

ARKELLS RALLY 

# Transit

2019 BUDGET

January 25, 2019

# PRESENTATION OUTLINE

- 10 Year Transit Strategy – Review & Assumptions
- A Look Back
- HSR Today
- 2019 Budget
- 2019 and Beyond



# TRANSIT STRATEGIC DIRECTION

## TRANSIT DIVISION STRATEGIC DIRECTION



**TRANSIT,  
YOUR FIRST CHOICE.**

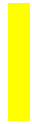
**OUR PURPOSE**  
We provide customer-focused service  
that is safe, reliable, and inclusive.

### GOALS

- 1 To consistently provide a customer experience that meets or exceeds the expectations of our current customer base while building a reputation that attracts new customers.
- 2 To maintain a transit service and infrastructure that keeps our system in a state of good repair.
- 3 To take ownership of a system that increases modal split through growth within current conditions and expansion to accommodate future needs.

# TRANSIT AS A PRIORITY

We do more than operate buses –  
transit is a complicated business





# IT STARTS WITH OUR CUSTOMERS

It starts with *our customers...*



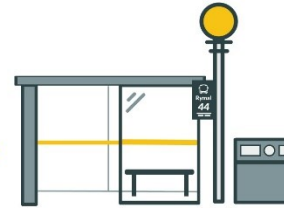
Our customers visit city-wide service locations to purchase their fares.



Our customers plan their trips and find their next bus.



Our customers are greeted by friendly and knowledgeable operators.



Our customers wait at safe, accessible and clean stops, shelters and terminals.



Our customers ride on our modern, clean, secure and well-maintained fleet of buses.



Our customers travel where they want to go, when they want to go there.

# HAMILTON

Our customers are connected to their communities, where they live, work, and play!

# 2018 ACCOMPLISHMENTS

  
we collected about  
**\$41,300,000**  
in revenue  


  
**46%\***  
revenue:cost ratio

  
we provided more than  
**770,000**  
DARTS trips  


  
we gave more than  
**21,522,000**  
rides  


  
we travelled close to  
**16,700,000**  
vehicle kms  


we took care of

  
**6**  
terminals

  
**673**  
shelters

  
**2,278**  
bus stops

and managed

  
**267**  
buses

  
we received more than  
**2,464,500**  
Bus Check calls

  
**2** new pilot  
escarpment  
crossings for  
Mountain Climber

*\*approximate*

# COUNCIL MOTION

## **Transit Passenger Counts (Added Item 11.2)**

WHEREAS the Public Works Committee approved the purchase of a passenger count system for \$2.2 million dollars;

WHEREAS we are going into year 4 of the Transit Master Plan; and,

WHEREAS significant investment has been made in the first three years of implementing the 10-year plan;

### **THEREFORE BE IT RESOLVED:**

- a) That staff report back at Transit Day the results of the passenger counts and a list of routes that are carrying less than 15 passengers per trip at peak times; and,
- b) That staff report back on Transit Day with a review of assumptions made when the 10-year transit study was done and compare them to the actual results or issues like ridership and population.

# 10 YEAR TRANSIT STRATEGY

- Council approved March 2015
- Focusing on moving people quickly and efficiently across Hamilton





## 10 Year Transit Strategy

**Years 1 - 2** → *Focus: capacity and deficiencies*

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**Year 3** → *Focus: service standards and growth*

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**Years 4 - 10** → *Focus: modal split and growth*

## Ridership

Ridership is recorded when someone gets on the bus and tenders a fare.

