



City of
Peterborough

To: **Members of the Committee of the Whole**

From: **W.H. Jackson, Director of Utility Services**

Meeting Date: **November 30, 2015**

Subject: **Report USTR15-017**
Fleming College – Implementation of Universal Transit Pass

Purpose

A report to seek approval to enter into an agreement for implementation of a Universal Transit Pass Agreement with Fleming College Student Administrative Council and to establish a capital budget to purchase new transit buses to provide future transit service improvements to Fleming College.

Recommendations

That Council approve the recommendations outlined in Report USTR15-017 dated November 30, 2015, of the Director of Utility Services, as follows:

- a) That a by-law be passed to authorize the Mayor and Clerk to execute an agreement between the Corporation of the City of Peterborough and the Fleming Student Administrative Council (Fleming SAC) for the implementation of Universal Transit Pass Agreement (U-Pass) and to affix the Seal of the Corporation thereto, such execution to occur only after receipt of confirmation of Intention to Proceed from Fleming SAC, and the acceptance of the terms of the agreement by the Director of Utility Services and the City Solicitor;
- b) That upon receipt of confirmation of Intention to Proceed from Fleming SAC in Recommendation a), the capital budget item for new Transit Buses (2016 Capital Budget reference 5-11.03) be increased by \$2,000,000, to accommodate the purchase of 4 additional 40 foot transit buses for service expansion in

accordance with the U-Pass Agreement, with funding to be obtained through a \$400,000 draw from the Development Charge Transit Reserve Fund, a \$500,000 draw from the Transit Reserve Fund, and the issuing of \$1,100,000 in user fee supported debentures;

- c) That upon receipt of confirmation of Intention to Proceed from Fleming SAC in Recommendation a), that staff prepare a report to Council on the financial plan for the new U-Pass service, and an implementation strategy including necessary adjustments to the 2016 Operating Budget for Conventional Transit Operation to cover additional staff recruitment, added operating costs and new revenues associated with the service plan.

Budget and Financial Implications

Upon receipt of confirmation of Intention to Proceed from Fleming SAC staff will prepare a report to Council outlining the financial plan for the new U-Pass service including recommended adjustments to the 2016 Operating Budget for Conventional Transit Operation to cover additional staff recruitment, added operating costs and new revenues associated with the service plan.

The cost to purchase the 4 additional 40 foot transit buses for service expansion in accordance with the Universal Transit Pass Agreement will require the capital budget item for new Transit Buses (2016 Capital Budget reference 5-11.03) be increased by \$2,000,000, with funding to be obtained through a \$400,000 draw from the Development Charge Transit Reserve Fund, a \$500,000 draw from the Transit Reserve Fund, and the issuing of \$1,100,000 in user fee supported debentures.

The uncommitted balance in the Transit Reserve, after the recommended \$500,000 draw, will be \$556,339. The uncommitted balance in the Development Charge Transit Reserve Fund, after the \$400,000 draw, will be \$24,917.

The Fleming College U-Pass program is being structured to be cost neutral to the City.

Background

The Public Transit Operations Review (the Plan) was initiated in September 2011 and concluded with the adoption of the Final Report in November 2012. The Project undertook a comprehensive review of Peterborough's transit services and developed a service plan covering the period 2012-2017 including assessment and recommendations on Conventional Route Transit, TransCab and Handi-Van services. The Report contains a total of eighty-seven recommendations and action items for all facets of the services delivered.

One of the recommendations from the 2012 Transit Operations review was to work with Fleming College to develop a Universal Transit Pass Agreement (U-Pass) as a key strategy to increase ridership, improve transit service levels to Fleming College and in the community, and improve the financial position of Peterborough Transit.

For the past 12 months staff have been working with the Fleming Student Administrative Committee (SAC) to develop a U-Pass Program along with an enhanced transit service operating plan to better serve the College. The Fleming SAC is preparing to take the plan forward to a student referendum in the first week of December to seek approval to enter into an agreement with the City to implement the new program. If the referendum result is positive Fleming SAC will notify the City within 10 days of their intention to enter into the agreement.

Universal Transit Pass Concept

Many municipal transit agencies have developed U-Pass programs with Community Colleges and Universities within their communities. With a U-Pass, students are charged an ancillary fee as part of their tuition which provides them with an annual transit pass to ride the municipal transit system while they are a student at the post secondary institution. Most U-Passes provide discounts for students compared to the cost of a typical adult transit pass and those discounts are typically funded from the combined contributions of the entire student body, including those that do not or rarely use transit. In many cases, the additional ridership and stable revenue stream generated by the U-Pass allows the municipality to provide enhanced transit services to the campuses, which also benefits other riders of the system.

