

**THE CORPORATION OF THE CITY OF PETERBOROUGH**

**BY-LAW NUMBER 04-202**

**BEING A BY-LAW TO AUTHORIZE THE EXECUTION OF AN AGREEMENT BETWEEN THE CORPORATION OF THE CITY OF PETERBOROUGH AND THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTER OF TRANSPORTATION**

**THE CORPORATION OF THE CITY OF PETERBOROUGH by the Council thereof hereby enacts as follows:**

1. That the Mayor and the Clerk be and they are hereby authorized to execute a Letter Agreement between The Corporation of the City of Peterborough and the Province of Ontario as represented by the Minister of Transportation, to facilitate Provincial funding under the Dedicated Gas Tax Funds for Public Transportation Program, and to affix the Seal of the Corporation thereto.

By-law read a first and second time this 22<sup>nd</sup> day of November, 2004

By-law read a third time and finally passed this 22<sup>nd</sup> day of November, 2004

(Sgd.) Sylvia Sutherland, Mayor

(Sgd.) Nancy Wright-Laking, City Clerk

**Ministry of  
Transportation**

Office of the Minister  
Ferguson Block, 3rd Floor  
77 Wellesley St. West  
Toronto Ontario  
M7A 1Z8  
416 327-9200  
www.mto.gov.on.ca

October 22, 2004

**Ministère des  
Transports**

Bureau du ministre  
Édifice Ferguson, 3<sup>e</sup> étage  
77, rue Wellesley ouest  
Toronto (Ontario)  
M7A 1Z8  
416 327-9200  
www.mto.gov.on.ca



Her Worship Sylvia Sutherland  
Mayor  
City of Peterborough  
500 George Street North  
Peterborough, ON  
K9H 3R9

Dear Mayor Sutherland:

**RE: Letter of Agreement between Her Majesty the Queen in right of the Province of Ontario, represented by the Minister of Transportation for the Province of Ontario (the "Ministry") and the City of Peterborough (the "Municipality") Related to Funding Provided by the Province of Ontario (the "Province") to the Municipality under the Dedicated Gas Tax Funds for Public Transportation-Program (this "Letter of Agreement")**

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This Letter of Agreement sets out the terms and conditions for the use of dedicated gas tax funds by municipalities for public transportation.

As the Province desires to increase public transportation ridership to support the development of strong communities, the Ministry has created the Dedicated Gas Tax Funds for Public Transportation Program (the "program") under which and over time two (2) cents of the existing provincial gas tax will be provided to municipalities for public transportation expenditures.

Any funding to the Municipality by the Ministry will be provided in accordance with the terms and conditions set out in this Letter of Agreement and the Dedicated Gas Tax Funds for Public Transportation Program - 2004 Guidelines and Requirements (the "guidelines and requirements").

In consideration of the mutual covenants and agreements contained in this Letter of Agreement and the guidelines and requirements, which have been reviewed and are understood by the Municipality and are hereby incorporated by reference, the Ministry and the Municipality covenant and agree as follows:

.../2

1. To support increased public transportation ridership in the Municipality, and in recognition of the Municipality's need for predictable and sustainable funding to support investments in the renewal and expansion of public transportation systems, the Ministry agrees to provide funding to the Municipality under the program in the amount of **\$745,102**, in accordance with and subject to the terms set out in this Letter of Agreement and the guidelines and requirements, with **\$186,276** payable on receipt of this signed letter of agreement and related authorizing municipal by-law, and quarterly payments thereafter beginning in January, 2005.
2. Despite Section 1, the Municipality understands and agrees that any amount payable under this Letter of Agreement may be subject, in the Minister's opinion, to adjustment to reflect final gas tax receipts and any other adjustments as set out in the guidelines and requirements.
3. If the Municipality is involved with other municipalities in jointly providing public transportation services, and the other municipalities have agreed to the Municipality collecting the dedicated gas tax funds on their behalf, the Municipality agrees that it shall provide, in compliance with the requirements set out in the guidelines and requirements, the applicable by-laws and legal agreement to the Ministry prior to the payment of any dedicated gas tax funds by the Ministry under this Letter of Agreement.
4. The Municipality agrees that the funds received under this Letter of Agreement are to be deposited by the Municipality in a dedicated gas tax funds reserve account, and are to be used only in accordance with the guidelines and requirements.
5. The Municipality agrees that it will adhere to the reporting and accountability measures set out in the guidelines and requirements, and shall provide all requested documents to the Ministry.
6. The Municipality understands and agrees that the funding provided under this Letter of Agreement represents the full extent of the Ministry's and Province's financial contribution under this Program and that no additional funds will be provided by either the Ministry or the Province for such purposes to the Municipality for the year 2004.
7. The Municipality hereby consents to the execution by the Ministry of this Letter of Agreement by means of an electronic signature.