## Boardings

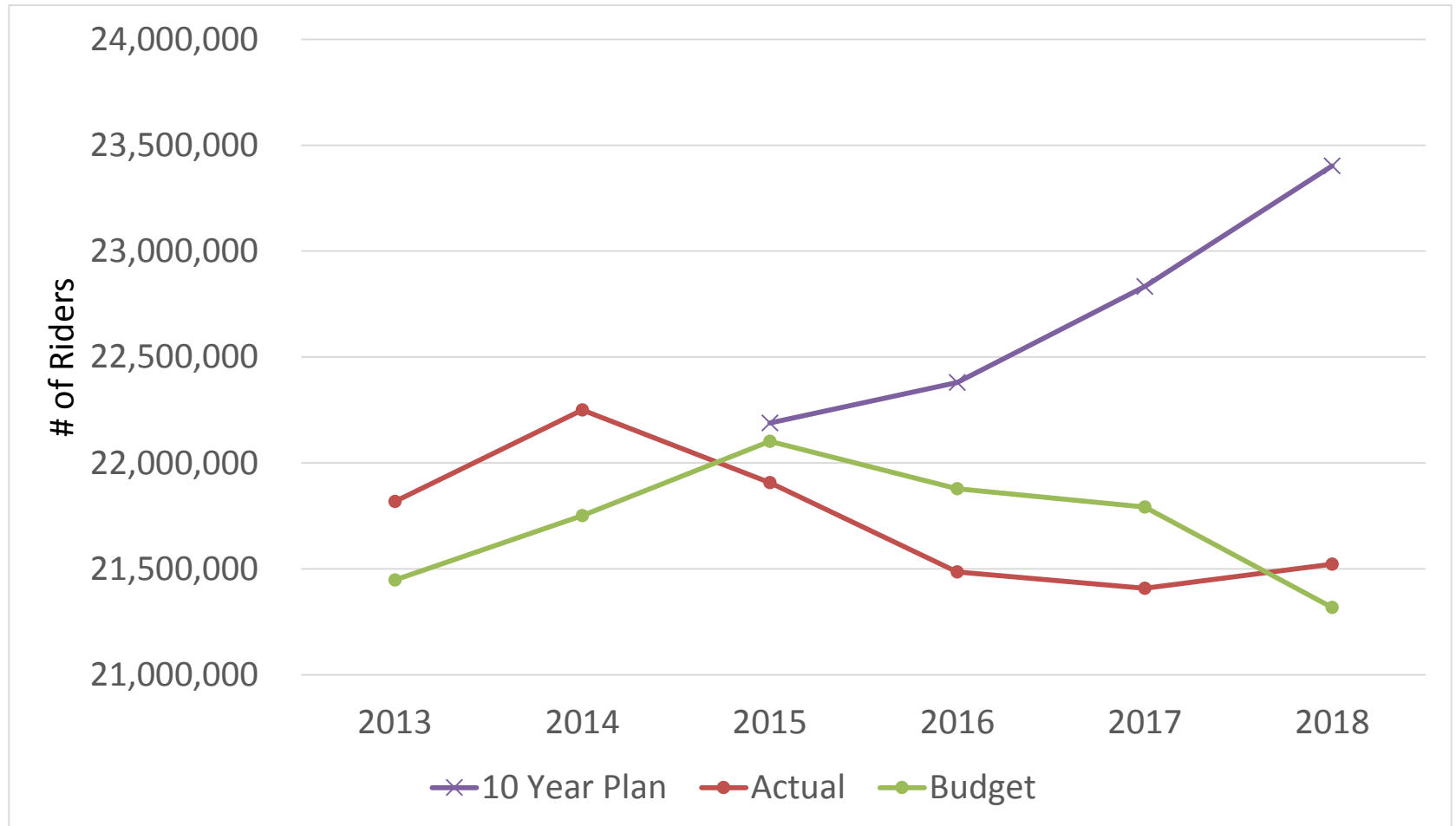
Boardings are recorded anytime someone gets on the bus whether they pay a fare or use a transfer.



