

**Subject: Action Plan – Response to OLRT Public Inquiry Recommendations**

**File Number: ACS2023-TSD-TS-0003**

**Report to Light Rail Sub-Committee on 28 April 2023**

**and Council 10 May 2023**

**Submitted on April 19, 2023 by Renée Amilcar, General Manager, Transit Services  
Department**

**Contact Person: Renée Amilcar, General Manager, Transit Services Department**

**(613) 580-2424 ext. 52111, [renée.amilcar@ottawa.ca](mailto:renée.amilcar@ottawa.ca)**

**Ward: Citywide**

**Objet : Plan d'action – Réponse aux recommandations découlant de  
l'enquête publique sur le train léger sur rail d'Ottawa**

**Dossier : ACS2023-TSD-TS-0003**

**Rapport au Sous-comité du train léger**

**Le 28 avril 2023**

**et au Conseil le 10 mai 2023**

**Soumis le 19 avril 2023 par Renée Amilcar, Directrice générale, Services de  
transport en commun**

**Personne ressource : Renée Amilcar, Directrice générale, Services de transport  
en commun**

**(613) 580-2424 poste 52111, [renée.amilcar@ottawa.ca](mailto:renée.amilcar@ottawa.ca)**

**Quartier : À l'échelle de la ville**

## **REPORT RECOMMENDATIONS**

- 1. That the Light Rail Sub-Committee receive the Ottawa Light Rail Transit Public Inquiry's final report and recommendations, attached as Document 1 to this report, for information; and**
- 2. That the Light Rail Sub-Committee recommend that Council approve the**

**City's Action Plan to respond to the recommendations of the Public Inquiry that lie within the City's jurisdiction.**

## **RECOMMANDATIONS DU RAPPORT**

- 1. Que le Sous-comité du train léger reçoive le rapport final de l'enquête publique sur le train léger sur rail d'Ottawa (TLRO) et les recommandations en découlant, qui sont joints au présent rapport en tant que Document 1, à titre informatif; et**
- 2. Que le Sous-comité du train léger recommande que le Conseil approuve le plan d'action de la Ville visant à répondre aux recommandations découlant de l'enquête publique qui relèvent de la compétence de la Ville.**

## **EXECUTIVE SUMMARY**

The City of Ottawa awarded the Rideau Transit Group (RTG), a consortium of international companies, a \$2.1 billion fixed-price contract to design, build and maintain Ottawa's light rail transit (LRT) system for 30 years. O-Train Line 1 opened on September 14, 2019.

Shortly after the service began, issues arose in multiple areas of its operations that resulted in extended LRT closures, poor overall transit reliability, and reduced credibility for OC Transpo. OC Transpo continuously worked with RTG to resolve these technical issues. However, in summer 2021, the issues culminated in two separate derailments that closed the LRT system down for multiple weeks.

As a result of these failures, the City issued a Notice of Default to RTG on September 24, 2021, which was in addition to a Notice of Default issued on March 10, 2020.

On November 17, 2021, Ontario Transportation Minister Caroline Mulroney announced that the Government of Ontario would launch a public inquiry into Stage 1 of Ottawa's Light Rail Transit (LRT) system.

In response, the City immediately created a Public Inquiry Team to hire external legal counsel, gather documents and prepare submissions. The Ottawa Light Rail Transit Public Inquiry Commission received more than one million documents, heard from 35 individual witnesses/witness panels and held a panel on public-private partnerships. The deadline for written closing submissions from parties was August 12, 2022.

The OLRT Public Inquiry Commissioner released the final report on November 30,

2022, which included 103 recommendations. At the December 7, 2022, City Council meeting, staff were directed to create and develop an action plan to evaluate, address and track the recommendations.

As of April 18, 2023, the City of Ottawa has completed, or integrated into revised Corporate policies, 36 of 103 recommendations, which will be implemented for future projects.

The City of Ottawa recognizes the importance of implementing the recommendations identified by the public inquiry. The inquiry recommendations provide the City with an external view of the LRT project, as well as insight into how other major projects are planned, developed and implemented. The City is committed to addressing all of the recommendations that fall within its jurisdiction, with many of them already implemented or in the process of being implemented.

The inquiry acknowledged that the City has already taken positive steps and has established a good foundation upon which to apply the recommendations. The City is committed to improving the reliability and maintaining the safety of O-Train Line 1, as well as preparing for future expansions while incorporating lessons learned into future major infrastructure projects.

The City has been working with RTG to improve rail service reliability and maintain the safety of the system and will be addressing each inquiry recommendation individually, through an Action Plan (Document 3).

This report is a companion to the Update on the Ottawa Light Rail Transit Public Inquiry and Recommended Next Steps (ACS2022-CMR-OCM-0001), which was approved by Council on November 9, 2022. That report detailed the work performed by City staff related to the Public Inquiry, including City costs, and provided recommendations for Council with respect to matters, including records management, and a process that would facilitate consideration of the Commissioner's final report.

Through that report (specifically recommendation 3), Council directed staff to:

“include the preliminary recommendations, described in this report, in staff's companion report to the OLRT Public Inquiry's final report, refined as necessary, and considered for potential implementation along with any recommendations from the Public Inquiry's final report.”

Through this report, Transit Services, working as the lead department, is providing an update to Light Rail Sub-Committee on the status of the implementation of the Ottawa Light Rail Transit (OLRT) Public Inquiry report's 103 recommendations. Following Council's approval of the City's response to the recommendations, the Action Plan will be posted to octranspo.com and updated as needed until all the recommendations have been addressed. It is anticipated that each of the 103 recommendations will be complete, or sufficiently in progress, to report back to Council by the end of 2023 to close the Action Plan.

Although Transit Services is the lead department on this Action Plan, this is a City-wide initiative involving work by staff in many departments, including the Office of the City Clerk, Infrastructure and Water Services, and Finance and Corporate Services.

## **Moving Forward**

The Update on the Ottawa Light Rail Transit Public Inquiry and Recommended Next Steps report was presented to Council on November 9, 2022 and contained seven preliminary recommendations to provide improvements for future large-scale infrastructure projects, including LRT. These recommendations were based on previous lessons learned, staff's review of the Commission hearings and the City's closing statements. Staff have reviewed and ensured that all seven recommendations are encompassed by the Public Inquiry's recommendations and are either addressed through the Action Plan or have been addressed through recommendations directed to the Province of Ontario for action.

As part of the City's response to the Public Inquiry process, a Records Management Plan was established to document the records management approach and processes implemented by the response team, and the long-term records management strategy for related records.

Through the Council-approved 2022-2026 Council Governance Review (ACS2022-OCC-GEN-0030), the City's Accountability and Transparency Policy was reviewed and amended to make it clear to staff, Council and the public as to what is expected when it comes to sharing information.

The Governance Report also resulted in the establishment of the Light Rail Sub-Committee and the Transit Advisory Board. Both of these entities will foster greater public participation and provide more transparency.

The Finance and Corporate Services Department (FCSD) is currently reviewing the Business Case and Project Management Policy as part of the scheduled policy review cycle. As part of this review, FCSD staff will consider the following:

- lessons learned and any final recommendations from the OLRT Public Inquiry related to project management, including internal project governance and communications for major projects;
- the implementation of tiering and gating for projects;
- examining an option to have an independent enterprise project management office established within the City to ensure oversight and respect for project management practices; and
- criteria for when independent review during the project.

Supply Services will be updating the Public Private Partnerships Policy and the Procurement Manual to expand and clarify staff's responsibilities with regard to dispute resolution, managing project complexity and ensuring operational alignment with project priorities in accordance with the Commissioner's recommendations.

## **Moving Transit Forward**

As presented to Council on January 27, 2023, the City of Ottawa and RTG reached a settlement that resolves several issues and resets the relationship to focus on the delivery of safe and reliable transit service to the people of Ottawa. Through this agreement, the City and RTG will move forward with the goal of improved collaboration and partnership. As noted in the Action Plan (Document 3), this settlement resolves a number of recommendations presented in the OLRT Public Inquiry Report.

Based on previous lessons learned reviews, third-party reviews, external oversight and consultation with international light rail professionals, improvements have been made to the Stage 2 LRT model – from design to procurement to construction to contract management.

As part of developing this report, Staff also coordinated a third-party review of the Action Plan to provide an independent perspective and ensure the plan is robust. The review was undertaken by Roland Berger Inc.

The goal for Transit Services is to provide a safe and reliable light rail system that customers can depend on and that residents can be proud of. The recommendations provided by the OLRT Public Inquiry are an important step forward and part of the ongoing process to build a great transit system in Ottawa.

## **RÉSUMÉ**

La Ville d'Ottawa a octroyé au Groupe de transport Rideau (GTR), un consortium d'entreprises internationales, un contrat à prix fixe de 2,1 milliards de dollars pour la conception, la construction et l'entretien sur 30 ans du système de train léger sur rail (TLR) d'Ottawa. La Ligne 1 de l'O-Train est entrée en service le 14 septembre 2019.

Peu de temps après, des problèmes sont survenus dans divers secteurs des opérations de la Ligne 1, ce qui a entraîné des fermetures prolongées du TLR, une piètre fiabilité globale du service de transport en commun et une perte de crédibilité d'OC Transpo. OC Transpo a continuellement travaillé avec le GTR pour résoudre ces problèmes techniques. Toutefois, à l'été 2021, les problèmes se sont aggravés, deux déraillements distincts ont eu lieu et le système du TLR a été fermé durant plusieurs semaines.

En raison de ces défaillances, la Ville a remis un Avis de défaut au GTR le 24 septembre 2021, qui s'ajoutait à celui qu'elle avait remis au GTR le 10 mars 2020.

Le 17 novembre 2021, la ministre des Transports Caroline Mulroney a annoncé que le gouvernement de l'Ontario lancerait une enquête publique sur l'Étape 1 du système de train léger sur rail d'Ottawa.

En réponse, la Ville a immédiatement mis sur pied une équipe d'enquête publique qui a embauché des conseillers juridiques externes, rassemblé des documents et préparé des soumissions. La Commission d'enquête publique sur le TLR d'Ottawa a reçu plus d'un million de documents, entendu les témoignages de 35 personnes ou comités et réuni un comité pour discuter des partenariats publics-privés. La date limite accordée aux parties pour soumettre leurs observations finales écrites était le 12 août 2022.

Le commissaire chargé de l'enquête publique sur le TLRO a publié son rapport final le 30 novembre 2022, qui comptait 103 recommandations. Lors de la réunion du Conseil municipal tenue le 7 décembre 2022, on a demandé au personnel de définir et d'élaborer un plan d'action pour évaluer les recommandations, y répondre et en faire le suivi.

