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**REPORT TITLE:**     **Transportation Operations Service Agreements – Request for Extension**

**FROM:**                Kealy Dedman, P.Eng., MPA, Commissioner of Public Works

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## **RECOMMENDATION**

- 1. That the Commissioner of Public Works be delegated authority to extend the Traffic Signal Operations and Maintenance Service Agreements with the City of Brampton and City of Mississauga, and the Streetlighting Operations and Maintenance Service Agreements with the City of Brampton, City of Mississauga and Town of Caledon, until July 1, 2027 on business terms and conditions satisfactory to the Commissioner of Public Works and on legal terms satisfactory to the Regional Solicitor and Commissioner of Legislative Services; and**
- 2. That the City of Brampton and the City of Mississauga be reimbursed for the Region of Peel’s portion of the associated traffic control signal maintenance works on Regional roads, in accordance with the Traffic Signal Operations and Maintenance Service Agreements and pursuant to Procurement By-law 45-2023, as amended; and**
- 3. That the City of Brampton, the City of Mississauga and the Town of Caledon be reimbursed for the Region of Peel’s portion of the associated streetlighting maintenance works on Regional roads, in accordance with the Streetlighting Operations and Maintenance Service Agreements and pursuant to Procurement By-law 45-2023, as amended.**

## **REPORT HIGHLIGHTS**

- Brampton and Mississauga provide traffic signal equipment operations and maintenance (“O&M”) services for Peel equipment in their respective municipalities.
- Brampton, Caledon and Mississauga provide streetlighting O&M services for Peel in their respective municipalities.
- All five service agreements expire prior to July 1, 2027.
- Based on a prescribed date of transfer of jurisdiction of Regional roads as outlined in Ontario Regulation (O. Reg.) 401/25 of July 1, 2027, staff recommend additional short-term extensions to the O&M agreements with Brampton, Caledon and Mississauga.
- Peel requires Council approval to extend the agreements.

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## **DISCUSSION**

### **1. Background**

In 2012, the Arterial Roads Review Ad-hoc Steering Committee (ARRASC), as confirmed by Council Resolution 2012-1175, agreed to approve, in principle, the service delivery proposal

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for Area Municipality operation and maintenance of Regional traffic signals for the Cities of Brampton and Mississauga.

Authority was received from Council Resolution 2013-1074 to enter into service agreements with the Cities of Brampton and Mississauga. Resolution Number 2025-98 extended the effective dates of those agreements to July 1, 2026, as identified in **Table 1**.

**Table 1 – Operations and Maintenance (O&M) Service Agreements**

Jurisdiction	Agreement Type	Expiry	2026 Budget for Associated Works
Brampton	Traffic Signals	July 1, 2026	\$2,069,785
Mississauga	Traffic Signals	July 1, 2026	\$1,825,160
Mississauga	Streetlighting	September 1, 2026	\$379,000
Caledon	Streetlighting	October 1, 2026	\$160,000
Brampton	Streetlighting	May 1, 2027	\$325,000

In 2014, ARRASC, as confirmed by Council Resolution 2014-507, agreed that the service delivery proposal for Area Municipality operation and maintenance of streetlighting on Regional roads be approved in principle for the Cities of Brampton and Mississauga and the Town of Caledon. Authority was also received from Council Resolution 2014-507 to enter into service agreements with the Cities of Brampton and Mississauga and the Town of Caledon. The expiry dates for these agreements are identified in **Table 1**.

On December 11, 2025, Bill 45, the *Peel Transition Implementation Act, 2025*, received Royal Assent and is now law. Bill 45 will transfer jurisdiction over regional roads, including related stormwater infrastructure, from Peel Region to Mississauga, Brampton and Caledon on July 1, 2027, pursuant to Minister's Regulation (O. Reg.) 401/25.

## 2. Proposed Direction

To align with the prescribed date outlined in O.Reg. 401/25, staff recommend the extension of the Brampton, Mississauga and Caledon service agreements to July 1, 2027. The value of these works on an annual basis for operations and maintenance service is identified in **Table 1**.

## RISK CONSIDERATIONS

Not extending the individual O&M agreements with the Area Municipalities would mean the Region would re-assume full responsibility over signal and streetlighting operation on Regional roads upon expiry. Shorter-term implications would include staff resourcing challenges, while longer-term challenges would include a lack of coordination between signalized intersections on Regional roads and adjacent signalized intersections with local roads, as well as delays to routine streetlighting maintenance.

## BILL 45, BILL 60, AND BILL 98 RISKS AND IMPLICATIONS

On December 11, 2025, Bill 45 (*Peel Transition Implementation Act, 2025*) received Royal Assent and initiated a phased transfer of certain services from the Regional Municipality of Peel to the Cities of Mississauga and Brampton, and the Town of Caledon. Responsibility for regional roads and stormwater infrastructure is scheduled to transfer by July 1, 2027, followed by waste collection services by October 1, 2027.

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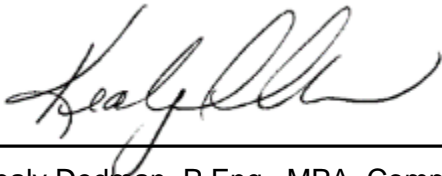
On November 27, 2025, Bill 60 (*Fighting Delays, Building Faster Act, 2025*) received Royal Assent and introduced additional changes, including amendments to the *Municipal Act, 2001* transferring jurisdiction over water and wastewater utilities to lower-tier municipalities effective January 1, 2029, or a later prescribed date. Bill 60 also enacted the *Water and Wastewater Public Corporation Act, 2025*, enabling designated public utility corporations to deliver water and wastewater services on behalf of municipalities. On March 30, 2026, the provincial government tabled Bill 98 (*Building Homes and Improving Transportation Infrastructure Act*), which provided further details respecting this model, although additional regulations are required to fully implement the proposed framework.

At this time, the full legal, financial, and operational implications of Bill 45, Bill 60, and Bill 98 for Peel Region and its local municipalities remain uncertain. Staff will continue to monitor legislative and regulatory developments and report back to Council as further information becomes available.

### **FINANCIAL IMPLICATIONS**

The 2026 Roads operating budget has sufficient funds to implement the report recommendations and cover the 2026 service agreement extensions. Financial impacts beyond 2026, including the May 2027 streetlighting agreement with the City of Brampton, will be included in future budget submissions.

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Kealy Dedman, P.Eng., MPA. Commissioner of Public Works

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