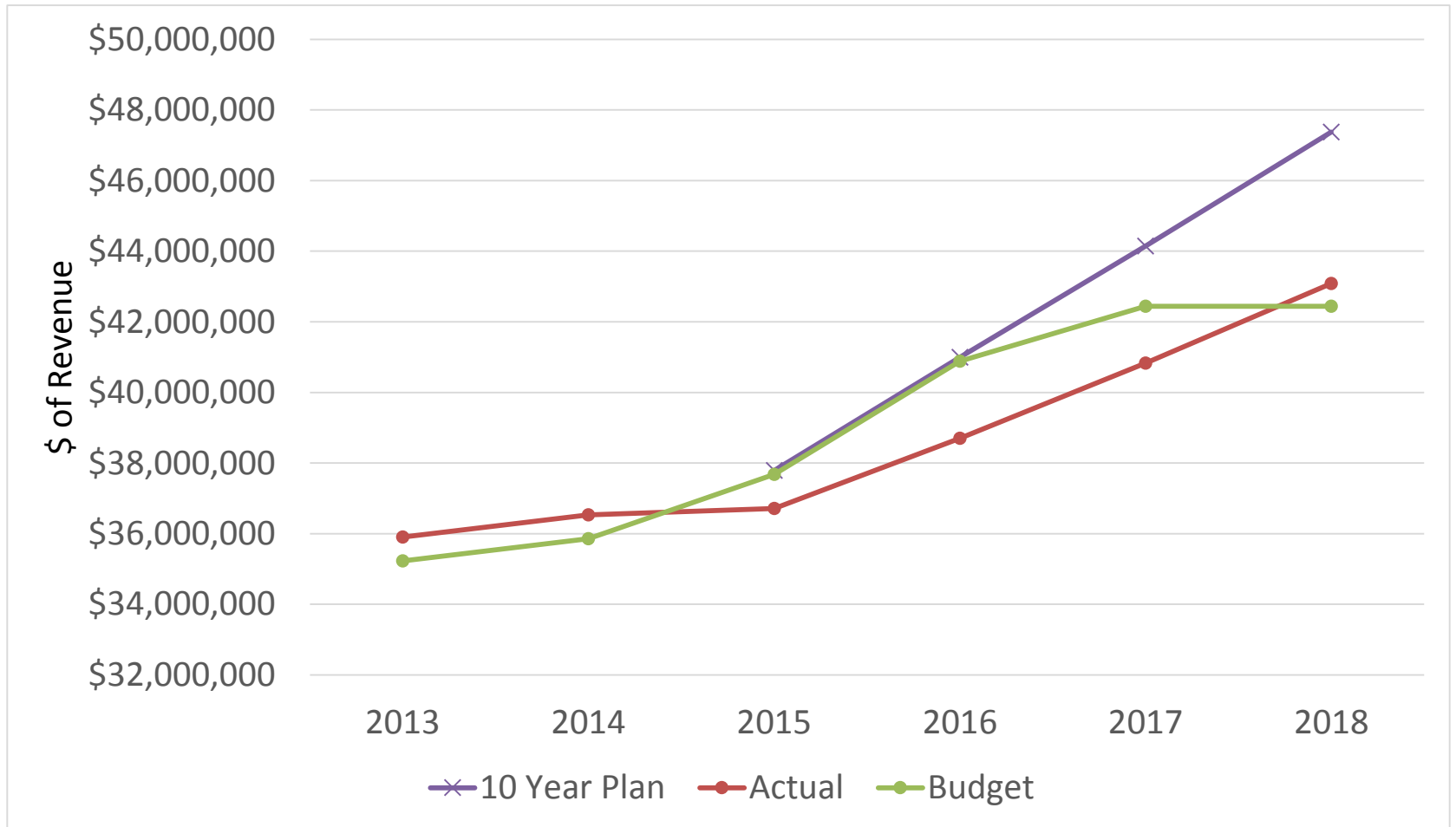
# 10 YEAR TRANSIT STRATEGY - ASSUMPTIONS

- Ridership levels would continue at the same level as 2014
- Ridership and Revenue would be high enough to fully fund year 1 and 2 service increases
- Unfunded capital requirement - \$302 million, including a 2<sup>nd</sup> Maintenance and Storage Facility (MSF)
- Capital for local buses would be levy funded - \$30 million
- Rides per capita would reach 50 by 2025
- Designed to achieve 10 minute peak service on all BLAST lines, Express over local
- Used 2014 population projections from “Places to Grow” provincial plan<sub>11</sub>

# 10 YEAR TRANSIT STRATEGY: RIDERSHIP ASSUMPTIONS



# 10 YEAR TRANSIT STRATEGY: REVENUE ASSUMPTIONS





# 10 YEAR TRANSIT STRATEGY: COUNCIL INVESTMENT

For the first time in five years:



Ridership is up



Revenue is up

This is a direct result of Council's investment

# 10 YEAR TRANSIT STRATEGY: CAPITAL ASSUMPTIONS

- Other levels of government would contribute to the unfunded Capital requirements
- Commitments to date:
  - The province has committed to fund the B-Line
  - Phase one of the Federal Public Transit Infrastructure Fund (PTIF) offset costs related to funding buses and designing the MSF

# 10 YEAR TRANSIT STRATEGY: UPDATED CAPITAL

## 2014 original budget included:

Identified unfunded: \$302 M

Assumption for bus funding: \$30 M

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**\$332 M** unfunded

## Adjusted in 2018:

**\$358.4 M** unfunded

- 30% increase in base bus cost
- Inflation
- Impacts from detailed design phase of MSF