En date du 17 avril 2023, la Ville d'Ottawa a appliqué ou intégré à ses politiques

révisées, 36 des 103 recommandations, qui seront prises en compte pour les projets à venir.

La Ville d'Ottawa reconnaît l'importance de suivre les recommandations découlant de l'enquête publique. Ces recommandations lui apportent un point de vue externe sur le projet de TLR, ainsi que des connaissances sur la manière dont d'autres projets majeurs sont planifiés, développés et concrétisés. La Ville s'est engagée à prendre en considération toutes les recommandations qui relèvent de sa compétence, et un grand nombre d'entre elles sont déjà appliquées ou en cours d'application.

L'enquête a reconnu que la Ville a déjà pris des mesures concrètes et construit une base valable sur laquelle appliquer les recommandations. La Ville a pris l'engagement d'améliorer la fiabilité et d'assurer la sécurité de la Ligne 1 de l'O-Train, ainsi que de se préparer aux futurs prolongements en mettant à profit les leçons apprises dans la réalisation des prochains projets d'infrastructure majeurs.

La Ville collabore encore avec le GTR pour améliorer la fiabilité du service ferroviaire et pour assurer la sécurité du système, et elle répondra à chaque recommandation individuellement, au moyen d'un plan d'action (Pièce 3).

Le présent rapport complète la Mise à jour – Enquête publique sur le réseau de transport en commun par train léger sur rail d'Ottawa et prochaines étapes recommandées (ACS2022-CMR-OCM-0001), qui a été approuvée par le Conseil le 9 novembre 2022. Ce rapport détaillait le travail réalisé par le personnel de la Ville en lien avec l'enquête publique, notamment les coûts pour la Ville, et formulait des recommandations au Conseil sur différentes questions, y compris la gestion des dossiers, et suggérait un processus qui faciliterait l'examen du rapport final du commissaire.

Dans ce rapport (en particulier à la recommandation 3), le Conseil demandait au personnel de :

« inclure les recommandations préliminaires du présent rapport dans le rapport complémentaire du personnel qui accompagnera le rapport final de l'Enquête publique sur le TLRO, après les avoir peaufinées au besoin, pour que puisse être envisagée leur application parallèlement à celle des recommandations qui figureront dans le rapport final de l'Enquête publique sur le TLRO. »

Au moyen du présent rapport, les Services de transport en commun, en tant que direction générale responsable, fournissent une mise à jour au Sous-comité du train

léger sur l'état de la mise en œuvre des 103 recommandations formulées dans le rapport de l'enquête publique sur le train léger sur rail d'Ottawa. Quand le Conseil aura approuvé la réponse de la Ville aux recommandations, le plan d'action sera publié sur le site [octranspo.com](http://octranspo.com), puis mis à jour au besoin jusqu'à ce que toutes les recommandations aient été appliquées. On prévoit que chacune des 103 recommandations sera appliquée, ou que sa mise en œuvre sera suffisamment avancée, pour qu'on puisse fournir un compte rendu au Conseil d'ici la fin de 2023 afin de mettre fin au plan d'action.

Même si les Services de transport en commun sont responsables de ce plan d'action, il s'agit d'un projet à l'échelle de la Ville auquel participe du personnel de nombreuses directions générales, notamment le Bureau du greffier municipal, la Direction générale des services d'infrastructure et d'eau, et la Direction générale des finances et des services organisationnels.

#### Prochaines étapes

Le rapport Mise à jour – Enquête publique sur le réseau de transport en commun par train léger sur rail d'Ottawa et prochaines étapes recommandées, qui a été présenté au Conseil le 9 novembre 2022, contenait sept recommandations préliminaires visant à améliorer les prochains projets d'infrastructure à grande échelle, dont le TLR. Ces recommandations tenaient compte des leçons apprises précédemment, de l'analyse par le personnel des audiences de la Commission et des déclarations finales de la Ville. Après avoir passé en revue les sept recommandations, le personnel s'est assuré qu'elles sont intégrées aux recommandations découlant de l'enquête publique et qu'elles seront appliquées, soit au moyen du plan d'action, soit au moyen de recommandations adressées à la Province de l'Ontario afin qu'elle y donne suite.

Dans le cadre de la réponse de la Ville au processus d'enquête publique, un plan de gestion des documents a été défini afin de couvrir par écrit l'approche et les processus en matière de gestion des documents mis en place par l'équipe de réponse, ainsi que la stratégie de gestion des documents à long terme relative aux documents connexes.

Au moyen du rapport Examen de la structure de gestion publique du Conseil municipal pour 2022-2026 (ACS2022-OCC-GEN-0030) qui a été approuvé par le Conseil, la Politique sur la reddition de comptes et la transparence de la Ville a été examinée et modifiée afin que soit défini clairement ce à quoi peuvent s'attendre le personnel, le Conseil et le public concernant le partage de l'information.

À la suite du dépôt du rapport de gouvernance, on a mis sur pied le Sous-comité du



train léger et un organisme consultatif sur le transport en commun. Ces deux entités favoriseront une plus grande participation du public et amélioreront la transparence.

La Direction générale des finances et des services organisationnels examine actuellement la Politique sur les analyses de rentabilité et la gestion de projets, dans le cadre du cycle d'examen des politiques planifié. Au cours de l'examen, le personnel de cette direction analysera les points suivants :

- les leçons apprises et toute recommandation finale découlant de l'enquête publique sur le TLRO liée à la gestion de projets, notamment à la gouvernance et aux communications internes pour les grands projets;
- l'introduction de mesures de hiérarchisation et de contrôle pour les projets;
- la possibilité de créer, au sein de la Ville, un bureau de la gestion des projets organisationnels indépendant, qui assurerait la surveillance et le respect des pratiques de gestion de projet;
- les critères qui serviraient à déterminer quand mener un examen indépendant pendant un projet.

Les Services de l'approvisionnement mettront à jour la Politique sur les partenariats public-privé et le Manuel de l'approvisionnement pour élargir et clarifier les responsabilités du personnel en matière de règlement des différends, de gestion de la complexité des projets et du respect de l'alignement des opérations avec les priorités du projet conformément aux recommandations du commissaire.

Prochaines étapes touchant le transport en commun

Conformément à ce qui a été présenté au Conseil le 27 janvier 2023, la Ville d'Ottawa et le GTR ont conclu une entente de règlement qui résout plusieurs problèmes et qui rétablit la relation afin que les parties se concentrent sur la prestation d'un service de transport en commun sûr et fiable à la population d'Ottawa. La Ville et le GTR continueront d'aller de l'avant avec l'objectif d'améliorer leur collaboration et leur partenariat. Comme le précise le plan d'action (Pièce 3), cette entente de règlement répond à certaines recommandations présentées dans le rapport d'enquête publique sur le TLRO.

En tenant compte des analyses des leçons apprises précédemment, des examens réalisés par des tiers, de la surveillance externe et de consultations auprès de spécialistes internationaux du transport ferroviaire léger, des améliorations ont été

apportées à l'Étape 2 du modèle du TLR : conception, approvisionnement, construction, gestion des contrats, etc.

Au cours de l'élaboration du présent rapport, le personnel a, parmi d'autres tâches, coordonné un examen du plan d'action par un tiers afin d'offrir un point de vue indépendant et d'assurer la robustesse du plan. Cet examen a été mené par Roland Berger Inc.

L'objectif des Services de transport en commun est d'offrir un système de train léger sur rail, sûr et fiable, sur lequel les clients peuvent compter et dont les résidents peuvent être fiers. Les recommandations découlant de l'enquête publique sur le TLRO constituent un pas important vers l'avant et s'inscrivent dans le processus continu visant à bâtir un excellent système de transport en commun à Ottawa.

## **BACKGROUND**

On December 19, 2012, Council delegated authority to staff to negotiate and execute the Stage 1 light rail transit (LRT) Project Agreement (PA) with the Rideau Transit Group (RTG). The contract was planned as a public-private partnership for RTG to design and build the system, as well as a 30-year maintenance agreement. On February 12, 2013, the City executed the PA with RTG, and construction began in April 2013.

After several construction and schedule delays, O-Train Line 1 opened on September 14, 2019.

Customers experienced significant post-launch issues almost immediately following the lifting of parallel bus service in early October 2019. Issues related to vehicles, infrastructure and technology continued, culminating with two derailments in August and September 2021.

As a result of contractual Failure Points incurred due to the derailments, the City issued a Notice of Default to RTG on September 24, 2021. This Notice was in addition to a Notice of Default issued on March 10, 2020, as a result of contractual Failure Points.

Due to ongoing operational issues related to Ottawa's Stage 1 LRT system, including the two derailments, the Ontario government called for a public inquiry. The inquiry was established on December 16, 2021, with Honourable Justice William Hourigan as Commissioner. The mandate of the inquiry was "to investigate the commercial and technical circumstances that led to the Stage 1 breakdowns and derailments of the OLRT system." The inquiry was also tasked to make recommendations to help prevent

these issues from occurring in future large-scale infrastructure projects.

In response, the City established a public inquiry response team, led by the City Manager's Office, in coordination with the City Solicitor. The seven-person team included City staff from Legal, Information Management, Finance, Office of the City Clerk and Information Technology, as well as a liaison with Transit Services.

The Commission received more than one million documents, heard 35 individual witnesses/witness panels in public hearings and held an expert panel on public-private partnerships. The City cooperated fully with the Public Inquiry, providing over 500,000 documents and 13 City witnesses participated in the public hearings.

On August 15, 2022, when the City's closing submission was sent to Council, Council was advised that staff identified a number of lessons learned through participation in the inquiry. Council was further advised that City staff had started to prepare a report on a recommended process that would facilitate consideration of the Commission's final report.

On November 9, 2022, Council approved the Update on the Ottawa Light Rail Transit Public Inquiry and Recommended Next Steps report (ACS2022-CMR-OCM-0001). That report detailed the work performed by City staff related to the Public Inquiry, including City costs, and provided recommendations for Council with respect to matters including records management and a recommended process that would facilitate consideration of the Commission's final report.

Through that report (specifically recommendation 3), Council directed staff to:

“include the preliminary recommendations, described in this report, in staff's companion report to the OLRT Public Inquiry's final report, refined as necessary, and considered for potential implementation along with any recommendations from the Public Inquiry's final report.”

The OLRT Public Inquiry Commissioner released the final report (Document 1) on November 30, 2022, which included 103 recommendations. At the December 7, 2022, City Council meeting, staff were directed to create and develop an action plan to evaluate, address and track the recommendations.

