, the City will discontinue negotiations with the Preferred Proponent and may begin the negotiation process anew with the proponent with the next highest total score, who then becomes the Preferred Proponent.

1.7 Proposals may be withdrawn

1.7.1 Proposals submitted pursuant to this NRFP may be withdrawn by a proponent at any time prior to execution of the Contract by the parties. It is the specific intention of the City NOT to enter into "Contract A" with any proponent responding to this NRFP.

It is the specific intention of the City to conduct negotiations with proponents based on rankings resulting from the evaluation of the proposals. These negotiations may be with respect to the scope of work, price, terms, conditions, or any other matter forming part of this NRFP. The negotiation stage of the NRFP will not provide a proponent an opportunity to submit information that should have been included with a proposal before the deadline for submission of proposals.

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- 1.7.2 To effect a withdrawal, the proponent is required to send a written notice of the withdrawal, signed either in handwriting or electronically by an authorized representative of the proponent, to the Contact Person identified on the cover page of this NRFP.
- 1.7.3 To effect a withdrawal, written notice of the withdrawal **must** be sent by the proponent to the Contact Person identified on the cover page of this NRFP, and **must** be signed, either in handwriting or electronically, by an authorized representative of the proponent.
- 1.7.4 For certainty, the City will not consider any information or documentation submitted by a proponent after the deadline for submission of proposals, unless the information or documentation is submitted in response to a written request by the City for further information pursuant to section 4.2.1 of this NRFP or in response to an opportunity to rectify deficiencies specifically granted in writing by the City to the proponent pursuant to section 4.3.1 of this NRFP.

1.8 No liability

This procurement process is not intended to create and will not create a formal legally binding bidding process. This procurement process will be governed by the law applicable to direct commercial negotiations. For greater certainty, and without limitation:

- (a) this NRFP will not give rise to any "Contract A" based tendering law duties or any other legal obligations arising out of any process contract or collateral contract; and
- (b) neither the proponent nor the City will have the right to make a Claim against the other with respect to the award of a contract, the failure to award a contract, or the failure to honour a response to this NRFP.

1.9 Inquiries

All inquiries and questions should be submitted in writing to the Contact Person listed on the cover page of this NRFP. Any verbal or written inquiries directed to anyone other than the Contact Person may not be considered.

1.10 Trade agreements

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This procurement falls within the scope of the New West Partnership Trade Agreement, Chapter 5 of the Canadian Free Trade Agreement, and Chapter 19 of the Comprehensive Economic and Trade Agreement, and is subject to the applicable provisions of these agreements. Notwithstanding the foregoing, the rights and obligations of the parties are governed by the specific terms of each particular Negotiated Request for Proposal.

1.11 Alberta Purchasing Connection the only sanctioned electronic source

The Alberta Purchasing Connection ("APC") is the only source sanctioned by the City for the electronic posting of documents relating to this NRFP.

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Part 2 - Definitions

In this NRFP:

APC means Alberta Purchasing Connection.

City means the City of Edmonton.

Claim means and includes actions, causes of action, claims, cross-claims, third party claims, subrogated claims, claims to rights of subrogation, rights of indemnification, rights of contribution, demands, rights, damages, losses, set-offs, suits, proceedings, judgments, obligations, liabilities, costs (including court costs and lawyer's fees and disbursements), debts, and expenses, including interest, penalties or fines, of every nature and kind whatsoever, at law, in equity, under statute or otherwise, whether now known or unknown; including, without limitation, in contract, tort, or any other legal theory.

Consultant means the successful proponent.

Contract means the written agreement between the successful proponent and the City to do the Work contemplated by this NRFP.

Evaluation Committee means the committee established by the City to evaluate the proposals.

Form of Agreement means all of the documents that make up the draft Contract and is located in Part 6 of this NRFP.

NRFP Documents means the documents listed in Part 1.

Preferred Proponent means the company, firm, partnership, consortium, team or other legal entity selected by the City during the NRFP process for the purpose of attempting to negotiate the Contract.

Work means the supplying of all services and products and achieving the results listed in the Description of Work, and includes anything that is specified as being necessary for the completion of the Work.

Working Day means days other than Saturdays, Sundays and statutory holidays observed in Alberta.

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Part 3 – Instructions to Proponents

3.1 General

3.1.1 Headings are used for convenience only, and will not affect the meaning or interpretation of the articles appearing below them.

3.1.2 Words in the singular include the plural and vice versa.

3.2 Use of NRFP Documents

The NRFP Documents are only to be used by proponents for the purpose of preparing proposals and not for any other purpose. Unless otherwise indicated, the City owns the intellectual property in all documents that make up the NRFP Documents.

3.3 Optional proponents' conference

Proponents are strongly recommended to attend the proponents' conference, the details of which are set out in Part 1 of this NRFP. The City will not be responsible for communicating information discussed at the proponents' conference to proponents who fail to attend and will not be obligated to arrange another opportunity for proponents to access the site.

Notwithstanding that the City may provide oral answers to questions at the proponents' conference, those answers shall not be considered final unless issued in writing via addenda. No statement, consent, waiver, acceptance, approval, amendment or anything else said or done in the proponents' conference by the City or any of its advisors, employees or representatives shall be binding on the City and cannot be relied upon in any way by proponents except when and only to the extent expressly confirmed in writing via addenda.

3.4 Proponents to review NRFP Documents

3.4.1 The NRFP Documents supersede all communications, negotiations, agreements, representations, and warranties either written or oral relating to the subject matter of the NRFP, and no changes will be made to the NRFP Documents except by written addenda issued by the City in accordance with this Part.

3.4.2 The proponent **shall not** rely upon any oral information provided to it by the City or its representatives.

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- 3.4.3 It is the proponent's responsibility to promptly review the NRFP Documents and to take steps necessary to obtain a complete set of NRFP Documents if they do not have one.
- 3.4.4 The proponent **shall** promptly and carefully examine the NRFP Documents, and:
- (a) **shall** report any errors, omissions, discrepancies, ambiguities, or clauses requiring clarification; and
 - (b) may direct questions or seek additional information
- in writing and before the deadline for questions and inquiries to the Contact Person.
- 3.4.5 If the City deems it necessary, the City may respond to reported errors, omissions, discrepancies, ambiguities, and requested clarifications by way of addenda. The City is under no obligation to provide additional information.
- 3.4.6 It is the proponent's responsibility to seek clarification from the Contact Person on any matter it considers to be unclear. The City will not be responsible for any misunderstanding on the part of the proponent concerning this NRFP.
- 3.4.7 Proponents, or individuals on their behalf, should contact only the Contact Person to ensure that all proponents have equal access to information and to preclude any proponents from gaining an unfair advantage in fact or through perception.

3.5. All new information to proponents communicated by addenda

- 3.5.1 If the City, for any reason, determines that it is necessary to provide additional information relating to this NRFP, the City will communicate such information to all proponents by written addenda. This NRFP may be amended only by way of such addenda.
- 3.5.2 Addenda issued pursuant to this NRFP form an integral part of this NRFP and form part of the NRFP Documents.
- 3.5.3 Proponents should review the sanctioned electronic posting source or sources regularly for addenda, as addenda may contain important information including significant changes to this NRFP. Proponents are responsible for ensuring that they have obtained complete copies of addenda issued. By submitting a Proposal, proponents acknowledge receipt

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of complete copies of all addenda.

3.6 Methods of proposal submission

- 3.6.1 The proponents should submit their proposals in accordance with Section 5.1.
- 3.6.2 The proposal should provide a clear and concise description of the proponent's ability to satisfy the requirements of this NRFP. The proponent should structure its proposal in accordance with the instructions in this NRFP. The proponent should follow the format and numbering system of Part 5 of this NRFP. Where information is requested in this NRFP, any response made in a proposal should reference the applicable article numbers of this NRFP where the request was made. All pages of the proposal should be consecutively numbered.
- 3.6.3 It is important that a complete response to the NRFP be received. The City may decline to evaluate a response to any item if it is not readily located in the proposal, is difficult to evaluate because of incompleteness, or is addressed solely by an attached brochure, website link, or document and not by specific preparation in response to the requirements of this NRFP. The proposal should be submitted in a fixed form, and content of websites or other external documents referred to in a proposal may not be considered to form part of the proposal. The City may not give credit to capabilities or assumed advantages that are not clearly explained and in the format called for in the NRFP Documents.
- 3.6.4 Proposals **must** be written in English and should contain the information requested in Part 5 of this NRFP.
- 3.6.5 For proposals submitted by a team of two or more entities, whether in a joint venture, consortium, or other collective approach, the identity of all members should be included together with a description of the relationship of the members and the identity and the authority of the prime proponent. The prime proponent will be responsible for communicating on behalf of the team for the purposes of this NRFP.
- 3.6.6 Proposals should be properly executed in accordance with the following:
- (a) the signatures of persons executing the proposal should either be electronic signatures or be in their respective handwriting; and
 - (b) if the proposal is made by a corporation, the full name of the corporation should be accurately printed immediately above the

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signatures of its duly authorized officer or officers;

- (c) if the proposal is made by a partnership, the proposal should be signed by a partner or partners who have authority to sign for the partnership, and the firm name or business name should be accurately printed above the signatures;
- (d) if the proposal is made by an individual carrying on business under a name other than their own, the business name together with their name should be printed immediately above their signature;
- (e) if the proposal is made by a sole proprietor who carries on business in their own name, the sole proprietor should print their name immediately below their signature;
- (f) if the proposal is made by a team, the legal entity named as the prime proponent should execute the proposal in accordance with this Article.

3.6.7 Proposals received from agents representing principals should be accompanied by a Power of Attorney signed by the principals showing that the agents are duly authorized to sign and submit the proposal and have full power to execute the Contract on behalf of their principals, which Contract, if so executed, will bind the principals and have the same effect as if it were duly signed by the principals.

3.6.8 The City will not return a proposal or any accompanying documentation submitted by a proponent.

3.7 Proponent proposed alternate terms

The proposal should include a list of any terms contained in Part 6 - Form of Agreement that the proponent considers unacceptable, and the exact wording of any alternate or additional terms the proponent suggests be used instead. The City will not be obligated to accept any additional or alternate terms submitted with a proposal.

3.8 Insurance

The proponent that is selected to enter into a contract with the City to perform the Work will be **required**, as a pre-condition of contract award, to provide the City with a Certificate of Insurance in the form supplied with the NRFP Documents, certifying that the insurance **required** in Part 6 - Form of Agreement is in place.

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3.9 Taxes

- 3.9.1 The proposal should include all taxes, other than the Goods and Services Tax, including custom duties, excise duties, and all other taxes and charges applicable with respect to the proposal, unless otherwise specifically stipulated.
- 3.9.2 The Goods and Services Tax should be quoted as a separate amount on all taxable supplies and services. Zero-rated and exempt supplies and services are to be noted separately.
- 3.9.3 The City is not obligated to accept a proposal that fails to comply with the tax-related instructions.
- 3.9.4 It is the responsibility of the proponent to determine the correct amounts and classifications of all taxes with respect to the foregoing before submitting its proposal.
- 3.9.5 Proponents are advised that the City is obligated to withhold and remit to the Canada Revenue Agency 15% from all payments made to non-residents for services provided in Canada. Consultants who can supply a waiver letter from the Canada Revenue Agency will be exempt from this deduction.

3.10 E-mail communication

- 3.10.1 The proponent recognizes and accepts the risks associated with communicating by email, including, without limitation, the lack of security, the unreliability of delivery, and the possible loss of confidentiality. The proponent assumes all risk, responsibility, and liability associated with the use of these forms of communication, including, without limitation, ensuring that information sent is received in its entirety within any time limit specified by this NRFP. The City assumes no responsibility whatsoever for ensuring that any electronic communication system being operated by or for the City is in good working order or able to receive emails or attachments.
- 3.10.2 Email communications with or delivery of documents to the Contact Person will be deemed as having been received on the date and at the time when the City's email server receives the email communication.
- 3.10.3 For greater certainty, a proposal submitted to the Contact Person by email has not been received by the Contact Person until all parts of the proposal have been received in accordance with section 3.10.2.

3.11 Cost of submission of proposal

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The preparation and submission of, and all discussions or other proceedings relating to, a proposal will be conducted at the sole cost of the proponent. The City will not be responsible for any costs incurred by a proponent in the preparation or submission of a proposal, including any costs incurred by the proponent to attend meetings or make presentations relating to its proposal, or in any participation of the proponent in negotiations or finalization of the Contract.

3.12 Confidentiality of proposals

All documents submitted to the City will be subject to the protection and disclosure provisions of the *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, c. F-25, as amended ("FOIP"). FOIP allows persons a right of access to records in the City's custody or control. It also contains provisions prohibiting the City from disclosing the proponent's business or personal information, except in the manner permitted by or prescribed by FOIP.

Proponents are encouraged to identify what portions of their proposals are confidential and what harm could reasonably be expected from its disclosure. However, the City cannot assure proponents that any portion of a proposal can be kept confidential under FOIP.

3.13 No promotion

Proponents should not make public comments or carry out activities to publicly promote their proposal or their interest in the project.

3.14 No lobbying

3.14.1 Proponents, their employees, agents, advisors, and representatives **must not** engage in any form of political or other lobbying, of any kind whatsoever, to attempt to influence the outcome of this NRFP.

3.14.2 Without limiting the generality of section 3.14.1, a proponent, its employees, agents, and representatives **must not** contact or attempt to contact, directly or indirectly, at any time during the NRFP process, any of the following on matters related to the NRFP process, the NRFP Documents, or a proponent's proposal:

- (a) any member of the Evaluation Committee;
- (b) any advisor to the City or the Evaluation Committee;
- (c) any City employee, agent, or representative; or

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(d) Edmonton's Mayor or City Councillors.

3.15 Conflict of interest

By providing a proposal, the proponent represents and warrants that:

- (a) To its knowledge neither the Mayor, nor a City Councillor, nor a City employee has any financial or controlling interest, either directly or as a shareholder, director, officer or partner, in the proponent, or is a creditor of the proponent, except as disclosed in the proposal. Where a proponent is a publicly traded corporation, written disclosure of any shareholding is required if the shareholding in question is ten percent (10%) or greater;
- (b) To its knowledge no spouse, child, parent, or parent of the spouse of either the Mayor, a City Councillor or a City employee has any financial or controlling interest, either directly or as a shareholder, director, officer or partner, in the proponent, or is a creditor of the proponent, except as disclosed in the proposal. Where a proponent is a publicly traded corporation, written disclosure of any shareholding is required if the shareholding in question is ten percent (10%) or greater;
- (c) The proposal has been submitted without collusion of any other person who may have submitted a proposal for this project and the proponent has not compared figures with any other party that may be submitting a proposal. The proponent has not made an agreement with any other party whereby that party has agreed not to submit a proposal;
- (d) The proponent does not and did not have an unfair advantage, and did not and will not engage in conduct, directly or indirectly, that gives it an unfair advantage, including but not limited to: having, or having access to confidential information of the City in the preparation of its proposal that is not available to other proponents; communicating with any person with a view to influencing preferred treatment in the NRFP process; and engaging in conduct that compromises or could be seen to compromise the integrity of the NRFP process;
- (e) No individual who has been employed by or an elected official of the City within 12 months prior to the deadline for submission of proposals for this NRFP has assisted in any way or provided any advice, information, or counsel whatsoever with regard to the development of the proponent's proposal, or is proposed by the proponent to perform any Work under the Contract, whether as an employee of the proponent or under contract as a subconsultant or supplier of the proponent or an employee of a subconsultant or supplier of the proponent, except as disclosed in the proposal;

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- (f) No individual who is currently a member of one or more Civic Agencies or has been a member of one or more Civic Agencies within one year prior to the deadline for submission of proposals for this NRFP has assisted in any way or provided any advice, information, or counsel whatsoever with regard to the development of the proponent's proposal, or is proposed by the proponent to perform any Work under the Contract, whether as an employee of the proponent or under contract as a subconsultant or supplier of the proponent or an employee of a subconsultant or supplier of the proponent, except as disclosed in the proposal. For the purposes of this section 3.15, a "Civic Agency" is an agency, board, committee, commission, or task force to which Edmonton City Council makes an appointment of citizens-at-large, council members, or representatives of external organizations (a list of civic agencies can be found at: https://www.edmonton.ca/city_government/city_organization/list-of-agencies-boards-commissions.aspx); and
- (g) To its knowledge neither the Mayor, nor a City Councillor, nor a City employee has been an employee, contractor, or subcontractor of the proponent within 12 months prior to the deadline for submission of proposals for this NRFP, except as disclosed in the proposal.

If a proponent knows of any information contrary to the representations and warranties it makes under this section when submitting a proposal, or knows of any information required to be disclosed by this section, the proponent must disclose the information in its proposal. If the proponent makes any disclosure in its proposal pursuant to this section, the City shall examine the disclosure and determine in its sole discretion whether the proponent has a conflict of interest or otherwise has an unfair advantage with regard to this NRFP. The City reserves the right to disqualify any proponent who fails to disclose anything required to be disclosed by this section, or which is found in a conflict of interest with regard to this NRFP.

3.16 Reservation of rights

The City reserves the right, in its sole discretion, to exercise any or all of the following rights, to:

- (a) amend the scope of the project, modify, cancel or suspend the NRFP process or any or all stages of the process, at any time, for any reason;
- (b) accept or reject any proposal based on the evaluation criteria as evaluated by the Evaluation Committee;

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- (c) disqualify a proposal that fails to meet any mandatory requirements;
- (d) disqualify any proponent or the proposal of any proponent who has engaged in conduct prohibited by this NRFP;
- (e) waive a defect or irregularity in a proposal or any non-compliance in form or content of a proposal, and accept that proposal, and in any event, accept a proposal in such form as the City in its sole discretion deems acceptable;
- (f) not accept any proposals or select a Preferred Proponent;
- (g) re-advertise for new responses or to enter into negotiations for this project or for work of a similar nature;
- (h) extend, from time to time, any date, time period, or deadline provided in this NRFP, upon written notice to all affected proponents; and
- (i) reject proposals that are unsigned, incomplete, conditional, illegible, unbalanced, obscure, or that contain irregularities of any kind;
- (j) disqualify a proponent who submits a proposal that, in the opinion of the City, contains misrepresentations or any other inaccurate or misleading information;
- (k) verify with the proponent whether it satisfies the mandatory requirements of this NRFP and is capable of fulfilling the terms of the Contract if the price contained in the proposal is abnormally lower than prices contained in proposals submitted by other proponents;
- (l) should there be only one proponent who submits a proposal, begin negotiations with the proponent without completing the full evaluation process; and
- (m) disqualify a proposal where the proponent:
 - (i) has declared bankruptcy;
 - (ii) has made any false declarations under this NRFP or failed to make any declarations or disclosures required under this NRFP;
 - (iii) has significantly or persistently been deficient in performance of any substantive requirements or obligations under a prior contract or contracts;

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- (iv) has a final judgment or judgments rendered against it in respect of serious crimes or other serious offences, whether in Canada or abroad;
- (v) or any of its employees who will perform any Work under the Contract have been guilty of professional misconduct or acts or omissions that adversely reflect on the commercial integrity of the supplier; or
- (vi) has failed to pay taxes rightfully owed to a government, whether in Canada or abroad.

3.17 The City has no liability

3.17.1 The proponent is fully responsible for obtaining the information required for the preparation of its proposal and for the execution of the Work. The City, its employees, agents, advisors, and representatives make no representations, warranties, or guarantees as to the accuracy of the information contained in this NRFP, including information issued by way of addenda. Any quantities shown or information contained in this NRFP, including quantities or information issued by way of addenda, are estimates only and are for the sole purpose of indicating to proponents the general scope of the Work.

3.17.2 By submitting a proposal, the proponent specifically agrees that it will have absolutely no Claim against the City or any of its employees, advisors or representatives for anything resulting from the exercise of any or all of the rights set out in this NRFP.

Without limiting the generality of the foregoing, the proponent agrees that in no event will the City, or any of its employees, agents, advisors, or representatives, be liable, under any circumstances, for any Claim, or to reimburse or compensate the proponent in any manner whatsoever, including, without limitation, for the costs of preparation of the proposal, loss of anticipated profits, loss of opportunity, or any other matter.

3.18 Environmental Responsibility Acknowledgement

3.18.1 The successful proponent will be **required** to sign an environmental acknowledgment which confirms the environmental responsibilities in performing the Work. The successful proponent's environmental responsibilities are outlined in Contractor's Environmental Responsibilities Package.

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3.18.2 The Contractor's Environmental Responsibilities Package is available on the Internet by following the path shown below:

https://www.edmonton.ca/city_government/documents/Enviso-ContractorsEnvironmentalResponsibilityPackage.pdf

3.19 Supplier code of conduct

Each proponent is responsible for reviewing a copy of the City's Supplier Code of Conduct and agrees to abide by its terms should it be the successful proponent.

The Supplier Code of Conduct is located online at the following link:

https://www.edmonton.ca/business_economy/selling_to_the_city/purchasing.aspx

3.20 Sustainability

The City of Edmonton aims to create environmental and social improvements both locally and globally while maximizing economic benefits through its purchasing practices. The City's Sustainable Purchasing Policy (SPP) provides a framework for purchasing decision-making that will contribute to the City's strategic goals of Preserving and Sustaining Edmonton's Environment and Diversifying and Strengthening Edmonton's Economy. In implementing the SPP, the City will engage with suppliers to cooperatively provide products, services, and construction solutions that address environmental, social and economic sustainability across the City's supply chains. The SPP is available online by following the path shown below:

https://www.edmonton.ca/business_economy/selling_to_the_city/sustainable-purchasing-policy.aspx

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Part 4 – Evaluation of Proposals

4.1 Disputes and past performance

- 4.1.1 The City has an administrative directive that deals with contracting with parties who are in a dispute with the City that may need to be resolved by litigation or arbitration. The City may reject a proposal submitted by a proponent if the proponent or an affiliate or associate of the proponent has a dispute with the City. For the purpose of this section, an affiliate or associate will have the same meaning as defined in the *Business Corporations Act*, R.S.A. 2000, c. B-9.
- 4.1.2 The City may review its records with respect to the performance by a proponent, or an affiliate or associate of a proponent, on previous contracts with the City, and with respect to the conduct of a proponent in a prior procurement process. The City may reject a proposal submitted by a proponent if the City determines that a proponent's performance or the performance of an affiliate or associate of a proponent on previous contracts with the City is unsatisfactory, or if the conduct of a proponent in a prior procurement process was determined to be inappropriate, and the City's Corporate Procurement & Supply Services Branch has advised the proponent or its affiliate or associate of this determination.