# DESIGNING THE MSF

30'



40'



60'



“Standard Bus Equivalent” (SBE)

# DESIGNING THE MSF

## 330 WENTWORTH

OPERATIONAL  
1990 - 2000



# 17

## OVER CAPACITY

DESIGNED FOR: 160 SBES  
STORED: 177 SBES

## 2200 UPPER JAMES

OPERATIONAL  
2000 - CURRENT



# 90

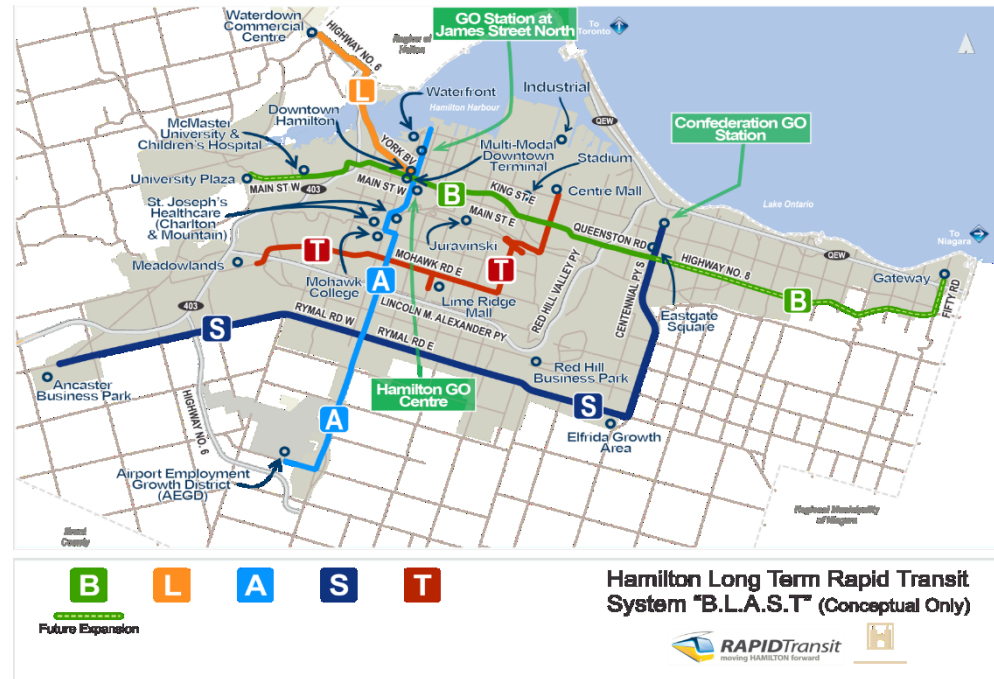
## OVER CAPACITY

DESIGNED FOR: 200 SBES  
NOW STORING: 290 SBES



# 10 YEAR TRANSIT STRATEGY: BLAST ASSUMPTIONS

- 10 Minute Peak Service
- Express over Local



# 10 YEAR TRANSIT STRATEGY RECAP

Plan entered the 'growth' phase in Sept 2018

	YR1	YR2	2017	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10	
	2015	2016		2018	2019	2020	2021	2022	2023	2024	2025	
2014	Deficiencies			Standards								10 Year Total
					Growth							
						Modal Split						

SERVICE													
Hours (000's)	814	16	34	Pause for PTIF	34	39	46	49	49	49	53	53	422
Annual Operating (000's)	\$88,000	\$2,000	\$4,000		\$4,000	\$4,500	\$5,500	\$6,000	\$6,000	\$6,000	\$6,500	\$6,500	\$51,000
Full Time Equivalents	644	16	34		26	30	35	38	38	38	41	41	337
Fleet	221	14	11		5	11	13	14	14	14	15	15	126
Fares	\$2.00	\$0.15	\$0.15		\$0.10	\$0.10	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05





# LOOKING BACK

# HOW DOES HSR MEASURE UP?

- Using data from the Canadian Urban Transit Association (CUTA)
- Comparing HSR with other Greater Toronto-Hamilton Area (GTHA) transit agencies with similar populations
  - Brampton
  - Durham
  - Mississauga
  - York Region