On February 16, 2023, the City's newly created Light Rail Sub-Committee met for the first time to approve its Terms of Reference and receive a verbal update on the status and next steps of the recommendations. The Terms of Reference, which were

subsequently approved by Council on February 22, included:

2. Receiving updates from staff and other relevant advisors on issues related to the Ottawa Light Rail Public Inquiry, including;
  - a. reporting on follow-up actions by the City in response to recommendations of the Ottawa Light Rail Public Inquiry Commission;

This report is a companion to the November 9 report and will provide updates on the work accomplished since that report was approved. This report also informs on refinements to the preliminary recommendations and the City's Action Plan to address and track the preliminary recommendations from the November 9 report and the 103 recommendations from the Public Inquiry. As the majority of the recommendations from the inquiry impact the O-Train or Stage 2 Light Rail, Transit Services is leading the development of the City's Action Plan, in consultation with other City departments, including Finance and Corporate Services, Office of the City Clerk, and Infrastructure and Water Services.

## **DISCUSSION**

On December 16, 2021, the Province of Ontario called for a public inquiry to review the ongoing operational issues with the City of Ottawa's Stage 1 light rail transit system. The system had experienced numerous challenges shortly after the launch of service to the public, culminating with two derailments in August and September 2021.

Honourable Justice William Hourigan was appointed as Commissioner of the Public Inquiry and tasked "to investigate the commercial and technical circumstances that led to the Stage 1 breakdowns and derailments of the OLRT system."

The 103 recommendations outlined in the OLRT Public Inquiry Report reflect directly on Stage 1 LRT, as well as more general issues related to public infrastructure projects. Specific to LRT, the recommendations span several areas, including procurement models, contractual arrangements and the Project Agreement, design of the system, testing and commissioning, and the timing of substantial completion.

Additionally, the report includes a number of recommendations related to relationships: the City and RTG; staff and City Council; the City, RTG and the public; and, overall governance. The report also includes recommendations for the Federal and Provincial governments to address.

On November 30, 2022, Mayor Sutcliffe committed the City to developing an action plan

to address the 103 recommendations in the Inquiry report. The City of Ottawa, in particular the Transit Services Department, accepts the findings of the Public Inquiry and undertakes to implement the recommendations as thoroughly and quickly as possible. As part of the long process in rebuilding trust with the residents of Ottawa, the City is committed to taking clear, transparent and concrete steps to implement the Action Plan (Document 3). As noted within the Action Plan, the City has already implemented a number of procedures and initiatives, some of which had been delivered before the inquiry was called.

Transit Services was appointed to lead the development of the City's report, which will include the City's Action Plan. The reporting process will be transparent and ensure City staff's accountability to Council and the public.

## **1. UPDATE ON WORK RECOMMENDED IN THE NOVEMBER 9 CITY REPORT**

The Update on the Ottawa Light Rail Transit Public Inquiry and Recommended Next Steps report directed staff to take immediate action on information management and to update the City's Business Case and Project Management Policy and Project Management Framework to incorporate preliminary learnings from the Commission process, as well as additional actions once the Final Report from the Commission had been received.

### **Improvements to Information Management**

As part of the City's response to the Public Inquiry process, a Records Management Plan was established to document the records management approach and processes implemented by the response team and the long-term records management strategy for related records.

Records of the City's response to the Inquiry will be retained permanently for the following reasons:

- This inquiry is the first in the City's history and the records of the City's response have historical value.
- The records have enduring business value. The records management approach was used as a template for the Federal Public Order Emergency Commission Public Inquiry and may be reused for similar inquiries/investigations in the future

- Records related to OLRT project stages are classified under the T13, T15 and T16 secondaries in the Corporate Records Retention Scheme, which have an active retention period of 10 years, an inactive retention period of 30 years and a final disposition of Permanent: Sent to City Archives. The retention period for inquiry records should be the same.

The Council-approved 2022-2026 Council Governance Review (ACS2022-OCC-GEN-0030) assessed, among other things, policies related to information management and transparency, resulting in a number of updates that will positively affect the Stage 2 LRT project and other major infrastructure projects. One of the recommendations from the report is to:

- Direct the City Clerk to undertake the following with respect to amending the Records Management Policy and associated policies, procedures and practices, and provide updates in the 2022-2026 Governance Review report on the approach the Clerk will take to:
  - a. Establish a process to develop measures to ensure that Information Management and routine and active disclosure are considered at the start of, during and at the close of all major City projects through measures such as project-specific document management architecture, staff training, clear obligations and accountabilities for recordkeeping and public disclosure when external contractors are used, and having access to a dedicated Information Management resource, as described in this report; and
  - b. Consult with the Information and Privacy Commissioner of Ontario and work with Information Technology Services as part of a process to establish clear guidelines and processes with respect to temporary records, including transitory records created on instant messaging and social media platforms related to City business, for both staff and elected officials and on both personal and corporate devices and accounts, as described in this report.

The Accountability and Transparency Policy was reviewed and amended to make it clear to staff, Council and the public as to what is expected when it comes to sharing information.

*Transparency* – The principle that the municipality will conduct its business in an accessible, clear and visible manner and that its activities are open to review by the public, fostering trust in government and improving service delivery.

As outlined in the Governance Review report, the City Clerk intends to provide an update on addressing the remaining items outlined in the recommendations through the Office of the City Clerk's Annual Report, which is expected to go to the Finance and Corporate Services Committee in Q2 2023. The City Clerk also anticipates bringing forward an Elected Officials Records Management Policy that will establish guidelines for recordkeeping requirements, including those deemed transitory and official records of Members of Council, the applicability of the *Municipal Freedom of Information and Protection of Privacy Act* on Members' records, and the process for destroying records at the end of a Member's term in office.

The Governance Review also resulted in the establishment of the Light Rail Sub-Committee and the Transit Advisory Board. Both of these entities will foster greater public participation and provide more transparency.

### **Improvements to the Business Case and Project Management Policy and Project Management Framework**

The City launched its Project and Program Management Framework and Business Case Policy in 2013; this was updated and combined into the Business Case and Project Management Policy in 2017. Its purpose is to:

- Establish defined project specific objectives within an accountability framework.
- Deliver projects on time and within budget.
- Improve decision-making accountability and transparency.

As such, the Policy ensures the common and consistent application of project management principles and practices across all City-lead projects, including contractually delivered projects.

This project management governance structure is further supported by the Enterprise Risk Management Policy (2010, updated in 2022). These policies and frameworks inform risk-based decision making and are aligned with best practices put forth by the globally recognized Project Management Institute (PMI) and International Organization for Standardization (ISO). A complete suite of PMI and ISO-based templates is also available for use throughout the complete lifecycle of a project.

The Finance and Corporate Services Department (FCSD) is currently reviewing the Business Case and Project Management Policy as part of the scheduled policy review cycle. As part of this review, FCSD staff will consider the following:

- lessons learned and any final recommendations from the OLRT Public Inquiry related to project management, including internal project governance and communications for major projects;
- the implementation of tiering and gating for projects;
- examining an option to have an independent enterprise project management office established within the City to ensure oversight and respect for project management practices; and
- criteria for when independent review during the project.

Regarding enterprise project management, some large-scale inter-departmental projects are governed at the enterprise level, while others are delivered by specific City departments, under governance by departmental project management offices and industry-specific practices.

Regarding tiering and gating, while there is limited formal policy direction at the enterprise level, tiering and gating already occurs in the context of industry-specific project delivery techniques (e.g., infrastructure/construction and IT/software projects) by ensuring milestones and approvals are met prior to moving from one project phase to the next.

FCSD staff will consider these recommendations in consultation with internal project management stakeholders, as well as conduct an environmental scan of leading project management practices in other Ontario municipalities and the federal government.

Proposed amendments to the Business Case and Project Management Policy and Project Management Framework will be brought to the Finance and Corporate Services Committee and Council for consideration and approval once complete; it is anticipated that will be completed by Q4 2023.

## **2. PRELIMINARY RECOMMENDATIONS FROM THE NOVEMBER 9 CITY REPORT**

The Update on the Ottawa Light Rail Transit Public Inquiry and Recommended Next Steps report was presented to Council on November 9, 2022, and contained seven preliminary recommendations to provide improvements for future large-scale infrastructure projects, including LRT. These recommendations were based on previous



lessons learned, staff's review of the Commission hearings and the City's closing statements.

Council has directed staff to review the preliminary recommendations, in light of the Commission's findings, and refine them as necessary. As part of the Action Plan, TSD will track progress and report on these seven recommendations as part of the overall package of the Inquiry recommendations.

### **1. Funding and partnership agreements**

Federal and provincial funding and contribution agreement amounts should be calibrated to reflect the refined project budgets during the procurement process rather than being tied to early-stage environmental assessment estimates, to properly reflect the complexity of these projects and to account for procurement and delivery risks.

**Update** – The work to implement this recommendation will be tracked and reported on as part of Public Inquiry Recommendation 9. The Public Inquiry also recommended that the Federal and Provincial governments review their funding contribution processes as recommendations 10 and 11.

### **2. Procurement best practices**

The City of Ottawa should write to the Province of Ontario to request an assessment of the impact of the Canadian content requirements for light rail vehicles on light rail transit projects and to assess whether the policy has had unintended consequences on market competition and project delivery in Ontario.

**Update:** The Public Inquiry recommended that the Province of Ontario review its Canadian Content for Transit Vehicle Procurement Policy as well as any local content requirements as part of recommendations 18 and 19. Transit Services acknowledges these recommendations and will consult with the Province of Ontario regarding these requirements for future procurements of transit vehicles.

### **3. Systems integration**

All subsequent Project Agreements should require robust processes including the use of European (EN) Standards to properly address requirements for systems engineering and systems integration on complex light rail transit systems.

**Update:** The work to implement this recommendation will be tracked and reported on as part of Public Inquiry Recommendation number 31, 50, 51, 52 and 64.

#### **4. Project schedule**

All subsequent Project Agreements should provide that a reliable Recovery Schedule must be delivered, even after a Delay Event is alleged. The failure to deliver a credible schedule, even if it does not meet the original delivery dates, should have secondary consequences in the Project Agreement.

**Update:** Supply Services will update the Public Private Partnerships Policy and the Procurement Manual to incorporate the relevant recommendations of the report.

#### **5. Trial running criteria**

All subsequent Project Agreements should clearly articulate specific pass/fail criteria for trial running at the outset of the project to ensure clarity and enforceability of outcomes during the implementation of the project. Additionally, the duration and content of the trial running period needs to be expanded to include a quantifiable demonstration of system reliability and maintenance capability.

**Update:** The work to implement this recommendation will be tracked and reported on as part of Public Inquiry Recommendation numbers 33 to 37.

#### **6. Maintenance requirements**

All subsequent Project Agreements should be very prescriptive for key individuals during the maintenance period and include key roles such as a Project Co Chief Safety Officer, Technical Director, Track Supervisor, and other key functions that are known to be industry best practices for staffing a complex light rail transit operation.