Peterborough Transit has had a longstanding and successful U-Pass arrangement with Trent University. This U-Pass provides approximately \$1.4 million in operating revenue to Peterborough Transit (about 30% of total revenues collected) and generates about 1.28 million rides per year (about 35% of total annual ridership). Through the arrangement with Trent University, the student association collects and administers the pass revenue collected from students and pays for the enhanced transit service provided to the University campus. Through this arrangement Peterborough Transit is able to offer 10 minute bus frequency on two Express Routes serving the University, along with other special services tailored to serve student events, exam schedules, and convocation ceremonies at virtually no cost to City residents.

The proposed U-Pass with the Fleming SAC is modelled after the successful arrangement with Trent University.

Proposed Agreement with Fleming SAC

The City and Fleming SAC are proposing to enter into a 3-year U-Pass agreement, with a 2-year option to extend the contract, for a total 5-year agreement. The U-Pass will entitle eligible Fleming Students to access all Peterborough Transit routes and services (including Handi-van services) for a 12 month period each academic year (September to August) provided that the students continue to attend the college.

Fleming SAC will determine the eligibility of students for the U-Pass program and will collect and manage the money from the student tuition levy. They will develop the administrative policies that govern the U-Pass program covering such aspects as refund policies, lost or stolen pass replacement, anti-fraud measures, marketing and advertising the service to students, and processes for responding to passenger complaints about the program. Peterborough Transit would continue to determine service related operational policies, will respond to service related customer concerns, and will determine eligibility for Handi-van services.

In return for entering into this agreement, Peterborough Transit will work with Fleming SAC to deliver the following services:

- Existing Base Services
 - Existing base services include the current Route 6 (SSFC/Kawartha), Route 7 (Lansdowne) and existing Handi-van services. These services are not planned to change, but the City reserves the right to add or otherwise modify these services as deemed appropriate in the future. Fleming will not be charged for these existing services and we will also not charge for any Handi-van services provided for students requiring specialized transit service. Students eligible for the Handi-van service will also not be charged any extra fares by Peterborough Transit.
- New Services (proposed express services)
 - New services will include the introduction of two Fleming Express Routes, one following the current Fleming Express Route and one following Sherbrooke Street and Brealey Drive (see conceptual route map in Attachment A).
 - The current Fleming Express route runs on an hourly basis between 7:30 am and 11:30 am and from 1:30 pm to 5:25 pm. This service will be enhanced to run every 30 minutes between 6:30 am 7:30 pm, and then hourly between 7:30 pm and 10:30 pm.
 - A second express route will also be added (Sherbrooke - Brealey) which will run every 30 minutes between 6:45 am and 7:10 pm. Since this route essentially follows much of the current #6 SSFC/Kawartha route, which runs every 40 minutes until 11:20 pm, we have agreed that the new express service would not be required beyond 7 pm for the initial implementation. If there is a demand for express service beyond 7 pm on this route in the future, the hours of operation can be extended.
 - By staggering the schedule for these two routes, Peterborough Transit will be able to effectively provide a bus every 15 minutes between the downtown terminal and the college, on weekdays between 6:30 am and 7:30 pm, albeit on two slightly different routes.

- The new services will also include a Fleming Late Night service, operating every Thursday, Friday and Saturday evening between 11:30 pm and 3:25 am. This will run every 30 minutes between the downtown terminal and the college campus, alternating between the two express routes.
- New Provisional Services (optional new express services) represent additional service options that can be provided if it is agreed that there is sufficient demand to warrant these services. This includes:
 - a Saturday Express Service, providing hourly express service on one route between 7:30 am and 5:30 pm, and
 - Summer Semester Service, which would provide hourly weekday service on one express route between 7:30 am and 5:30 pm.

The agreement includes a provision to include these additional services if desired by the students, or alternatively, the Fleming SAC may decide that other service enhancements better meet student needs, and subject to driver and vehicle availability the City would adjust the service plan to include these services.

All new / new provisional services would be charged to Fleming SAC based on the operating hours required to deliver the service and the hourly rate charged is based on full cost recovery for the service delivery. The agreement includes a provision for cost escalation of 2% per year or the annual rate of inflation to year 5 whichever is greater.