## In comparison to other cities in the GTHA, Hamilton ranks:

**#1** lowest average fare

**#1** in cost per revenue hour

**#3** in rides per capita

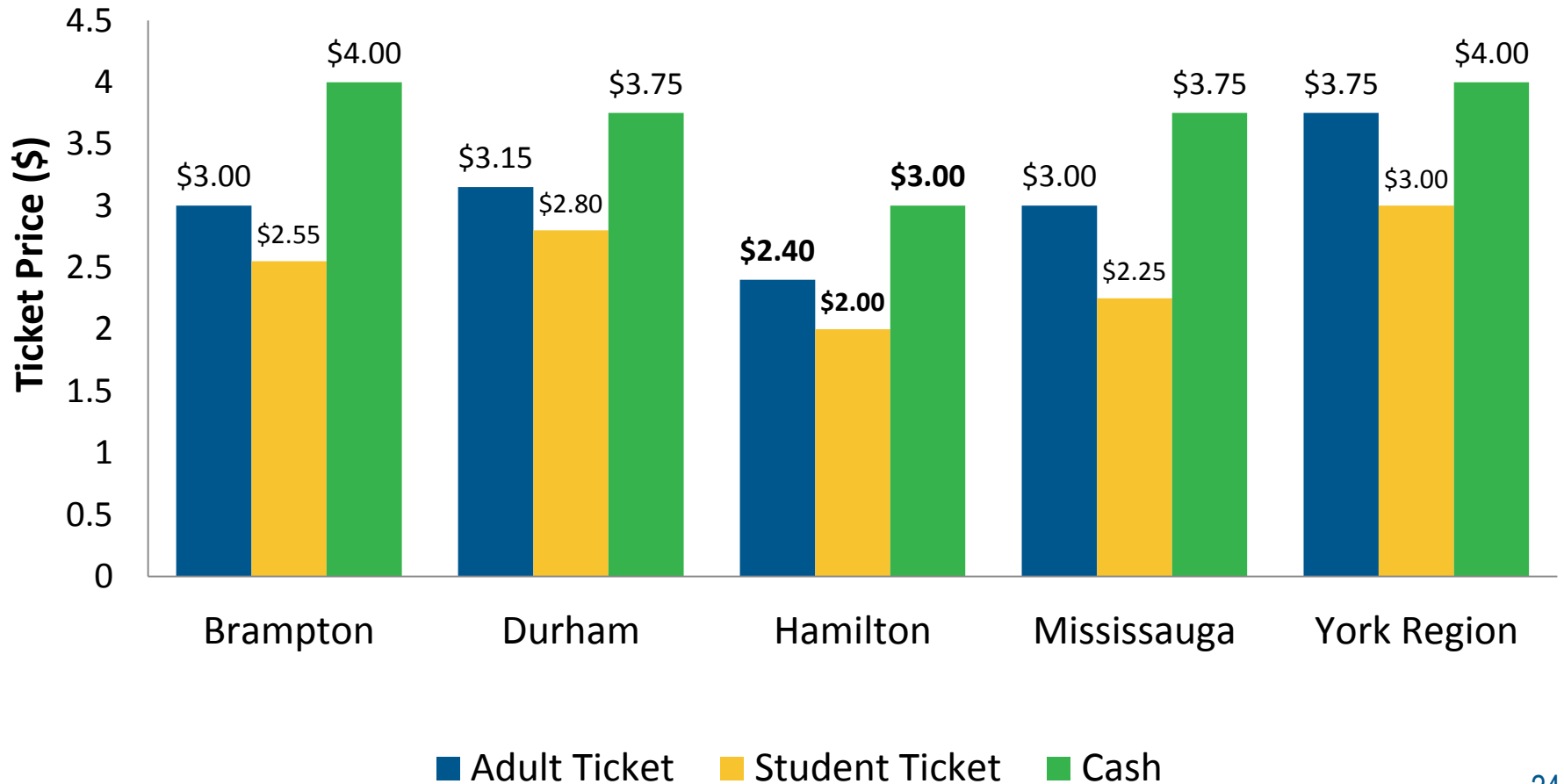
**#3** in revenue/cost ratio

\*within the Transit Urban Boundary

SOURCE: Canadian Urban Transit Association (CUTA)



