

For Information

REPORT TITLE: **Progress Update - Peel Services Transfer – April 2026**

FROM: Gary Kent, CPA, CGA, ICD.D, Chief Administrative Officer

OBJECTIVE

To update Regional Council on the overall progress of Peel service transfers for: Waste Collection; Regional Roads and associated stormwater infrastructure; Peel Art Gallery Museum and Archives (PAMA) – subject to ratification; and Water and Wastewater.

REPORT HIGHLIGHTS

- Bill 45, *Peel Transition Implementation Act, 2025* received Royal Assent on December 11, 2025, directing the transfer of Waste Collection services and Regional Roads and associated stormwater infrastructure to the cities of Brampton, Mississauga, and Town of Caledon.
- Provincial regulation 401/25 sets October 1, 2027 for waste collection transfer, and July 1, 2027 for Regional roads and stormwater infrastructure transfer.
- Resolution #2025-685 initiates the transfer of Peel Art Gallery Museum and Archives (PAMA) to the City of Brampton effective January 1, 2027, subject to ratification by Regional and Local Councils.
- Bill 60, *Fighting Delays, Building Faster Act, 2025*, amends the *Municipal Act* to transfer water and wastewater services from Peel Region to the cities of Brampton, Mississauga, and town of Caledon by January 1, 2029 or as directed by the Minister.
- Bill 60 also establishes the *Water and Wastewater Public Corporations Act*, creating a legislative framework for the service to be delivered via public corporations.
- The Office of the Associate Commissioner of Service Transfers has been established to strengthen dedicated leadership and coordinate planning, governance and implementation across all Peel service transfers, with a focus on staff well-being, collaboration and continuity of service delivery respecting taxpayers.
- A draft implementation plan for the transfer of waste collections has been developed in collaboration with inter-municipal sub committee groups for Human Resources, Finance and Operations, to be finalized and presented to Regional Council in June 2026.
- An inter-municipal commissioner-level Transition Working Group and subgroups have been established to support the Regional roads and stormwater transfer process.
- Peel has developed a draft internal Regional Roads and stormwater plan to support implementation planning with local municipalities during upcoming discussions.
- Regional roads and stormwater infrastructure accounts for an asset value of \$4.4 billion resulting in a complex transfer of service recognizing the transfer of a roads program on this scale has never been done before.
- PAMA transfer planning is advancing through development of a Business and Transition Planning Framework with local municipalities, and report scheduled for Regional Council on April 23, 2026.

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- New provincial legislation introduced on March 30, 2026, Bill 98, *Building Homes and Improving Transportation Infrastructure Act 2026* includes amendments to Bill 60, *Fighting Delays, Building Faster Act 2025*, clarifying transfers.
 - Risks related to the uncertainty inherent to any organizational change continue to be managed by supporting Peel employees, ensuring business continuity, managing vendor agreements and mitigating impacts to Peel Region's financial standing.
 - Peel Region is actively collaborating with the Office of the Provincial Land and Development Facilitator, Ministry staff and our local municipal partners.
 - Significant resource capacity is required to ensure effective implementation within timelines and current resource allocations will have to be evaluated over time as plans emerge.
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DISCUSSION

On December 12, 2024, Bill 240, *Peel Transition Implementation Act, 2024* was introduced into the Provincial Legislature which included the transfer of Regional Roads and associated stormwater infrastructure to the cities of Brampton and Mississauga and the town of Caledon, and waste collection services.

Following the Provincial election, Bill 240, *Peel Transition Implementation Act, 2024* was reintroduced through Bill 45, *Peel Transition Implementation Act, 2025* on June 4, 2025 and received Royal Assent on December 11, 2025. The legislation directs the transfer of jurisdiction of Regional roads and associated stormwater infrastructure on July 1, 2026 to the cities of Brampton and Mississauga and the Town of Caledon, subject to granting Ministerial authority to prescribe an alternate date. Also included in the legislation and in alignment with the March 20, 2025 Peel Region Council resolution 2025-182 was the transfer of jurisdiction over waste collection from Peel Region to the City of Mississauga, the City of Brampton and the Town of Caledon. The legislation also amends sections of the *Ministry of Municipal Affairs and Housing Act* and the *Municipal Act 2001* to enable the transfer of these services and includes engagement with the Office of the Provincial Land and Development Facilitator.

Effective December 24, 2025, provincial regulation 401/25 established a prescribed transfer date of October 1, 2027 for waste collection services and a transfer date of July 1, 2027 for Regional roads and stormwater infrastructure.