**Update:** Supply Services will update the Public Private Partnerships Policy and the Procurement Manual to incorporate the relevant recommendations of the report.

#### **7. Governance and oversight**

All subsequent Project Agreements should require independent, third-party oversight for the first year of maintenance service to certify the monthly payments, arbitrate disputes between Project Co and Owner over monthly payments on a fast-track basis, and to report publicly on performance and payments to Council.

**Update:** Supply Services will update the Public Private Partnerships Policy and the Procurement Manual to incorporate the relevant recommendations of the report. With respect to the opening of the Trillium Line later this year, additional third-party oversight

will assist staff in the implementation of the contractual mechanisms of the project agreement.

### **3. RESPONSE TO RECOMMENDATIONS FROM THE PUBLIC INQUIRY**

As presented to Council on January 27, 2023, the City of Ottawa and RTG reached a settlement that resolves several issues and resets the relationship to focus on the delivery of safe and reliable transit service to the people of Ottawa. This was a critical step in addressing the recommendations of the Public Inquiry.

Many of the recommendations were related to the deteriorating relationship between the City and RTG. The Commissioner concluded that: “The bottom line is that the relationship between the City and RTG was adversarial at critical stages of the construction and maintenance of OLRT1, and this fact contributed to problems with the OLRT1 project.”

The settlement resolves several issues to focus on the delivery of safe and reliable transit service to the people of Ottawa. This agreement builds on the work already done to improve the system and reflects a number of recommendations from the Commission Report.

The settlement agreement completed 11 recommendations by addressing the following:

- Resolves the Notice of Default that arose following the August 8 and September 19, 2021, derailments through RTG’s acknowledgement of the Default and the City’s confirmation of the immediate cure based on RTG’s rigorous plan to address the issues that led to the derailments and come to a sustainable resolution of the axle bearing assembly issue. The City acknowledges the work RTG has done and will continue to monitor RTG’s progress.
- RTG is committed to achieving a sustainable resolution of these issues for all O-Train Line 1 light rail vehicles before the opening of the Stage 2 East extension. In addition, RTG has and will continue to implement various interim mitigation measures to ensure the reliability of O-Train Line 1.
- The City and RTG settled several disputes concerning RTG’s performance during the maintenance phase and the City’s administration of the contract during the maintenance phase.

The City and RTG have been working collaboratively and cooperatively together for many months on the development of a rigorous Implementation Plan and resolution of

both the Default and maintenance disputes. This collaboration was noted by the Commissioner: “Despite the foregoing, there is reason for optimism, as the parties have begun working together more co-operatively and the reliability of the system is showing some signs of improvement.”

The City of Ottawa has completed over 10 lessons learned reports and third-party reviews to improve the design, procurement and construction of major infrastructure projects. The City’s Office of the Auditor General has also completed three audits specifically related to various stages of the OLRT project. As part of developing this report, Staff also coordinated a third-party review of the Action Plan to provide an independent perspective and ensure the plan is robust. The third-party review was undertaken by Roland Berger Inc.

As a result, a number of improvements have been made to current and future project implementation. Based on these reviews, as well as the recommendations in the OLRT Public Inquiry Report, the themes below are aligned with the Public Inquiry Report recommendations and reflect current state.

### **Theme: Planning Complex Infrastructure**

In setting out the objectives for the Stage 2 LRT project during the procurement phase, the City worked to balance project priorities and project specificity with an open performance specification to allow bidders to bring their expertise and experience to bear on the final solutions. The City worked diligently to bring highly experienced teams together on both the owner side and private sector side. Moreover, independent review teams supported the project at various phases of the work in order to bring lessons learned and experience from other projects to the table.

Following the challenges in Stage 1, the City engaged Mott Macdonald to undertake an end-to-end review of the system and engaged Transportation Research Associates (TRA) to undertake a review of the return to service plan following a derailment. For the Stage 2 program, the City has engaged a third-party team (Systra and RATP Dev) with expert experience in design, construction, and operations to undertake a peer review of the Trillium Line project to proactively identify potential gaps to be addressed. The City will continue to look for opportunities to objectively assess and review performance of the system prior to its opening for passenger service.

In respect of the recommendations regarding complexity, Transit Services acknowledge and agree that setting a specific objective to avoid unnecessary complexity and to simplify the work needs to be a priority in delivering these projects going forward. In looking back

at the Stage 1 delivery, a number of projects added to the complexity and cost which could have been avoided. Transit Services acknowledges that specific requirements, despite their best intentions, may have had unintended consequences on the project.

In respect of simplifying projects, the approach to Stage 2 is that Transit Services has the benefit of an existing baseline architectural design for the stations and a baseline solution for key technical systems; both of these existing solutions have helped to simplify the overall design process. At the same time, the use of a Concept of Operations document to help inform the design was introduced part way through Stage 1 and used at the outset of Stage 2. Moreover, many decisions in relation to station amenities or system functionality were resolved as part of Stage 1 and then subject to any changes or lessons learned, the designs were replicated in Stage 2. In terms of lessons learned, the design for the Trillium Line extension has been informed by 20 years of operations experience and the Stage 2 Confederation Line has leveraged the technical changes, improvements and operational adjustments made over the last three years of service.

Further to the need for simplification, the industry has generally moved towards a modular approach to project delivery in areas such as traction power substations, pre-cast bridge and platform structures and pedestrian bridges. At the same time, the continued and expanded use of Alstom Citadis vehicles in Stage 2 Confederation Line was undertaken to avoid creating a second vehicle type in the fleet and to avoid the start-up of a new manufacturing line. While the production for the vehicles did ultimately move to a new dedicated facility, we believe the consolidation of manufacturing in a single, dedicated facility to be of benefit to the Ottawa project and the other affected projects in Ontario. There are residual issues that remain with the vehicles that continue to be addressed and Transit Services are working to share these issues, as well as other lessons learned, with other jurisdictions across Ontario in order to help elevate the performance of these projects.

**Action:** Transit Services management acknowledge and agree with recommendations 1 through 5 and 7 regarding priority setting, project cost forecasting, including cognitive biases, uniqueness bias, need to reduce complexity, requirements for access to project delivery expertise, and the benefits of long-term capability building.

**Action:** Transit Services management agrees with recommendation 6 and confirm that this work has been included in the Stage 2 program.

**Theme: Preparing Project Estimates and Budgets**

The expectations for final project costs are often tethered to preliminary estimates completed at an early or preliminary design stage. Often, the funding commitments from other levels of government for the projects are subsequently tied to the preliminary estimates rather than the outcomes of the procurement process which will more accurately reflect the costs of the work. Transit Services acknowledge and agree with the recommendations regarding communicating estimates to the public and regarding the need to remain flexible with cost estimates during the planning and procurement phase.

The Stage 1 budget envelope was increased by \$15 million in 2021 and the final total is subject to residual contractual issues that are still open. For Stage 2, the budget was increased at the time of contract award due to bid prices coming in higher than expected and the Stage 2 budget was increased again in 2022 with an increase of \$60M. Budget increases are subject to Council approval and project needs may evolve to accommodate market conditions and scope changes.

Despite the increase in project costs incurred by the City, the funding support from other levels of government has, so far, remained fixed. In order to be successful with these types of megaprojects and to ensure their success going forward, Transit Services agree with the findings in the report related to assessing the levels of contributions, providing flexibility in funding agreements in order to respond to evolving project conditions, and providing flexibility with respect to eligible costs for the project.

**Action:** Transit Services management acknowledge and agree with recommendations 8 through 12 and will work with other levels of government to assess funding agreements for increased flexibility with funding levels as project needs evolve, increased flexibility of eligibility criteria for costs, increased flexibility in timing for determination of final contribution amounts, and more generally, increased flexibility in administration of transfer payment agreements.

### **Theme: Selecting a Project Delivery Model**

The delivery models related to Stage 1 and Stage 2 use the Public Private Partnership format and were established based on business cases that responded to a set of value propositions that would be similar in nature to those in the recommendations. Transit Services agree with the recommendations that have comparative value, level of project controls, evaluation criteria, and the benefits and drawbacks should be clearly articulated as part of selecting a delivery model.

Further, the delivery model should clearly consider the rights that are accorded to private creditors in relation to the possibility of extensions and other matters. The Stage 2

program was the first linear project the City is aware of that proposed a project extension that more than tripled the length of an existing line being delivered under DBFM model. The Stage 2 procurement involved complex commercial transactions in order to make the extension possible while preserving key characteristics of the initial contract award. For linear infrastructure that is procured in phases, lender rights should not make extensions to line prohibitive due to costs or consent rights; this issue has been addressed in subsequent procurements in other jurisdictions.

The DBFM model used in Stage 1 was meant to generate value by having the consortium optimize costs between the capital period and maintenance period and relies heavily on the risk of performance deductions during the maintenance term to incentivize higher quality design and construction. Arguably, the incentives envisioned as part of the DBFM model were not fully realized when the project fell into delay and the incentive for a completion payment overshadowed the risk of maintenance term deductions. This misalignment of incentives was exacerbated by the milestone payment program where payments are intermittent and consortium cash flows will suffer in delay scenarios. The earned value program being used in Stage 2, in lieu of milestone payments, will lessen but not fully offset payment pressures in a delay scenario.

**Action:** Transit Services management acknowledge and agree with recommendations 13 through 16.

Supply Services will update the Public Private Partnerships Policy and the Procurement Manual to incorporate the relevant recommendations of the report.

The City of Ottawa's Public Private Partnerships Policy (P3 Policy) is an overarching policy whose purpose is to outline the City's approach to evaluating and pursuing P3s for the implementation of City projects. The P3 Policy and its associated Administrative Procedures and Guidelines outline high-level requirements for each phase of a P3 project: P3 Project Assessment, Project Initiation, Procurement, Implementation, and Contract Management and On-Going Monitoring.

The P3 Policy has undergone a number of recent updates to reflect best practices and the recommendations of the Auditor General contained in the Audit of the Management of the Lansdowne Contract (ACS2018-OAG-BVG-0008), the Audit of Stage 2 Light Rail Transit (LRT) Project Procurement (ACS2019-OAG-BVG-0011) and the recommendations of KPMG in its reports: LRT Stage 2 Lessons Learned and LRT Stage 3 Procurement Options Analysis and Project Governance Best Practices (ACS2021-ICS-PRO-0002).

The updates made in response to the Commissioner's report will expand and clarify staff's responsibilities when managing a P3 project, including with respect to dispute resolution, managing project complexity and ensuring operational alignment with project priorities.

The Procurement Manual is a collection of procedure documents that provides general guidance on procurement processes and the roles and responsibilities of City staff. It is continuously updated to reflect best practices in procurement in the Planning, Solicitation, Evaluation, Award and Contract Administration phases of the procurement process. It will be updated to add clarity around timelines for amendments during the in-market period.

