

[EXTERNAL] AMO Policy Update – Regional Governance Changes, Finalized Buy Ontario Directive, AMO Briefing on Canada-Ontario Partnership to Build, OEB Consultations on Natural Gas Franchise Agreements, Northlander Rideshare Pilot, Wildland Fire Management

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To Town Clerks <TownClerk@oakville.ca>



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Top Insights
<ul style="list-style-type: none"><li>• The province introduces legislation to appoint chairs for 5 regional governments and the Warden of Simcoe County along with strong chair powers, reduce the size of Simcoe and Niagara councils, and require other regions to review their council composition following the 2026 election</li></ul>
<ul style="list-style-type: none"><li>• The province releases final Buy Ontario procurement rules for municipalities that reflect AMO’s recommendations to provide clear guidance and flexibility to meet local priorities. Supply Ontario is providing guidance and training to support local rollout</li></ul>
<ul style="list-style-type: none"><li>• AMO is hosting a CAO townhall on April 9th to provide insights on the Canada-Ontario Partnership to Build’s development charge deferral initiative</li></ul>

## Top Insights

- The Ontario Energy Board has launched a review of the Model Natural Gas Franchise Agreement and is inviting municipalities to participate with a deadline to register as an intervenor by April 20th
- The province is consulting on a pilot that would upload rideshare regulation and oversight to the province along the Northlander Passenger Train corridor
- The province announces enhancements to wildland fire management and safety introduces a new regulatory framework for administrative monetary penalties

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## Province Introduces *Better Regional Governance Act*

Today, the Ministry of Municipal Affairs and Housing [introduced the \*Better Regional Governance Act, 2026\*](#) which proposes to changes to the governance structure of Durham, Halton, Muskoka, Niagara, Peel, Simcoe, Waterloo, and York including:

- Allowing the Minister to appoint upper-tier council and heads of council with strong chair powers that mirror strong mayor powers
- Reduce Simcoe County Council from 32 to 17 members, and Niagara Regional Council from 32 to 13 members with both councils composed of the mayors of each lower-tier municipality plus the appointed head of council
- Require all regional governments except Niagara to review their council composition following the 2026 municipal election
- Develop a weighted voting framework for Niagara Regional Council

AMO will review the legislation and continues to encourage the province to ensure that clarity on governance structures is in place before the opening of nominations for the 2026 municipal elections.

## Province Issues Municipal *Buy Ontario Act Directives and Guidance*

The Ministry of Public and Business Service Delivery and Procurement has released its finalized Buy Ontario directive for the municipal sector [on a new Buy Ontario website](#). The directive applies to light duty fleet vehicles, and capital infrastructure procurement. It addresses many of the issues raised by [AMO during consultations](#) including:

- Clear definitions of what is included under the directive and how municipalities can apply preferential scoring when evaluating bids
- Flexibility to meet *Buy Ontario Act* requirements including:
  - Exemptions for time sensitive, emergency purchasing
  - A value-for-money exclusion when buying domestic goods or services increases costs by 25% or more
  - Flexibility to meet procurement rules tied to federal or provincial funding programs
- Flexible options for smaller vendors to show how they meet the directive's goals

To support local rollout, Supply Ontario has posted Guidance Materials and is accepting registration for training through the [Buy Ontario website](#).

### **CAO Briefing on Canada-Ontario Partnership to Build Initiative**

The province's announcement earlier this week of the [Canada-Ontario Partnership to Build](#) initiative has generated many questions and concerns from the sector, especially on development charge (DC) reductions. AMO is hosting a [virtual briefing](#) on this initiative on April 9th, 2026 from 2 pm to 3 pm for CAOs. At the meeting AMO will provide an update on what we know to date about the DC reductions initiative and hear from sector officials your top questions and concerns, with a focus on what's important for technical program design.

### **Ontario Energy Board Launching Review of Model Natural Gas Franchise Agreement**

The Ontario Energy Board (OEB) has launched a [review of the Model Franchise Agreement](#) which sets standard terms between municipalities and natural gas utilities for gas service. This review responds to recent municipal concerns and will look at whether updates are needed including:

- Rules for easements including notice, access, and cost-sharing when a road is being sold or closed
- How costs are shared when pipelines are relocated
- Requirements for removing decommissioned pipelines
- How any changes should be applied to existing agreements

To support municipal involvement in the review, the OEB has adopted AMO's recommendation and made a one-time exception to allow municipalities to apply for cost awards to help cover participation costs. The OEB will hold a virtual [information session](#) on April 15th, and municipalities wanting to participate in the review must [apply for intervenor status](#) by April 20th.

## Provincial Rideshare Pilot Consultation

The Ministry of Transportation [is consulting](#) on a rideshare pilot along the Northlander Passenger Train corridor that would upload regulation of rideshare services to the province. The pilot would set rules for rideshare companies, drivers and vehicles for all municipalities within 30 kilometers of Northlander train stations between Gravenhurst and Cochrane for one year. Comments on the proposal are [due to the province by April 10, 2026](#).

Lessons learned from this pilot may be used to expand rideshare regulation to all communities. AMO is working with the province to understand how any potential regulations may impact municipalities.

## Ministry of Natural Resources Increases Staffing Levels for Wildland Fire and Establishes Administrative Monetary Penalties (AMP) Framework

The Ministry of Natural Resources (MNR) [announced](#) it will add an additional 68 permanent staff and increase compensation for critical staff, including wildland firefighters, pilots and aircraft maintenance engineers. AMO welcomes this announcement as it responds directly to [recommendations](#) we made to the province that encouraged MNR to provide additional resources to address challenges with recruitment and retention of its firefighters.

In addition to the new staffing measures, the province also [introduced](#) new and amended regulations under the *Wildland Fire Management Act* to establish a framework for issuing administrative monetary penalties (AMPs) to encourage compliance with wildland fire safety requirements, effective April 1, 2026. AMO previously expressed support for this measure in a [letter](#) to the Ministers of Natural Resources and Attorney General, as the greater use of AMPs can help alleviate the already overburdened provincial offences court system.

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*An online version of this Policy Update is also available on the [AMO Website](#).*

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