If the Municipality is satisfied with and accepts the terms and conditions of this Letter of Agreement, please secure the required signatures for the four enclosed copies of this Letter of Agreement and return two fully signed copies to the undersigned for the Ministry's records.

Once the Ministry has received the signed copies together with a copy of the document required under Section 2 of this Letter of Agreement, the Ministry will make arrangements for the payment of the dedicated provincial gas tax funds to the Municipality.

Yours sincerely,

*H S Takhar*

Harinder S. Takhar  
Minister of Transportation

I have read and understand the terms of this Letter of Agreement, as set out above, and by signing below I am signifying the Municipality's consent to be bound by these terms.

CORPORATION OF THE City of Kelowna [Municipality]

Per: *[Signature]* Date: 29 Nov 04  
Mayor

Per: *[Signature]* Date: November 25/2004  
Chief Financial Officer

NOV 25 2004



City of Peterborough

MEMORANDUM

**TO:** Jim Kimble, Manager, Transportation Division

**FROM:** Nancy Wright-Laking, City Clerk, B.A., C.M.O.

**DATE:** November 23, 2004

**SUBJECT:** Report USTR04-012  
Dedicated Gas Tax Program

The following extract of Item 7 of Report No. 36 of the Committee of the Whole of November 15, 2004, adopted by City Council at its meeting held November 22, 2004, is forwarded for your information and necessary action.

**That Council approve the report dated November 15, 2004, of the Manager, Transport Division, recommending:**

**That a by-law be executed to permit the Mayor and Clerk to enter into a Letter of Agreement between the Province of Ontario represented by the Minister of Transportation for the Province of Ontario and The City of Peterborough to facilitate provincial funding to the City under the Dedicated Gas Tax Funds for Public Transportation Program.**

  
 Nancy Wright-Laking, B.A., C.M.O.  
 City Clerk  
 NWL:rjd



City of  
**Peterborough**

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**TO:** The Chairman and Members of Committee of the Whole

**FROM:** Jim Kimble, CET  
Manager, Transportation Division

**MEETING DATE:** November 15, 2004

**SUBJECT:** Report USTR04-012  
Dedicated Gas Tax Program

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### **PURPOSE**

A report to Council recommending approval of a by-law to execute a Letter of Agreement with the Province of Ontario to facilitate provincial funding to the City under the Dedicated Gas Tax Funds for Public Transportation Program.

### **RECOMMENDATION**

That a by-law be executed to permit the Mayor and Clerk to enter into a Letter of Agreement between the Province of Ontario represented by the Minister of Transportation for the Province of Ontario and The City of Peterborough to facilitate provincial funding to the City under the Dedicated Gas Tax Funds for Public Transportation Program.

### **BUDGET AND FINANCIAL IMPLICATIONS**

The provincial gas tax funding program announced October 22, 2004 will result in an initial eligible funding allocation of \$745,102 for the time period October 1, 2004 to September 30, 2005 representing the City's portion of 1 cent/litre gas tax rebate. The rate of funding will increase to 1.5cents/litre in October 2005 and 2 cents/litre in October 2006 with the intent being to continue the funding at that rate. The Program will fund capital and operating improvements to public transit delivery.