4.2 Requests for further information

- 4.2.1 While evaluating proposals, the City may request further information from the proponent or third parties in order to verify, clarify or supplement the information provided in the proposal. Without limiting the generality of the foregoing, such information may be considered by the City in determining whether the proposal meets the mandatory requirements of this NRFP, and the City may revisit and re-evaluate the proponent's response or ranking on the basis of any such information.
- 4.2.2 The City may also gather additional information independently, including and without limitation, by reviewing trade journals and consumer reports and references known to the City, about the products and services outlined in a proposal.
- 4.2.3 The City may seek further information from or about some proponents without becoming obligated to seek further information from or about all proponents.
- 4.2.4 The City may, at any stage of the NRFP process, revisit and re-evaluate the

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proponent's proposal, ranking, or compliance with mandatory requirements on the basis of any information provided by or about a proponent during the NRFP process.

4.3 Proposal evaluation

The City will conduct the evaluation of proposals in the following stages.

4.3.1 Stage I – Review of proposals for compliance

- 4.3.1.1 Stage I will consist of a review to determine whether a proposal complies with all of the mandatory requirements of this NRFP. Proponents submitting proposals that fail to satisfy all of the mandatory requirements as of the deadline for submission of proposals set out in Part 1 of this NRFP may be provided an opportunity, by the City, to rectify any deficiencies. Proposals failing to satisfy all of the mandatory requirements as of the deadline for rectification of proposals set out in Part 1 of this NRFP may be excluded from further consideration.
- 4.3.1.2 Proponents should provide sufficient detail in their proposal to substantiate compliance with each mandatory requirement. Proponents should provide cross references to any parts of the proposal that contain information that they wish to be considered in the evaluation of a given requirement.
- 4.3.1.3 The Evaluation Committee will determine, in its sole discretion, compliance with all mandatory requirements using the entire proposal and any additional information obtained by the City under article 4.2. In particular, the City may overrule a stated “Yes” or “No” response in the Proposal if enough evidence to the contrary exists elsewhere in the Proposal.

4.3.2 Stage II - Scoring

- 4.3.2.1 Stage II will consist of scoring each proposal that passes Stage I.
- 4.3.2.2 The Evaluation Committee will evaluate proposals using the criteria and weighting outlined below:

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	Criteria	% Weight
Project Comprehension and Methodology (42)		
	City Requirements	7
	Project Context and Influence	5
	Work Plan and Schedule - Phase 1	7
	Work Plan and Schedule - Phase 2	3
	Project Management	12
	Municipal Government Act Regulation - Awareness and Ability	8
Project Team (18)		
	Team Composition	18
Past Performance on Similar Projects (10)		
	Relevant Experience	10
Overall Proposal Submission (5)		
	Overall Proposal Quality	5
Financial (25)		

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	Proposal Price Phase 1	25
	Total	100

4.3.2.3 The Evaluation Committee, in its sole discretion, will assign a score to each non-price criterion or question to be evaluated using a scale of 0 to 5. The score will then be multiplied by a pre-determined weight that has been assigned to each item or question.

The total score for each criteria category will be determined using the following formula:

Total points scored / Maximum points available X % Weight

Scoring Definitions

Score	Description	Definition
5	Exceptional	Exceeds expectations, excellent probability of success, achieves all objectives, very innovative
4	Above Average	Good probability of success, achieves all objectives in a reasonable fashion, exceeds minimum in some areas
3	Average/Meets minimum acceptable	Has reasonable probability of success, meets minimum requirements, some non-mandatory objectives may not be met
2	Poor	Falls short of expectations, low probability of success, partially unresponsive
1	Inadequate	Fails to meet requirement, no probability of success, inadequate, fails to meet need
0	Non responsive	Did not respond, not addressed in proposal

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4.3.2.4 Pricing will be evaluated by using the following formula:

$\text{Lowest Total Cost} / \text{Proponent's Total Cost} \times [\text{weight}]$

Proposals provided in a currency other than Canadian Dollars will be converted by the City for evaluation purposes into Canadian Dollars using the Bank of Canada Daily Exchange Rate as of the date that is the deadline for submission of proposals, unless otherwise noted in this NRFP.

4.3.2.5 Totals for all of the above price and non-price criteria will be added together to arrive at an aggregate (total) score and a ranking of proposals determined.

4.3.3 Stage III - Article Intentionally deleted

4.3.4 Stage IV – Final ranking of proposals

4.3.4.1 Following the completion of Stage II, the proponent with the highest total score will become the City's Preferred Proponent.

4.3.4.2 In the event of tie scores, the Team Composition score will be used as the tie-breaker.

4.3.5 Stage V - Negotiations and closing

4.3.5.1 If negotiations are necessary, the Preferred Proponent will receive a written invitation to enter into direct contract negotiations with the City. The Preferred Proponent should be prepared to provide requested information in a timely fashion and to conduct negotiations expeditiously.

4.3.5.2 If Contract negotiations are entered into with the Preferred Proponent the Form of Agreement will be the starting point for negotiations. The Contract to be entered into between the Preferred Proponent and the City may be negotiated but **must** incorporate any terms identified by the City as non-negotiable.

4.3.5.3 Negotiations will be without prejudice and will not constitute a legally binding offer to enter into a contract on the part of the City or the proponent. Negotiations may include requests by the City for

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supplementary information from the proponent to verify, clarify or supplement the information provided in its proposal, or to confirm the conclusions reached in the evaluation, and may include requests by the City for improved pricing from the proponent. There will be no legally binding relationship created with any proponent prior to the execution of a Contract.

- 4.3.5.4 If contract negotiations with the Preferred Proponent are unsuccessful within 30 days, or such other time period as the Preferred Proponent and the City mutually agree, the City may, at its sole discretion discontinue negotiations with the Preferred Proponent and begin the negotiation process anew with the proponent with the next highest total score, who then becomes the Preferred Proponent. With a view to expediting contract formalization, at the midway point of the above noted time frame, the City may elect to initiate concurrent negotiations with the proponent with the next highest total score.
- 4.3.5.5 Other proponents that may become eligible for contract negotiations will be so notified at the commencement of the negotiation process. Once a contract is executed between the City and a proponent, the other proponents will be notified in writing of the outcome of the procurement process and the execution of the Contract.

4.4 Resource replacement

- 4.4.1 Resource replacement is not encouraged, however, there could be circumstances following the NRFP closing date and prior to Contract execution where a proponent may request that a proposed resource be replaced. Any proposed resource replacement should have, in the opinion of the City, equivalent or better qualifications with respect to the Work than the originally proposed resource. Proponents will not receive additional credit in the evaluation process if the qualifications of the replacement resource with respect to the Work exceed that of the original resource.
- 4.4.2 If a resource replacement is requested by a proponent, the proponent should deliver a written request to the City for permission in writing from the City to institute the proposed change. The proponent's written request should include:
- (a) the reason for the proposed resource replacement;
 - (b) a comprehensive description of the proposed replacement resource;

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and

- (c) sufficient information and documentation for the City to properly consider the request.

4.4.3 The proponent **must** provide such further information and documentation as the City may require in the City's sole discretion for the purpose of considering any such request.

4.4.4 The City may, in its sole discretion, by written notice refuse or permit the proposed change. Any permission of the City may be on such terms and conditions as the City in its sole discretion may consider appropriate.

4.5 Proponent debriefing

Upon request, the City will conduct a debriefing for any proponent. Debriefings will take place only after the Contract has been executed with the Preferred Proponent or if this procurement process is terminated. During a debriefing, the City will discuss the relative strengths and weaknesses of the proponent's proposal, but the City will not disclose or discuss any confidential information of any other proponent. The intent of the debriefing information session is to aid the proponent in presenting a better proposal in subsequent procurement opportunities. Any debriefing provided is not for the purpose of providing an opportunity to challenge the procurement process. The debriefing is not binding on the City in any way.

Part 5 – Proposal Response

5.1 Proposal Submission

5.1.1 Proponents must submit proposals in one of the following two ways:

- In a hard copy form, in a physical package clearly marked with the proponent's name and address, the NRFP number and title, and the NRFP deadline for submission of proposals. The package should include:
 - 1 original of unbound proposal marked "Original";
 - 1 electronic version in (searchable bookmarked) pdf format on CD/DVD/USB flash drive.

In the event of a conflict between the original hardcopy version of the proposal and copies of the original hardcopy version, the original will govern.

- In electronic form, with the proposal submitted as an attachment or set of attachments to an email message(s). Please note that pursuant to section 3.6.3 of the NRFP, the City may not follow links contained in email messages nor evaluate any information located at any such link. The email message(s) should include the NRFP number and title in the subject line. The body of the email message(s) should clearly contain the proponent's name address, the NRFP deadline for submission of proposals and, if more than one (1) email message is needed to submit the proposal, how many email messages the City should expect to receive.

5.1.2 Regardless of the method of proposal submission chosen by a proponent, the submissions should be made directly to the Contact Person at the physical address or email address indicated on the cover page of this NRFP.

5.2 Proposal Format

Proposals should be organized in the following format using the sequence provided below to facilitate evaluation and to ensure each proposal receives full consideration:

- Cover Page
- Table of Contents
- Letter of Introduction
- Executive Summary
- Project Comprehension and Methodology
 - City Requirements
 - Project Context and Influence

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- Work Plan and Schedule - Phase 1
- Work Plan and Schedule - Phase 2
- Project Management
- Municipal Government Act Regulation - Awareness and Ability
- Project Team
- Past Performance on Similar Projects
- Proposal Price Phase 1

5.3 Proposal Content

5.3.1 Cover Page

The cover page should contain the NRFP number, deadline for submission of proposals, proponent's legal name, address, telephone, and e-mail address of the proponent and a contact person who will act as the proponent's representative for post-submission communications.

5.3.2 Table of Contents

Proponents should provide cross-references to any parts of the proposal that contains information the proponent wants to be considered in the evaluation of any given criteria.

5.3.3 Letter of Introduction

The letter of introduction will introduce the proponent and be signed by the person(s) authorized to sign on behalf of the proponent. The City's preference is that the responses to this item do not exceed 2 page.

5.3.4 Executive Summary

The executive summary should present the highlights of the proponent's proposal. The City's preference is that the responses to this item do not exceed 2 page.

5.3.5 Project Comprehension and Methodology

5.3.5.1 City Requirements

The proponent should demonstrate their understanding of the Regional

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Transit Services Commission (RTSC) requirements and project deliverables based upon the Description of Work and project schedule provided. In addition, the proponents should provide a narrative on their consultative and project management programs and how they will be applied on this project. A narrative should be included outlining their understanding of the requirements and any additional work that may be required to ensure success.

The City may give preference to responses that address additional items that were not specifically provided in the Description of work but will add value to the project overall and support the project success.

5.3.5.2 Project Context and Influence

The proponent should provide a discussion of their understanding of the context surrounding the project, including local issues and other factors. The discussion should demonstrate the proponent's understanding of the technical constraints, physical, social, and political setting for the project and how it relates to undertaking the work. The City is not specifically seeking risks as part of this section, but rather an awareness of the contextual setting of the project.

The City may give preference to responses that demonstrate an in-depth understanding evidenced by a discussion of anticipated items and how the project will be undertaken in such a setting.

5.3.5.3 Work Plan and Schedule - Phase 1

The proponents should provide a detailed project work plan and schedule for Phase 1 including a task by task breakdown of how the proponent will perform the requirements outlined in the Description of Work Phase 1. Each task breakdown should identify the key deliverables, personnel assigned and time allotted. The proponent should include any other services not specifically mentioned in the Description of Work Phase 1, but required to complete this phase of the project.

The City may give preference to responses that provide a thought out work plan with identified efficiencies or value-added services as part of the work plan that may aid in improving the project success potential.

5.3.5.4 Work Plan and Schedule - Phase 2

The proponent should provide a high-level work plan and schedule for Phase 2, including major assumption made, on how the proponent will perform the

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requirements outlined in the Description of Work Phase 2. Each task breakdown should identify the key deliverables, personnel assigned and time allotted.

Phase 2 poses a series of challenges in determining the complete project schedule. Proponents are to provide a project schedule for Phase 2 identifying the start, completion, and duration of major tasks and milestones in an organized fashion using MS Project or similar project management software.

The City may give preference to responses that provide a thought out work plan with identified efficiencies or value-added services as part of the work plan that may aid in improving the project success potential.

5.3.5.5 Project Management

The proponent should include a discussion of their Project Management approach, including: an outline of their Project Management Plan (PMP) specific to this project, highlighting aspects of their Project Management approach that are critical to the success of the project and a specific discussion of how they will manage, internal resources, scope, schedule, change, subconsultant fees, cost, internal communication with contract manager, and external communication with stakeholders.

The proponent should identify project-specific risk factors and mitigation strategies. The proponent should highlight and focus specifically on any project specific risk factors that may affect the project outcome. The proponent should focus on only those risk factors and mitigation strategies that relate specifically to this project.

5.3.5.6 Municipal Government Act Regulation - Awareness and Ability

The proponent should provide a detailed action plan on how the proponent will use their existing process and knowledge to build a solution that is aligned with the needs of the Municipal Government Act Regulation within the time allotted.

The proponent should identify key consideration for this specific stakeholder. The proposal should include a discussion of how the approached proposed would help mitigate potential issues, team experience in relation to this requirement, and if government interaction is required at any phase of this development by either the City or the Consultant.

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5.3.6 Project Team

The proponent should provide an overview of the team they have selected to undertake the services outlined in the Description of Work. This overview should include:

- An organizational chart, including the roles for each member, including any applicable subconsultants;
- A narrative highlighting the experience, education, and background for the Project Manager, Deputy Project Manager, and the Technical Leads;
- A narrative detailing why these individuals were chosen for their respective roles on this project and what they will bring to the team and the project.

Similar information may be provided for other key members of the team that the proponent feels should be highlighted.

Provide resumes for the Project Manager and Technical Leads and any other key members included in the proposal. The City preference is for each resume of no more than 2 pages.

The proponent is also to complete the availability table following the format outlined in the template provided.

The proponent should identify the existing capacity of project team members along with their respective firms to undertake the scope of work outlined in the Description of Work.

Scoring for this criteria will be assigned for the overall team composition, with some emphasis on the Project Manager and Technical Leads.

The City may give preference to responses where resumes demonstrate:

- team members have significant experience related to this project;
- team members have the expertise needed to successfully complete the work;
- the Project Manager and one of Technical Leads have demonstrated success in the past on similar projects;
- the team is supplemented with other experts, internal to the proponent's team or sub-consultants as needed, to ensure project

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success.

5.3.7 Past Performance on Similar Projects

The proponent should provide four project profiles for applicable projects completed within the last 10 years, to demonstrate the proponent's experience with projects of a similar size, nature, and complexity including City or other public-sector projects in an urban environment. At least 1 of the project profiles should include a multi-jurisdiction project.

Information provided in the project profiles to be considered in the evaluation should include the following:

- Project name and location;
- Client name and contact information. The proponent should ensure that contact information provided is current and accurate;
- Proponent's role;
- Key company staff highlighting team members listed for this project;
- Major subconsultants (if applicable)
- Detailed project description and scope of work including:
 - Type of project,
 - Details of project,
 - Similarities and/or relevance to this project,
 - Major challenges overcome,
 - Other relevant information;
- Value of consultant agreement (original and final);
- Schedule (original and final completion dates);
- Reason for deviation (if any) in cost and/or time; and
- Lessons learned with applicability to this project.

The City may give preference to responses where more than 1 project was for a multi-jurisdiction transit governance project, and the Project Manager and one or more of the Technical Leads played a similar role on more than 1 project each.

5.3.9 Proposal Price Phase 1

The proponent should submit their financial proposal in a format similar to Sample Proposal Price Schedule and in accordance with Payment terms. The Proposal Price Schedule for Phase 1 is to be comprised of the Proposal Price Schedule for Phase 1. Proponents should refer to Phase 1 Description of Work for a description of services to be included.

5.3.10 Overall Submission Quality

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The City will consider the completeness and quality of the proponent's submission, including its adherence to page limitations, clarity, legibility, presentation, spelling, formatting, and grammar. The City may give preference to proposals that are clear and concise demonstrating attention to details and appealing presentation

5.3.11 Appendices

If the proponent wishes to include any other material not specifically requested by this NRFP, it may do so by including additional appendices in the proposal.

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Part 6 – Form of Agreement

The following documents make up the Form of Agreement:

- Agreement Form
- Description of Work and associated Appendices (if needed)
- Payment Terms
- Additional Terms
- General Terms
- Contractors Environmental Responsibilities Package

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List of Attachments

The following documents are attached to this NRFP:

- Team Composition Availability Schedule (Sample)
- Moving Integrated Transit Forward
- Edmonton Metro Region Commuter Service
- CR_3564 - Edmonton Metro Region Commuter Service
- CR_2616 ETS/St. Albert Regional Transit - Progress Report
- Edmonton Metro Region Commuter Service - Memorandum of Understanding to Establish a Regional Transit Services Commission
- Memorandum of Understanding Regional Transit Services Commission, October 11th, 2018
- Certificate of Insurance
- Proposal Price Schedule (Sample)

The documents listed above are provided to the proponents for information to assist in the preparation of proposals, but are not to be relied upon or treat as a substitution for a proponent's own due diligence. The City shall not be liable for any damages, non-compliance, loss of anticipated profits, loss of opportunity or any other matter resulting from a proponent's reliance on any document designated as being for information only.

THIS AGREEMENT is dated the _____ day of _____ 20____ P.O. Number _____

BETWEEN:

THE CITY OF EDMONTON

A Municipal Corporation

(the "City")

- and -

LEGAL NAME OF CONSULTANT

(the "Consultant")

Whereas the City issued Negotiated Request for Proposal #932934 in order to select a consultant to provide services on the following project:

- **Consulting Services for the Development of a Regional Transit Services Commission**
(the "Project");

And Whereas the Consultant was selected as the successful proponent and has agreed to provide services to the City for the Project in accordance with the terms of this Agreement;

The City and the Consultant mutually covenant and agree as follows:

1. The following documents outline the terms of this Agreement:

- (a) this Agreement Form
- (b) Description of Work and associated Appendices (if needed)
- (c) Payment Terms
- (d) Additional Terms
- (e) General Terms
- (f) Contractor's Environmental Responsibilities Package

In the event of a conflict between any of the documents listed in this Section 1, the documents shall be given precedence in the order listed, with documents higher on the list taking precedence over documents lower on the list.

2. The Consultant shall provide the services and complete the work described in the Description of Work (the "Services").

3. The Consultant shall commence the Services pursuant to Phase 1 outlined in the Description of Work no later than _____ days after the date of this Agreement and complete the Services pursuant to Phase 1 no later than 30 days after the date of this Agreement, subject to any warranty period as stipulated in the Description of Work. Commencement and completion of Phase 2 outlined in the Description of Work shall be subject to the City's decision, in its sole discretion, to proceed with Phase 2.
4. The City shall pay to the Consultant, for the performance of the Services pursuant to Phase 1 outlined in the Description of Work and in accordance with the Payment Terms, a sum not to exceed _____ (\$_____) plus GST of _____ (\$_____) for a total not to exceed the amount of _____ (\$_____) all in Canadian Funds.
5. The Designated Representatives for the Agreement shall be:
for the City:
for the Consultant:
6. Notices or other correspondence shall be addressed and delivered to the parties as follows:
 - (a) To the City at:

Email address:
 - (b) To the Consultant at:

Email address:

[The remainder of this page is intentionally left blank.]

The City and the Consultant sign this Agreement as follows:

Signed for the Consultant:

[NAME OF CONSULTANT]

Per:

**I declare that I have authority to bind
the Consultant to this Agreement.**

Print Name

Print Title

Date

Signed for the City:

THE CITY OF EDMONTON

Approval for the City of Edmonton:

Corporate
Procurement &
Supply Services
(CPSS)
concurrence:

CPSS Approving Authority

Print Name

Per:

As represented by **[Insert name]**,
Branch Manager, **[Insert Branch]**

Date

As to content:

Project Manager

Print Name

DESCRIPTION OF WORK

Page 1 of 2

1.0 DESCRIPTION OF PROJECT

- 1.1 This Project involves the development of the operational framework for the Regional Transit Services Commission (RTSC). The successful proponent will manage the project, completing specific objectives that will form the basis for the service and funding agreements. Upon completion, the proponent will have worked with the RTSC Transition Team and other stakeholders to establish and document agreed upon services levels, funding models and a transitional plan to bring the RTSC through to operations. This work in RTSC Phased Implementation Plan will be used to form the Municipal Government Act Regulation and all other RTSC operational agreements.
- 1.2 The Parties intend that the RTSC will be established in accordance with the following vision:

Operating Principles

- 1.2.1 The RTSC will be a regional services commission as defined under Part 15.1 of the Act;
- 1.2.2 The RTSC will help to ensure the provision of a fast, convenient, simple, reliable, efficient, and affordable transit service, that is seamlessly integrated with other modes of transportation;
- 1.2.3 The RTSC will provide an appreciably faster commute time when compared against other modes of transportation;
- 1.2.4 The RTSC will create a better customer experience by combining strengths and implementing new technologies;
- 1.2.5 The RTSC will initially provide inter-city bus transit service;
- 1.2.6 **in the future**, the RTSC may expand to provide additional transit services including, but not limited to:
- local intra-city service,
 - specialized transit service, including DATS and Handibus services, and
 - light rail transit;
- 1.2.7 The RTSC will support long-term regional development and growth plans and will act as a partner in transportation and land use planning in the Metro Edmonton Region;
- 1.2.8 The RTSC will serve as a transit backbone that will help to connect communities and support a stronger, greener, and more prosperous Metro Edmonton Region;
- 1.2.9 The RTSC will provide more convenient service across municipal boundaries, which in turn will allow the public to access employment opportunities that better match their needs;
- 1.2.10 The RTSC will help to alleviate traffic congestion, decrease greenhouse gas emissions, and improve air quality;
- 1.2.11 The RTSC will allow the Parties to realize procurement savings for transit-related

products and services;

1.2.12 The RTSC will be a full participant in regional transit initiatives designed to enhance the integration of administrative functions and improve customer service interfaces.

Revenue Principles

1.2.13 The RTSC will define its funding model by way of a bylaw;

1.2.14 A reasonable portion of the RTSC's funding will come directly from transit users through fare recoveries in a manner consistent with the current transit funding models in use by the Parties;

1.2.15 The RTSC will endeavor to secure non-fare funding sources that are stable, predictable, and sufficient to support the RTSC's current and projected operational needs;

1.2.16 Non-fare funding sources for the RTSC's current and projected capital needs should be clearly defined and should recognize the importance of maintaining and improving the RTSC's service;

1.2.17 A portion of the RTSC's funding requirements will be requisitioned from member municipalities representing the shared investment and shared benefit of the RTSC.

Governance Structure

1.2.18 The RTSC will be governed by a board of directors, and each member municipality shall directly appoint up to 2 directors to the board. Only elected representatives from the respective municipality may be appointed to the board.