- Other Enhanced Services

Fleming SAC had also expressed an interest in partnering with the City to provide some customer service enhancements as part of this plan. While the City is planning to implement some or all of these services at some point in time anyway, the proposed partnership would help the City to accelerate the implementation. The three top enhancements that have been suggested are as follows:

- Integrated Real Time Passenger Information System – installing specialized GPS units on buses to enable real time reporting of next bus arrival times accessible to customers on the web or smart phones;
- Automated Passenger Counting Technology to allow for improved ridership monitoring and reporting; and
- Enhanced Stops and Shelters on new Fleming Express routes which would provide new accessible concrete pads, sidewalk connections, and new transit shelters for the higher use express route stops, plus the addition of a real time bus arrival sign display at the SSFC campus stop.

The costs for these enhanced services would be in addition to the operational services noted above and the City would enter into separate agreements for any or all of these services that Fleming SAC may be interested in partnering on. For the passenger information system and counting technology a cost sharing model based on total share of service hours has been proposed while the infrastructure for the Enhanced Express Stops would be cost shared on a 50/50 basis. The authorization to enter into an agreement and to establish funding for the City share of these other enhanced services will be the subject of future reports to Council as appropriate.

Benefits of the Proposed Plan

There are a number of benefits associated with the implementation of this agreement. Students will benefit from reliable and convenient transit service that is better aligned with their needs and class schedules. With full access to the entire transit system included with their tuition fees, students will have real choice available and many can significantly reduce the cost of their studies by deferring the purchase of a vehicle. The combined purchasing power of the entire student body will allow these enhanced services to be delivered to all students at a fraction of the cost of purchasing the existing Semester Passes that are currently sold. The added service frequency, the expansion of additional express routes, and the increased hours of express service will all contribute to making student travel throughout the city much more efficient and convenient and as a result is expected to increase ridership significantly. Early estimates, based on the ridership trends observed at Trent University, suggest that the Fleming U-Pass program may increase ridership to approximately 530,000 trips per year, compared to the current ridership of approximately 129,100 trips per year.

Residents along the transit routes will also benefit from being able to access the enhanced service along these express routes, with 30 minute service provided on two separate express routes to and from the downtown. For residents living within walking distance of these new routes, transit travel times to the downtown can be significantly improved, particularly during off peak hours when the existing service runs on a 40 minute schedule and the routes are longer and less direct than the proposed express routes. Upon full implementation of the new service it is estimated that a 2.5% increase in ridership is possible which would result in about 93,000 new transit trips per year by non student riders.

Peterborough Transit benefits from the enhanced ridership that is generated for the system, which contributes to our Provincial Gas Tax allocation and significantly contributes to our Transportation Master Plan goal of increasing transit use from 4% of peak period travel to 6% of peak period travel by 2031. Providing a service that is convenient for students is a proven way of building ridership patterns that can last beyond their student years.

The ability to reduce auto travel demand to and from the Fleming College Sutherland Campus will limit the growth in traffic on area roads, such as Brealey Drive, and can help to avoid or defer costly capital improvements to widen roads or provide additional student parking facilities within the campus. Shifting students from auto modes of travel and increasing the share of student trips made by transit can also play a significant role in meeting local Greenhouse Gas Emission reduction targets. Finally, the introduction of new stable sources of revenues for Peterborough Transit can allow for service delivery to be enhanced without increasing the tax burden, and can allow for existing service delivery to be rationalized and resources to be allocated where they best meet service needs without necessarily adding to operating budgets.

Implementation Considerations

The introduction of new service to Fleming College will need to be implemented in phases given the lead time required to purchase the four new buses required to deliver the full enhanced service program. In 2014, Council approved Report USTR14-008, which awarded a 5-year agreement with Nova Bus Ltd. to purchase up to 15 new 40 foot buses at a fixed contract rate plus allowable escalation for annual inflation. To date the City has purchased six new vehicles through that contract, with the majority of these new buses allocated to the vehicle replacement program. The lead time from order date to delivery of a new transit bus is approximately 12-14 months depending on the specifications and options requested and the backlog at the supplier. For the three new buses purchased in 2015 the City was able to secure a nine month delivery schedule by ensuring our order was placed early in the year (immediately following budget approval) and utilizing the same vehicle specifications as our 2014 order.

The three new buses recently delivered in November will replace two of our 26 year old non-accessible buses which are experiencing reliability issues and increased maintenance costs. As such, only one of these new buses can be temporarily used to expand service in the interim, without putting reliability for other routes and services at risk.