### **Theme: Proven Project Elements Should be Preferred**

Transit Services management acknowledges the recommendation to give preference to service-proven designs, components, labour markets, and supply chains and acknowledges the example given that LRTs should be built in dedicated facilities.

The manufacture of the Alstom Citadis vehicles was initiated in the Belfast Maintenance & Service Facility (MSF) which was not a dedicated facility and the production line has since been moved to a dedicated Alstom manufacturing facility in Brampton, Ontario. Note that as part of the original Trillium Line service the City procured three Bombardier Talent diesel multiple vehicles and these vehicles proved to be workhorses for the City. The City subsequently replaced the Bombardier Talent vehicles with Alstom LINT diesel multiple vehicles and these vehicles were highly reliable when they were introduced into service. As part of Stage 2 Trillium Line extension, the City has procured Stadler FLIRT diesel multiple vehicles which will go into service when the extension opens. All of these vehicles were built in pre-existing, dedicated manufacturing facilities.

**Action:** Transit Services management acknowledge and agree with recommendation 17. In respect to the City overall, the Finance and Corporate Services Department is reviewing the impact of this recommendation on the Business Case and Project Management Policy and the Enterprise Risk Management Policy.

### **Theme: Review of Canadian Content Requirements**

City management acknowledge the recommendation to optimize the balance between Canadian Content and the need to consider potential procurement solutions to equalize



bids in relation to potential development goals. We also acknowledge the interplay between service proven solutions and the need for local content.

**Action:** City management acknowledge and agree with recommendations 18 and 19 and will consult with the Province of Ontario regarding this requirement for future procurements.

**Theme: Providing Time to Incorporate New Elements during In-Market Period**

City management acknowledges the recommendation to give bidders an appropriate period of time to undertake due diligence process for critical changes that may be introduced during the procurement process. The procurement schedule needs to account for the possibility of significant changes during the in-market period that may be outside the control of the agency and/or the suppliers.

The procurement team that led Stage 2 undertook to pre-qualify vehicle suppliers as part of its process and then to arrange tripartite meetings between bidders and the qualified vehicle suppliers well in advance of bid submission. This process allowed bid teams a significant period of time to review and assess the vehicle that would ultimately become a critical component of their bid submission. A similar process was used for the Confederation Line project where the signalling supplier was prequalified, and all bid teams had an opportunity to engage with the supplier, including negotiating custom terms, well in advance of their bid submission.

**Action:** City management acknowledge and agree with recommendation 20 and commit to updating the City's procurement manual to incorporate this recommendation.

**Theme: Contract Review**

City management acknowledges and agrees with the recommendation to retain an independent advisor to ensure that agreements are fully aligned. During the inquiry there was information raised which suggested a misalignment between subcontracts at the design-build level and the City will assess if there is an opportunity in future to create increased alignment within the special purpose vehicles. There are different mechanisms to achieve this outcome and it will need to be reviewed closely in the context of any future procurement. Furthermore, City management acknowledges that the complexity of contracts that are in play requires careful consideration and clear alignment to achieve the intended project outcomes; this requires ongoing work and continuous work to ensure contracts are fully aligned.

**Action:** City management acknowledge and agree with recommendation 21. The Finance and Corporate Services Department is reviewing the impact of this recommendation on the Business Case and Project Management Policy and the Enterprise Risk Management Policy.

**Theme: Public Communications**

The Stage 2 Project Agreement includes a robust communications strategy designed to ensure transparency with Council, public, media and stakeholders. Transparency on the project schedule, including any issues or delays, as well as construction activities and related impacts is key to informing area residents, managing expectations related to disruptions and retaining the public's trust.

Transit Services agrees with this recommendations withing the Public Inquiry and will continue with ongoing Stage 2 community and stakeholder outreach. Staff will continue to provide communication to Council through bi-weekly construction updates, quarterly construction memos and presentations to the Light Rail Sub-Committee. As part of the management of ongoing construction activities, staff will continue to work with area councillors to communicate impacts to residents through the dedicated project website, area-specific electronic newsletters, social media, public meetings and ward communications.

Building upon the work already in progress, TSD is creating an information and marketing campaign to educate the public, stakeholders and customers about changes to the transit system with the opening of the extended O-Train system. This includes web, social media and events and outreach as part of the department's ongoing strategy to improve customer communications and build public trust.

**Action:** City management acknowledge and agree with recommendations 22 through 25. Supply Services will update the P3 Policy to specifically identify responsibility and requirements for project communications as an element to be included in the Project Agreement.

**Theme: Dispute Resolution**

While this is currently a requirement of the Contract Administration Policy, Supply Services will update the Policy to clarify that the overarching objective of timely dispute resolution is to ensure the continuation of reliable public service.

**Action:** City management acknowledge and agree with recommendations 26 and 27. Updating the City's Public Private Partnerships Policy will address Recommendation 26.

## **Theme: Independent Oversight**

The Independent Certifier played a pivotal role in Stage 1 in respect to certifying payments and providing an independent view on milestone payments, critical milestones such as Substantial Completion and Revenue Service Availability, and creation of the official deficiency list at the end of the project. The Independent Certifier was bound by the terms of the Project Agreement requirements and by any modifications or changes that were made to the agreement between the owner and the delivery team. The Independent Certifier's confirmation of project completion was constrained to the project requirements, as the industry and owners would expect, and it is typically not in their remit to provide a holistic assessment of the project needs and project requirements. The Independent Certifier role remains the same in Stage 2 though they will be certifying completion for new project agreements that have evolved in respect of requirements for systems engineering processes, safety certification, and demonstration tests.

The Independent Safety Auditor had a specific scope under the Stage 1 agreement and provided confirmation to the City that the safety requirements had been met at the time of revenue service handover. This role exists again in Stage 2; however, the City has been more prescriptive in terms of the specific standards and approaches that are being used by the delivery teams in order to meet safety certification requirements and the subsequent review that is taken by the safety auditor on behalf of the project.

Furthermore, the Independent Safety Auditor will be supported by a new Systems Integration Verifier role in Stage 2 that will work to ensure the integration of the headend equipment at the Transit Operations Control Centre (TOCC) and the field equipment is properly completed.

**Action:** Transit Services management acknowledge and agree with recommendation 28 and commit to updating City Council on the key independent roles in the project and confirm the degree of assurance that each of these roles can provide. A memo was sent to Council on April 18, 2023, to identify the Stage 2 Independent Certifier.

## **Theme: Project Changes**

The Stage 1 and 2 Project Agreements include standard contract language, each in Schedule 22, for variations, defined as "a variation, addition, reduction, substitution, omission, modification, deletion, removal or other change to the whole or any part of the Works." That schedule includes provisions for identifying variations, estimating costs and financing of any additional costs due to variations. the Project Agreements include

standard provisions for dealing with different types of time extensions and for handling impacts if there are obstacles that are encountered.

For Stage 2, a formalized process for the maintainer to identify “divergences” or cost impacts has been established to ensure that there is a process for dealing with changes that will affect their work.

**Action:** City management acknowledge and agree with recommendations 29 and 30 and commit to ensuring that all affected parties are included in the development of and amendments to contracts for infrastructure projects.

### **Theme: Testing and Commissioning**

The Stage 1 Project Agreement included standard contract language in Schedule 14 for testing and commissioning requirements but could have more prescriptive in terms of performance testing requirements, winter testing requirements, and Trial Running requirements. It has been well documented that the contract did not include pass/fail criteria for Trial Running, and the City has added criteria into the Stage 2 agreements in order to address this gap. The criteria have been included in the contract since Day 1; therefore, visibility should exist with all parties involved in the project including the vehicle supplier.

The approach to integration testing has been changed in Stage 2 where we rely on European (EN) standards, amongst others, to ensure that a rigorous process is in place to deal with systems integration and integration testing more broadly. A key difference in delivery of Stage 2 is that many of the key systems have already been fully integrated and the effort will be focused on expanding the scale of the systems to accommodate the extensions. As noted previously, a new Systems Integration Verifier role has been added to Stage 2 that will work to ensure the integration of the headend equipment at the Transit Operations Control Centre and the field equipment is properly completed. This role is intended to review integration issues between the City’s delivery scope in the control centre and Project Co’s delivery scope in the field; the role does not consider other integration that is otherwise covered by the project delivery teams. In instances where the integration work is fully within Project Co’s remit, systems integration will be led by the Project Co’s Systems Integration Manager.

**Action:** City management acknowledge and agree with recommendations 31 and 32 and commit to providing a transparent update to City Council and our funding partners on the results achieved during the testing program.

## **Theme: Trial Running**

The Stage 1 Project Agreement included standard contract language in Schedule 14 for testing and commissioning requirements but could have more prescriptive in terms of performance testing requirements and Trial Running requirements. It has well documented that the contract did not include pass/fail criteria for Trial Running, and we have added criteria into the Stage 2 agreements in order to address this gap. The updated scoring is based on the performance specification that will apply to the system in operation and the criteria has been established with a view to having the system consistently demonstrate that it can achieve the criteria. The criteria have been included in the contract since Day 1; therefore, visibility should exist with all parties involved in the project including the vehicle supplier.

**Action:** City management acknowledge and agree with recommendations 33, 34, 36 and 37 and commit to providing a transparent update to City Council and our funding partners on the results achieved during the testing program. Note that given the plan for a 21-day Trial Running program, TSD staff will provide a daily update on actual performance results followed by a full briefing on the outcomes prior to selecting a date for passenger service.

**Action:** City management acknowledge and agree with recommendation 35 and will appoint an independent expert who will assess trial running criteria, performance, and any material changes to the criteria or process.

## **Theme: Bedding-In Periods**

The use of a bedding-in periods can be applied to projects and this needs to be properly considered during the inception of a project and balanced against requirement for performance objectives to be achieved by the project delivery team prior to handover. The bedding-in period is to be solely allocated for the operations and maintenance teams to give them real-life experience of the system and to ensure the system's performance before the public is asked to rely on it. As noted in the recommendation, the length and duration of the period needs to be calibrated against the complexity of the system and risk profile of the system. Additional factors, including experience of the operators, maintainers, and standardization of the technologies will need to be factored into the decision regarding length and duration of the bedding-in period.

As further noted in the recommendations, the bedding-in period and potential soft start process will need to have greater consideration when all the systems and infrastructure are new. For Stage 2 of the Confederation Line, the operations and maintenance teams will have had significant experience using the systems and while we acknowledge some

residual issues are still being addressed, many of the systems will have been proven over time when Confederation Line East is ready for service. For Stage 2 of the Trillium Line, the existing Alstom LINT vehicles have been proven in service and there will be some staff with deep expertise in the operations and maintenance of the system. However, there are new vehicles and infrastructure that need to be fully exercised prior to opening the system for service. An assessment of bedding-in periods and soft starts will need to be reviewed for both systems prior to their respective launch dates.