2.0 CONSULTANT SERVICES

The proponent will work with the RTSC Transition Team, made up of elected representatives from each of the 13 participating municipalities, administrative representatives from each of the 13 participating municipalities, and other stakeholders including Government of Alberta officials and administrative representatives to complete the tasks identified in section 2.2. The work is to be compliant and supportive of developing a Municipal Government Act Regulation and all other RTSC operational agreements.

The 13 participating municipalities include:

- Town of Beaumont,
- Town of Devon,
- City of Edmonton,
- City of Fort Saskatchewan,
- City of Leduc,
- Leduc County,
- Town of Morinville,

- Parkland County,
- City of Spruce Grove,
- City of St. Albert,
- Town of Stony Plain,
- Strathcona County, and
- Sturgeon County.

2.1 Phase 1 - Scope Development

The Consultant will:

- 2.1.1 Facilitate the processes required to meet all of the deliverables identified in this Phase 1 Scope Development;
- 2.1.2 Develop and document organizational group including position technical skill requirements for an execution team capable of meeting project requirements;
- 2.1.3 Confirm the scope of services at launch, and transition path/timing for expansion of services;
- 2.1.4 Collect and aggregate available information from operating committee to accurately outline current operating conditions;
- 2.1.5 Collect, document and consolidate municipal requirements for all 13 municipalities from committee including facilitating all working group and/or sub-committee meetings (taking notes, preparing required reports);
- 2.1.6 Develop a scope of work, including detailed task breakdown, for all phase 2 (Section 2.2 Phase 2 - Scope execution) requirements;
- 2.1.7 Develop a cost estimate for phase 2 deliverables;
- 2.1.8 Develop a schedule;
- 2.1.9 Develop implementation guidelines that include member requirements and commitments, governance structure;
- 2.1.10 Development of final report to go to committee.

2.2 Phase 2 - Scope Execution

The Consultant will work with the RTSC Transition Team and facilitate the processes to:

- 2.2.1 Develop service guidelines, a first-year plan, and development of a strategic plan;
- 2.2.2 Select a preferred service delivery model;
- 2.2.3 Establish specific funding model – including funding tools as available through provincial regulations and fare structure/levels;
- 2.2.4 Identify timing and phasing of revenue sources, providing financial capacity to meet long-term financial requirements of expansion and capital investment;
- 2.2.5 Determine approach for cost and revenue sharing to align with funding model;

- 2.2.6 Develop an asset transfer plan, including approach for the transfer of associated debt;
- 2.2.7 Develop the corporate governance structure of the RTSC to match funding and service delivery model;
- 2.2.8 Establish administrative and managerial requirements, structure, and functions including supporting services ("back-office");
- 2.2.9 Assess requirements, dependencies or relationships to regional integration of other services/infrastructure (e.g. economic development, land use planning, roads);
- 2.2.10 Define processes to engage in and support requirements for municipal planning functions;
- 2.2.11 Facilitating all working group and/or sub-committee meetings (taking notes, preparing required reports). Meetings may be held on a rotating basis throughout each of the 13 municipalities.

3.0 DELIVERABLES

3.1 Phase 1

As a final approval for acceptance for Phase 1 project completion, the consultant shall provide to the City a project plan for Phase 2 outlining the following requirements:

- 3.1.1 A hard copy and electronic copy (in word or google docs format) of a scope of work to complete all objectives outlined in Phase 2 - Scope Execution. This is to be detailed to a task level and is inclusive of the milestones, work breakdown, schedule, cost, and assumptions.
- 3.1.2 List of key positions and qualification.
- 3.1.3 Any objectives that cannot be completed within Phase 2 and mitigation steps to meet the intent.
- 3.1.4 A summation report of all findings, including a high-level review of options (where applicable) in a written report suitable for municipalities and councilor review.
- 3.1.5 A detailed report complete with findings, data results, source data and options organized in a fashion compliant with industry standard practices.

3.2 Phase 2

If the City proceeds with the Phase 2 services, the deliverables for Phase 2 will be negotiated prior to the execution of the amending agreement.

All deliverables for Phase 2 services shall be aligned with the principles established through the attached Memorandum Of Understanding (MOU).

The deliverables for Phase 2 shall include but are not limited to:

- 3.2.1 A summation report of all findings, including proposal and suggestions for each of the relevant work identified in Phase 2 - Scope Execution review of options (where applicable) in a written report suitable for municipalities and councilor review;
- 3.2.2 A detailed report complete with findings, data results, source data and options organized in a fashion compliant with industry standard practices for all identified work in Phase 2.

The documents will then be submitted to the RTSC Transition Team for formal approval. The submission and review of the reports to the provincial government will reside outside of the agreement, however, any updates or additional research required to obtain that approval will be within the scope of the agreement.

4.0 SCHEDULE OF SERVICES

- 4.1 Phase 1 of the project is to be completed within 1 month of contract award.
- 4.2 Phase 2 of the project is to be completed no later than October 31, 2019.

5.0 MILESTONES

- 5.1 As part of the submission, the proponent will define specific milestones aligned with their process to complete the project as per the proposed schedule.

6.0 PROGRESS REPORTS AND MEETINGS

Meetings with the RTSC Transition Team will be scheduled monthly; the proponent will establish other meetings as required throughout the project.

PAYMENT TERMS

1.0 PAYMENT

- 1.1 The City agrees to pay the Consultant for fees and disbursements as outlined below. The maximum amount payable by the City to the Consultant shall not exceed the total amount specified in Article 4 of the Agreement Form.
- 1.2 The City will, within twenty (20) days of receiving an invoice for payment, approve the payment, or advise the Consultant promptly in writing why it is amended or rejected. Each invoice for payment shall become due and payable by the City within ten (10) days of approval.
- 1.3 In the event that payment to the Consultant is facilitated by the City's evaluated receipt settlement (ERS) payment process, the Consultant agrees to maintain its source invoices for a period of seven (7) years.

2.0 CONSULTANT FEES

- 2.1 Consulting fees are based on a time-basis according to the rates as described below:

Personnel	Tasks or Services to be performed	Rate (per hour or day)	Estimated Time (hours or days)
1.			
2.			
3.			

- 2.2 For the purpose of the Non-Resident Withholding Tax assessment, the following is a breakdown of the anticipated labour performed in Canada:

Personnel	Rate	Hours	Total	% in US	% in Canada
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Disbursements	Unit rates	# of Units	Total	% in US	% in Canada
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Total

3.0 DISBURSEMENTS

PAYMENT TERMS

- 3.1 The Consultant shall be reimbursed at a flat rate for expenditures it incurs when carrying out the Services defined in the Description of Work. The maximum rate of disbursements that may be charged to the City will be dependent on the value of the Agreement, excluding GST. The Agreement value is the sum of the Consultant's fees, plus, if applicable any of its subconsultants' fees and disbursements. Subconsultant disbursements must be based on the flat rate disbursement percentages set out below. The Consultant's flat rate disbursement percentage shall be charged against the value of the Consultant's monthly invoice.

The summary of the flat rate for disbursements is shown in the following table:

Flat Rate Disbursement Summary Table

Agreement Value (excluding GST)	Flat Rate Disbursement
Less than \$250,000	8 %
Between \$250,000 and \$1,000,000	5 %
Greater than \$1,000,000	3 %

The following is an example of how flat rate disbursement shall be charged to the City.

Cost	
Consultant A Engineering Fees	\$100,000
Sub-Consultant B Engineering Fees	\$70,000
Sub-Consultant B Disbursements (8%)	\$5,600
PSA Agreement Value	\$175,600
Consultant A Disbursements (8%)	\$14,0480
TOTAL (excludes GST)	\$189,6480

- 3.2 Notwithstanding Article 3.1, disbursements shall not exceed the sum of **\$(Insert total dollar amount allowed for disbursements including GST)** without the prior written approval of the City.

4.0 APPLICATION FOR PAYMENT

- 4.1 The Consultant will submit invoices to the City with respect of Services rendered on a monthly basis. Each invoice shall:

PAYMENT TERMS

- 4.1.1 Refer to the purchase order number;
- 4.1.2 List the Services and expenses for which payment is being claimed;
- 4.1.3 List the number of work-days or work-hours spent and the various rates used to calculate the invoice; and
- 4.1.4 Show the GST as a separate amount.

5.0 HOLDBACKS

- 5.1 Notwithstanding Article 2.1 above, the City shall be entitled to holdback an amount equal to 5% of the Fees until the completion of the Services.

6.0 SUBCONSULTANT FEES

- 6.1 The Consultant shall ensure that its subconsultant fees are based on Sections 1 through 4, above, and are invoiced directly to the Consultant. The Consultant shall then invoice the City without any markup.

1. SERVICES

- 1.1 The Consultant shall comply with all reasonable requirements established by the City for the performance of the Services including, but not limited to, environmental, security, safety and emergency procedures and access.
- 1.2 The Consultant shall exercise the degree of care, skill and diligence normally provided in the performance of services in respect of projects of a similar nature to the Project.
- 1.3 The City and the Consultant, by agreement in writing, may make changes to the Services by altering, adding to, or deducting from the Services set out in the Description of Work. The time for completion shall be adjusted accordingly.

2. CONFLICT OF INTEREST

- 2.1 The Consultant represents and warrants that it has provided written disclosure to the City of any and all interests that a City employee or a City employee's spouse, children, parents, or spouse's parents may have in the Consultant or this Agreement, either directly or as a shareholder, director or officer of the Consultant. In the case of publicly traded corporations, written disclosure required pursuant to this Article 2.1, is only required if the interest in question is ten percent (10%) or greater.
- 2.2 The Consultant acknowledges and confirms that no corporation, partnership or sole proprietorship in which the Consultant, its managers, shareholders, or directors have any interest, direct or indirect, will submit a bid or proposal in the capacity of a contractor, subcontractor or supplier in any subsequent requests for proposals, tenders or other competitive processes initiated by the City which arise from this Project. For the purpose of this section, "interest, direct or indirect," shall mean any interest as a shareholder, partner, or director.
- 2.3 Notwithstanding Article 2.2, the Consultant is not precluded from entering into additional professional services agreements to provide consulting services to the City that may arise and be required as a result of this Project.
- 2.4 If the Consultant enters into a contract with the City in breach of Article 2.1 or 2.2, the City may terminate that contract and seek damages or indemnity from the Consultant.

3. PAYMENT

- 3.1 The City shall pay the Consultant pursuant to the provisions of the Payment Terms, upon the performance of the Services in accordance with the Description of Work.
- 3.2 Before paying the Consultant, the City shall determine if a non-resident withholding tax is applicable. If required, the City may withhold and remit the withholding tax to the relevant government authority. This remission is considered payment in accordance with the Payment Terms and the amount of the withholding tax remitted will constitute a payment to the Consultant.
- 3.3 Subject to Article 3.4, below, the City shall not pay any amount exceeding the sum stated in the Agreement Form unless the Consultant has obtained prior written authorization from the City.
- 3.4 When changes have been made to the Services in accordance with Article 1.3, the City and the Consultant may adjust the Payment Terms accordingly. If the City and the Consultant cannot agree to the terms of the adjustment, then their difference shall be submitted to the dispute resolution process as set out in Sections 15 to 18 of this Agreement. The City and

the Consultant shall have no other claim against each other for any adjustment to the Payment Terms as a result of any change to the Services, except as set out within this section.

- 3.5 The City may review its records with respect to business licensing, taxation and assessment and other accounts receivables prior to making any payment to the Consultant. The City may set off any overdue accounts owed by the Consultant to the City against any amounts otherwise payable to the Consultant pursuant to this Agreement.
- 3.6 Notwithstanding anything contained in this Section 3, no certificate, payment or waiver of claims shall relieve the Consultant from liability in the case of the Consultant's failure to comply with any of the terms of this Agreement.

4. SUSPENSION OF SERVICES

- 4.1 The City may temporarily suspend the Services by giving the Consultant fourteen (14) days advance notice in writing of the temporary suspension.
- 4.2 The City shall not be responsible for any fees incurred by the Consultant during the period of any suspension unless the Consultant provides the City with supporting documentation to show that such fees were reasonably necessary.
- 4.3 The Consultant shall resume and complete the Services in accordance with the terms of this Agreement upon receiving written notice from the City to do so. The City shall make an equitable adjustment to the terms of this Agreement which are affected by the suspension including time requirements and payment. Any difference as to what constitutes an equitable adjustment may be decided by the dispute resolution process as set out in Sections 15 to 18 of this Agreement.

5. TERMINATION OF AGREEMENT

- 5.1 The City may terminate this Agreement immediately by giving the Consultant notice in writing, if the Consultant:
 - a) in the opinion of the City, fails to complete the Services or any portion thereof within the time stated in this Agreement for such completion, or
 - b) becomes insolvent, or
 - c) commits an act of bankruptcy, or
 - d) abandons the Project, or
 - e) assigns this Agreement without the required written consent, or
 - f) fails to observe or perform any of the provisions of this Agreement, or
 - g) has any conflict of interest, which may, in the opinion of the City, have an adverse effect on the Project, or
 - h) fails to cure the default of a material obligation in accordance with Article 14.1.
- 5.2 The City may terminate this Agreement by giving the Consultant thirty (30) days advance notice in writing of the date on which the Agreement is terminated.
- 5.3 If the Agreement is terminated for any of the reasons set out in Article 5.1, the Consultant shall pay the City upon demand an amount equal to all loss or damage suffered, both directly and indirectly by the City as a result of the non-completion of the Services by the Consultant. If the Consultant fails to pay the City for any such loss or damage on demand, the City shall

be entitled to deduct the same from any payments due and payable to the Consultant as well as exercise any other remedies available to the City.

- 5.4 Subject to Article 5.3, the City shall, in the event of termination of this Agreement, pay to the Consultant all reasonable fees and disbursements incurred by the Consultant in accordance with this Agreement up to the date of termination. The City shall have no further liability of any nature whatsoever to the Consultant for any loss of profit or any other losses suffered, either directly or indirectly, by the Consultant as a result of the termination of this Agreement.
- 5.5 The Consultant agrees that termination or suspension of this Agreement or a change to the Services to be provided under this Agreement in accordance with Article 1.3 does not operate so as to relieve or discharge the Consultant from any obligation under this Agreement or imposed upon the Consultant by law in respect to the Services or any portion of the Services that the Consultant has completed.

6. INDEMNITY AND INSURANCE

- 6.1 The Consultant agrees to indemnify and hold harmless the City and its agents and employees from and against any and all losses, claims, demands, payments, suits, judgments, charges, expenses, actions, causes of action and costs caused by:
- a) the willful actions or misconduct of the Consultant including, but not limited to, trespass or nuisance; and
 - b) the negligent performance of the Services.

This Article 6.1 survives the termination of this Agreement.

- 6.2 The City may set off any sums owed by the Consultant to the City pursuant to this indemnity from any sums due to the Consultant. This right of set-off is in addition to any other remedies available to the City under the laws of Alberta.
- 6.3 In the event that any action, suit, claim or demand is brought or made against the City or any of its servants, agents, or employees, as set out in Article 6.1, the City shall give the Consultant a written notice and the Consultant shall have the option of contesting the validity of the action, suit, claim or demand by appropriate legal proceedings. If the Consultant elects to contest, it shall give written notice to the City within seven (7) days of receipt of the notice from the City. On final determination of such action, suit, claim or demand, the Consultant shall immediately pay any judgment awarded against the City or any of its servants, agents or employees, together with all proper costs and charges.
- 6.4 In the event that the Consultant shall not elect, within the period of seven (7) days to contest any action, suit, claim or demand, the City may commence any such action, suit, claim or demand at the sole discretion of the City. The Consultant shall immediately pay to the City any sums paid by the City, together with any sum as shall represent the reasonable costs of the City in defending or settling any action, suit, claim or demand.
- 6.5 Without restricting the generality of the foregoing, for the purposes of Articles 6.3 and 6.4, costs shall mean party-party costs, solicitor-client costs, and solicitor and his/her own client costs, whether the City retains in-house or external counsel.
- 6.6 The obligations of the Consultant under the articles of this Section 6, shall not extend to the liability of the City, its employees, agents, officers or servants where liability arises from the negligent act or omission of the City.

- 6.7 During the term of this Agreement, the Consultant shall carry the following:
- a) General Liability Insurance covering the services and operations of the Consultant for bodily injury and/or property damage with policy limits of not less than Two Million Dollars (\$2,000,000.00) per occurrence. Such policy shall include the following:
 - Contractual Liability;
 - Non Owned Automobiles;
 - Cross Liability;
 - Pollution Liability, if required;
 - Employers' Liability (if applicable); and
 - City as additional insured.
 - b) Professional Liability Insurance covering the services provided by the Consultant with policy limits of not less than One Million Dollars (\$1,000,000.00) per claim and in the aggregate.
- 6.8 The insurance shall be in a form and with insurers acceptable to the City's Director of Risk Management, acting reasonably. Certificates of insurance shall be provided to the City by the Consultant or the Consultant's broker and evidence of renewal shall be provided to the City not less than thirty (30) days prior to the expiry dates of the policies. Certified copies of policies shall be provided on request by the City.
- 6.9 The Consultant shall be responsible for the payment of all premium and deductible amounts relating to the insurance policies, and the Consultant shall maintain the insurance from the date of this Agreement until the completion of the Project.
- 6.10 The insurance coverage requirements as specified in this insurance provision shall not be construed as a limit to the Consultant's liability under this Agreement.
- 6.11 During the term of the Agreement, the City, acting reasonably and at its cost, has the right to have the Consultant increase or decrease the insurance limits, purchase additional insurance policies and/or change insurance coverages.

7. SUBCONSULTANTS

- 7.1 The Consultant may, upon first obtaining the written approval of the City, retain the services of a subconsultant as may be required to perform the Services.
- 7.2 The Consultant shall be responsible for the performance of the Services under this Agreement even if the subconsultants retained are approved by the City pursuant to Article 7.1.
- 7.3 For subconsultants retained by the Consultant and approved by the City, the Consultant shall bind the subconsultants to an agreement containing:
- a) the identical dispute resolution process as contained in Sections 15 to 18 of this Agreement;
 - b) a provision requiring the subconsultant to participate in a multi-party multi-contract dispute resolution process contemplated by Section 19 at the direction of the Consultant;
 - c) a provision indicating the laws of Alberta govern the agreement between the Consultant and the subconsultant; and

- d) terms and conditions, not addressed in Articles 7.3(a) – (c), which are consistent with the terms of this Agreement.

7.4 Nothing contained in this Agreement creates any contractual relationship between any of the Consultant's subconsultants and the City.

8. PROJECT HUMAN RESOURCE CHANGES

8.1 The Consultant shall use all reasonable efforts to minimize the possibilities of changes in its human resources assigned to perform the Consultant's obligations under this Agreement. If a change is necessary, the Consultant is required to promptly notify the City. Notification shall include:

- a) the reason for the proposed change;
- b) a comprehensive description of the proposed change;
- c) the proposed hourly rate for any new resource; and
- d) detailed resumes for each new proposed resource documents the resource's specific relevant experience and expertise related to the Services, credentials, accreditations, awards and background.

8.2 The Consultant shall use all reasonable efforts to promptly replace such resource with another that is of at least equal competence.

8.3 All resource replacements contemplated in Article 8.1 are subject to the City's written approval.

8.4 The Consultant shall bear all additional costs incurred as a consequence of any replacements.

9. COMPLIANCE WITH LAWS

9.1 The Consultant shall comply with all relevant federal, provincial and municipal legislation, codes, bylaws and regulations applicable to the Services. This includes any City policies and procedures in force at the time of the performance of the Services. Where there are two or more laws, bylaws, regulations or codes applicable to the Services, the more restrictive shall apply.

9.2 The Consultant shall obtain and pay for all necessary permits or licences required for the execution of the Services.

9.3 Without limiting the generality of Article 9.1, in performing the Services, the Consultant shall comply with:

- a) all the provisions of the following legislation and any successor legislation:
Environmental Protection and Enhancement Act, R.S.A. 2000, c. E-12; *Labour Relations Code*, R.S.A. 2000, c. L-1; *Workers' Compensation Act*, R.S.A. 2000, c. W-15; *Employment Standards Code*, R.S.A. 2000, c. E-9, and *Occupational Health and Safety Act*, R.S.A. 2000, c. O-2; and
- b) the City's *Supplier Code of Conduct*;
- c) the City's Environmental Policy C512 and the *Contractors Environmental Responsibilities Package*, if applicable to the Services being provided pursuant to this Agreement.

- 9.4 If the Consultant performs the Services contrary to any applicable laws, bylaws, regulations, codes and orders of any authority having jurisdiction, the Consultant shall be responsible for and shall correct any violations thereof and shall bear all resulting costs, expenses, penalties and damages. If the City is required to do anything or take any steps or pay any sums to rectify such non-compliance, the City may subtract the cost of such rectifications from any monies owed to the Consultant. Such action shall not be deemed a waiver of any action that the City may pursue to collect any monies paid that exceed the monies owed to the Consultant.

10. WORKERS COMPENSATION

- 10.1 The Consultant shall provide to the City evidence of compliance with the *Workers' Compensation Act*, R.S.A. 2000, c. W-15 (the "WC Act") within two (2) days of receiving notice by the City to provide such information. In the event that the Consultant is exempt from the WC Act, the Consultant shall provide evidence of such exemption.
- 10.2 If the Consultant is from a jurisdiction other than Alberta whose workers are not eligible to receive benefits under the WC Act and a subconsultant or other company is not carrying such coverage on the Consultant's behalf, then the Consultant will provide written verification that the workers' compensation plan of its jurisdiction will provide comparable workers' compensation benefits to its workers while working in Alberta within two (2) days of receiving notice by the City to provide such information. Alternatively, at the City's sole discretion, the Consultant will provide evidence that the General Liability Insurance requirement contained in Article 6.7(a) of this Agreement has been endorsed to provide employers' liability coverage for the duration of the Agreement.

11. INTELLECTUAL PROPERTY RIGHTS

- 11.1 The Consultant agrees that all base materials, research results, computer programs, drawings, documents and notes or materials of any type whatsoever developed or prepared by the Consultant, or any subconsultant (the "Documents") in performance of the Consultant's services under this agreement, shall vest in and become the absolute property of the City, including assignment of all copyright. The Consultant agrees that this transfer of property and assignment of copyright applies to the Documents notwithstanding that the Documents may contain wording to the contrary.
- 11.2 For greater certainty, Documents as defined in Section 11.1 does not include pre-existing intellectual property or derivatives thereto, owned by the Consultant or subconsultant, and used in the performance of the Services (the "Materials"), which Materials remain the property of the Consultant or subconsultant, as the case may be. Notwithstanding the foregoing, the Consultant agrees that any of the Materials used in the performance of the Services or incorporated into the Documents may be used by the City for its business purposes and may be shared with the City's other consultants. To the extent that the Materials are included in the deliverables to the City, the City shall receive a perpetual, royalty-free, non-transferable, non-exclusive license to use the deliverables for the purpose for which they were intended.
- 11.3 Upon completion of the Services or termination of this Agreement, the Consultant shall deliver all of the Documents to the City on demand by the City. The Consultant may keep copies of the Documents. Once the City has possession of the Documents, the City is solely responsible for the use that the City makes of the Documents in other projects.
- 11.4 Without prejudice to any rights which may exist in the City by virtue of any prerogative rights and powers or by virtue of the *Copyright Act*, R.S.C. 1985, c. C-42, the Consultant agrees

that all present and future rights in the copyright in the Documents will vest absolutely and immediately in the City.