# MEASURING UP: FARES



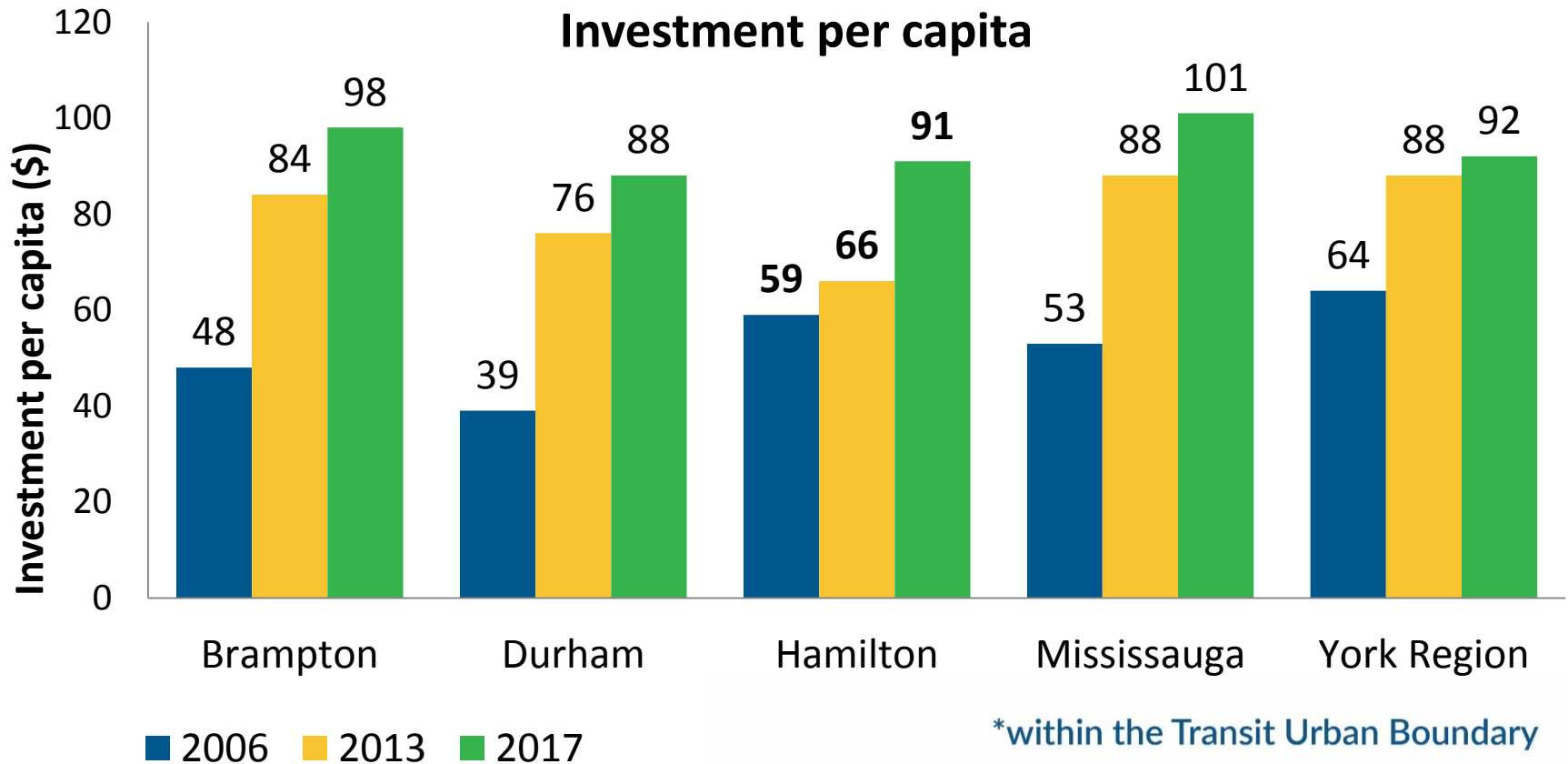
# MEASURING UP: RIDES PER CAPITA



\*within the Transit Urban Boundary

SOURCE: Canadian Urban Transit Association (CUTA)

# MEASURING UP: COUNCIL INVESTMENT



SOURCE: Canadian Urban Transit Association (CUTA)



# HSR TODAY

# OPERATIONAL UPDATE

- Update on service cancellations
- Hiring: Transit Specific Complement Control Policy (TSCCP)
- Overtime and attendance
- Improved customer communications

# PTIF IMPLEMENTATION UPDATE

## PHASE 1

- \$36M municipal contribution
- \$72M total investment with federal funding
- 14 projects approved
- 5 substantially completed
- March 2020 completion deadline



