

Welland Council continues to seek taxpayer transparency, financial accountability, and fair representation in transit consolidation

FOR IMMEDIATE RELEASE

December 10, 2021

Welland, ON – As local area municipalities begin to vote on the proposed consolidation of an integrated regional transit system, the City of Welland remains concerned with the proposed governance and financial accountability models.

Fully supportive of inter-regional transit, the City of Welland is not opposed to moving forward with a consolidated system but has lingering questions that have remained unanswered.

“We’ve never opposed consolidating transit for Niagara,” said Steve Zorbas, CAO. “What our Council is concerned about, and rightfully so, is the lack of representation Welland will have on the commission and the usage of outdated ridership numbers. Before COVID, the numbers used in the proposal made sense, but we’re seeing now, as transit recovers from the pandemic, those numbers are not indicators of the present landscape.”

As one of three local area municipalities providing inter-regional transit, Welland is only offered one seat on the transit commission, fewer than St. Catharines and Niagara Falls and equal to municipalities without their own transit systems.

There are still several outstanding issues that the City of Welland Council has requested be addressed before passing the motion proposed by the Region. On December 9, Council passed a motion supporting the future state of inter-regional transit provided the following outstanding issues are addressed:

- City of Welland request for 2 members from the City of Welland to be included in the new Transit Commissions Governance structure
- The proposed financial model which will apportion future Transit Operating and Capital costs be updated to present the financial impact to all lower tier municipalities based on approved 2022 Transit Operating Budgets and updated 5-year Transit Capital Budgets
- Clarification on how existing and future Transit Debt for Capital Budgets is to be apportioned to all lower tier municipalities
- That municipalities be compensated for their Transit Fleet based on the net book value valuation as of December 31, 2022, of their average vehicle price based on the difference between the lowest municipal valuation per vehicle and that municipalities valuation per vehicle.

Regarding the transfer of assets, Welland Council believes there is a fairer way to upload its assets than simply relinquishing them without compensation.

Media Release



City staff believe the fair way to transfer conventional buses, paratransit buses and nonrevenue vehicles are:

That municipalities be compensated for their transit fleet based on the net book value as of December 31, 2022, and of their average vehicle price based on the difference between the lowest municipal valuation per vehicle and that municipalities valuation per vehicle.

- Each municipality determines the Net Book value for their transit fleet as of December 31, 2022, broken down by conventional buses, paratransit buses, vehicles
- Each municipality determines the number of vehicles in each category
- Each municipality then determines the average NBV for each vehicle in each category
- Each municipality be compensated by category for the difference between the lowest municipal valuation per vehicle and their municipalities valuation per vehicle

The consolidated transit system is heralded as an overall financial benefit; however, without recognizing the reflection in current ridership - which the proposed model does not do with pre-pandemic numbers, the model is flawed and may prove to be a financial liability on taxpayers. In addition, the current transit environment does not reflect the transit environment outlined in the current proposal.

-30-

For media inquiries, please contact:

Marc MacDonald
Corporate Communications Manager
905-735-1700 x2337
marc.macdonald@welland.ca