- 11.5 The Consultant warrants that the Consultant is the only person who has or will have moral rights in the Documents and the Consultant waives in favour of the City, all of the Consultant's moral rights, as provided for in the law of copyright, in the Documents.
- 11.6 The Consultant agrees that execution of this Agreement constitutes the written assignment of copyright and waiver of moral rights pursuant to Articles 11.4 and 11.5.
- 11.7 The City agrees to indemnify and hold the Consultant harmless from any claim, liability or cost (including reasonable legal fees) arising out of any modification of the Documents by the City or any person that obtains the Documents from or through the City.

12. FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

- 12.1 The Consultant agrees that for the purposes of the *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, c. F-25 ("FOIP Act"), the City's employees include any person who performs a service for the City including an appointee, volunteer, student, or under a contract or agency relationship with the City, and the Consultant is therefore, pursuant to the FOIP Act, deemed to be a City employee for the purposes of the FOIP Act
- 12.2 The Consultant agrees that the FOIP Act applies to all information or records within the Consultant's custody or control that is collected or created for the purposes of this Agreement.
- 12.3 The Consultant will ensure that all of its appointees, volunteers, students, or those performing services under a contract or agency relationship with the Consultant, who deal with recorded information for the purposes of this Agreement receive training and are supervised to ensure compliance with FOIP Act requirements.
- 12.4 When collecting, accessing or using personally identifying information or records - as defined by and for the purposes of the FOIP Act ("Personal Information") - the Consultant agrees that it must meet the same legal requirements as the City including the following requirements:
 - a) Personal Information must be collected directly from an individual unless indirect collection is expressly permitted by the FOIP Act and if permitted, the Consultant must comply with the legislative provisions governing indirect collection;
 - b) The Consultant may only collect Personal Information which is necessarily required for the stated purpose or activity for which the Personal Information was collected;
 - c) Individuals providing Personal Information must be informed of the legislative authority for the collection, and the title, telephone number and address of the Consultant's or City's official the individual can contact to obtain information about the collection;
 - d) The Consultant must make all reasonable efforts to ensure that Personal Information that is collected pursuant to the Agreement or used for the Services is accurate and complete and the Consultant will afford the individual an opportunity to correct any deficiencies or errors in the information; and
 - e) The Consultant must make reasonable security arrangements to ensure that Personal Information is secured against unauthorized collection, access, use, disclosure or destruction.
- 12.5 If the Consultant collects or receives from the City any information harmful to the business interests of a third party - as defined by and for the purposes of the FOIP Act ("Confidential

Business Information”) - the Consultant will not use the information for any reason other than the reason for which it was provided to the Consultant, and will secure it against unauthorized use, access, disclosure or destruction.

- 12.6 If the Consultant collects Personal Information in the form of medical records required for the purpose of administering or managing personnel matters for the City, or for another City purpose, the Consultant acknowledges that those records are subject to the FOIP Act, but the Consultant must also comply with any other applicable legislation such as the *Occupational Health and Safety Act*, the *Health Information Act*, the *Personal Information Protection Act* that imposes legal requirements for the collection, use, access, disclosure, and destruction of medical records.
- 12.7 The Consultant may not disclose or destroy information or records collected for the purposes of this Agreement except as provided for in this Agreement, or as otherwise directed by the City’s authorized FOIP Act or records representatives.
- 12.8 The Consultant will promptly notify the City of any collection, access, use, disclosure or destruction of information or records contrary to the terms of this Agreement, and promptly take all reasonable actions to prevent further unauthorized collection, access, use, disclosure or destruction.
- 12.9 The Consultant will not store, transfer, or process information or records for this Agreement in facilities or cloud environments located or hosted outside of Canada, the United States, or the European Union without the City’s written consent, which will not be arbitrarily or unreasonably withheld.
- 12.10 The Consultant will provide to the City any or all records within its custody or control collected for or relating to this Agreement within seven (7) days of the City’s written request and at the conclusion of this Agreement will dispose of the records as directed by the City’s authorized FOIP Act or records representatives.
- 12.11 The Consultant will fully cooperate with the City in any reasonable manner the City requires for the purpose of assisting the City to meet its obligations under the FOIP Act or other law or legislation with respect to the records within the Consultant’s custody or control.
- 12.12 The Consultant agrees that these terms will be added to and form part of any contract or agreement entered into by the Consultant for the performance of obligations under this Agreement.
- 12.13 The Consultant agrees that it is solely responsible for the actions of its appointees, volunteers, students, or those performing services under a contract or agency relationship with the Consultant, and in the consideration of the benefits of this Agreement, the Consultant will indemnify and save the City harmless from any loss, damages (including punitive or aggravated damages), or costs (including solicitor and client costs) arising from the actions of, or failure to act on the part of any of them.
- 12.14 With respect to this Agreement, “record” means a record of information in any form, including books, documents, maps, drawings, photographs, letters, vouchers and papers and any other information that is written, photographed, recorded or stored in any manner, but does not include software or any mechanism that produces records.
- 12.15 With respect to this Agreement, a “transitory record” is a record that is either a duplicate record or temporary information that has only immediate or short-term value.
- 12.16 The Consultant must (except for a transitory record):
 - a) notify the City that a record is about to be destroyed;

- b) receive written authorization from the City prior to actually destroying the record; and
 - c) notify the City that the destruction has taken place.
- 12.17 The Consultant will provide to the City any records required to be created, obtained and maintained pursuant to this Agreement within seven (7) calendar days of notification by the City.
- 12.18 If the Consultant retains a copy of the records created under this Agreement after the date on which the City has destroyed its copies of the records (pursuant to its records retention and destruction guidelines) the Consultant will provide the City with a copy of the records within seven (7) days of the City requesting those records as a result of a request for information under the FOIP Act.
- 12.19 Section 12 survives the term of this Agreement.

13. CONFIDENTIALITY

- 13.1 The Consultant acknowledges that it may receive confidential information while providing the Services under this Agreement. The Consultant further acknowledges that, in addition to the obligations contained in this Agreement, it may be required to enter into a separate non-disclosure agreement.
- 13.2 The Consultant agrees that neither it, nor its employees, agents, servants, or sub-consultants shall disclose or otherwise communicate any confidential information that was gained by them during the course of providing the Services under this Agreement, unless so required by or in accordance with the law.
- 13.3 The Consultant agrees that all data, information and material provided to the Consultant by the City or obtained by the Consultant on behalf of the City in providing the Services, will be confidential, both during and after the term of this Agreement. The Consultant acknowledges that this is a fundamental term of this Agreement.
- 13.4 Notwithstanding the foregoing, data, information and material will not be considered confidential if such data, information and material is obtainable by the Consultant through other means than the City or on behalf of the City or if such data, information and material has been published or distributed by the City to the general public.
- 13.5 The Consultant acknowledges that the City is subject to the requirements of the FOIP Act and that all information and records pertaining to this Agreement will be maintained in confidence or disclosed by the City in accordance with FOIP Act.

14. DEFAULT

- 14.1 If the Consultant fails to perform a material obligation under this Agreement, the City may consider the Consultant to be in default and may assert a default claim by giving the Consultant a written and detailed notice of default. The Consultant shall have thirty (30) days after receipt of the notice of default to either (i) cure the default or (ii) if the default is not curable within thirty (30) days, to provide a written cure plan. The Consultant will begin implementing the cure plan immediately after receipt of notice by the City that it approves the plan.

15. NEGOTIATION AND MEDIATION

- 15.1 The Consultant and the City agree to use their reasonable best efforts to resolve any differences arising between them as efficiently and cost effectively as possible.
- 15.2 At all relevant times, the City and the Consultant shall:
- a) make bona fide efforts to resolve all differences, including such differences that may lead to a Dispute (as defined in Article 16.1), by amicable negotiations, and
 - b) provide frank, candid and timely disclosure of all relevant facts, information and documents to facilitate those negotiations.
- 15.3 The Consultant and the City agree that any efforts to resolve their differences by amicable negotiation or with the assistance of a mediator, at any time during or after the performance of the Services, does not suspend the expiration of any time limitation for taking any act under the Agreement unless the parties have specifically agreed in writing to waive or vary that time requirement.
- 15.4 Unless otherwise instructed by the City in writing, the Consultant shall continue to perform the Services and maintain its schedule during any proceedings under Sections 15 to 18.
- 15.5 In regard to any specific difference between the parties the obligations contained in Articles 15.1 – 15.3 with respect to that specific difference cease once a Notice of Dispute, pursuant to Article 16.1, has been issued pertaining to that specific difference.

16. NOTICE OF DISPUTE

- 16.1 If the City makes any decision:
- a) required under a provision of the Agreement, or
 - b) in order to resolve a difference between the City and the Consultant which could not be settled by negotiation or with the assistance of a mediator,
- the City shall provide such decision in writing with reasons. The Consultant shall be conclusively deemed to have accepted the City's decision as final and binding unless the Consultant gives a written Notice of Dispute to the City at the address for notice contained in this Agreement within seven (7) working days of receipt of the City's written decision. The Notice of Dispute form to be used by the Consultant can be found at www.edmonton.ca/consultant. Such notice triggers a formal dispute ("Dispute").
- 16.2 All Disputes between the Consultant and the City arising out of or in connection with the Agreement shall be referred to and finally resolved in accordance with the provisions of Section 17 Referee's Review, Section 18 Arbitration and the Rules of Arbitral Procedure (found at www.edmonton.ca/consultant). The City may at any time and in its sole discretion update, revise or replace the Rules of Arbitral Procedure. In the event of a Dispute, the parties will be governed by the Rules of Arbitral Procedure in force at the time the Dispute is referred to arbitration under Section 18. For greater certainty, this does not apply to the Consultant's subconsultant(s) and nothing in this Agreement provides a subconsultant with any right to participate in or initiate any proceedings against the City pursuant to this Article. Notwithstanding the foregoing, the City may require the Consultant to direct a subconsultant to be a party in any dispute resolution process contemplated by this Agreement.
- 16.3 Notwithstanding any provision contained in Sections 16 to 18, the parties may, by mutual agreement, proceed directly to arbitration. Further, wherein specific performance, an injunction or other equitable remedy is sought by a party, the matter shall proceed directly to arbitration.

17. REFEREE'S REVIEW

- 17.1 If the Consultant has given Notice of a Dispute to the City under Article 16, the Consultant and the City shall appoint a referee in accordance with Section 17 for review of the City's decision. The City and the Consultant shall use the City's standard Referee Services Agreement (found at www.edmonton.ca/consultant).
- 17.2 Within ten (10) working days after the City's receipt of the Consultant's Notice of Dispute, the City shall identify three (3) potential referees acceptable to the City. The Consultant shall have ten (10) days from receipt of the City's notice to accept one of those referees or identify another referee acceptable to the Consultant. If the City is not in agreement with the Consultant's alternate choice of referee and an agreement cannot be reached on a potential referee, either party may apply to a court to name a referee.
- 17.3 Where the referee is unable to perform the duties under the Referee Services Agreement and resigns or is removed by agreement of the parties, a new referee shall be named in accordance with Article 17.2.
- 17.4 Within ten (10) working days after the referee provides notice to the City and the Consultant that the referee is prepared to commence the review, the Consultant shall deliver to the referee and the City:
- a) a copy of the City's decision which is the subject of the Dispute;
 - b) a copy of the Consultant's Notice of Dispute,
 - c) a written summary of the facts, information and arguments, and
 - d) copies of all the documents on which the Consultant intends to rely.
- 17.5 Within ten (10) working days after the City receives all of the Consultant's submissions referred to in Article 17.4, the City shall deliver to the referee and the Consultant:
- a) a written summary of the facts, information and arguments, and
 - b) copies of all the documents on which the City intends to rely.
- 17.6 After receipt of all of the City's submissions, the Consultant shall have ten (10) working days to deliver to the referee and the City a rebuttal to any submissions of the City which relate to new issues not previously raised in the Consultant's documents.
- 17.7 After receipt of all of the City's submissions, the Consultant shall have a ten working (10) day review period to retract the Consultant's referral to the referee prior to the referee giving a decision on the matter. Even if the Consultant retracts its referral, the Consultant may be responsible for costs and expenses incurred, which decision is at the referee's discretion.
- 17.8 The referee may:
- a) require the parties to supply the referee with any further written explanations or documentation the referee considers necessary, giving each party an opportunity to respond;
 - b) on written application made before the referee makes his/her final decision, allow a party to submit additional written information or documentation which was not available when the original submission was made under Article 17.4 and 17.5, giving the other party an opportunity to respond; or
 - c) on written application, extend the time for making a submission under Article 17.4 or 17.5 in circumstances the referee considers appropriate.

- 17.9 The referee shall conduct a review, without an oral hearing of the Dispute, taking into account:
- a) the City's written decision and reasons given,
 - b) the submissions of the parties pursuant to Articles 17.4, 17.5 and 17.6
 - c) any information obtained under Article 17.8, and
 - d) the terms of the Agreement
- 17.10 Not later than thirty (30) working days after receipt of the last of the submissions from the parties, the referee shall make a written decision, with reasons, which may confirm or vary the decision of the City or substitute another decision. The referee's decision is final and binding on the parties unless the decision is referred to arbitration within the time permitted in Article 18.1.
- 17.11 If the City has made a decision which affects the schedule or time within which various parts of the Project are to be completed, and the referee determines that the Consultant ought to have been provided with more time, the referee shall not make a decision varying or substituting the City's decision respecting the schedule or time but may make a decision respecting reasonable compensation required to be paid to the Consultant under the Agreement.
- 17.12 Unless the referee orders otherwise, the City and the Consultant shall bear equally the referee's fees and expenses.
- 17.13 Each party, regardless of the outcome of the referee's review shall be responsible for and bear its own costs of legal fees, legal expenses and any other fees and expenses it incurred as a result of the referee's review.

18. ARBITRATION

- 18.1 By giving written notice to the other party not later than ten (10) working days after receipt of the referee's decision, either party may refer the decision of the referee to arbitration. Such reference shall include a copy of the referee's decision.
- 18.2 The arbitration proceedings shall be a hearing *de novo* of the referee's decision.
- 18.3 Unless otherwise agreed by the parties, all Disputes under the Agreement referred to arbitration under Article 18.1 shall be:
- a. held in abeyance until the earlier of
 - i. completion of the Services;
 - ii. termination of the Agreement; or
 - iii. abandonment of the Project by the Consultant, and
 - b. consolidated into a single arbitration before a single arbitrator under the Rules of Arbitral Procedure referred to in Article 16.2.
- 18.4 An arbitral award rendered under Section 18 is final and binding on the parties and there shall be no appeal of the decision to the courts.

19. MULTI-PARTY MULTI-CONTRACT DISPUTES

- 19.1 The Consultant acknowledges that the City may have contractual relationships related to the Project with third parties ("Related Contract"). Where this is the case, and a Dispute arises

with respect to a Related Contract, the Consultant agrees that it may be joined as an additional party to a referee's review or arbitration arising from a Related Contract upon issuance by the City of a Notice of Addition to a Multi-Party Multi-Contract Dispute (the form of the Notice of Addition is located at www.edmonton.ca/consultant). If a referee or arbitrator has already been selected under such Dispute, the Consultant agrees to be subject to that selection.

20. CITY'S RIGHT TO AUDIT

- 20.1 The City may audit all financial and related records associated with the Services provided pursuant to this Agreement including timesheets, reimbursable out of pocket expenses, materials, goods, and equipment claimed by the Consultant.
- 20.2 The Consultant shall at all times during the term of this Agreement and for a period of six (6) years after the Consultant has completed its work under this Agreement, keep and maintain in accordance with generally accepted accounting standards, all records in any form, that relate to this Agreement, including without limitation, all quotations, correspondence, invoices, vouchers, timesheets, receipts, ledgers, electronic mail or electronic records, spreadsheets, faxes, reports, tests or inspections.
- 20.3 The Consultant shall at all reasonable times make records relating to this Agreement available for inspection and review by the City Auditor or any other auditor appointed by the City (the "Auditor"), and will provide at its own cost such copies or extracts requested by the Auditor.
- 20.4 The Auditor may at all reasonable times without prior notice, initiate a financial or operational audit, or undertake testing and inspections as may be required for the audit, and the Consultant will facilitate access to property and cooperate fully with the Auditor or any person performing duties for the Auditor.
- 20.5 The Auditor may in the Auditor's discretion appoint experts, professionals and others including without limitation, quantity surveyors, accountants, engineers, scientists, lawyers, actuaries, tradesmen, appraisers or insurance personnel to provide services to the Auditor for any audit authorized by the terms of this Agreement.
- 20.6 If physical or potentially destructive testing of any building, structure or item is required for audit purposes, the City will be responsible for repairing damage or replacing items destroyed as a result of inspection and testing.
- 20.7 The Consultant must expressly include the provisions in this section in any agreement entered into by the Consultant relating to its rights, duties or obligations under this Agreement.
- 20.8 The City may withhold any further payments of funds that would otherwise be payable to the Consultant until such time as the issues arising from the audit are resolved to the City's satisfaction, up to and including final resolution of disputes through a court or arbitral process.
- 20.9 If the Consultant fails to adhere to the requirements of Section 20 the City may withhold payments otherwise legally payable to the Consultant until such time as any dispute between the parties is resolved.
- 20.10 Costs of any audits conducted under the authority of Section 20 and not addressed elsewhere will be borne by the City unless the audit identifies significant findings that would benefit the City. The Consultant shall reimburse the City for the total costs of an audit that identifies significant findings that would benefit the City.

- 20.11 Nothing in this Section 20 shall be construed so as to restrict, limit, revoke, or abridge any other express or implied rights, powers, or obligations the City may have in law or equity.

21. ENTIRE AGREEMENT

- 21.1 This Agreement is the entire agreement between the City and the Consultant with regard to the matters dealt within it, and there are no understandings, or agreements, representations, warranties, conditions or collateral terms, verbal or otherwise, existing between the City and the Consultant except as expressly stated in this Agreement. The consideration stated in this Agreement is the sole consideration and inducement for the execution of this Agreement.

22. EXECUTION IN COUNTERPART

- 22.1 This Agreement may be executed in any number of counterparts, and may be delivered originally, by facsimile, or electronically by portable document format (PDF) or tagged image file format ("TIFF") and each such original, facsimile, PDF or TIFF copy, when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

23. ASSIGNMENT

- 23.1 The Consultant shall not, without the prior written consent of the City, assign the benefit or in any way transfer the obligations of this Agreement or any part thereof.

24. NOTICES

- 24.1 Any notices or other correspondence required to be given to either party shall be deemed to be adequately given if sent by prepaid certified mail, courier, fax, or email to the addresses provided in the Agreement Form.
- 24.2 Notice given as aforesaid, shall conclusively be deemed to have been given, if mailed in:
- a) Alberta, on the fifth (5th) working day;
 - b) Canada, on the tenth (10th) working day; and
 - c) outside of Canada, on the fifteenth (15th) working day
- following the date on which such notice is mailed.

25. INTERPRETATION

- 25.1 This Agreement shall be deemed to have been made in and shall be construed in accordance with the laws of the Province of Alberta, and for the purposes of all legal proceedings this Agreement shall be deemed to have been performed in the said Province. Nothing herein shall restrict the right of the City to bring action against the Consultant in any court of competent jurisdiction.
- 25.2 Words importing the singular or masculine only also include the plural or feminine or body corporate where the context requires.
- 25.3 The headings in the Agreement shall not be deemed to be part of this Agreement or to be taken into consideration in interpretation of the Agreement.
- 25.4 Should any provision of this Agreement be illegal or unenforceable for any reason whatsoever, it shall be considered separate and severable from the remaining provisions of

this Agreement, which shall remain in force and be binding as though such provision had not been included.

- 25.5 Whenever a clause gives a party the right or obligation to exercise its discretion or judgment, that party shall act reasonably.

26. SUCCESSORS

- 26.1 This Agreement shall enure to the benefit of and be binding upon the parties to the Agreement and, except as otherwise provided, the successors and assigns thereof.

27. JOINT AND SEVERAL LIABILITY

- 27.1 If two or more persons are liable to the City under the terms and conditions in this Agreement, their obligations shall be both joint and several. The City shall not be obligated to exhaust its remedies against either person and may pursue one or both of them as and when the City may elect.

28. FORCE MAJEURE

- 28.1 For the purposes of this Section 28, "Force Majeure" means any cause beyond the reasonable control of the Consultant, including, without limitation, any strike, walkout, lock-out, labour dispute, act of God, fire, inability to obtain labour, utilities or services, acts of any government authority, enemy or hostile actions, sabotage, war, blockades, insurrections, riots, epidemics, washouts, nuclear and radiation activity or fallout, civil disturbances, explosions or other casualty.
- 28.2 In the event that the performance of the Services by the Consultant is delayed, hindered or prevented by a Force Majeure the Consultant may suspend its performance of the Services, in whole or in part, without liability or account thereof by:
- a) providing to the City notice of such Force Majeure;
 - b) outlining the actions that the Consultant proposes to take to address any anticipated delay; and
 - c) providing the City with weekly status reports outlining the actions taken by the City to relieve the effects of the Force Majeure.
- 28.3 The City may terminate this Agreement without liability or waiver of breaches by the Consultant unrelated to the Force Majeure event, if such a situation of Force Majeure continues for thirty (30) days.

1.0 1.0 INDEMNITY AND INSURANCE

1.1 The Articles under Section 6 of the General Terms are deleted in their entirety and replaced with the following Articles:

6.1 *The Consultant agrees to indemnify and hold harmless the City and its agents and employees from and against any and all losses, claims, demands, payments, suits, judgments, charges, expenses, actions, causes of action and costs caused by:*

- a. the willful actions, omissions or misconduct of the Consultant including, but not limited to, trespass or nuisance; and*
- b. the negligent performance of the Services.*

This Article 6.1 survives the termination of this Agreement.