Capital Budget Required to Purchase Additional Buses

The 2016 Capital budget request for transit buses was reduced to fall within the capital budget guidelines established by Council in Report CPFS15-036, and as a result only one new bus was requested, with funding from the Transit Reserve Fund. At the time, the Fleming Service expansion was in early discussions, and the proposed service enhancements and resulting vehicle requirements were not known with certainty.

With the service plan now finalized, four new 40 foot buses will need to be purchased in 2016 in addition to the one bus already included in the 2016 transit capital budget for the continuation of the vehicle replacement program (Capital Budget reference 5-11.03). This capital budget item is proposed to be increased by \$2,000,000, with funding to be obtained through a \$400,000 draw from the Development Charge Transit Reserve Fund, a further \$500,000 draw from the Transit Reserve Fund, and the issuing of \$1,100,000 in user fee supported debentures.

Authorization is being requested from Council to increase the capital budget for the new bus purchase, immediately after receiving confirmation of the Intent to Proceed from Fleming SAC, so that an early order for new transit buses can be placed before the end of the year, in the event that Fleming's participation is confirmed in early December. Nova Bus has indicated that they would be able to supply five new transit buses by early November 2016 if an order is placed with them prior to the end of 2015. This would enable the full service plan to be implemented in time for the winter semester in January 2017.

Next Steps

The Fleming SAC is planning to hold a student referendum the first week of December 2015 to gauge student support for the implementation of a transportation levy on their 2016/ 2017 tuition fees and seek approval to enter into an agreement with the City to provide enhanced transit services to the Sutherland Campus.

Within 10 days of the referendum results being available, assuming students vote in favour of the plan, Fleming SAC will provide the City with written notification of their Intention to Proceed with the U-Pass.

At this point, the City will initiate an order for five new transit buses, for late fall 2016 delivery, and will finalize the U-Pass agreement with Fleming SAC.

In early 2016, staff will prepare a full report to Council on the financial plan for the new U-Pass service and an implementation strategy, including necessary adjustments to the 2016 Operating Budget for Conventional Transit Operation to cover additional staff recruitment, added operating costs and new revenues associated with the service plan.

After full implementation of the U-Pass agreement and the service enhancements described above, staff will explore opportunities to expand the U-Pass agreement to Seneca College and assess the feasibility of expanding transit service beyond the City boundaries to the Peterborough Airport.

Summary

The Public Transit Operations Review contains eighty-seven recommendations to guide public transit service delivery over the five year life of the Plan. The development of a Universal Transit Pass Agreement with Fleming College was identified as a key recommendation in the plan to improve transit services and increase ridership.

The addition of the new Fleming Express services provided as part of the U-Pass agreement represents a significant service enhancement that will not only improve transportation mobility options for students at Fleming College, but will also benefit all City residents who regularly travel between the west end of the City and the downtown. It is forecast that this series of service enhancements could generate up to 500,000 new annual transit trips on Peterborough's transit system, representing an increase of about 15%.

The enhanced service plan, once fully implemented, is made possible at no additional cost to Peterborough taxpayers through the implementation of a Universal Transit Pass Agreement with the Fleming Student Administrative Council, modeled after the successful program currently run with Trent University

Submitted by,

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Attachments:
Appendix A: Proposed Fleming Express Routes