In addition, Bill 60, *Fighting Delays, Building Faster Act, 2025*, received Royal Assent on November 27, 2025, further amending the *Municipal Act, 2001* to provide for the transfer of jurisdiction over water and wastewater services from the Region of Peel to the lower-tier municipalities of the City of Mississauga, the City of Brampton, and the Town of Caledon, effective January 1, 2029, or on a date as may be prescribed by the Minister of Municipal Affairs and Housing. Bill 60 also enacts the *Water and Wastewater Public Corporations Act, 2025*, which establishes a legislative framework enabling the Minister, by regulation, to require prescribed municipalities to deliver water and wastewater services through a designated water and wastewater public corporation.

In September 2025, Regional Council passed Resolution #2025-685 to initiate the transfer of ownership and operations of PAMA, excluding Regional Archives, from Peel Region to the City of Brampton on January 1, 2027, subject to ratification by Regional and Local Councils in early 2026.

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Peel Region is committed to working with the Office of the Provincial Land and Development Facilitator, Ministry staff and our local municipal partners in ensuring staff well-being, business continuity and public interest as it relates to the transfer of identified services.

1. Service Transfer Updates

The following provides an update on the progress to date in adherence with:

- Bill 45, *Peel Transition Implementation Act, 2025*
- Bill 60, *Fighting Delays, Building Faster Act, 2025*
- Council Resolution #2025-685

a) Establishment of Office of the Associate Commissioner Service Transfers

Effective March 26, 2026, Andrea Warren was seconded to the role of Associate Commissioner, Service Transfers, through December 31, 2027, reporting to Kealy Dedman, Commissioner of Public Works. This appointment supports Peel Region's broader service transition work and strengthens dedicated leadership capacity to oversee complex, multi-service transfers, including Regional Roads, Waste Collection, PAMA - subject to Council ratification, Water and Wastewater. The role provides focused executive leadership to advance coordinated planning, governance, and implementation, while maintaining a strong emphasis on staff well-being, collaboration across departments, and continuity of service delivery for residents and businesses.

b) Waste Collection Service Transfer

Implementation planning for the transfer of waste collection services continues to advance, with key governance and planning milestones achieved. A multi-municipal governance structure is in place, including a Steering Committee, Transition Committee, and supporting Operations, Finance, and Human Resources Sub-Committees. An Implementation Plan has been developed and is in the final stages of reviews and approvals in advance of Peel Region Council.

Supporting sub-committees have been meeting regularly to advance the work, including collaborative efforts to support the initiation of the local recruitment process. Communications and recruitment activities are progressing in parallel to support staff readiness, wellness and business continuity.

Upcoming activities include finalizing the Implementation Plan for inclusion in a future Council report scheduled for June 2026 as well as transitioning to the execution phase of the project. Additional priorities include advancing coordinated communications with local municipalities, addressing contractual issues, and continuing internal work to assess impacts on internal support services as part of the broader service transfer project.

The cities of Brampton and Mississauga have started the communication and recruitment process for the Manager of Waste Collection positions within their respective municipalities.

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c) Regional Roads and Storm Water Infrastructure Service Transfer

Governance is being advanced through Steering Committee discussions with local municipal CAOs and the Office of the Provincial Land and Development Facilitator, including the development and approval of Terms of Reference (Appendix I). In addition, a commissioner-level Transition Working Group and supporting working groups with members from local municipalities are being put in place. The implementation approach is to be refined collaboratively with the local municipalities working groups to develop a comprehensive integrated implementation plan aligned with the agreed financial approach to the transfer.

While working groups are being established, Peel has developed a draft internal plan to support integrated implementation planning with the local municipalities.

The project is being delivered through a structured, staged approach that moves from internal planning to coordinated inter-municipal planning, followed by a staged pre-transfer period, service transfer, and post-transfer sustainment period, maximizing business continuity throughout the transfer.

Details on financial supports are captured in the Council Report: Financial Support Services for the Transfer of Roads and Stormwater Services, received on April 9th, 2026. Regional Council did not support the additional resources required and have asked staff to work with local finance staff to resolve.

The Town of Caledon has communicated its intent to issue an RFP on April 13, 2026, for Winter Roads Maintenance (post July 1, 2027) and subject to suitable bids being received, the contract will be awarded. At the time of writing staff are communicating to potentially impacted staff and bargaining representatives. As more details emerge, we will continue to communicate to staff and Regional Council.

d) Peel Art Gallery Museum Service Transfer Update

An inter-municipal working group was established and conducted a structured review of PAMA's current operations, governance, legal, and financial considerations to inform potential transfer scenarios. This has provided a foundation for informed decision-making and has highlighted areas requiring further analysis, including governance arrangements, financial sustainability, and service continuity.