6.2 *The City may set off any sums owed by the Consultant to the City pursuant to this indemnity from any sums due to the Consultant. This right of set-off is in addition to any other remedies available to the City under the laws of Alberta.*

6.3 *In the event that any action, suit, claim or demand is brought or made against the City or any of its servants, agents, or employees, as set out in Article 6.1, the City shall give the Consultant a written notice and the Consultant shall have the option of contesting the validity of the action, suit, claim or demand by appropriate legal proceedings. If the Consultant elects to contest, it shall give written notice to the City within seven (7) days of receipt of the notice from the City. On final determination of such action, suit, claim or demand, the Consultant shall immediately pay any judgment awarded against the City or any of its servants, agents or employees, together with all proper costs and charges.*

6.4 *In the event that the Consultant shall not elect, within the period of seven (7) days to contest any action, suit, claim or demand, the City may commence any such action, suit, claim or demand at the sole discretion of the City. The Consultant shall immediately pay to the City any sums paid by the City, together with any sum as shall represent the reasonable costs of the City in defending or settling any action, suit, claim or demand.*

- 6.5 *Without restricting the generality of the foregoing, for the purposes of Articles 6.1, 6.3 and 6.4 costs shall mean party-party costs, solicitor-client costs and solicitor and his/her own client costs, whether the City retains in house or external Counsel.*
- 6.6 *The obligations of the Consultant under the articles of this Section 6, shall not extend to the liability of the City, its employees, agents, officers or servants where liability arises from the negligent act or omission of the City.*
- 6.7 *During the term of this Agreement, the Consultant shall carry the following:*
- a. *General Liability Insurance in an amount not less than Two Million Dollars (\$2,000,000) per occurrence for personal injury and/or property damage. Such policy shall be endorsed to include the following:*
 - *Contractual Liability (including this Agreement);*
 - *Non-Owned Automobiles;*
 - *Independent Contractors;*
 - *Products and completed operations;*
 - *Broad form property damage;*
 - *Employees as Additional Insureds;*
 - *Property Damage Occurrence;*
 - *Cross Liability;*
 - *Contingent Employers Liability;*
 - *Pollution Liability;*
 - *Employers' Liability (if applicable); and*
 - *City as an Additional Insured.*
 - b. *Automobile Liability coverage in an amount not less than Two Million Dollars (\$2,000,000) per accident for bodily injury and/or property damage.*
 - c. *Professional Liability Insurance covering the services provided by the Consultant with policy limits of not less than One Million Dollars (\$1,000,000) per claim and in the aggregate.*

- 6.8 *The insurance shall be in a form and with insurers acceptable to the City's Director of Risk Management, acting reasonably. Certificates of insurance shall be provided to the City by the Consultant or the Consultant's broker upon request and evidence of renewal shall be provided to the City not less than thirty (30) days prior to the expiry dates of the policies.*
- 6.9 *The Consultant shall be responsible for the payment of all premium and deductible amounts relating to the insurance policies, and the Consultant shall maintain the insurance from the date of this Agreement until the completion of the Project.*
- 6.10 *The insurance coverage requirements as specified in this Section 6 shall not be construed as a limit to the Consultant's liability under this Agreement.*
- 6.11 *During the term of the Agreement the City has the right, acting reasonably and at its cost to have the Consultant increase or decrease the insurance limits, purchase additional insurance policies and/or change insurance coverages.*

2.0 REPORTING

- 2.1 The Consultant shall submit to the City regular progress reports as set out in the Description of Work with respect to the Services provided by the Consultant. If the City, acting reasonably, determines that additional progress reports are necessary, the Consultant shall submit all additional progress reports requested by the City at no additional cost to the City.
- 2.2 The Consultant shall meet with the City as outlined in the Description of Work to review the progress of the Project and the performance of the Services. The Designated Representatives of the City and the Consultant are set out in the Agreement Form. If the City, acting reasonably, deems additional meetings necessary, the Consultant shall attend those meetings.

3.0 MULTI-PHASE PROJECTS

- 3.1 The Consultant shall provide the Phase 1 Services as described in the Description of Work. The City reserves the right in its sole discretion to proceed with the Phase 2 Services or any component thereof. If the City elects to

proceed with the Phase 2 Services or any component thereof, the Consultant shall perform the Phase 2 Services in accordance with this Agreement.

- 3.2 The City may, at its discretion and without a competitive selection process, award any subsequent phases of the Services to the Consultant.
- 3.3 The Consultant shall not proceed with any phase subsequent to Phase 1 without written notification from the City to do so. Notification of the City's intent to proceed with phases subsequent to Phase 1 shall be made through the City's issuance of an amending agreement. The City will not be obligated to pay the Consultant for any Services for phases subsequent to Phase 1 unless the City has given written notification as set out in this Article.

4.0 ADDITIONAL SERVICES

- 4.1 The City may at its sole discretion request additional services in support of future phases of the City's project. The hourly rates provided in the Payment Terms will be the basis for any additional services performed by the Consultant's specified resources. An escalation factor may be applied to the hourly rates on an annual basis for additional services / future phases that proceed after the initial completion date.

Team - Availability Schedule Attachment
(Sample)

Page 1 of 1

Key Staff Member	Availability to Begin Work	Average Weekly Demand for this Project	Average Available Capacity for this Project
Member 1		X %	X %
Member 2		X %	X %
Member 3		X %	X %
Member 4		X %	X %
Member 5		X %	X %
Member 6		X %	X %
Member 7		X %	X %

Insert additional rows as required.



Moving Integrated Transit Forward



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Overview

Innovative thinking is needed to meet the rapidly evolving transit needs in the Capital Region. There is little doubt that the current siloed approach is falling short, with our individual municipal transit systems struggling to keep up with increasing demand. When public transit is not a practical alternative, residents turn to their own vehicles, fuelling a car-based culture that gradually undermines our quality of life. It was with this unfortunate and irrefutable fact in mind that St. Albert City Council passed a motion last summer requesting that the city enter into exploratory talks with Edmonton on transit integration.

Edmonton Transit Services (ETS) and St. Albert Transit (StAT) are known as forward-looking public transit providers that are continually working to improve the delivery of their services. Together, we have an opportunity to move the Capital Region forward. With support and direction from Edmonton and St. Albert's elected officials, the two cities can take important first steps in exploring a regionally planned, locally responsive and customer-focussed transit system.

Our Vision of Integrating our Two Cities' Transit Systems

Building stronger, greener, more prosperous communities through a customer-focused transit service that connects people to each other and to opportunities.

Moving Integrated Transit Possibilities Forward

- The Capital Region is Canada's fifth largest Census Metropolitan Area and its second fastest-growing urban centre. Attracted by the region's many economic opportunities and high quality of life, thousands of people from across the country and around the world are flowing into the Capital Region every year. According to the most recent Capital Region Board (CRB) projections the region's population will grow to more than two million people in the next 35 years, an increase of more than 700,000 people. During that same period, employment in the region is expected to top 860,000 jobs, meaning a quarter-million more people will be looking for ways to get to and from work.
- Faced with this level of growth, the region has arrived at a critical point. We can either leave the growth of public transit up to the individual municipalities and "hope for the best," or our two cities can come together to design and implement a more integrated solution (one that other municipal transit systems would be encouraged to become a part of in the future). The nature of change taking place throughout the Capital Region is dramatic and our window of opportunity is getting narrower with each passing year.
- There is also an economic cost to inaction. Traffic congestion is not just an inconvenience for commuters; it is a drain on our region's economy. According to the Organization for Economic Cooperation and Development (OECD), developed countries lose three per cent of GDP annually because of traffic congestion. In Alberta, this amounts to a loss of approximately \$7 billion a year in lost vehicle operating costs, freight costs, labour costs, and health care costs.

A recent C.D. Howe Institute study suggests that the cost to the province may actually be even greater. In its report *Cars, Congestion, and Costs: A New Approach to Evaluating Government Infrastructure Investment*, the institute points out the unidentified benefits of better movement of people, including the ability of people to access jobs that better match their skills, sharing knowledge face-to-face, and creating demand for more business, entertainment, and cultural opportunities. "When congestion makes urban interactions too costly to pursue," the report argues, "these benefit are foregone, adding significantly to the net costs of congestion." In order to bolster its case, the report points to the example of the Greater Toronto and Hamilton Area, estimating that the true economic cost of its congestion – as opposed to the \$6-billion figure commonly cited – is at least \$7.5 billion and as much as \$11 billion annually.

- It is becoming increasingly apparent that transit planning within municipal silos is not in the public's best interest. Commuters do not stick to boundaries, so it makes little sense for transit providers to do so. The region's rapid growth presents us with both an opportunity and a challenge: while it provides us with an impetus to act, it also, with each passing year, undermines our ability to do so. As the number and size of suburban transit systems, particularly those in Spruce Grove and Leduc, continue to grow, so too do the number of barriers to regionalizing our public transit system. The time to act is now.
- People in this region are currently living farther away from the places they live and work. A more regionalized transit system should reverse this trend, attracting new homes and businesses along the transit "backbone." Future development patterns would be more transit-oriented, growing along a predetermined corridor.
- By linking transit planning and land use planning, a well-coordinated and effective integrated transit system would result in better land-use decisions, which, in turn, would enable better economic performance throughout the region
- A regional transit system would also simplify the funding process for the provincial and federal governments by allowing them to deal with fewer entities. From the standpoint of our two cities, an integrated system would enable us to work together as a more effective advocate for transit funding.
- By connecting smaller municipal systems into a larger network, a regional transit system will greatly enhance the mobility of citizens living in less densely populated communities.

Edmonton and St. Albert are well positioned to partner with one another to build an integrated transit system. Not only do ETS and StAT provide nearly 95 per cent of the transit service within the region,¹ we have a history of successful cooperation, including a number of ongoing initiatives. This integrated system could provide the backbone for a broader regional system.

By no means, however, is the partnership being proposed in this report exclusive. Once ETS and StAT have created a solid foundation by successfully integrating our operations, we will be actively encouraging other municipal systems to join with us in creating a larger, truly regional transit system. There is little doubt that support for a coordinated response to our shared transit challenges is growing. Both Fort Saskatchewan and Leduc, for instance, have provided positive feedback on this initiative and have expressed interest in exploring integration. What is less certain, however, is whether we will act before it is too late. The nature of change taking place throughout the Capital Region is so dramatic that our window of opportunity is getting smaller with each passing year. As the suburban transit services continue to grow, operators such as Leduc and Spruce Grove will soon conclude that it is simply easier to run their own systems, opening the region to a future with eight municipal transit systems (Edmonton, St. Albert, Fort Saskatchewan, Leduc, Spruce Grove, Strathcona County, Sturgeon County, and Beaumont) operating independently of one other. With each system making its own decisions, our collective position will be reduced to perpetually reacting to – as opposed to getting out in front of – transit demand and regional transportation needs.

Supporting the CRB's Goals

Since its creation in 2008, the CRB has demonstrated a strong commitment to improved regional transit, commissioning seven studies that have addressed a number of pertinent issues, including governance, service standards, and a fare strategy.² The CRB's most recent report, *Intermunicipal Transit Governance*

¹ Edmonton and St. Albert account for 94.7 per cent of the region's transit service when measured by revenue vehicle hours.

² Capital Regional Board Regionalization Reports: *Intermunicipal Transit Network Plan* (2009); *Transit Service Standards for Intermunicipal Transit* (2010); *30-Year Transit Service Plan* (2011); *Integrated Regional Transportation*

Study Report, concluded there is a compelling business case for regionalization of transit service within the Capital Region.

As the report argues:

Based on our understanding of the likely growth of the region and its focus on transit as a key to its aspirations for its future, the results from this business case analysis ... leads to the conclusion that a regional transit commission will, in the long run, represent a more effective and efficient way to address the region's long-term growth management goals and objectives as opposed to continuing to operate separate municipal specific transit services.

Reflecting the spirit of the CRB's report, ETS and StAT's proposal to work together will open the door to greater transit integration within the Capital Region.

Integrating Transit with Other Key Planning

More efficient and effective land use is fundamental to planning and developing healthier, more vibrant and liveable communities.

As Alberta's population continues to grow, so too must the province's interest in improving land use. The province's population is expected to expand by almost 2.2 million people to over 6.2 million by 2041,³ with urbanization increasing by three and a half per cent to 73.1 per cent. With the region's population projected to top two million, this means the Capital Region will be home to one in every three Albertans. There is a compelling and growing regional and provincial interest, therefore, in encouraging sustainable urban growth. Better integration of transportation and land use is one of the most effective means for achieving this.

The CRB has a *Growth Plan* that includes 11 different documents prepared at various times over the last seven years. Currently, the CRB is working on an update to its *Growth Plan* that would see the various components integrated into a single comprehensive plan.

Part of this consolidation is to allow greater integration of the various components of the plan, including land use and transportation. A consolidated effort on transit without a corresponding land use shift may provide some operational savings, but the true potential lies with intensified transit corridors.

A regional transit service has always been viewed as one of the future defining elements of this regional community - in effect, the "staple" that could bind the constituent parts into a whole. This initial step by our two cities could be the pilot of a much broader system that would ultimately allow the region to grow and densify in a more responsible manner.

Provincial and Federal Interests

The importance of transit regionalization extends beyond the borders of the Capital Region. A vital link along the Northern Corridor, the straightest, shortest, flattest route for North American-Asian trade, the region is helping to connect Canadian goods to the lucrative markets of the Pacific Rim. Strategically located between the world's second largest oil reserves and the world's largest oil consumer, the region is also playing a critical role in developing the country's most valuable energy asset. Improving the flow of people and goods within the Capital Region is not, therefore, just a regional concern, it serves the larger provincial and national interests as well.

Master Plan (2012); Regional Transit Fare Strategy (2012); Intermunicipal Transit Governance Study and Implementation Study (2012); and Intermunicipal Transit Governance Study Report (2014).

³ Source: Alberta Treasury Board and Finance

The Experience in Others Jurisdictions

ETS and StAT have the ability to build a regional transit system that is not just the best in the province, but one that is world class in terms of planning, service, technology, and customer experience. These Canadian jurisdictions are ahead of this region in integrated transit planning. Other jurisdictions, both larger and smaller than the Capital Region, have successfully integrated separate municipal transit services into more effective regional systems. For example:

- **Waterloo Region – Ontario (Population – 563,000):** Grand River Transit (GRT) was formed in 2000 when local transit responsibilities were transferred from the local municipalities to the Regional Municipality of Waterloo. Between 2003 and 2012, ridership grew from about 11 million annual boardings to more than 21 million. With a fleet of approximately 240 buses, GRT currently services 66 regular routes. Work is currently underway to establish a light rail transit line between Waterloo and Kitchener and a Bus Rapid Transit line between Kitchener and Cambridge.
- **York Region – Ontario (Population – 1,032,524):** In 2001, the five regional transit providers were combined to create York Region Transit (YRT). Since amalgamation, an extensive network restructuring has taken place to merge routes across municipal boundaries, add new routes, and create a denser network. YRT currently operates 65 full-time, rush hour, and limited routes. Operating a fleet of 116 Viva bus rapid transit vehicles, 339 conventional buses, and approximately 87 specialty vehicles, YRT transported 22.7 million riders in 2013.
- **Metro Vancouver – British Columbia (Population – 2,463,700):** In 1999, a multimodal transportation authority named Translink was created to take services over from BC Transit, the provincial crown agency responsible for public transportation. Since the creation of Translink, service has increased every year – with the exceptions of 2001 and 2010-11 – by four to eight per cent. Annual ridership was 233.9 million in 2013.
- **Bow Valley Regional Transit Services Commission – Alberta (Population – 23,676⁴):** In 2011, the provincial government created the Bow Valley Regional Transit Services Commission (BVRTSC) through the Municipal Government Act. Composed of the towns of Banff, Canmore, and Improvement District #9, the BVRTSC currently provides transit services within Banff and between Banff and Canmore. The agency plans to expand its network of services to include regular local transit service in Canmore, regular transit service connecting Canmore and Banff and Lake Louise, and winter seasonal service from Banff to area ski resorts. Ridership has increased considerably since the creation of BVRTSC.

The experience of these regions demonstrates that individual transit services do not serve their customers as effectively as an integrated regional service. In each case, individual municipal transit services were able to successfully combine their respective strengths in order to better service the greater region.

⁴ This figure, which is the number of permanent residents, does not include the region's large transient tourist population.

Transit Profiles of Our Two Cities

Edmonton Transit Services: Beginning in 1908 with a fleet of four streetcars to service the city's 19,000 residents, Edmonton Transit Services today serves a municipal population more than 44 times that size with an extensive network of buses, light rail vehicles, and specialized vehicles.

Edmonton Transit Services by the Numbers (2013)⁵

Municipal Population	835,000
Annual Ridership	87,041,248
Service Area	700 km ²
Operating Revenues	\$124,681,716
Direct Operating Expenses	\$281,040,462
Number of Buses	942
Number of Light Rail Vehicles	73
Revenue Vehicle Hours	2,174,934
Total Registrants for Handibus Service	10,712
Number of Full-Time Handibus Service Operators	115
Total Dedicated Handibus Service Vehicles	157

St. Albert Transit: Established in 1974, St. Albert Transit operates scheduled bus service within St. Albert as well as commuter service into Edmonton. While the municipality owns and maintains the system's vehicles, a private contractor provides its drivers.

St. Albert Transit Service by the Numbers (2013)⁶

Municipal Population	61,970
Annual Ridership	1,196,676
Service Area	49.4 km ²
Operating Revenues	\$4,179,508
Direct Operating Expenses	\$10,292,415
Number of Buses	53
Number of Light Rail Vehicles	N/A
Revenue Vehicle Hours	87,253
Total Registrants for Handibus Service	292
Number of Full-Time Handibus Service Operators	1
Total Dedicated Handibus Service Vehicles	3

⁵ Source: 2013 Canadian Transit Fact Book

⁶ Ibid.

Traffic Profile In and Between Our Two Cities

Growth in the Capital Region's has dramatically increased the traffic on our streets and the demands on our transit systems. Between 2010 and 2014, the number of vehicles in Edmonton increased by 81,760, more than 14.2 per cent. This new reality, coupled with the data below, provides us with a window into what the future will be like if we do not move forward with appropriate regional integration.

Daily Trips Between Edmonton and St Albert ⁷

	2012	2047 (projected)
Auto Driver	93,960	144,780
Auto Passenger	20,880	34,580
Transit	4,920	10,260

Daily Trips In Edmonton CMA ⁸

	2012	2047 (projected)
Auto Driver	2,769,200	4,676,250
Auto Passenger	799,800	1,377,500
Transit	305,300	580,000
Walk	399,900	580,000
Bike	25,800	29,000

With the revitalization of Edmonton's downtown well underway, more people than ever before are travelling into and out of – not to mention, within – the core on a daily basis. For both structural and financial reasons, our ability to add to the region's road capacity is limited. If we are to successfully accommodate this traffic growth, we need to make better use of the region's existing infrastructure, and regional transit coordination is the key to doing so. By working together, we can create a network of consolidated and rationalized routes that will allow us to maximize system efficiency, which means fewer vehicles on our streets as our cities grow.

Building Further on Current Cooperation Between our Two Cities

Given the shift to higher densities in urban communities, public transit will play an increasingly important role in promoting the efficient use of land and reducing congestion in the coming decades. ETS and StAT have therefore undertaken work on a number of joint initiatives to date including:

Transit Operating Agreement: This agreement allows StAT to operate public transit service within Edmonton's municipal boundaries on specific routes, times, and bus stops. It also includes a provision for fare reciprocity by which ETS fares are valid on StAT service when travelling within Edmonton and St. Albert.

LRT Expansion: In order to extend its reach to St. Albert, the northwest line of the LRT is planned to terminate at a Park and Ride near the municipality's boundary with Edmonton. The 12-hectare facility, which will be located south of Anthony Henday Drive in the Transportation Utility Corridor, will feature 22 bus bays and 1,600 parking stalls. The City of St. Albert will contribute \$10 million towards the \$30-million project, while the rest will be covered by provincial GreenTRIP funding.

Disabled Adult Transportation Services Agreement: Through this initiative, ETS provides trip request calls, trip planning, and dispatching for St. Albert residents using the St. Albert specialized handibus fleet.

⁷ Ibid.

⁸ Ibid.

U-Pass: A partnership between ETS, StAT, and Strathcona County Transit, the Universal Transit Pass (U-Pass) program provides eligible students at the University of Alberta, MacEwan University, the Northern Alberta Institute of Technology, and NorQuest College with unlimited travel on regular ETS service (including handibus service), as well as on StAT and Strathcona County transit systems.

Smart Fare: The three municipal transit systems are also working together to develop a comprehensive fare solution known as Smart Fare. The size of a credit card, a transit “smart card” contains an embedded microchip that interacts with a payment device in a transit vehicle, rail platform, or other location. These cards are used to provide the equivalent of cash and other fare products in an electronic form, replacing paper tickets and passes with a reusable medium that can be “reloaded” with new fare products over and over again. The on-board technology records relevant data associated with the trip, including passenger details (e.g. the age of riders and whether they are commuters or students), where they board, and when they travel. ETS, StAT, and Strathcona County Transit plan to implement the new system over the next two to three years.

Electric Bus Demonstration Project: This collaboration between ETS and StAT is exploring the potential benefits and challenges associated with electric vehicles.

In addition to these six initiatives, ETS and StAT are partnering on Smart Bus technology. With more than 375,000 scheduled times for buses and trains at nearly 7,000 stops, this new technology – a combination of modern electronics that allows the bus to send, receive, and broadcast digital information – allows riders to follow the status of their bus or train in real-time. Furthermore, the vehicles’ automated stop announcements empower persons with disabilities to function more independently, while their automatic vehicle location and live look-in capability for camera-equipped buses ensure that Transit Control can respond to emergency issues more quickly and effectively. Although ETS and StAT currently have individual systems, the two are looking towards incorporating StAT’s fleet into the ETS Smart Bus platform.

While these initiatives are undoubtedly a step in the right direction, more work is needed if Edmonton and St. Albert are to successfully address the transit challenges they share. ETS and StAT believe they can build further on these successful partnerships in a regional transit solution.

Working Principles to Develop an Integrated Transit Proposal

Actions in a project of this potential scope should be guided by principles that are consistent with the shared values of both transit agencies. Any exploration of cooperation between ETS and StAT would be driven by the following principles:

1. *Openness and Transparency:* We must secure the confidence of our customers and our stakeholders by being clear and upfront about the decisions we make and the actions we take.
2. *Efficiency:* We must create a flexible, streamlined organization that is responsive to the region’s transportation needs. This means strengthening our operations without duplicating our efforts or creating a counterproductive new level of bureaucracy. More efficient operations will also allow for more effective long-term planning.
3. *Value for Money:* We believe that taxpayers’ dollars should be treated with the utmost respect. By working together to realize greater efficiencies, we will be able to achieve more with the same resources over time.
4. *A Customer-Centred System:* The needs of the citizens we serve must be the foundation of any regional transit system we build.
5. *Building on Previous Work:* Fortunately, a great deal of the groundwork for regional transit integration has already been carried out by a number of municipal, regional, and provincial bodies. As we move forward, ETS and StAT will be able to draw and build upon the extensive exploratory

done by ETS, the Capital Region Board, the Capital Region Board Transit Task Force, and Alberta Transportation.