**Action:** Transit Services management acknowledge and agree with recommendations 38 and 39 and will assess the opportunity for a period of extensive running of the fully integrated system prior to launch.

**Action:** Transit Services management acknowledge and agree with recommendation 40 and note this has been included in the contract for the Trillium Line extension.

### **Theme: Handover Period**

The delivery model for the Stage 1 of the Confederation Line included a single consortium to deliver the project and to maintain the project, and this approach was used to address the need for early involvement of the operations teams and maintenance teams in the project. Key staff in both operations and maintenance were appointed to the project but in many cases, access to the vehicles and infrastructure came late.

For Stage 2 of the Confederation Line, the teams will be very experienced with the vehicles and key technical systems but will need access to the new infrastructure. The contract provides for early access to the infrastructure for training purposes in the lead up to completion of the project. Once completion is achieved by the design-build team, a Trial Running program of 21-days between the City, East West Connectors, and Rideau Transit Maintenance will be used to demonstrate suitability of the infrastructure for handover to the maintenance team. Following completion of Trial Running, and as noted in relation to recommendations 38 and 39, the City will assess the opportunity for a period of extensive running of the fully integrated system prior to launch. Note that in Stage 2, the infrastructure is being handed over from East West Connectors to Rideau Transit Group, therefore, additional attention will be needed to organize and clearly define this handover process. A number of contract mechanisms are in place today to deal with this handover; however, early access for the maintainer and a clear handover process will be critical at this juncture.

For Stage 2 of the Trillium Line, a single entity is being used for design-build and maintenance of the system. The handover process between constructor and maintainer

is simplified as it is within the remit of a single organization; however, issues noted above in relation to early access, demonstration of maintenance capabilities through Trial Running, and a period of extensive running will still need consideration.

**Action:** Transit Services management acknowledge and agree with recommendations 41 and 42 and will ensure that early engagement of operations and maintenance are prioritized for Stage 2.

### **Theme: Operations**

Stage 1 of the Confederation Line faced a number of critical challenges in relation to winter performance and, to a certain extent, also faced challenges in summer. Critically, a series of technical improvements have been made to the vehicles and infrastructure to improve the winter performance of the system. Replacement of critical switch heaters in the eastern section with gas switches, sheathing of nylon supports on the catenary equipment to eliminate salt corrosion, replacement of inductors to eliminate a quality defect, improvements to guideway intrusion systems, improvements to braking integration, and improvements to maintenance practices have combined to achieve a step change in winter performance. In summer conditions, additional work on rail neutral temperature and ballast maintenance have reduced shifting of rail during high summer temperatures. With the technical issues stripped out of the performance equation, the system has performed more reliably and there has been a reduced need for operational interventions and adjustments to accommodate extreme weather events. Note that design changes applied to Stage 1 have been incorporated into Stage 2.

**Action:** Transit Services management acknowledge recommendation 43 and will consider the matter as part of future project procurements. Currently, TSD does make operational adjustments due to weather conditions.

### **Theme: Project Additions or Expansions**

As with recommendation 16, the City agrees that the delivery model should clearly consider the rights that are accorded to private creditors in relation to the additions or extensions. The Stage 2 program was the first linear project (staff is aware of) that proposed a project extension that more than tripled the length of an existing line being delivered under DBFM model. The Stage 2 procurement involved complex commercial transactions in order to make the extension possible while preserving key characteristics of the initial contract award. For linear infrastructure that is procured in phases, lender rights should not make extensions to line prohibitive due to costs or consent rights; this issue has been addressed in subsequent procurements in other jurisdictions.

**Action:** City management acknowledge and agree with recommendation 44.

**Theme: Fostering Successful Working Relationships**

The City has worked closely to grow its relationships with RTG and to provide ongoing access to maintenance windows and other matters that, in some instances, sets asides contractual rights in order to prioritize maintenance and repairs to the system. This approach has enabled a series of improvements to be undertaken on the system that will benefit the public's long-term use of the system. As part of the Stage 2 delivery, the City has worked closely with its delivery partners to find practical solutions for design and construction challenges in order to prioritize long-term performance outcomes of the project. Critically, it is necessary to recognize that the incentive mechanisms in a given project delivery model may not always align with the challenges faced by the project, and that, in many instances, it may prove judicious for either party to set aside rights and obligations under the contract in order to prioritize the performance of the system the public's interest in safe, reliable system.

**Action:** City management acknowledges and agrees with recommendation 45 through 47. The January 2023 Global Settlement between the City of Ottawa and RTG addressed, as a key priority, the relationship and collaboration between the two parties.

**Theme: Subcontract Consistency and Completeness**

City management acknowledges and agrees with the recommendation to ensure that agreements are fully aligned. During the inquiry there was information raised which suggested a misalignment between subcontracts at the design-build level, and the City will assess if there is an opportunity in the future to create increased alignment within the special purpose vehicles. There are different mechanisms to achieve this outcome and it will need to be reviewed closely in the context of any future procurement.

**Action:** City management acknowledges and agrees with recommendations 48 and 49 and commit to working with contractors to avoid and address any identified gaps or misalignments in their subcontracts.

**Theme: Systems Integration**

The approach to integration testing has been changed in Stage 2 where staff rely on European (EN) standards, amongst others, to ensure that a rigorous process is in place to deal with systems integration and integration testing more broadly. A key difference in delivery of Stage 2 is that many of the key systems have already been fully integrated



and the effort will be focused on expanding the scale of the systems to accommodate the extensions.

As noted previously, a new Systems Integration Verifier role has been added to Stage 2 that will work to ensure the integration of the headend equipment at the TOCC and the field equipment is properly completed. This role is intended to review integration issues between the City's delivery scope in the control centre and Project Co's delivery scope in the field; the role does not consider other integration that is otherwise covered by the project delivery teams.

In instances where the integration work is fully within Project Co's remit, systems integration will be led by the Project Co's Systems Integration Manager.

**Action:** Transit Services management acknowledges and agrees with recommendations 50 and 51. A Stage 2 System Integration Verifier has been hired.

### **Theme: Validation Testing**

There is an interplay between the application of service proven elements, levels of prescription for testing, including with respect of Schedule 14 requirements, use of dedicated facilities for manufacturing, and allocation of appropriate resources for undertaking the validation testing. The strategy for testing of light rail vehicles at the prototype stage did shift several times during the Stage 1 project and deprived the manufacturing process of the benefits that are normally derived from this stage of development.

**Action:** City management acknowledges and agrees with recommendation 52 and commits to ensure that appropriate industry standards and a rigorous process is in place to deal with systems integration and integration testing.

### **Theme: Maintaining a Current Consolidated Project Schedule**

The requirement for development and maintenance of a consolidated project schedule that is logical, realistic, and reasonable should be a key tenet of all future contracts. Our experience is that following significant delay events, schedules are often presented that contain overly optimistic or unrealistic targets. For example, the contractor may state overly optimistic production levels or may include unrealistic targets for efficiencies to be gained and/or tact times to be achieved. These unachievable targets mask the true project delays and undermine the project credibility when the targets are not achieved and further delays are declared.

**Action:** City management acknowledges and agrees with recommendations 53 and 54 and commit to working with contractors to ensure that accurate schedule reporting is a clear requirement in future project agreements.

**Theme: Communications Regarding the Project Schedule**

The requirement for communication of a consolidated project schedule that is logical, realistic, and reasonable should be a key tenet of all future contracts. Our experience is that following significant delay events schedules are often presented that contain overly optimistic or unrealistic targets. These unachievable targets mask the true project delays and make it impossible for owners to properly prepare and plan for readiness of the system.

**Action:** City management acknowledges and agrees with recommendations 55 and 56. The City's Light Rail Project Agreements set out clear requirements for schedule reporting and provision of an accurate consolidated schedule.

**Theme: Safety Requirements**

The Independent Safety Auditor role exists in Stage 2 and was engaged early in the design process to ensure they follow the complete program. The City has also been more prescriptive in terms of the specific standards and approaches that are being used by the delivery teams in order to meet safety certification requirements and the subsequent review that is taken by the safety auditor on behalf of the project.

Furthermore, the Independent Safety Auditor will be supported by a new Systems Integration Verifier role in Stage 2 that will work to ensure the integration of the headend equipment at the TOCC and the field equipment is properly completed. Note that this role is intended to review integration issues between the City's delivery scope in the control centre and Project Co's delivery scope in the field; the role does not consider other integration that is otherwise covered by the project delivery teams. In instances where the integration work is fully within Project Co's remit, systems integration will be led by the Project Co's Systems Integration Manager.

OC Transpo's Safety Management System (SMS) framework provides a structured, integrated approach to safety and risk management, and establishes an overarching structure for continued refinement and implementation of safety practices across OC Transpo. The organizational safety objectives are to:

- Reduce harm;

- Reduce damage or loss; and,
- Reduce disruption to service.

The SMS tracks two main targets; Organizational targets and O-Train Line 1 targets. Organizational targets include tracking work site inspections, investigations, safety-related communications and crime committed on transit property. Line 1 targets include compliance reviews, employee safety training and the status of corrective actions.

**Action:** City management acknowledges and agrees with recommendations 64 through 66. Stage 2 DBCo's have been following EN50126 and incorporating requirements into their design, construction and testing and commissioning verification and validation processes. Stage 2 will undergo a review of all administrative documentation. This review has been added to the Regulations and Support Documentation Regulatory Compliance project within the Rail Operational Readiness program.

#### **Theme: Ensuring a Skilled Workforce**

The advantages of a permanent, skilled local workforce to support transit maintenance are clear. As governments at all levels invest in infrastructure like light rail, local industries and expertise are encouraged to grow.

**Action:** City management acknowledges and agrees with recommendations 67 and 68 and will commit to incorporating oversight over the staffing for maintenance into future Project Agreements. With regard to Stage 2 LRT, TNEXT has retained experienced mechanics to support the Trillium Line, and TNEXT and RTM will provide documentation to the City for Stage 2 to satisfy these requirements.

#### **Theme: Providing Adequate Operations and Maintenance Resources**

The requirement that the maintenance contractor have adequate resources to meet the actual needs of the system is logical in order to ensure that the launch of service can be properly supported from the outset. Clear, candid and transparent communication between the City and its maintenance partners will be essential to ensure that both sides have an accurate understanding of any gaps between the needs of the system and the resources available.

**Action:** City management acknowledges and agrees with recommendation 70 and commits to working with its Stage 2 contractors to identify the level of resources to meet the needs of service and to minimize the volume of retrofits that could be required.