Council report, Peel Art Gallery, Museum and Archives (PAMA) Business and Transition Planning Framework, will be presented to Regional Council on April 23, 2026. The report addresses the transfer of assets, human resources, legal, operational and capital financial responsibilities related to PAMA, excluding archives, to the City of Brampton and provides Regional Council with information requested in accordance with Resolution #2025-685 to discuss ratification, the terms of the developed framework and select a timeline option to facilitate local municipal ratification and agree to its terms prior to the commencement of the transition. A companion report on the closed session April 23, 2026 meeting agenda provides additional closed session information for Council's consideration.

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e) Water / Wastewater Service Transfer

As referenced in the November 20, 2025 Council Report: Bill 60 – Proposed Transfer of Jurisdiction over Water and Wastewater from Peel Region and Provision of Services by Water and Wastewater Public Corporation, Staff continue to be actively engaged in monitoring Bill 60 and its implications as regulatory direction emerges.

Peel Region will work with the Province on the design and implementation of the proposed Water and Wastewater Public Corporation to ensure there is a governance model in place where Peel's ratepayers' interests are best represented on the utility's board and to also ensure there is an equitable, effective and minimally disruptive transfer of assets, people and obligations to the new entity.

New provincial legislation introduced on March 30, 2026, Bill 98, *Building Homes and Improving Transportation Infrastructure Act, 2026* includes amendments to Bill 60. The Bill provides further detail regarding the transfer of assets, liabilities, and employees to the new corporation. A separate report from the Regional Solicitor and Commissioner of Legislative Services on the April 23, 2026 Regional Council meeting agenda provides further information on the proposed legislation.

Bill 98 will be monitored closely as it moves through the legislative process to ensure service transfer plans to be developed are in compliance.

RISK CONSIDERATIONS

The enactment of Bill 45, the *Peel Transition Implementation Act, 2025* and Bill 60, *Fighting Delays, Building Faster Act, 2025* inherently create risks due to the magnitude and complexity of the individual service transfers. This further compounds impacts on staff as transfers are happening concurrently. An organizational change of this scope will require risk management and mitigation throughout the service transfer period as well as after for organizational sustainment. Some of risks and complexities to be managed are:

- Supporting the psychological health and well-being of impacted staff
- Ensuring business continuity for the over 1.6 million Peel residents and the over 200,000 businesses in Peel
- Managing staff retention and attraction of new talent
- Managing labour relations
- Managing contracts with vendors to ensure the uninterrupted delivery of services
- Providing details to investors regarding borrowing
- Answering questions from multiple stakeholders including labour groups, businesses, and customers

Risks continue to be managed by supporting Peel employees, managing vendor agreements, mitigating impacts to Peel Region's financial standing, ensuring business continuity and respect for taxpayers during and after transfers are complete.

Additionally, Bill 60, *Fighting Delays, Building Faster Act, 2025*, changes the *Development Charges Act, 1997* which impacts revenues and cash flows the water/wastewater program relies on. The immediate impact of Bill 60 on Peel Region's existing programs, its legal and financial rights and obligations, in addition to its water/wastewater capital program will depend on how Bill 60 is implemented through provincial regulations that have yet to be enacted. To this end, it

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is difficult to determine accurately to what extent Peel and its local municipalities will be impacted.

Staff continue to monitor developments as they relate to Bill 60 and will report back to Council when additional details become available.

FINANCIAL IMPLICATIONS

The full financial impacts of this transition are unknown at this time, however there will be unbudgeted implementation costs associated with the transfer of services. The Provincial Government is funding the Office of the Provincial Land and Development Facilitator however all other implementation costs are expected to be funded by the Region of Peel and the local municipalities.

Staff are committed to working with the Office of the Provincial Land and Development Facilitator, appointed Deputy Facilitator, provincial staff and local municipalities to understand the breadth and scale of the financial impacts to taxpayers in all four municipalities, especially in light of heightened financial constraints.

CONCLUSION

Work is well underway on the identified service transfers with the establishment of strong inter-municipal working groups to ensure effective cooperation and collaboration to facilitate the transfers (Appendix II). Peel is committed to working with the Office of the Provincial Land and Development Facilitator, Ministry staff and our local municipal partners in ensuring staff well-being, business continuity and public interest as it relates to Bill 45, *Peel Transition Implementation Act, 2025*, Bill 60, *Fighting Delays, Building Faster Act, 2025* and Peel Regional Council Resolution #2025-685 to develop a framework for the transfer of PAMA (excluding Archives) to the City of Brampton for ratification. Staff will report back to Council on progress of the service transfers as well as any additional details related to Bill 60 that become available.

APPENDICES

Appendix I – Transition Working Group Terms of Reference

Appendix II – Peel Service Transfer Representatives and Backups for Local Engagement



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