6. *Foundation for the Future:* ETS and StAT are working together with an eye to the region's future. After creating a solid foundation by successfully integrated our operations, we will encourage other municipal systems to join with us in creating a larger, truly regional transit system.
7. *Respect for Elected Officials:* Throughout the process, we will fully respect the decision-making role of elected officials and their mandate to provide quality services to citizens.

Potential Outcomes

By working together, ETS and StAT have the ability to create an integrated transit system that delivers:

1. More convenient service across municipal boundaries
2. More extensive service through regional planning
3. A better customer experience by combining our respective strengths and implementing new technologies
4. Superior access to a wider range of jobs to a wider range of people
5. Greater linkage between regional transportation and regional land use planning, which would enable improved regional economic performance
6. Lower levels of greenhouse gas emissions and better air quality by reducing the number of cars on our streets.

Workplan – Next Steps

If ETS and StAT receive approval to explore integrated transit options, the next stage of work would begin with detailed research of the traffic and ridership patterns both within and between the two municipalities. Regional traffic models and other existing regional and provincial planning models would also be used to model impacts on land use and provide insight into potential economic implications.

We would proceed to identify and explore the following critical areas in a comprehensive second report:

- The lessons learned from other Canadian municipalities with integrated transit systems
- The compatibility of ETS and StAT's assets
- Fare policy
- Service standards
- Evaluate models of integrated service provision
- Performance measures for integration and service
- What would be required in a transition plan
- Capital and operating funding models
- Governance and decision-making structures
- A 10-year plan of capital costs and operating expenses
- Land use planning implications
- Human resource policies
- Compatibility of existing technologies
- Future opportunities for new technologies
- Specialized transit services

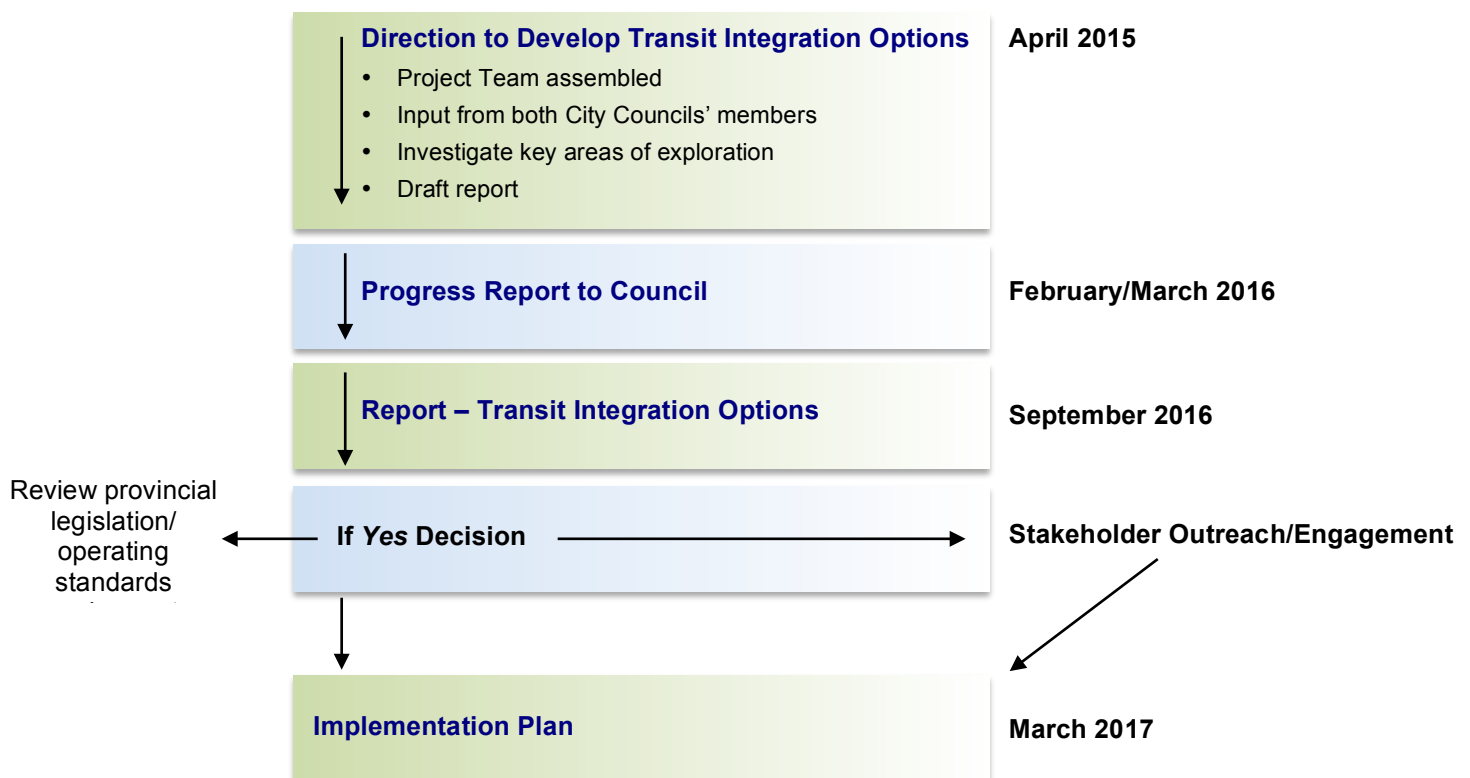
- Requirements for provincial enabling legislation and standards
- Options through which other municipal transit systems could integrate their operations with the new regional model

This second report, the *Transit Integration Evaluation Report*, would provide appropriate information to guide discussion on options for regional transit integration, and would present Edmonton and St. Albert with a proposed process to move forward. The report could also serve as an engagement tool to solicit input from key stakeholders.

If Edmonton and St. Albert agree to this proposal and the proposed work plan, ETS and StAT, on a 50/50 cost-shared basis, would take the following steps to develop the *Transit Integration Evaluation Report*.

- Assemble a project team and develop a detailed work plan.
- Seek input from members of Edmonton and St. Albert's City Councils.
- Keep the two City Councils formally updated on their work by providing regular progress reports.

Overview of Process to Develop Report #2 – Transit Integration Evaluation Report



Direction Sought

Edmonton and St. Albert have a unique opportunity to demonstrate leadership within the Capital Region to address our shared transit challenges.

To that end, ETS and StAT are asking Edmonton and St. Albert for agreement to explore how the two transit systems could integrate their operations to improve the level of service and ridership. In order to make this goal a reality, we are also seeking appropriate resources so we can undertake all the steps necessary to develop a comprehensive proposal of transit integration options.

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Recommendation:

That Executive Committee recommend to City Council:

1. That the City Manager proceed with the Regional Commuter Service Phased Implementation Plan as outlined in Attachment 1 of the September 27, 2016, City Operations report CR_3564.
2. That Administration work with the Council Sponsors for the Public Transit Initiative on the next steps for the Regional Commuter Service Task Force.

Report Summary

The report outlines considerations for establishing a regional entity, and provides a transition plan leading to the implementation of a regional commuter transit service.

Previous Council/Committee Action

At the September 19, 2016, Agenda Review Committee meeting, this report was rerouted to September 27, 2016, Executive Committee meeting.

At the March 23, 2016, Transportation Committee meeting, the following motion was passed:

That Administration return to Committee in the third quarter of 2016, with a report addressing the following items in relation to a separate regional commuter service for the Edmonton Metro Region:

- i. An analysis of costs and benefits for a regional commuter service.
- ii. Potential for expanding the regional commuter service to include other interested municipalities within the Edmonton metropolitan region.
- iii. The potential for provincial funding assistance for startup, operations and capital contributions for a regional commuter service.
- iv. Mechanisms available to establish a sustainable funding and cost-sharing model for the regional commuter service.
- v. Available governance options for a regional commuter service, including costs, benefits, risks and timing issues associated with those options.
- vi. A recommendation on the preferred model for implementation of a regional commuter service.

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Report

Since May 2015, Administration representatives from the Cities of Edmonton and St. Albert have been studying the implications of different approaches to increased regional transit collaboration. An interim report was brought forward to the City of Edmonton's Transportation Committee and St. Albert's City Council in March of 2016 with a recommendation to further assess a separate regional commuter transit system.

While discussions of combining systems and resources of the various separate transit agencies in the Capital Region have occurred at various times in the past, the recent report from the Metro Mayors Alliance Advisory Panel on Metro Edmonton's Future made a case that the threshold for pondering regional integration has been crossed and action is required now. The report entitled "Be Ready or be Left Behind" urges leaders to take bold actions today to protect and enhance the economic competitiveness and efficiency of the region, and targets public transit as one of three crucial cornerstones for developing a globally competitive region.

"For the Metro Region to be globally competitive, its municipalities need to act together to build regional systems in the areas that matter most." (*Be Ready or Be Left Behind* p. 10.)

Research shows regional transit system development in Canada and the United States has never been accomplished easily nor quickly. Each region has experienced challenges. Organizations have often evolved over time, adapting to find the right balance of services to meet customer needs, as well as appropriate governance structures that meet the requirements of elected representatives and their communities. All of the systems have common elements yet differ in ways to reflect the unique democratic expectations and traditions of each particular region.

The ETS/St. Albert Regional Transit - Progress Report (CR_2616) identified six areas for further evaluation related to creating a commuter service for the Metro Edmonton region.

1) An analysis of costs and benefits for a regional commuter service.

Any regional transit service must be designed to benefit the transit rider. Whether trips are made for work, school or pleasure, the system should allow for ease and convenience of movement around the Metro Edmonton Region. A system that successfully serves a significant proportion of the region's mobility needs will result in:

- A reduced impact to the environment;
- Reduced demand for expansion and widening of road infrastructure, and;
- Greater effectiveness of the procurement and utilization of rolling stock and facilities.

All commuters and employers could benefit from a regional service provided by accessing and leveraging federal and provincial funding. New investments in capital

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improvements for improved speed, comfort and reliability of the service can attract new ridership and reduce the rate of increased road congestion. Construction of transit priority lanes, intersection improvements, park and ride facilities and fleet renewal and upgrading programs enhance customer experience and attract ridership.

Many of these benefits such as travel time and trip efficiency measures, cost avoidance for expanding infrastructure/facilities and the reduction of greenhouse gas emissions accrue at a regional network level. From a passenger mobility perspective, benefits of integration includes improved planning and alignment between the regional commuter service and the local services, and integration of trip planning applications to better facilitate cross-jurisdictional trips.

With respect to costs to the City of Edmonton, implementation of a separate regional entity will have short-term additional administrative costs required to manage the transitional phase. Some system efficiencies could be adversely impacted during the transition and temporary mitigation of this risk may require additional resources. These costs can be quantified once the Regional Commuter Service Task Force has agreed to the service elements and principles of regional cost allocation.

For example, managing a separate fleet of buses has a negative impact on spare ratios (the number of spare buses that are kept ready to be deployed to substitute a bus needing to be taken out of service for repair). If three entities are managing spare ratios independently there could be a risk of falling short, or conversely carrying too much spare capacity. One way to address this is to have a joint agreement on fleet spare management between the Regional Commuter Service, ETS and St. Albert Transit. The loss of the ability to inter-line the regional express services with local routes, and labour cost impacts are potential costs. While management will develop strategies to minimize the impacts of these operational challenges, the implementation of a regional commuter service without funding model changes could be cost prohibitive for municipalities whose transit fare revenue is primarily derived by express commuter services.

2) Potential for expanding the regional commuter service to include other interested municipalities within the Edmonton metropolitan region.

The notion of the regional commuter service and the creation of an entity to govern and operate it has been presented to the Transit Committee of the Capital Region Board and to the regional Chief Administrative Officers. Other municipalities will be monitoring the progression of this initiative closely. Those with existing transit services have expressed interest in observing further talks between St. Albert and Edmonton, participating in the exploration of issues and having an option to participate when mutually agreeable.

Fort Saskatchewan, Spruce Grove, and Sturgeon County (Edmonton Garrison) currently have agreements with ETS for services on a contractual basis. With growing populations, changes in patterns of economic activity, and greater expectations for

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mobility throughout the region, the demand for a seamless network of transit is likely to require greater integration of services and transit operations. Already some municipalities are exploring utilizing GreenTRIP grants to enter the municipal transit service market. This demonstrates that the region's population is reaching a threshold that would benefit from a coordinated approach to transit planning and service delivery across municipal borders.

The Alberta government has also expressed expectations that the Task Force work will ultimately result in a system that can be supported by all members of the Capital Region. The Task Force may therefore consider developing terms in the MOU that are not only acceptable to St. Albert and Edmonton, but are also designed to encourage voluntary onboarding of other regional transit operators.

Potential types of services for consideration in the development of a regional commuter service are provided in the attached report in Table 7, page 18 in Attachment 2.

3) The potential for provincial funding assistance for startup, operations and capital contributions for a regional commuter service.

The regional commuter model would require a shift from the current state (regional transit services funded and planned at the municipal level) to a regionally planned service with a regional funding base that focuses on providing cross-jurisdictional transit services to move people throughout the Metro Edmonton Region. Initially, the geographic boundaries of the service region would consist of the City of St. Albert and the City of Edmonton and the operational and capital asset costs would be contributed by the taxpayers of these two municipalities. Initial seed funding would need to be recouped proportionately by future entrant municipalities. This cost could constitute a barrier to entry for St. Albert and to voluntary onboarding of the other larger transit operator being Strathcona County. To achieve the benefits of economies of scale and regional mobility for customers, it is preferable to onboard other communities as soon as possible. Barriers to their entry and onboarding should be identified and mitigated. To address startup costs, Administrations have communicated with the Province that assistance will be necessary based on the following.

1. Municipal actions, authorities and responsibilities are governed by provincial statute and regulation;
2. The *Municipal Government Act* governs the legal relationship of any joint intermunicipal service;
3. The Government of Alberta provides funding to individual members of the region for transit initiatives and would benefit from more efficient use of grant monies;
4. The Government of Alberta invests in the regional road network and would benefit from a reduction in the growth rate of demand on provincial highway infrastructure;
5. Improvements in labour mobility and regional economic competitiveness would benefit the provincial economy and revenue base;

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6. Improvements in regional transit usage align with emission reduction and climate change objectives;
7. The Province has the existing ability to dedicate a portion of revenues from the region towards seed funding until such time as all benefiting municipalities are in a position to be contributors; and,
8. If a voluntary approach to regional cooperation cannot overcome an initial financial hurdle, the alternative available to the Province is to legislate regional integration.

Leadership by the Province can be provided by leveraging grant funding and assistance with legislative and regulatory tools at their disposal to foster regional cooperation. Recent indications from the provincial government gave clear direction that regional collaboration will be a key criteria for transit funding in the future. By way of proposed changes to the *Municipal Government Act* encouraging inter-municipal cooperation arrangements, the Province has demonstrated its commitment to mandating regional cooperation. Infrastructure capital grants can be channeled to those projects with the best regional outcomes. At time of writing, Alberta Transportation Ministry expects to have the results of the provincial Transit Strategy Survey and a funding strategy prepared for release Fall of 2016.

4) Mechanisms available to establish a sustainable funding and cost-sharing model for the regional commuter service.

A variety of funding models could be applied to support the envisioned regional entity, which includes a broad mix of user and less direct regional funding sources, equally applied to reflect shared regional benefits and invested to increase regional mobility. Any mechanism considered should be built to recognize that redistribution of costs and revenues across municipalities/cities is net neutral to all municipalities.

5) Available governance options for a regional commuter service, including costs, benefits, risks and timing issues associated with those options.

St. Albert and Edmonton have the benefit of learning from other systems' experiences of introducing a regional service. Establishing processes for resolving issues at the outset can result in better shared outcomes for taxpayers and commuters. The recommended phased approach will allow the regional entity to progressively resolve issues with regional stakeholders and promote further integration of regional transit services over time.

An examination of Canadian transit entities governance and effectiveness is provided in Section 6 of *Attachment 1*. The report outlines models and the relevance to the Metro Edmonton Region context.

While a specific governance model and vote structure is to be defined as part of the next phases outlined in *Attachment 2*, the recommendation is to design the governance

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structure to align with the regional funding approach, service and ridership levels, and the constituency base of taxation.

6) A recommendation on the preferred model for implementation of a regional commuter service.

The next steps require discussion and recommendations by the participating Task Force parties on matters of governance and representation on a regional entity. As all transit services are subsidized by taxpayers, these negotiations necessarily require political representation and leadership of both Councils. Therefore, both St. Albert and Edmonton Administrations recommend convening a Regional Commuter Service Task Force that includes Council representation, with support from Administration.

The Task Force will develop the mandate, governing principles and initial scope of service in an Memorandum of Understanding. The Memorandum of Understanding will be brought back to both Edmonton and St. Albert City Councils for approval and will be used as a starting point to engage other regional stakeholders as partners at an appropriate time as determined by the Task Force.

Once formed, the regional entity would function in a non-operational capacity prior to service implementation. Leading up the implementation or transfer of operational services, the regional entity will plan the services and administration logistics, establish a suitable revenue model and confirm the governance model and weighted-vote structure for the regional entity (aligned with the principles established through the MOU). Municipalities included as part of the regional entity will have the opportunity to develop the entity governance structure with a better understanding of both the full financial impacts based on proposed funding model and the weighted-vote structure proposed for organizational governance. The proposed phasing and transition plan is outlined in greater detail in Attachment 1.

ETS Service Impacts

Administration has internally assessed the operational impacts for Edmonton Transit System (ETS) of committing resources to the Metro Edmonton transit network for regional service. Two scenarios were considered:

1. Regional service is contracted through ETS.
2. The service is provided by an external transit provider.

For either scenario, financial implications for ETS services are not expected to be significant. Should the service be contracted through the City of Edmonton, increased costs associated with providing the service will be recovered. Logistics related to bus and garage capacity would also need to be addressed for ETS to be the contracted service provider.

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This approach is considered to be favourable as it should produce greater system efficiencies through shared technology and other internal services, the opportunity to maintain some interlining of services. Having the services contracted through ETS would also facilitate future system integration and expansion.

In either scenario, service integration becomes more complex and will be a critical component of success for the regional system; increased collaboration related to service planning would be required. As the provider, ETS would need to work closely with all other local services to ensure schedules and transfers align and are coordinated when major service changes occur. This becomes more complex if a third party is responsible for alignment of regional and local planning.

Indifferent to the delivery approach, a new regional process will be required to manage service planning to ensure regional services and transfers will be effective for commuters. Other logistical items would need to be planned for across the region, ranging from the provision of security services across multiple jurisdictions, to coordinating 'back-office' technology, to working with unions to transition to the next phase of regional transit service delivery.

Depending on the scope of the service, the City of Edmonton could be relinquishing autonomy over portions of its transit service, including certain express routes throughout the system that potentially serve regional commuters. The scope of the service will be confirmed as part of the mandate for a regional entity as outlined in Attachment 2. These services could potentially be impacted by policy decisions from the regional entity. A related risk is the loss of internal resolution processes should a dispute of land-use or other planning services arise; clear authorities and a resolution process would need to be established to manage these potential issues

Conclusion

The concept of a regional entity remains viable with additional work and collaboration required to address local, municipal, regional and provincial issues. The majority of the next steps require a broader and more formal involvement with key stakeholders under an elected official and expert panel governance framework that will be charged with developing a process to integrate other municipalities and develop a Memorandum of Understanding for a regional transit entity.

Approving this report and the recommendations does not commit the City of Edmonton to the concept of a new regional entity, but approves formal involvement in the process to develop a proposed framework for the entity and service. It is anticipated that the Memorandum of Understanding would be submitted to Council for approval before further implementation.

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Corporate Outcomes

Integration of regional transit services would improve the mobility of residents throughout the Edmonton Metro Region and create greater opportunities for labour mobility and economic/social endeavours, supporting both the “Edmontonians use public transit and active modes of transportation” and the “Edmonton Region is a catalyst for industry and business growth” corporate outcomes.

Public Consultation

Following the March 2016 Progress Report (CR_2616), Administration from both the City of Edmonton and the City of St. Albert presented the report to the Capital Region Board Transit Committee. This presentation was followed by a facilitated conversation with the Capital Region Board Transit Committee at the May 2016 meeting to examine the support and issues with implementing a regional commuter service. While there was some hesitation about moving to a regional model, the discussion demonstrated a high level of support for pursuing a regional commuter service. Key themes from that discussion included the need to maintain an acceptable service standard for commuter services, implementation of a sustainable regional funding model with the support of the Provincial Government, and implementing a governance model that met the needs of the Metro Edmonton region.

Budget/Financial Implications

Funding for the Task Force phase of this project will still be managed within the general expenditure budget for Civic Operations, as approved for "Moving Integrated Transit Forward" on May 27, 2015 (CR_2428 report). The work of the Regional Commuter Service Task Force should be able to be completed within the initial allotted budget.

The report notes that Administration does not anticipate significant financial implications for ETS operations due to the existence of a new service. There will, however, be costs to operate the new regional commuter service and those costs are likely to be borne by Edmonton residents to some extent. Numerous financial models could be used to fund operations of the service, each with different financial impacts for the City. The next phases, as outlined in Attachment 1, will include working with the Province of Alberta to establish the funding model for the system. This model is unclear at this time (asset ownership, capital financing, operational funding revenues). Once the agreed upon model is in place, Administration will return to Council with an

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assessment of the costs related to the service for the City of Edmonton, transit passengers, and residents for final approval prior to service implementation.

Legal Implications

There are several governance/legal structures that would facilitate the establishment of a regional commuter service entity. The choice of governance/legal model will flow from the results of the Regional Commuter Service Task Force.

Metrics, Targets and Outcomes

Metrics	<ul style="list-style-type: none">• Size of Edmonton fleet: 928• Size of St. Albert fleet: 58 Buses• 2015 Edmonton ridership numbers: 88,721,062 (ridership/capita = $88,721,062/895,000 = 99.1$)• 2015 St. Albert ridership numbers (Commuters into Edmonton): 928,228 (ridership/capita = $928,228/63,255 = 14.7$)• Number of Edmonton fleet dedicated to regional service: 13 (contracted services)• Number of St. Albert fleet dedicated to regional/commuter service: 38• This report recommends continuing discussions with other municipalities to determine a baseline understanding of a service. Metrics and targets will be established once first principles have been established and Councils for Edmonton and St. Albert have an agreed understanding of the expected outcomes and standards.
Targets	<ul style="list-style-type: none">• Targets would need to be set by the new entity once the service has been designed. These targets would also depend on the number of municipalities participating.
Outcomes	<ul style="list-style-type: none">• Establish a sustainable funding model that reflects the regional nature of transit service.• Regionally planned transit service that move people effectively throughout the Metro Edmonton Region.

Justification of Recommendation

1. The implementation of a regional commuter service requires a measured and phased approach. The Implementation Plan for Regional Commuter Service provides for a phased approach.
2. The Regional Commuter Service Task Force will consider policy issues that are best informed by perspectives of elected officials.