# PTIF IMPLEMENTATION UPDATE

## Improving the customer experience

HSRnow 2512

2512 @ EASTGATE TERMINAL  
PLATFORM 7  
Route Next Bus  
10 11:43am  
10 12:00pm  
10 12:12pm

HSRnow 1531

1531 @ RYMAL at UPPER GAGE  
Route Next Bus  
44 11:43am  
44 12:20pm  
44 12:44pm



**FREE WI-FI**  
Available on this bus.



# TRANSIT PASSENGER COUNTS - MOTION

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# SERVICE STANDARDS

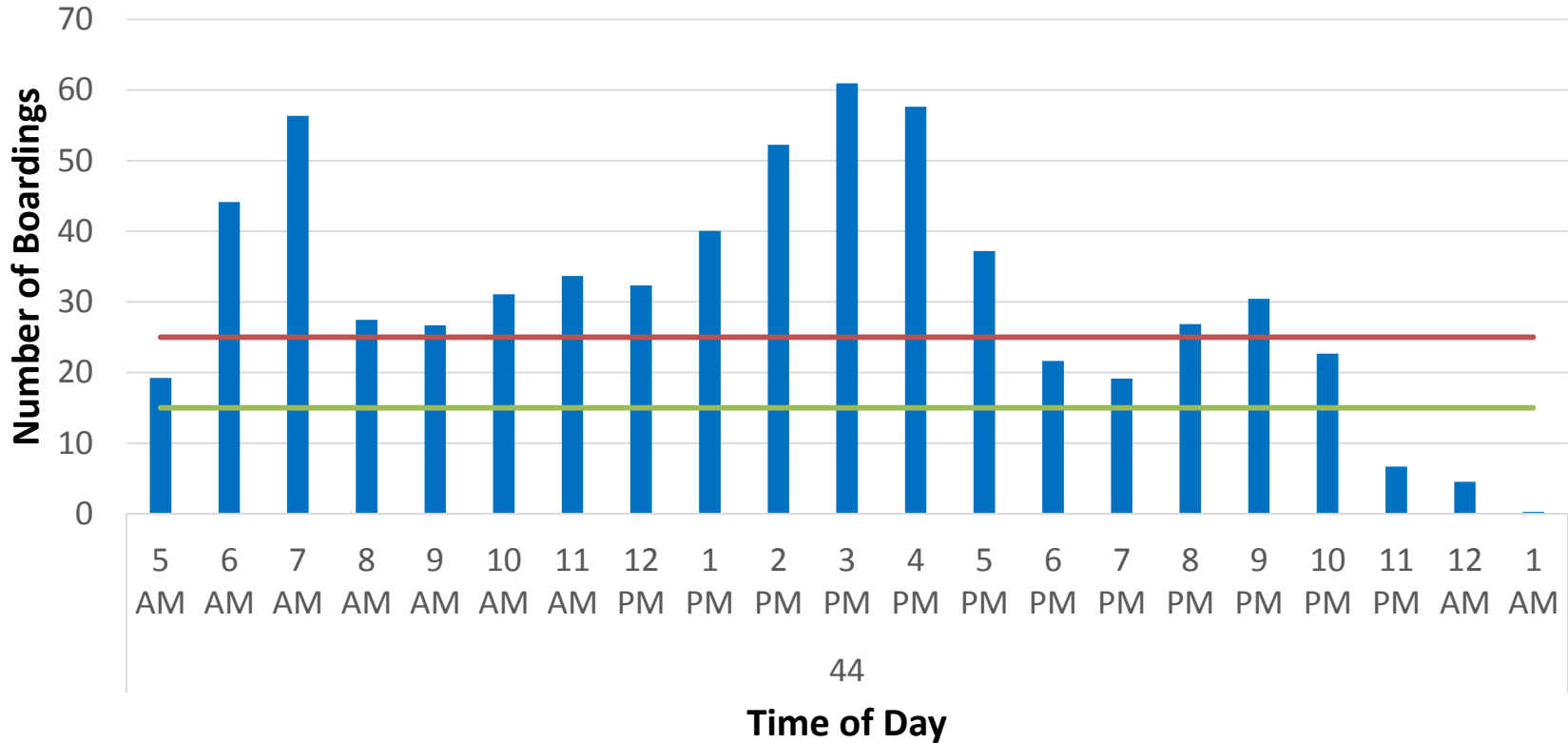
<b>HSR Service Standards</b>			
<b>Coverage</b>	<b>Weekday</b>	<b>Saturday</b>	<b>Sunday</b>
System Wide Minimum	90% of residents / workplaces within Urban Transit Area to be within 400 metres of Weekday Peak service.		
<hr/>			
<b>Span</b> (Start of trip)	<b>Weekday</b>	<b>Saturday</b>	<b>Sunday</b>
Route Maximum	5:00 AM – 2:00 AM	5:00 AM – 2:00 AM	6:00 AM – 12:00 AM
<hr/>			
<b>Frequency</b> (Time between buses)	<b>Weekday</b> Peak / Non-Peak/ Evening	<b>Saturday</b> AM / Day / Evening	<b>Sunday</b> AM / Day / Evening
Route Minimum	30 / 30 / 60	30 / 30 / 60	30 / 30 / 60
<hr/>			
<b>Productivity</b> (Boardings per Service Hour)	<b>Weekday</b> Peak / Non-Peak/ Evening	<b>Saturday</b> AM / Day / Evening	<b>Sunday</b> AM / Day / Evening
Route Minimum	25 / 15 / 15	15 / 15 / 15	15 / 15 / 15
<hr/>			
<b>Loading</b> (Expressed as Percentage of Seated Capacity)	<b>Weekday</b> Peak / Non-Peak/ Evening	<b>Saturday</b> AM / Day / Evening	<b>Sunday</b> AM / Day / Evening
Route Maximum	125 / 100 / 100	100 / 100 / 100	100 / 100 / 100