## BACKGROUND

On October 22, 2004 the Province of Ontario announced the Dedicated Gas Tax Funds for Public Transportation Program. The Program which ultimately dedicates 2 cents/litre of the provincial gas tax to municipalities for public transit, starts with 1 cent/litre for the time period of October 1, 2004 to September 30, 2005 increasing to 1.5 cents/litre in October 2005 and 2 cents/litre in October 2006. During the first year the Program dedicates a provincial total of \$156 million climbing to \$312 million by 2006.

Through a funding formula where the total allocation is divided amongst those municipalities in the province who deliver public transit services based upon 70% transit ridership and 30% municipal population, the City of Peterborough is eligible for a first year allocation of \$745,102. Based upon application of the formula this eligible amount could increase to \$1.12 million and \$1.49 million in year two and three of the Program respectively. It is intended that the Program would be sustained at the 2 cents/litre level beyond 2006 to supply a steady and sustained source of funding for improvement to public transit.

Both ridership and population figures will be updated and revised annually for use in the calculation of the dedicated gas tax funds. 2003 Ontario Urban Transit Fact Book figures were utilized for the initial ridership allocation and population figures derived from 2001 Statistics Canada figures. Annually the Minister will advise each municipality as to the amount of dedicated gas tax funds it is eligible to receive.

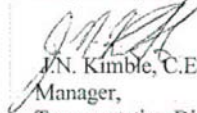
The Program clearly states that a municipality receiving gas tax funds must ensure that all funds are used exclusively towards the provision of public transportation service and to continue eligibility each municipality must develop and submit to the province a Ridership Growth Plan and Asset Management Plan, which establishes how the municipality is planning to use the gas tax funds. For 2005 eligibility requirements indicate that municipalities must give priority to increased capital expenditures and operating expenditures, which support increased ridership.

This Program comes at an opportune time for the City of Peterborough as Staff are actively working upon a Public Transit Operations Review the results of which will be reported to Council in early 2005. Service delivery improvements recommended in the Plan would be funded through the gas tax allocation.

To be eligible for this funding, the City must pass a bylaw authorizing the signing of a Letter of Agreement.

A draft of the Letter of Agreement is attached as Appendix 1.

Respectfully Submitted,

  
J.N. Kimble, C.E.T.  
Manager,  
Transportation Division



G.P. Rye, P. Eng.  
City Engineer  
Director, Utility Services Department

JNK:ga

**Contact Name:**

J.N. Kimble,  
Manager of Transportation  
Phone: (705) 742-7777 x 2895  
Fax: (705) 742-3741  
E-Mail – [jkimble@city.peterborough.on.ca](mailto:jkimble@city.peterborough.on.ca)

authorizing municipal by-law, and quarterly payments thereafter beginning in January, 2005.

2. Despite Section 1, the Municipality understands and agrees that any amount payable under this Letter of Agreement may be subject, in the Minister's opinion, to adjustment to reflect final gas tax receipts and any other adjustments as set out in the guidelines and requirements.
3. If the Municipality is involved with other municipalities in jointly providing public transportation services, and the other municipalities have agreed to the Municipality collecting the dedicated gas tax funds on their behalf, the Municipality agrees that it shall provide, in compliance with the requirements set out in the guidelines and requirements, the applicable by-laws and legal agreement to the Ministry prior to the payment of any dedicated gas tax funds by the Ministry under this Letter of Agreement.
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7. The municipality hereby consents to the execution by the Ministry of this Letter of Agreement by means of an electronic signature.

If the Municipality is satisfied with and accepts the terms and conditions of this Letter of Agreement, please secure the required signatures for the four enclosed copies of this Letter of Agreement and return two fully signed copies to the undersigned for the Ministry's records.

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Yours sincerely,

Harinder Takhar  
Minister of Transportation

I have read and understand the terms of this Letter of Agreement and the, as set out above, and by signing below I am signifying the Municipality's consent to be bound by these terms.

**CORPORATION OF THE \_\_\_\_\_ [municipality]**

Per: \_\_\_\_\_ Date: \_\_\_\_\_  
Mayor

Per: \_\_\_\_\_ Date: \_\_\_\_\_  
Chief Financial Officer