### **Theme: Supporting Success in Early Public Service**

A collaborative and cooperative relationship between the City and its maintenance partners is essential to support a smooth handover and launch of service to the public. While it can be anticipated that final inspections at the conclusion of the construction and handover stage of the project will generate work orders and lists of minor deficiencies, a strong partnership should enable this necessary work to be completed along reasonable timelines.

**Action:** City management acknowledges and agrees with recommendation 71 and commits to working with RTG and TNEXT as substantial completion approaches on the three Stage 2 extensions to ensure that minor deficiencies and work orders are managed in a collaborative fashion.

### **Theme: Clearly Defined Operations and Maintenance Responsibilities**

Ottawa's rail system was designed to operate through a long-term partnership between the City as the operator and private sector partners as the maintainers. Well documented governance setting out scopes of work, areas of responsibility and defined oversight are essential to ensure that all the various working pieces of the system align and support one another. As part of the launch of Line 2 (the first excision delivered as part of Stage 2 Light Rail), troubleshooting and interpretation guides will be prepared in advance with the involvement of all parties. Validation of the procedures and protocols in place will occur with the acceptance of the Maintenance Safety Case and the Operators' Safety Case, which will occur in advance of the system handover.

**Action:** City management acknowledges and agrees with recommendations 72 and 73 and commits to working with its partners to review existing documentation and processes and, with regard to Stage 2, to build them, all so as to clearly define scope of work and responsibilities for RTM, TNEXT and the City to ensure good coordination between all parties and the effective operation and maintenance of the system.

### **Theme: Transparency between Operations and Maintenance**

The City and its partners must be able to work together in a spirit of transparency and cooperation in order to provide the best possible service to the public. This approach requires work by both parties to, for example, enable access to documentation, proactively share information and undertake work to heal breaches and promote trust and mutual reliance.

**Action:** City management acknowledges and agrees with recommendations 74 and 75 and commits working with RTG to establish a charter of shared commitments, based on these recommendations, to increase good will and transparency between the parties. The City will also review its staffing plans and those of its partners to ensure that the necessary staff are properly onboarded and trained to support the handover of Stage 2.

**Theme: Oversight during Public Service**

The findings of the Public Inquiry were clear that, on at least one occasion, senior City staff failed in their duty to provide information to Council that would allow them to provide effective oversight over the light rail program. As the Commissioner noted on page 319, “These obligations are not mere words on a page; keeping Council informed is a critical element of municipal governance.”

City staff accept these findings with humility and recognize that hard work is required to rebuild trust with Council and members of the public. Conversations have and will continue to take place at all levels of the City around increasing accountability and transparency. For example, at a meeting of the City’s Extended Senior Leadership Team in March 2023, part of the agenda was an exercise to review the foundational pillars of our Code of Conduct for Employees.

**Action:** City management acknowledges and agrees with recommendations 76 and commits to ensuring that Council is provided with timely, accurate and candid reports to ensure the accountability and transparency of the operations of the municipality. With regard to light rail construction and operations, management commits to providing regular, transparent reports to the Light Rail Sub-Committee and to the Transit Commission.

**Theme: Adopting a Partnership Approach between Owner, Operator, and Maintainer**

The City has taken proactive steps to settle disputes with RTG and to foster a more productive and collaborative relationship going forward. As presented to Council on January 27, 2023, the City of Ottawa and RTG reached a settlement that resolves several issues and resets the relationship to focus on the delivery of safe and reliable transit service to the people of Ottawa. Through this agreement, the City and RTG will move forward with the goal of improved collaboration and partnership.

Negotiations with RTG are underway to enable the incorporation of lessons learned from Stage 1 into an interpretation guide to clarify procedures and protocols for Stage 2,

that will be reviewed and updated regularly. RTG was invited to submit comments in response to the recommendations and its submissions form part of the City's Action Plan.

**Action:** City management acknowledges and agrees with recommendations 77, 78, 79 and 80 and commits to adopting a partnership approach with RTG / RTM and TNEXT to support a collaborative approach focused on delivering the best possible service to the public.

**Theme: Efficient and Effective Warranty Service**

As part of its commitment to building a more collaborative relationship with its maintenance partner, Transit Services will work with RTG and TNEXT as substantial completion approaches on the three Stage 2 extensions to ensure there is a clear understanding between all parties as to which items will be managed under the Minor Deficiencies List and which will be managed as work orders following Substantial Completion.

**Action:** City management acknowledges and agrees with recommendations 81 and 82 and commits to working with RTG and TNEXT to ensure a clear understanding and documentation regarding work performed under warranty and on required retrofits.

**Theme: Maintenance during Public Service**

These recommendations focus on the need for the maintainer, namely, RTM for the Confederation Line and its extensions and TNEXT for the Trillium Line, to have strong processes in place around preventative maintenance, quality control measures, and strong processes around maintenance, for example work completed over multiple shifts. The City's role is to work collaboratively with the maintainer, providing continuous and appropriate oversight to ensure that maintenance activities are prioritised and completed to a high standard.

**Action:** City management acknowledges and agrees with recommendations 83, 84, 85, and 86 and commits to working with its maintenance partners to ensure the proper maintenance of the system and vehicles.

**Theme: Recommendations for OLRT1**

City staff meet daily with RTG / RTM to review outstanding work, plan proactive maintenance and review opportunities for improvement. The City and RTG have worked together to settle disputes and are committed to working more collaboratively together.

Both parties are clear that the success of Ottawa's light rail system can only come through a day-to-day commitment to transparency, respect and fairness.

**Action:** City management acknowledges and agrees with recommendations 88, 89, 90, 91 and 92 and commits to continuing to work with RTG / RTM to strengthen oversight, and work more collaboratively together. Outstanding payment disputes between RTG and the City were settled in January 2023.

### **Theme: Future Assessments and Preventative Maintenance**

The majority of the Public Inquiry's 103 recommendations are preventative in nature and directed towards future public infrastructure projects. Recommendations 93 to 103, by contrast, are specifically addressed to resolving or improving ongoing issues with Ottawa's O-Train system. The City and RTG meet daily to work collaboratively on the resolution of these issues and City staff are committed to providing regular updates on progress, particularly with regard to ongoing root cause analyses that hold the key to ensuring the long-term reliability of the rail system. These projects are well underway, are well resourced and are a clear priority for RTG and the City.

**Action:** City management acknowledges and agrees with recommendations 93 to 103 and commits to working with RTG and Alstom to take action on these recommendations. The following is a condensed list of actions undertaken or underway to address the specific recommendations:

- A Rail Neutral Temperature Report will be updated in summer 2023 based on additional measurements.
- The line inductors have undergone a modification program to restrict the ingress of water, salt, and debris into the enclosure.
- The Overhead Catenary System, including the parafils are subject to regular inspection. The root cause of recent issues affecting parafils is under investigation.
- Alstom and RTG have appointed independent third parties to conduct thorough investigations regarding the root cause of the August 2021 derailment.
- A permanent solution to the wheel/rail interface issues is being investigated, with the assistance of the National Research Council Canada.

- Transit Services continues to utilize independent third-party expertise to enhance oversight over the system, as well as the additional oversight exercised through OC Transpo's new centralized Transit Engineering Services service area.
- Rail lubrication and grinding activities are in place.
- A wheel/rail working group has been established and meets on a regular basis. Optimization of the wheel to rail profile is being actively investigated.
- A comprehensive report that considers a number of factors that impact safety and reliability of the O-Train system is anticipated in Q2 2023, which will inform whether temporary speed reductions should be maintained.
- A proactive axel replacement program is in place, based on measured wear and kilometres travelled.
- Vibration monitoring devices have been installed on pilot vehicles to assess whether vibration monitoring would be an effective early detection mechanism.

#### **4. LESSONS LEARNED AND WORK ACCOMPLISHED TO DATE**

On August 15, 2022, when the City's closing submission was sent to Council, Council was advised that in addition to the work by the City's counsel, City staff had also identified a number of lessons learned through participation in the Inquiry. Those lessons included the following:

- Ensuring project teams review the City's Record Management Policy at the start of the project;
- Development of an Information Governance Plan for each project;
- Development of a comprehensive Records Management Plan for each project;
- Identifying best practices and procedures for the use of social media platforms;
- Providing regular Key Performance Indicators via Commission updates and public-facing communication platforms; and
- Posting memos, presentations and reports to a public-facing website.

As presented to Transit Commission and Council previously, a number of reviews and independent third-party assessments have been completed since LRT opened in September 2019. Those reviews included a Lessons Learned report from KPMG in July



2021 ([Independent Reports on LRT Stage 2 Lessons Learned and LRT Stage 3 Procurement Options Analysis and Project Governance Best Practices](#)), audits from the City's Auditor General and operational oversight reviews from Mott MacDonald.

As one example, Council approved the following recommendation from the KPMG report:

- That Council direct staff to consider, in the development of LRT Stage 3, the procurement methodologies and best practices for governance of large-scale procurements outlined in this report and described in Document 2: LRT Stage 3 Procurement Options Analysis and Project Governance Best Practices.

In addition, and as outlined in Document 4, a number of technical changes that have been undertaken on Stage 1 infrastructure, Stage 1 and Stage 2 Alstom Citadis vehicles, and/or lessons learned have been applied to Stage 2 infrastructure. This list provides a look at the major changes that have been made but is not an exhaustive listing of every change. For example, Document 4 details items related to:

- Vehicle Passenger Doors
- Vehicle Wheels
- Switch Heaters

On November 9, 2022, Council approved the Update on the Ottawa Light Rail Transit Public Inquiry and Recommended Next Steps report (ACS2022-CMR-OCM-0001). The report was written, in part, to assure Council that the recommendations from the inquiry would be addressed fully and an action plan would be put in place to monitor the progress of each recommendation.

The Recommended Next Steps report identified a number of recommendations to address the inquiry, including:

- With respect to the Commissioner's report on the Public Inquiry, staff is recommending a process whereby staff would be directed to formally present the Commissioner's report and any recommendations, along with a companion report with staff's response, to the appropriate Standing Committee and Council as soon as practicable in the new term, after Standing Committees are established.

This report - The Action Plan: Response to OLRT Public Inquiry Recommendations - is

the response to “formally present the Commissioner’s report and any recommendations, along with a companion report with staff’s response, to the appropriate Standing Committee.” Based on the Governance Report, approved for this term of Council, the report and updates will be provided to the Light Rail Sub-Committee.

The supporting documents attached to this report address this direction and are as follows:

1. Report of the Ottawa Light Rail Transit Public Inquiry – Final Report
2. Report of the Ottawa Light Rail Transit Public Inquiry – Executive Summary and Recommendations
3. City of Ottawa Action Plan – Response to OLRT Public Inquiry Recommendations

## **5. TRANSPARENCY**

The City must adhere to statutory provisions that may apply to the disclosure of certain types of information under legislation, such as the *Municipal Freedom of Information and Protection of Privacy Act* (MFIPPA). Furthermore, as disclosing certain contractual provisions might prejudice the City’s legal and other interests, the City may need to place limits on the internal use and external disclosure of information. Such limits may include ensuring that the information is only used for certain purposes and is safeguarded in a secure place at all times.