Attachments

1. Regional Commuter Service Phased Implementation Plan
2. Regional Commuter Service Assessment- Final Report
3. Risk Assessment

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Others Reviewing this Report

- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- R. G. Klassen, Deputy City Manager, Sustainable Development
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services

Three Phase Implementation Plan

The development of a regional commuter service should be implemented in a measured and phased approach where each phase adds definition and clarity to the service concept and implementation requirements.

In general, three phases are contemplated:

1. Governance Design
2. Establishment and Transition
3. Service Operation

Phases 2 and 3 to be further confirmed and defined once governing principles have been agreed to by the elected Councils of St. Albert and Edmonton. It is recommended this phasing plan be implemented with the endorsement of the participating councils, and with the benefit of consultation with the provincial government.

Phase 1 – Governance Design – Joint City Manager’s Regional Commuter Service Task Force

Before considering operational matters, the Administrations of St. Albert and Edmonton recommend that the informal discussions exploring issues of regionalization of commuter services now need to evolve into a more formal process as the two cities need to agree to a governing model for an entity that both cities will be contributing assets to. A report produced by Stewart Group recommended a group composed of elected and non-elected officials augmented with members from the private sector create an appropriate governance model for the regional entity acceptable to both City Councils.

Formation of a Joint City Manager’s Task Force comprised of elected officials, Administration and private citizens.

- 2 elected (mayor or councillor) members from each of St. Albert and Edmonton
- City Managers or their designates as members
- A project chairperson acceptable to and appointed by both City Managers
- Consideration to include a provincial appointee/representative
- Administrative support from both municipalities

City Managers to determine the need for ad hoc or standing private sector representatives with specific skills and perspectives

Mandate:

- Establish governing principles for the regional entity
- Determine if a Regional Services Commission as defined in Alberta Statute is an appropriate and preferable legal structure for the commuter service
- Define commission:
 - Mandate and scope;
 - Determine entity composition, terms, voting procedures for transition;
 - Recommend appointment process for elected representatives to governing board;
 - Recommend profiles (qualification criteria) and process for appointment of non-elected board members of the regional entity;

- Recommend entity compensation framework; and,
 - Identify staff and resource requirement for the entity.
- Identify transition costs and determine scope of interim/transition funding to request from province
- Recommend the composition of a Transition Team to carry out Phase 2
- Assess the resourcing requirements of the Transition Team
- Engage in communication and consultation with other regional partners

Deliverable:

The Task Force will create an MOU to confirm governance design for the regional commuter entity to be established. Once approved by Edmonton and St. Albert Councils, other municipalities in the region will be invited to approve the MOU and participate in the regional entity as part of Phase 2 of this Implementation Plan.

Phase 2 – Entity Establishment and Transition (1-2 years)

Stewart Group further recommends a non-operational entity be established to carry out the tasks as defined by the Task Force in Phase 1 (subject to the endorsement of the MOU's recommendations by the sponsoring councils). Phase 2 will finalize direction on four key areas for the regional entity.

Mandate:

- Scope and delivery of regional commuter service
 - Confirm the scope of services at launch, and transition path/timing for expansion of services;
 - Development of service guidelines, a first year plan, and development of a strategic plan; and,
 - Select a preferred service delivery model.
- Funding and financial management
 - Establish specific funding model – including funding tools as available through provincial regulations and fare structure/levels;
 - Identify timing and phasing of revenue sources, providing financial capacity to meet long-term financial requirements of expansion and capital investment;
 - Determine approach for cost and revenue sharing to align with funding model; and,
 - Develop an asset transfer plan, including approach for the transfer of associated debt.
- Administration and logistics management
 - Determine the appropriate entity type to match funding and service delivery model;
 - Establish administrative and managerial functions;
 - Appoint interim (staff) executive committee/team responsible for management/implementation;
 - Coordination of supporting services (“back-office”); and,
 - Undertake negotiations with impacted Unions.
- Integration of entity with planning and municipal functions
 - Assess requirements, dependencies or relationships to regional integration of other services/infrastructure (e.g. economic development, land use planning, roads); and,
 - Define processes to engage in and support requirements for municipal planning functions.

Deliverable:

As a final approval to create the entity, all required documents will be developed providing direction on the key area as outlined in the MOU. The documents will also outline a weighted voting structure, which will take into account the municipalities within the area of services, the geographic extent/scope of funding (regional versus local), the amount of service within subareas funding model, and the constituency base of taxation. The documents will then be submitted for approval, by the respective municipal councils and the provincial government to incorporate the regional entity.

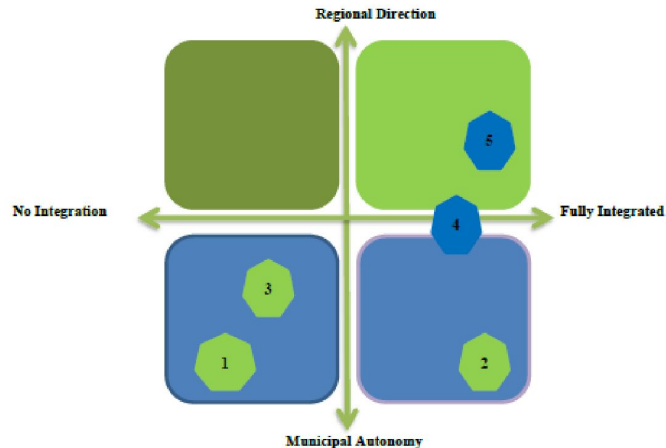
Phase 3 – Service Operations (1 year)

Based on precedent from other regions, it is expected that a new commuter service entity can be in operation approximately 1 year following approval of the formal agreement. The specific launch date must be driven by an assessment of readiness as measured by customer service expectations and not arbitrary deadlines.

Attachment 1 provides a high level examination of the five potential models that were considered by the project steering committee. Models were assessed for the feasibility of implementation and an acceptable balance between maintaining local service autonomy and enhancing regional mobility.

FIGURE 1: THE FIVE MODELS ON A CONTINUUM OF SERVICE

1. Current State;
2. Single Contractor/Operator;
3. Common Capital Program;
4. Regional Commuter Service; and
5. Independent Transit Authority.



1. Current State

While the goal of the project is to examine the possibility of greater levels of integration for regional transit services, it is important to note that the Edmonton Metro Region already has a high level of collaboration between the different service providers. Further enhancements are in development that will facilitate regional mobility. Examples of this include contracts in place to allow suburban municipalities to enter the region's core and use ETS facilities, a number of subcontracted services between providers, and approval and funding for the implementation of a regional Smart Fare System.

Benefits

Local autonomy remains intact, and the transit service providers across the region will continue to explore possible opportunities to enhance regional collaboration as they become available.

The status quo avoids concerns related to autonomy over service levels, revenues (as commuter routes are primary revenue sources), and governance structures.

Risks

The associated risk of maintaining the status quo is a continuation on the path towards eight or more separate transit services in the region. While the region would still have the ability to collaborate through various initiatives, this approach could trail behind the other models in terms of overall regional mobility options, regional coordination and planning of services, and capital investments supporting regional priorities.

Funding Considerations

Funding for the Current State would remain status quo with costs described in current municipal operational business plans.

2. Single Contractor/Operator Model

This model proposes a regional provider of transit services that contracts service with each municipality.

“ETS/St. Albert Regional Transit - Progress Report”

Benefits

The Single Contractor/Operator Model maintains local autonomy over service levels and route selection, as the level of service or funding directed towards transit services remains the purview of each separate municipality. The Edmonton Metro Region would take advantage of the scope and expertise of a centralized administration. This would produce consistency across the region related to the reliability of service and the assets delivering the service. The single brand for the region would increase awareness of inter-municipal commuter transit service, with the potential to create a better customer experience through streamlined communication and information systems.

Risks

Administrative efficiency in this model would be limited as each municipality would have to maintain a planning relationship with the operating contractor. The share of administrative costs would increase for smaller providers because of the broader scope of activities and functions. Overall system cost are expected to increase primarily due to projected wage rate increases.

It is unlikely that there would be significant change in regional investment or prioritization. The Single Contractor/Operator Model does not address the coordination of planning or regional prioritization of capital investments. There could be a perception of loss in local autonomy over service and some loss of cost control.

Funding Considerations

The Single Contractor/Operator would negotiate directly with each municipality, creating minimal fiscal change from current expenditures. Municipalities would have autonomy to select service and funding levels, with some loss of control over costs. The projected increase from ‘leveling’ of labour rates would increase overall system/service costs.

3. Regional Capital Priorities Model

The Regional Capital Priorities Model would coordinate and prioritize capital investment in Transit Services across the Metro Edmonton Region. A regional board, committee or commission would be accountable for prioritizing program/grant investments in infrastructure such as LRT, rolling stock and park and ride facilities. Operational service delivery would remain unchanged.

Municipalities would forego a level of autonomy as investment decisions would be made with a focus on regional mobility. Local operations would be indirectly impacted through this model, as services would be adjusted to respond to the infrastructure investments being made.

Benefits

Similar to how projects are advanced through the River Valley Alliance, this approach would prioritize infrastructure investment based on transit and mobility needs for the Edmonton Metro Region. Regional mobility would be enhanced through system design that better-supports inter-municipal travel patterns and facilitates partnering by multiple municipalities on select projects.

Risks

Municipal autonomy could be reduced as control over capital expenditures is transferred. The governance structure would be replacing a one-on-one relationship with other orders of government with an indirect relationship through a 3rd party mechanism.

“ETS/St. Albert Regional Transit - Progress Report”

Funding Considerations

Infrastructure decisions made through this model would impact local operations, both related to how service is delivered (i.e., adjusting service for a new park and ride facility) and maintenance costs due to the age/state of rolling stock.

4. Regional Commuter Service Model

In a Regional Commuter Service Model, municipalities retain responsibility for the provision of public transit services within their municipal boundaries while inter-municipal transit would be operated by a separate organization. The regional service provider will be responsible for assessing inter-municipal travel needs of commuters and designing specific routes to serve commuter demand. Municipal transit authorities would continue to focus on the needs for network service within their communities.

Benefits

A regional commuter service would be able to provide service to more communities, and more origins and destinations could be connected with express service. Customers will experience more convenient service across municipal boundaries through seamless transfers between express regional routes and local network routes. This approach to regional integration has proven successful in other jurisdictions, is fairly straightforward to implement and can easily expand to partnering communities in the Edmonton Metro Region.

In the longer term, the regional commuter transit authority could be tasked to manage capital investments in transit such as BRT or LRT right of way acquisition and roadway/railway construction. This would improve regional transportation planning and facilitate investment in transit by the Federal and Provincial governments. This approach could serve as a precursor to future phases of integration for transit in the Edmonton Metro Region.

Risks

There are challenges of integrating services of a new commission with existing services, such as planning and communication. The reduction in local autonomy over commuter services creates some risk to current services, such that passengers could be inconvenienced by having to transfer more frequently.

Commuter services are significant fare-revenue leaders for the smaller municipalities throughout the region. Effectively managing the transition to this model is critical as to not jeopardize inter-municipal transit service throughout the entire region.

Funding Considerations

The creation of a new regional service will require seed funding from partner municipalities, and may require ongoing partner funding supported by long term commitments or other predictable revenue sources. Fare allocation, revenue sharing, and debt allocation will all need to be considered and negotiated within the funding arrangement between the participating municipalities.

Regional commuter services are key transit activities that accounts for or generates the greatest operating revenue for suburban municipalities. A move to a separate operator for commuter services could significantly impact recoveries from fares for local services.

“ETS/St. Albert Regional Transit - Progress Report”

5. Regional Transit Authority

A regional transit authority could be established to consolidate and operate all transit services by defining service levels and an operating plan, making capital decisions, and relieving all participating municipalities of their responsibilities for transit. The authority would require establishment of a corporate model; operations could be managed internally by participating municipalities or through a contracted service.

Benefits

This model would address service planning and coordination across the Edmonton Metro Region, which could enable improved regional coordination and delivery of transit. The transit authority would provide a consistent approach to route planning and assets used with the goal of maximizing mobility throughout the Edmonton Metro Region.

Administrative functions could be improved and streamlined, including efficiencies in procurement of rolling stock. Such a model facilitates the implementation of broader regional transit initiatives. Residents would be able to conveniently access service across municipal boundaries, and have a better customer experience through combined municipal strengths and technologies.

Risks

This model is the most complex of those considered in this report. It would result in a significant loss of local autonomy related to transit services for all municipalities in the region. Each municipality would have representation on the board of the transit authority, but would have limited authority.

Transit planning would be separated from municipal and regional planning occurring in different forums. This creates a risk that authorities from each municipality would not have any formal mechanism to manage or resolve differing perspectives. Preliminary assessments suggest that amalgamation of transit services could increase costs of service overall and the funding and governance requirements would be complex.

As local governments change, the local representation appointed to the board by various municipalities may have different priorities which could negatively impact long-term planning and stability.

Funding Considerations

Ongoing funding of this model would need to be designed to support a separate corporate infrastructure with board and administrative costs, in addition to the base level of service for the region, with mechanisms to support system growth and capital needs. A steady, predictable funding model would need to be in place to ensure that an acceptable level of service could be provided on an ongoing basis. This model could allow for individual municipal partners to opt-up (pay additional amounts) for a higher level of service.

Edmonton Metro Region Commuter Service - Memorandum of Understanding to Establish a Regional Transit Services Commission

Recommendation:

1. That the Memorandum of Understanding created by the Joint City Managers' Regional Commuter Service Task Force for the purpose of establishing a Regional Transit Services Commission, as set out in Attachment 2 of the September 12, 2017, City Operations report CR_4841, be approved.
2. That the Mayor, on behalf of City Council, write a letter to the Minister of Transportation and Infrastructure, and the Minister of Municipal Affairs requesting financial assistance for regional collaboration as per the mutual effort requirement of the signatories outlined in Section 8.4 of the Memorandum of Understanding, as set out in Attachment 2 of the September 12, 2017, City Operations report CR_4841.
3. That, contingent upon the Government of Alberta committing regional collaboration financial assistance, that Administration provide a report to Council in November 2017, to appoint two Members of Council to the Regional Transit Services Commission Transition Team as the City of Edmonton's representatives.

Report Summary

This report provides the draft Memorandum of Understanding for Council's review and approval and also provides a general outline of the steps involved in the creation of a Regional Transit Services Commission.

Previous Council/Committee Action

At the October 11, 2016, City Council meeting, the following motions were passed:

1. That the City Manager proceed with the Regional Commuter Service Phased Implementation Plan as outlined in Attachment 1 of the September 27, 2016, City Operations report CR_3564.
2. That Administration work with the Council Sponsors for the Public Transit Initiative and the Council Representative on the Capital Region Board Transit Committee on the next steps for the Regional Commuter Service Task Force.

Report

Background

During the last economic boom cycle, the population of the Edmonton Metropolitan Region (the “**Region**”) grew dramatically and experienced pronounced commercial and residential development. The need for coordinated growth management and service delivery led to the creation of the Capital Region Board by the Government of Alberta in 2008. The Capital Region Board’s mandate was to plan for and manage the growth of the Region in a strategic, coordinated and integrated way that preserves the unique characteristics of each municipality while ensuring the long term sustainability and prosperity of the Region as a whole. Regional transit, planning and housing were the initial priorities. The Transit Committee of the Capital Region Board examined the current public transportation system, eventually leading to the Cities of St. Albert and Edmonton taking the initiative to study the practical implications and opportunities to create an integrated regional commuter system.

Benefits of an Integrated System to Commuters and Employers

Public transit is a critical component for developing a globally competitive region. Labour mobility can be improved significantly when system planning and operations are efficiently integrated within one agency. When mobility is improved, commuters have access to more job or training opportunities, and employers face one less barrier to hiring and retaining employees to keep their businesses operating.

To date, a significant barrier to restructuring and improving transit has been the patchwork of multiple transit networks operated separately by municipalities in the Edmonton Metropolitan Region. Greater collaboration between municipalities is key to the transportation needs of a growing populace, as well as the economic, social, and environmental health and well-being of all citizens in the Region.

As the population of the Region grows, the need for collaboration between the regional municipalities increases. In the May 2016, Metro Mayors Alliance report on Metro Edmonton’s Future, “Be Ready or Be Left Behind,” the advisory panel--made up of 12 economic, academic, business, media, and education leaders--delivered a message to the Mayors that was a clear call to action: “*greater regional collaboration isn’t an option. It’s an imperative*”. (Metro Edmonton Advisory Panel 2017)

Important Milestones to Date

Since May 2015, Administration representatives from the cities of Edmonton and St. Albert have jointly studied regional transit systems and governance models across Canada and the United States. In March of 2016, the two Councils agreed to narrow the scope of continued work to the examination of a separate commuter system that operated inter-municipal routes, leaving local service with existing operators. In September 2016, Council approved a three phase implementation plan. The plan is included in this report as Attachment 1. As recommended in Phase 1 of this plan,

the Councils agreed to appoint two Councillors from each City as members and Mayors as ex-officio to a Joint City Managers' Regional Commuter Service Task Force (the "Task Force") to design a governance model appropriate for the circumstances and aspirations of the Region.

Current Situation

The Task Force began its work on the project in December, 2016, developed its Terms of Reference, and set an objective of completing a Memorandum of Understanding to create a regional entity to deliver commuter services appropriate for the Edmonton Metro Region. By June of 2017, the Task Force concluded its deliberations and approved the final text of the draft Memorandum of Understanding. The Memorandum of Understanding is included as Attachment 2 and is the subject of this report before Council for approval.

The Task Force reviewed lessons from other Cities' experiences with regional transit system organization and funding models (first identified in previous Council reports). From this review, the Task Force concluded that the governance structures of regional transit systems reflect each region's unique local circumstances, economies, political history and culture.

The Memorandum of Understanding describes the general vision, mandate and scope for a new transit entity, one that is grounded by the needs and interests of both current and future transit riders. In section 4, the Memorandum of Understanding sets out that the new entity must provide regional transit service that is fast, convenient, simple, reliable, efficient and affordable, and it must be seamlessly integrated with other modes of transportation. When these objectives are met, the service will attract ridership, and other city-building objectives can be achieved such as economic resiliency, compact and vibrant urban form, and environmental sustainability.

In light of this high-level vision, the Task Force assessed the merits of different corporate structures. It determined that the regional services commission model provided in Part 15.1 of the *Municipal Government Act* provided a superior corporate structure as compared to other models such as a non-profit corporation. The benefits of using the regional services commission model include:

- Clarity of purpose and public accountability
- History of existing commissions for other services provides more certainty
- Clear process for formation, expansion and dissolution
- Additional provincial oversight and accountability
- Effective for attracting grants from other orders of government
- Ability to expropriate land
- Planning and capital effectiveness to improve or create new infrastructure

Should City Council approve the Memorandum of Understanding, Administration will initiate preparatory work on the next phase of the project. Members from the Task Force have already begun conversations with Provincial officials and have indicated that further commitment by the two cities to the benefit of the whole region will be contingent on transitional funding being provided to support the project.

Commission Model Encourages and Accommodates Onboarding

The Memorandum of Understanding has been created with the goal of encouraging other municipalities to join the Regional Transit Services Commission. Should the City Councils of Edmonton and St. Albert both approve the Memorandum of Understanding, work will begin on Phase 2 of the Implementation Plan that includes formal outreach efforts to other Regional Partners and collaboration with the Government of Alberta to draft an enabling regulation by Order in Council that creates the Commission. Once a Commission has been established, any further changes to its membership will require an amendment to the Regulation. In order to minimize the need for such amendments, regional municipalities will be encouraged to join prior to establishment of the Commission.

Board Governance and Democratic Accountability

Given that all public transit systems in North America are heavily subsidized by local and/or provincial and state governments, there is no expectation that a public transit commission would ever break even on the basis of fares and other commercial revenue. Therefore, the Task Force saw a need for management of the system to have a direct link to taxpayers through their elected representatives. Although the regional services commission model allows private citizens to be appointed to the Board, given the magnitude of the annual tax expenditures required to provide transit services, the Task Force determined that the Board should be composed of current Councillors appointed by each member municipality.

Voting Structure

Although the phased implementation plan of the previous report CR_3564 - *Edmonton Metro Region Commuter Service* contemplated the voting structure being part of the next phase of work, the Task Force determined that early identification of the voting structure would help other regional municipalities to understand the cooperative nature of the proposed Regional Transit Services Commission, and thereby facilitate the participation of additional regional stakeholders. The Task Force invested considerable time into creating a double majority voting system to ensure that Board decisions will reflect a balance of interests among member municipalities and their transit ridership.

Mandate and Scope

In recognition that ridership is paramount to the success of the Regional Transit Services Commission, the Task Force determined that the mandate and scope of the transit service should initially be limited to the regional commuter service, as

envisioned in CR_3564. Such a commuter service consists of routes between municipal jurisdictions emphasising the peak service time needs of workers and students commuting to work or school. However, in looking to the future, the Task Force designed the governance and voting structure to be flexible enough to meet the needs of an expanded mandate, should future Councils agree, both in terms of services offered and an expanded geographic reach, as other municipalities join in to take advantage of an integrated system.

Transitional Costs of Creating a Regional Transit Services Commission

Administrations from Edmonton and St. Albert estimated that the next phases of implementation of the Task Force Memorandum of Understanding would likely take two years before all operations of the commuter services were combined in the new commission. As citizens rely upon the current independently-operated systems, the Task Force gave full consideration to the necessity of a seamless and disruption-free transition for passengers. This requires carefully planned organizational development from governance through to operational responsibilities.

To this point, all of the expenses related to exploring the opportunity of regional transit have been borne equally by the Cities of Edmonton and St. Albert. The Task Force is concerned that the much more intense phase of creating the Regional Transit Services Commission will divert resources (both human and financial) from maintaining current operational effectiveness. As implementation is largely an overhead cost expense, and as recouping a share of this initial overhead expense from other regional partners in the future could be a deterrent to their participation, the Memorandum of Understanding requires the parties to make best efforts to obtain financial support for Phase 2 of the Implementation Plan from the Province. The precedent for regional collaboration assistance from the Government of Alberta is well established and in fact was essential to the formation of the Capital Region Board.

Administrations have estimated that support from the Province is required for:

- Incorporation costs of setting up the Regional Transit Services Commission including:
 - Accounting
 - Legal
 - Human Resources
 - Board Secretariat
 - Information Technology
- Market Research
 - Data driven demand factors
 - Public Engagement
 - Public Consultation

- Planning
 - Route interlining and routing design
 - Operational and capital requirements
 - Fleet integration
 - Technology improvements
 - Station and stop identification
- Communications
 - Advertising to educate the public on changes in transit identity
 - Campaigns for awareness of transitional measures, whether there are any service changes or not

Financial Commitment

Administrations have estimated that the costs for the functions identified above to permit completion of Phase 2 of the Implementation Plan are in the order of \$1.7 million in Year One and \$2 million in Year Two. Pending a positive response from the Government of Alberta to the Cities' request for funding, the financial commitment for Phase 2 is expected to be net zero. Administration will return to Council with a report on the outcome of discussions with the Government of Alberta and seek direction to proceed with Phase 2 of the Implementation Plan.