Fleming Express – Charlotte – Lansdowne Route				
Terminal	Arrive Fleming	Depart Fleming	Terminal	
6:30 a.m.	6:55 a.m.	7:00 a.m.	7:25 a.m.	Bus # 1
7:00 a.m.	7:25 a.m.	7:30 a.m.	7:55 a.m.	Bus # 2
7:30 a.m.	7:55 a.m.	8:00 a.m.	8:25 a.m.	Bus # 1
8:00 a.m.	8:25 a.m.	8:30 a.m.	8:55 a.m.	Bus # 2
8:30 a.m.	8:55 a.m.	9:00 a.m.	9:25 a.m.	Bus # 1
9:00 a.m.	9:25 a.m.	9:30 a.m.	9:55 a.m.	Bus # 2
9:30 a.m.	9:55 a.m.	10:00 a.m.	10:25 a.m.	Bus # 1
10:00 a.m.	10:25 a.m.	10:30 a.m.	10:55 a.m.	Bus # 2
10:30 a.m.	10:55 a.m.	11:00 a.m.	11:25 a.m.	Bus # 1
11:00 a.m.	11:25 a.m.	11:30 a.m.	11:55 p.m.	Bus # 2
11:30 a.m.	11:55 a.m.	12:00 p.m.	12:25 p.m.	Bus # 1
12:00 p.m.	12:25 p.m.	12:30 p.m.	12:55 p.m.	Bus # 2
12:30 p.m.	12:55 p.m.	1:00 p.m.	1:25 p.m.	Bus # 1
1:00 p.m.	1:25 p.m.	1:30 p.m.	1:55 p.m.	Bus # 2
1:30 p.m.	1:55 p.m.	2:00 p.m.	2:25 p.m.	Bus # 1
2:00 p.m.	2:55 p.m.	2:30 p.m.	2:55 p.m.	Bus # 2
2:30 p.m.	2:55 p.m.	3:00 p.m.	3:25 p.m.	Bus # 1
3:00 p.m.	3:25 p.m.	3:30 p.m.	3:55 p.m.	Bus # 2
3:30 p.m.	3:55 p.m.	4:00 p.m.	4:25 p.m.	Bus # 1
4:00 p.m.	4:25 p.m.	4:30 p.m.	4:55 p.m.	Bus # 2
4:30 p.m.	4:55 p.m.	5:00 p.m.	5:25 p.m.	Bus # 1
5:00 p.m.	5:25 p.m.	5:30 p.m.	5:55 p.m.	Bus # 2
5:30 p.m.	5:55 p.m.	6:00 p.m.	6:25 p.m.	Bus # 1
6:00 p.m.	6:25 p.m.	6:30 p.m.	6:55 p.m.	Bus # 2
6:30 p.m.	6:55 p.m.	7:00 p.m.	7:25 p.m.	Bus # 1
7:30 p.m.	7:55 p.m.	8:00 p.m.	8:25 p.m.	Bus # 1
8:30 p.m.	8:55 p.m.	9:00 p.m.	9:25 p.m.	Bus # 1
9:30 p.m.	9:55 p.m.	10:00 p.m.	10:25 p.m.	Bus # 1

Fleming Express – Sherbrooke – Brealey Route				
Terminal	Arrive Fleming	Depart Fleming	Terminal	
6:45 a.m.	7:10 a.m.	7:15 a.m.	7:40 a.m.	Bus # 1
7:15 a.m.	7:40 p.m.	7:45 a.m.	8:10 a.m.	Bus # 2
7:45 a.m.	8:10 a.m.	8:15 a.m.	8:40 p.m.	Bus # 1
8:15 a.m.	8:40 a.m.	8:45 a.m.	9:10 a.m.	Bus # 2
8:45 a.m.	9:10 a.m.	9:15 a.m.	9:40 a.m.	Bus # 1
9:15 a.m.	9:40 a.m.	9:45 a.m.	10:10 a.m.	Bus # 2
9:45 a.m.	10:10 a.m.	10:15 a.m.	10:40 a.m.	Bus # 1
10:15 a.m.	10:40 a.m.	10:45 a.m.	11:10 a.m.	Bus # 2
10:45 a.m.	11:10 a.m.	11:15 a.m.	11:40 a.m.	Bus # 1
11:15 a.m.	11:40 a.m.	11:45 a.m.	12:10 p.m.	Bus # 2
11:45 a.m.	12:10 p.m.	12:15 p.m.	12:40 p.m.	Bus # 1
12:15 p.m.	12:40 p.m.	12:45 p.m.	1:10 p.m.	Bus # 2
12:45 p.m.	1:10 p.m.	1:15 p.m.	1:40 p.m.	Bus # 1
1:15 p.m.	1:40 p.m.	1:45 p.m.	2:10 p.m.	Bus # 2
1:45 p.m.	2:10 p.m.	2:15 p.m.	2:40 p.m.	Bus # 1
2:15 p.m.	2:40 p.m.	2:45 p.m.	3:10 p.m.	Bus # 2
2:45 p.m.	3:10 p.m.	3:15 p.m.	3:40 p.m.	Bus # 1
3:15 p.m.	3:40 p.m.	3:45 p.m.	4:10 p.m.	Bus # 2
3:45 p.m.	4:10 p.m.	4:15 p.m.	4:40 p.m.	Bus # 1
4:15 p.m.	4:40 p.m.	4:45 p.m.	5:10 p.m.	Bus # 2
4:45 p.m.	5:10 p.m.	5:15 p.m.	5:40 p.m.	Bus # 1
5:15 p.m.	5:40 p.m.	5:45 p.m.	6:10 p.m.	Bus # 2
5:45 p.m.	6:10 p.m.	6:15 p.m.	6:40 p.m.	Bus # 1
6:15 p.m.	6:40 p.m.	6:45 p.m.	7:10 p.m.	Bus # 2