

Meeting Date: September 3, 2019
Department: Chief Administrative Officer
Prepared By: Demetri Makrakos, Economic Development Officer
Reviewed By: Bill Dakin, Chief Financial Officer
Submitted By: Greg McClinchey, Chief Administrative Officer
SUBJECT: **Community Transportation Grant Program Update**

RECOMMENDATION: **That Council agree to forgo the RFP process in favour of selecting a service provider based on the RFI responses already received.**

BACKGROUND

Strathroy-Caradoc received a grant for \$1,450,000 from the Ministry of Transportation Ontario (MTO) for an intercommunity public transportation project that will connect Sarnia, Strathroy, Mount Brydges and London. For reference, the proposed route is depicted on page two of this report.

RECENT PROGRESS

The Transfer Payment Agreement (TPA) has been finalized, a Request for Interest (RFI) open to the public was sent out and closed June 21 2019, and all responses have been reviewed internally and shared with project partners in Sarnia and London.

It was originally proposed that an RFP would follow the RFI, however Municipal staff have more recently been informed by the MTO that the RFP process can be forgone and a service provider can be selected based on the RFI responses. Below is an excerpt from a piece of email correspondence with the MTO:

“Thank you for your email and for notifying us of this. However, please note that the CT Program has no requirements for the procurement of third-party services. However, you may wish to follow the municipality’s-procedures for procurement, if any.”

Following the opening of the RFI submissions, staff have liaised with other communities that have received funding through this grant program and determined that, given the geographic realities of the Municipality, there are no realistic opportunities to pool funds or to form additional strategic partnerships. Notwithstanding this determination, the provincial funding has been granted with the understanding that there will be an annual evaluation of the service schedule, routes and fares. This approach allows for changes based on factors such as ridership data. After one year of operation, the Sarnia, Strathroy-Caradoc, London project team propose to re-examine opportunities for further partnerships and collaboration with other Community Transportation Grant Program recipients.

FINANCIAL IMPLICATIONS

To date, other than the in-kind costs, there have been no expenditures and no capital has been used or committed to this project. Additionally, it remains that no municipal funding will be required for this program over the next 4 years, as all project costs will be funded from the \$1,450,000 grant received.

Regarding future financial implications, staff propose to use this MTO grant to develop a service that will run with little or no public subsidy in the future. It is proposed that this effort be viewed as a pilot project with the objective of establishing a permanent intercommunity public transportation network connecting communities in Southwestern Ontario to each other and to the rest of Ontario.

For clarity, the future of this program will be subject to usage and a range of other operational factors that have not yet been determined.

ATTACHMENTS

- 1) Proposed route (Sarnia, Strathroy, Mount Brydges, London corridor).