That said, in the absence of a compelling statutory reason that the information should not be made available, the following approaches may be considered to provide Members with access to contract documentation that would not otherwise be made public:

- Council may elect to establish, by way of resolution, a formal process for accessing the information.
- Council and/or a Standing Committee/Commission may elect to receive certain information in camera, in keeping with Subsection 239(2) of the *Municipal Act, 2001*.
- Upon request from a Member, the relevant General Manager may provide an opportunity for the Member to review the documentation at a particular location by appointment, further to a review of the information sought and any applicable

statutory and/or contractual provisions to ensure that the Member's viewing complies with any legislative or contractual requirements. Such an opportunity to review the documentation would be provided to all Members if one request is granted.

The City may also publicly disclose certain contracts and related information, subject to redactions to address the statutory and contractual requirements described above. As set out in the Accountability and Transparency Policy, the City proactively discloses executed contracts with a value of \$100,000 or more that were not a result of public procurement, as well as contracts resulting from a public procurement exercise that are of significant public interest (such as the Confederation Line project). In addition, documentation may be routinely released by City departments under the Routine Disclosure and Active Dissemination Policy.

#### Delegated Authority

As outlined in the March 29, 2023, City Manager's Delegated Authority with Respect to Stage 1 and Stage 2 Light Rail report (ACS2023-TSD-TS-0001), staff have reported to Council on the use of delegated authority related to the Stage 1 and Stage 2 project agreements through annual budgets, the Stage 2 LRT Contingency Funding report (ACS2022-FSDFIN-0009), individual acquisition reports, semi-annual delegated authority reports, and quarterly project updates to the former Finance and Economic Development Committee.

As noted in the report, the Interim City Manager will provide updates to the Light Rail Sub-Committee on the use of Delegated Authority with respect to Stage 1 and Stage 2 LRT Project Agreement amendments and bring forward for approval to Council any material amendments related to those agreements.

The Interim City Manager and senior City management will continue to provide updates on progress addressing recommendations from the Public Inquiry until such time as the Light Rail Sub-Committee and Council consider them to be fully addressed.

## **6. COMMUNICATIONS**

The Stage 2 Project Agreement includes a robust communications strategy designed to ensure transparency with Council, public, media and stakeholders. Transparency on the project schedule, including any issues or delays, as well as construction activities and related impacts is key to informing area residents, managing expectations related to disruptions and retaining the public's trust.

Transit Services agrees with this recommendation and will continue with ongoing Stage 2 community and stakeholder outreach. Staff will continue to provide communication to Council through bi-weekly construction updates, quarterly construction memos and presentations to the Light Rail Sub-Committee. As part of the management of ongoing construction activities, staff will continue to work with area councillors to communicate impacts to residents through the dedicated project website, area-specific electronic newsletters, social media, public meetings and ward communications.

Building upon the work already in progress, TSD is creating an information and marketing campaign to educate the public, stakeholders and customers about changes to the transit system with the opening of the extended O-Train system. This includes web, social media and events and outreach as part of the department's ongoing strategy to improve customer communications and build public trust.

## **7. CONCLUSION**

City staff thank the Commissioner and his team for their diligent work in conducting the OLRT Public Inquiry and for the findings and recommendations. City management have committed to taking the concrete actions outlined in this Report and the attached Action Plan to improve processes and policies across the City and to address specific outstanding issues that continue to affect rail service. The work to rebuild trust with members of Council and Ottawa's residents has begun in earnest. Transit Services and Rideau Transit Group are aligned and focused on the common goal of providing the best possible service to the public. Staff will continue to keep Council and the public informed of progress through transparent and timely reports to the Light Rail Sub-Committee, the Transit Commission and Council.

## **FINANCIAL IMPLICATIONS**

During the planning phase for future projects, additional costs may be required to enable a co-development phase with preferred bidders. This additional time and effort are required to help reduce project complexity, more clearly investigate project risks, and jointly establish a framework for delivery of the works. This change in approach, if used, would require a change in strategy for funding projects including with respect to participation by other levels of government. The approach would also require the allocation of additional funds or redistribution of planned funds to the co-development period between procurement and project delivery. More generally, additional time contingency and budget contingency should be added to future projects.

During the project delivery phase, additional funding may be required to allow for incremental design and construction improvements that are outside of the base contract requirements and that are focused on ensuring the final system is designed with the public interest in mind. During Stage 1, the team invested in additional intrusion detection systems, additional cameras, an additional elevator at Tremblay Station, and integrated station entrances to improve safety, accessibility, and security of the system. During Stage 2, the team has invested in a series of changes to improve the performance of the infrastructure, mitigate noise concerns, and to accommodate connectivity enhancements to the stations. Increases in contingency or discretionary funding would enable staff to further prioritize investments or upgrades that would benefit the performance of the system. The ability for staff to intervene with targeted performance changes, could be used to help overcome the limitations that can arise with performance-based specifications.

To accommodate additional trial operations or bedding in periods, additional funding will be required to operate and maintain new light rail lines during these transition periods. Funding will be required to maintain transit service capacity with replacement bus services, parallel bus services, or other services to accommodate customer needs up to the final transition to full service. There is a cost trade-off to be made between dictating longer testing periods in the construction term as compared to accommodating additional trial operations during the maintenance term.

## **LEGAL IMPLICATIONS**

The legal implications arising out of, or associated with, Management's Response to the recommendations made by the Ottawa Light Rail Commission Inquiry are incorporated into and inform the various elements of the Action Plan. As such, there are no legal impediments to the Sub-Committee's and City Council's receipt and approval of the recommendations contained in this Report.

## **COMMENTS BY THE WARD COUNCILLOR(S)**

This is a City-wide report

## **CONSULTATION**

Transit Services Department consulted with Roland Berger Inc. to review the LRT Public Inquiry Report, the recommendations within the report and the updates provided by the City of Ottawa within the Action Plan.

Roland Berger is an international business management consulting company with expertise in Transportation. They provided insight and overview for the actions proposed by City departments, with a focus on the TSD responses.

## **ACCESSIBILITY IMPACTS**

All components of the Stage 1 LRT project adhered to the *Accessibility for Ontarians with Disabilities Act (AODA)*. The recommendations set out in the commissioner's final report do not make specific reference to the accessibility of Stage 1 LRT.

Any policy or procedural development, as well as customer communications and public engagement identified in the report's recommendations will include the application of the City's Equity and Inclusion Lens. Staff will continue to engage persons with disabilities and accessibility stakeholders to ensure that their perspectives are considered and incorporated, and to promote inclusion.

Staff will also ensure that any applicable accessibility legislation, standards and guidelines are adhered to during the execution of the projects and initiatives identified in this report.

## **ASSET MANAGEMENT IMPLICATIONS**

The City of Ottawa' Comprehensive Asset Management program uses widely accepted asset management practices and long-range financial planning, in compliance with provincial asset management regulations, to manage the City's infrastructure portfolio worth over \$70 billion to provide for the safe delivery of reliable and affordable services to the community.

Asset management is an internationally recognized and implemented practise that supports informed, transparent decision making, giving Council a framework to provide direction on the appropriate balance of service delivery, cost, and risk, through a process of optimizing the lifecycle management of the City's assets which support the services it delivers.

The implementation of the Comprehensive Asset Management program enables the City to effectively manage existing and new infrastructure to maximize benefits, reduce risk, and provide safe and reliable levels of service to community users. The report identifies potential improvements to the Business Case and Project Management Policy and Project Management Framework. These are guiding documents to the Comprehensive

Asset Management program, and as such, any changes to these core documents will be reviewed and reflected in the program.

## **ECONOMIC IMPLICATIONS**

As detailed throughout the Public Inquiry report, there are a number of recommendations related to large-scale infrastructure projects. Projects such as Stage 2 LRT and the new Ottawa Main Library (Ādisōke) create significant economic benefits from construction through to future employment opportunities.

Implementing the recommendations from the inquiry, including those related to federal, provincial and municipal partnerships, procurement models, and project agreements could ensure more confidence from the private sector in working with the City of Ottawa.

## **RISK MANAGEMENT IMPLICATIONS**

The Public LRT Inquiry Report reveals a number of risks associated to the procurement, design, governance and implementation of the Confederation Line. The City is taking these recommendations very seriously and following up on each of the 103 recommendations.

The risks associated with the Public LRT Inquiry Report are being tracked and mitigated through the City's Action Plan.

## **RURAL IMPLICATIONS**

The LRT Public Inquiry Report includes recommendations related to current and future infrastructure projects. These projects may be located in rural areas or affect rural residents. Implementing the recommendations from the report will improve procurement, design and implementation of those projects.

The City's transportation network, including light rail transit, is designed to provide options for all residents. Once completed, Stage 2 LRT will span from Trim Rd. to Moodie Dr. and south all the way to Riverside South. Rural residents will have access to Park and Ride lots at various stations which will allow them to easily use public transit.

## **TERM OF COUNCIL PRIORITIES**

The 2019-2022 Term of Council Priorities include:

- This report supports the City's on-going commitment to financial sustainability and transparency.

- Integrated Transportation: Enable effective mobility through a sustainable, accessible, and connected city transportation system.
- Service Excellence Through Innovation: Deliver quality services that are innovative and continuously improve to meet the needs of individuals and communities.

## **SUPPORTING DOCUMENTATION**

**Document 1** - [Report of the Ottawa Light Rail Transit Public Inquiry – Final Report](#)  
(available on the OLRT Commission’s website and a copy is on file with the City Clerk)

**Document 2** - [Report of the Ottawa Light Rail Transit Public Inquiry – Executive Summary and Recommendations](#) (available on the OLRT Commission’s website and a copy is on file with the City Clerk)

**Document 3** - City of Ottawa Action Plan – Response to OLRT Public Inquiry Recommendations

**Document 4** – Lessons Learned – Technical

**Document 5** – Roland Berger Report

**Document 6** – Transit Services Summary of Approach

## **DISPOSITION**

Transit Services, working as the lead department, will post the Action Plan on [octranspo.com](http://octranspo.com) and will work with the Clerk’s Office to post on [Ottawa.ca](http://Ottawa.ca). The Action Plan will be a live public document that will be updated regularly, based on the completion of the inquiry recommendations. Transit Services anticipates reporting back to Light Rail Sub-Committee and Council in September and again by the end of 2023 to update the status of the recommendations. Additionally, the lead City departments identified in the Action Plan will bring forward updates on the work outlined in this report.