Transition Team to Govern Phase 2 of the Implementation Plan

The Memorandum of Understanding provides for each party to appoint two Councillors and two Administration representatives to a Transition Team that would act as the interim Board of Directors of the new entity until such time as the Province gives legal standing to the Commission by way of an Order in Council. Strathcona County has expressed interest in becoming a signatory to the MOU and participating in Phase 2 discussions.

Next Steps

1. Both Cities will request financial support from the Government of Alberta to complete Phase 2 of the Implementation Plan.
2. Contingent upon a positive response from the Government of Alberta for financial support, Council would appoint members to the Transition Team as per the Memorandum of Understanding and work on Phase 2 of the implementation plan will commence.
3. Open discussions with Strathcona County and other municipalities in the Region to encourage participation in Phase 2 by becoming signatories to the Memorandum of Understanding and appointing representatives to the Transition Team.
4. Establish a process to collaborate with the Province regarding the preparation of the formal request for a Regulation under the Municipal Government Act to establish a Regional Services Commission Board.

Conclusion

A governance change in regional transportation is complex and involves many steps. Administration is now a decade into its research, planning, and implementation of a regional transit service. While some Canadian municipalities such as Toronto still operate with multiple large agencies delivering transit and very little inter-agency coordination, other cities like Vancouver have regional transit governance that dates back to the 1970s, with a governing body in place that allows flexibility to include all areas in the commutershed.

The Joint City Manager's Regional Commuter Service Task Force has studied the best practices and experiences of other municipalities and has incorporated this information into the Regional Transit Services Commission Memorandum of Understanding. Council's approving the Memorandum of Understanding is an important step in a series of phases to realize a regional transit service.

Corporate Outcomes

Integration of regional transit services would improve the mobility of residents throughout the Edmonton Metro Region and create greater opportunities for labour mobility and economic/social endeavours. This supports the corporate outcomes of "Edmontonians use public transit and active modes of transportation," and the "Edmonton Region is a catalyst for industry and business growth."

Risk Assessment

Risk Element	Risk Description	Likelihood	Impact	Risk Score	Current Mitigations	Potential Future Mitigations
Financial	Costs of service and government grants will impact municipal budgets.	5 Almost Certain	4 Severe	20 High	Both Cities will seek financial assistance from the Province to support the unavoidable administrative costs of setting up a new organization while all current operations are ongoing.	Long term strategies will be subject to resource allocation decisions of future Councils.
Political Influences	Board members (elected municipal representatives) or Provincial Government may change goals/ funding approach	2 Low	5 Worst case	10 Medium	The Task Force represented the political leadership of both Cities and crafted an MOU they believe will	Future Councils will evaluate the desirability of continued participation largely on operational

Edmonton Metro Region Commuter Service - Memorandum of Understanding to Establish a Regional Transit Services Commission

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	over time.				stand the test of time and change.	effectiveness.
Employees	Concerns over service delivery and implications for unionized staff.	4 High	2 Moderate	8 Medium	Amalgamated Transit Union (ATU) leadership will be briefed regularly through Phase 2 of the Implementation Plan as the service delivery model is designed. No operations will be transferred for a minimum of one year.	Transitional planning to mitigate service impacts.
Customers/ Citizens	Awareness and service impacts of integrating an additional transit service for the region.	4 Likely	2 Moderate	8 Medium	There will be no customer impacts in the short term. Market research and communications planning will be conducted in Phase 2 of Implementation Plan.	Integration of fare systems/ programs, and regional trip information to facilitate seamless transition between services.
Corporate Governance Environment	Concerns with local autonomy and control when part of the transit system is transferred to the new commission.	2 Low	3 Major	6 Medium	The MOU includes strong democratic connection to City Councils as Board would be made up of elected Councillors.	The MOU balances needs of riders and municipalities through a weighted voting structure for Board Decisions.

Public Engagement

The project's Task Force has been providing updates to the Capital Region Board's Transit Committee on a regular basis and meeting with key regional stakeholders to advance the project.

No formal public engagement has taken place for this project. Public Engagement may be undertaken in the next phases of the implementation of a regional system, and will be at the discretion of the new entity.

Budget/Financial Implications

As outlined in the Memorandum of Understanding, the transitional planning work to support the creation of a Regional Transit Services Commission (prior to operations) will require operational funding. The City of Edmonton's contribution will be contingent on obtaining funding from other orders of government.

The transitional planning work for the Regional Transit Services Commission will define longer-term financial commitments for all partners; a report will be brought back to City Council for approval, with a thorough analysis of the financial and service impacts that will commit the City to the Regional Transit Services Commission before proceeding with the final application to the Government of Alberta for the enabling regulation.

Legal Implications

Part 15.1 of the *Municipal Government Act* sets out the legal framework for creating a regional transit services commission. Such commissions are not governed by the *Business Corporations Act* or the *Companies Act*.

Should the municipal participants agree to create such a commission, the Province of Alberta would be required to review and approve the proposed governance and operational structure of the commission, and pass a regulation creating the entity. The provincial review and creation process is estimated to take between three to twelve months from the date of receipt of a completed application package.

The Memorandum of Understanding attached to this report is non-binding. It sets out the mutual vision and commitments of the parties, but does not create enforceable legal obligations.

Metrics, Targets and Outcomes

Metrics	Targets	Outcomes
<ul style="list-style-type: none"> 2015 Edmonton ridership numbers: 88,721,062 (ridership/capita = $88,721,062/895,000 = 99.1$) 2015 St. Albert ridership numbers (Commuters into Edmonton): 928,228 (ridership/capita = $928,228/63,255 = 14.7$) Number of Edmonton fleet dedicated to regional service: 40 	<ul style="list-style-type: none"> Targets would need to be set by the new entity once the service has been designed. These targets would also depend on the number of municipalities participating. 	<ul style="list-style-type: none"> Establish a sustainable funding model that reflects the regional nature of transit service. Regionally planned transit service that moves people effectively throughout the Metro Edmonton Region.

Edmonton Metro Region Commuter Service - Memorandum of Understanding to Establish a Regional Transit Services Commission

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(contracted services)		
<ul style="list-style-type: none">Number of St. Albert fleet dedicated to regional/commuter service: 38		

Justification of Recommendation:

1. Approving the Memorandum of Understanding created by the Joint City Managers' Regional Commuter Service Task Force will further the process of realizing a Regional Transit Services Commission and initiate the next phase of implementation of a regional transit entity.
2. Securing provincial financial assistance will demonstrate a regional commitment to the project and reduce barriers to entry for other municipalities.
3. Appointing two Edmonton representatives to the transitional board is a required step, should the first two recommendations be approved and in place.

Attachments

1. Three Phase Implementation Plan
2. Memorandum of Understanding - Regional Transit Services Commission

Others Reviewing this Report

- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- R. G. Klassen, Deputy City Manager, Regional Economic Development
- L. McCarthy, Deputy City Manager, Urban Form and Corporate Strategic Development
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services

MEMORANDUM OF UNDERSTANDING

REGIONAL TRANSIT SERVICES COMMISSION

THIS MEMORANDUM OF UNDERSTANDING entered into this 11th day of October, 2018

BETWEEN:

THE TOWN OF BEAUMONT
("Beaumont")

THE TOWN OF DEVON
("Devon")

THE CITY OF EDMONTON
("Edmonton")

THE CITY OF FORT SASKATCHEWAN
("Fort Saskatchewan")

THE CITY OF LEDUC
("Leduc")

LEDUC COUNTY
("Leduc County")

THE TOWN OF MORINVILLE
("Morinville")

PARKLAND COUNTY
("Parkland")

THE CITY OF SPRUCE GROVE
("Spruce Grove")

THE CITY OF ST. ALBERT
("St. Albert")

THE TOWN OF STONY PLAIN
("Stony Plain")

STRATHCONA COUNTY
("Strathcona")

STURGEON COUNTY
("Sturgeon")

WHEREAS:

- A. The Edmonton City Council resolved on 11 October 2016 that Edmonton should proceed towards the creation of an entity that will provide transit services throughout the Metro Edmonton Region;
- B. The St. Albert City Council resolved on 26 September 2016 that St. Albert should proceed towards the creation of an entity that will provide transit services throughout the Metro Edmonton Region;
- C. Edmonton and St. Albert have created a Joint Task Force to explore and identify the governing principles and mandate of a regional transit service entity;
- D. The Joint Task Force has determined that a regional services commission, under Part 15.1 of the *Municipal Government Act*, RSA 2000, c. M-26 (the "Act"), is the preferred model for the regional transit service entity; and
- F. The Parties now wish to outline the regulatory, technical, financial, and operational framework of a Regional Transit Services Commission ("RTSC") to serve the Metro Edmonton Region;

NOW THEREFORE the Parties enter into this non-binding Memorandum of Understanding (the "MOU") to describe both their respective intentions and their mutual intentions:

1. TERM

- 1.1 The Term of this MOU shall commence at the date first above written and shall continue until such time as the RTSC, having been established via provincial regulation, has duly adopted its bylaws, or for a period of five (5) years. In the event that the RTSC has not duly adopted its bylaws within five (5) years from the date first above written, the Parties may agree to renew the Term of this MOU for five (5) additional one (1) year periods, provided that the total Term of this MOU including any renewals shall not exceed ten (10) years.
- 1.2 Notwithstanding Clause 1.1 herein, if this MOU is not approved by both the City Council of the City of Edmonton and by the City Council of St. Albert, then the MOU shall terminate immediately.
- 1.3 A Party may terminate its participation in the creation of the RTSC by way of a duly passed resolution of its respective municipal council.

2. PARTIES ARE MUNICIPAL AUTHORITIES

- 2.1 The Parties understand and agree that the Municipal Council of each respective Party must approve this MOU before such Party may proceed on the terms set forth in this MOU.
- 2.2 Nothing in this MOU restricts the Parties, their respective municipal councils, officers, servants, or agents in the full exercise of any and all powers and duties vested in them as municipal governments, councils, and as the officers, servants, and agents of municipal governments.
- 2.3 The RTSC will assume responsibility for service operation only after the Municipal Council of each Party has approved the proposed draft Bylaws of the RTSC and the Transit Services Transition Plan.

3. ADDING PARTIES

- 3.1 The Parties acknowledge that any other municipality within the Metro Edmonton Region may agree to become a party to this MOU, subject to the approval of the Transit Services Transition Team.

4. REGIONAL TRANSIT SERVICES COMMISSION VISION

- 4.1 The Parties intend that the RTSC will be established in accordance with the following vision:

(a) The RTSC will be a regional services commission as defined under Part 15.1 of the Act;

- (b) The RTSC will help to ensure the provision of a fast, convenient, simple, reliable, efficient, and affordable transit service, that is seamlessly integrated with other modes of transportation;
 - (c) The RTSC will provide an appreciably faster commute time when compared against other modes of transportation;
 - (d) The RTSC will create a better customer experience by combining strengths and implementing new technologies;
 - (e) The RTSC will initially provide inter-city bus transit service;
 - (f) In the future, the RTSC may expand to provide additional transit services including, but not limited to:
 - (i) local intra-city service;
 - (ii) specialized transit service, including DATS and Handibus service; and
 - (iii) light rail transit;
 - (g) The RTSC will support long-term regional development and growth plans and will act as a partner in transportation and land use planning in the Metro Edmonton Region;
 - (h) The RTSC will serve as a transit backbone that will help to connect communities and support a stronger, greener, and more prosperous Metro Edmonton Region;
 - (i) The RTSC will provide more convenient service across municipal boundaries, which in turn will allow the public to access employment opportunities that better match their needs;
 - (j) The RTSC will help to alleviate traffic congestion, decrease greenhouse gas emissions, and improve air quality;
 - (k) The RTSC will allow the Parties to realize procurement savings for transit related products and services; and
 - (l) The RTSC will be a full participant in regional transit initiatives designed to enhance the integration of administrative functions and improve customer service interfaces.
- 4.2 The RTSC will operate in accordance with Regional Service Standards to be mutually agreed upon by the Parties. Notwithstanding the foregoing, either Party may, at its own cost, elect to acquire services from the RTSC that exceed the Regional Service Standards.

5. REVENUE PRINCIPLES

- 5.1 The RTSC will define its funding model by way of a bylaw.

- 5.2 A reasonable portion of the RTSC's funding will come directly from transit users through fare recoveries in a manner consistent with the current transit funding models in use by the Parties.
- 5.3 The RTSC will endeavor to secure non-fare funding sources that are stable, predictable, and sufficient to support the RTSC's current and projected operational needs.
- 5.4 Non-fare funding sources for the RTSC's current and projected capital needs should be clearly defined and should recognize the importance of maintaining and improving the RTSC's service.
- 5.5 A portion of the RTSC's funding requirements will be requisitioned from member municipalities representing the shared investment and shared benefit of the RTSC.

6. GOVERNANCE STRUCTURE

- 6.1 Notwithstanding that the RTSC has yet to have been created as a commission, the Parties agree that the RTSC's corporate governance shall reflect the structure as outlined in Article 6 of this MOU.
- 6.2 The RTSC will be governed by a board of directors, and each member municipality shall directly appoint up to 2 directors to the board. Only elected representatives from the respective municipality may be appointed to the board.
- 6.3 The board of directors will make decisions via a double majority, consisting of:
 - (a) A two thirds majority of all the board members; and
 - (b) A two thirds majority of all of the available Weighted Vote Factors.
- 6.4 The Weighted Vote Factor (**Wf**) of each member municipality will be calculated as follows:

$$\mathbf{Ff + Rf = Wf}$$

where **Ff** (Financial Contribution Factor) equals the percentage of that member's financial contribution to the total financial contribution of all members, multiplied by 0.5, and rounded to the nearest whole number; and

where **Rf** (Ridership Contribution Factor) equals the percentage of that member's ridership contribution to the total ridership contribution of all members, multiplied by 0.5, and rounded to the nearest whole number.

- 6.5 The Ff and Rf factors of each municipality will be recalculated at the first annual board meeting in each year, based upon the data available from the most recent fiscal year of the RTSC. In the RTSC's first fiscal year, the Ff and Rf factors will be calculated using the projected financial and ridership data for that first fiscal year.

- 6.6 Where a municipality appoints two directors, that municipality's Wf will be divided equally among both such directors.

7. TRANSIT SERVICES TRANSITION

- 7.1 Each Party will appoint two (2) elected representatives and may appoint up to two (2) administrative representatives to a Transition Team, which will act as an interim board of directors of the RTSC until the coming into force of a Provincial regulation creating the RTSC.
- 7.2 The Transition Team will:
- (a) appoint a chairperson from among the administrative representatives;
 - (b) serve as the interim board of directors until such time as the RTSC is created by way of provincial regulation;
 - (c) create the proposed draft Bylaws of the RTSC to be recommended to the Province;
 - (d) recommend to the Province those persons who should serve as the appointees to the first board of directors;
 - (e) engage with other regional municipal partners to encourage participation in the RTSC; and
 - (f) prepare a three (3) year start-up plan which will outline the RTSC's operational plan and budget.
- 7.3 The Transition Team will create a Transit Services Transition Plan.

8. MUTUAL EFFORTS

- 8.1 Each Party will present the proposed draft Bylaws and the Transit Service Transition Plan to its Municipal Council for approval.
- 8.3 The Parties will engage the Government of Alberta to ensure that the ultimate legal structure of the RTSC meets with the requirements for incorporation.
- 8.4 The Parties will petition the Government of Alberta to provide financial support for the establishment of the RTSC.
- 8.5 Each party will provide an estimate to the Transition Team of all costs incurred with respect to any services which are not intended to be borne by the RTSC.
- 8.6 Each party intends that its respective transportation planning and operations departments, units, and branches will make reasonable accommodations to support the RTSC. Notwithstanding the foregoing, the RTSC will be responsible for any capital expenditures reasonably required to improve the access, speed, and reliability of RTSC services.

- 8.7 The Parties will make reasonable efforts to cooperate in planning for the development of transit station sites for the RTSC's use.
- 8.8 The Parties will make reasonable efforts to expedite planning and approval processes that encourage or create community revitalization opportunities at or near RTSC transit sites.

9. NON-BINDING MOU

- 9.1 This MOU is not to be construed as constituting a legally binding agreement between Edmonton and St. Albert and is merely to serve as a description of the Parties' intentions with respect to advancing towards the ultimate creation and operation of the RTSC.

10. GENERAL

- 10.1 No partnership is created by this MOU. Nothing contained in this MOU shall or shall be deemed to constitute the Parties as partners, as an agent of the other, or as entering into any other relationship whereby either could be held liable for any act or omission of the other. Neither Party shall have any authority to act for the other or to incur any obligation on behalf of the other.
- 10.2 The Parties will, with reasonable diligence, hold all meetings, perform all acts, execute and deliver all documents and instruments, and do all such things and provide all such reasonable assurances as may be reasonably necessary or desirable to give effect to the provisions of this MOU.
- 10.3 The Parties acknowledge that they are each separate public bodies having certain obligations respecting the collection and distribution of personal information pursuant to the *Freedom of Information and Protection of Privacy Act*, RSA 2000, c F-25 and that each party must adhere to the provisions of such legislation.
- 10.4 This MOU and any amendment or supplement may be executed in any number of counterparts and delivered by facsimile or electronically by pdf with the same effect as if all members hereto had signed the same document. All counterparts shall be construed together and shall constitute one and the same original document.
- 10.5 All sums listed in this MOU are in Canadian dollars.

Remainder of this page intentionally left blank.

Each of the Parties hereto, having duly approved the terms of the within Memorandum of Understanding, have executed this Memorandum of Understanding effective as at the date first above written.

THE TOWN OF BEAUMONT

Per: 
Mayor John Stewart

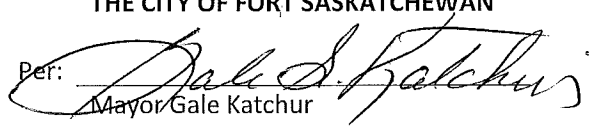
THE TOWN OF DEVON

Per: 
Mayor Ray Ralph

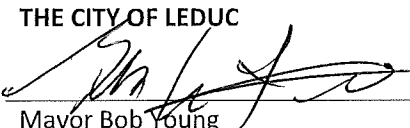
THE CITY OF EDMONTON

Per: 
Mayor Don Iveson

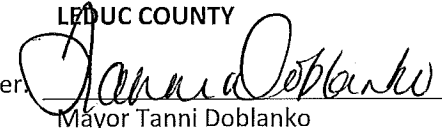
THE CITY OF FORT SASKATCHEWAN

Per: 
Mayor Gale Katchur

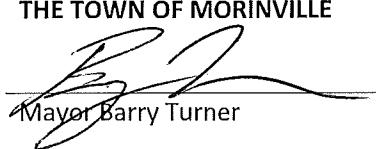
THE CITY OF LEDUC

Per: 
Mayor Bob Young

LEDUC COUNTY

Per: 
Mayor Tanni Doblanko

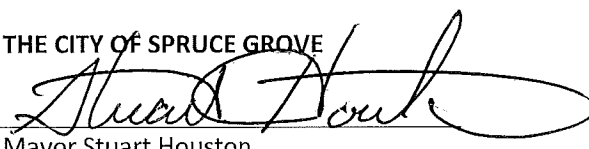
THE TOWN OF MORINVILLE

Per: 
Mayor Barry Turner

PARKLAND COUNTY

Per: 
Mayor Rod Shaigec

THE CITY OF SPRUCE GROVE

Per: 
Mayor Stuart Houston

THE CITY OF ST. ALBERT

Per: 
Mayor Cathy Heron

THE TOWN OF STONY PLAIN

Per: 
Mayor William Choy

STRATHCONA COUNTY

Per: 
Mayor Rod Frank

STURGEON COUNTY

Per: 
Mayor Alanna Hnatiw

CERTIFICATE OF INSURANCE

NAME AND ADDRESS
OF NAMED INSURED:

NATURE OF WORK:

CONTRACT/P.O.#

Schedule of Coverage	INSURANCE COMPANY	POLICY NO.	EFFECTIVE DATE	EXPIRY DATE
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NOTE: INDICATED SECTIONS (X) MUST BE COMPLETED

() A. General Liability:	_____	_____	_____	_____
() B. Automobile Liability:	_____	_____	_____	_____
() C. Excess/Umbrella Liability	_____	_____	_____	_____
() D. Professional Liability	_____	_____	_____	_____
() E. Garage Liability	_____	_____	_____	_____
() F. All Risk Property	_____	_____	_____	_____
() G. Workers Compensation	Registration # _____	Or, Confirmation of Employers Liability		

Particulars of Coverage

LIMITS OF LIABILITY

A. GENERAL LIABILITY - the following coverage features are included:	\$ _____	Inclusive Limits
() Occurrence Form	() Non-Owned Automobile Liability	\$ _____
() Claims Made Form	() Cross Liability	Aggregate (if applicable)
() Employees as Additional Insureds	() Personal Injury	
() Products and Completed Operations	() Occurrence Property Damage	
() Independent Contractors	() Employers Liability	\$ _____
() Broad Form Property Damage	() Incidental Medical Malpractice	Aggregate Products/Comp. Operations
() Blanket Contractual Liability	() City of Edmonton as Additional Insured	
() Excavation, Collapse, Shoring and Underpinning	() Other (specify) _____	
() Tenants Legal Liability - Limits \$ _____		
Deductible or Retention Level \$ _____		
B. AUTOMOBILE (Owned/Leased) LIABILITY	\$ _____	Inclusive Limits
C. UMBRELLA/EXCESS LIABILITY	\$ _____	Excess of coverages shown above
D. PROFESSIONAL LIABILITY	\$ _____	Inclusive Limits
Deductible or Retention Level	\$ _____	Aggregate each policy period
E. GARAGE LIABILITY	\$ _____	Inclusive Limits
F. ALL RISK PROPERTY	\$ _____	

The Undersigned hereby represents to the CITY OF EDMONTON that the above policies are accurately described and have been issued to the Named Insured. The Undersigned further represents that these policies are endorsed to provide thirty (30) days written notice of cancellation or material change to the CITY OF EDMONTON at the following address:

The City of Edmonton
Risk Management
10th Floor, Chancery Hall
#3 Sir Winston Churchill Square
Edmonton, Alberta
T5J 2C3

This certificate is executed and signed by the Insurer, or authorized Agent/Broker.

AUTHORIZED REPRESENTATIVE - signature

INSURANCE COMPANY OR AGENT/BROKER

NAME OF REPRESENTATIVE – please print

ADDRESS

DATE

TELEPHONE

FAX

Disbursements will be paid in accordance with Article 3 of the Payment Terms