# AUTOMATED PASSENGER COUNTERS (APC)

## Virtual turn-style to plan our business

- \$2.2 million dollar investment
- Collects data for analysis
- Formatted to help drive decisions
- Entire fleet outfitted by December 2017
- Data is verified and statistically sound

# AUTOMATED PASSENGER COUNTERS (APC) - ROUTE 44



■ Average of Avg Boardings/Trip 
 — Average of Peak Target 
 — Average of Off Peak/Evening Target

# ROUTES CURRENTLY BELOW 'BOARDINGS PER PEAK SERVICE HOUR' STANDARD

- Routes 6,7,8 (Aberdeen, Locke, York)
- Route 12 (Wentworth)
- Route 16 (Ancaster)
- Route 42 (Mohawk East)
- Route 52A (Dundas Local)
- Route 56 (Centennial)
- Route 58 (Stoney Creek Local)
- Route 18 (Waterdown)
- Route 55 (Stoney Creek Central)





# 2019 BUDGET

# 2019 BUDGET DRIVERS - TRANSIT

## Transit

	2018 Restated Net	2019 Preliminary Gross	2019 Preliminary Net	-2019 vs 2018 Net Change-	
				\$	%
<b>Total Transit</b>	65,701,190	131,440,960	74,948,270	9,247,080	14.1%

Total Increase and Percentage	\$9,247	14.1%
<b>Major Drivers</b>		
Year 4 of 10 Year Strategy	\$1,784	2.7%
PRESTO Operating Agreement	\$642	1.0%
DARTS Contractual Increase	\$4,284	6.5%
Employee Related Costs	\$1,554	2.4%
Fleet Reserve Contribution: Year 7 of 8 loss of OBRP Funding	\$616	0.9%

# ANNUAL SERVICE PLAN



# YEAR FOUR: SERVICE ENHANCEMENTS

Route(s)	Areas	Enhancement
<b>10 B-Line, 1 King, 51 University</b>	<b>King/Main/Queenston Corridor</b>	Introduce new evening and Saturday service on the B Line and increased frequency weekday
<b>44 Rymal</b>	<b>Mountain</b>	Increased frequency extending to Centennial GO
<b>20 A-Line, 22 Upper Ottawa, 34 Upper Paradise</b>	<b>Mountain to Downtown</b>	Improved frequency to meet demands

# YEAR FOUR: SERVICE ENHANCEMENTS

Route(s)	Areas	Enhancement
<b>6 Aberdeen, 7 Locke, 8 York, 12 Wentworth, 52A Dundas Local</b>	<b>Lower City</b>	Service provided with 30' buses instead of 40' to address lower city demand
<b>21 Upper Kenilworth</b>	<b>Mountain to Downtown</b>	Service provided with 60' buses instead of 40' to address the increased demand

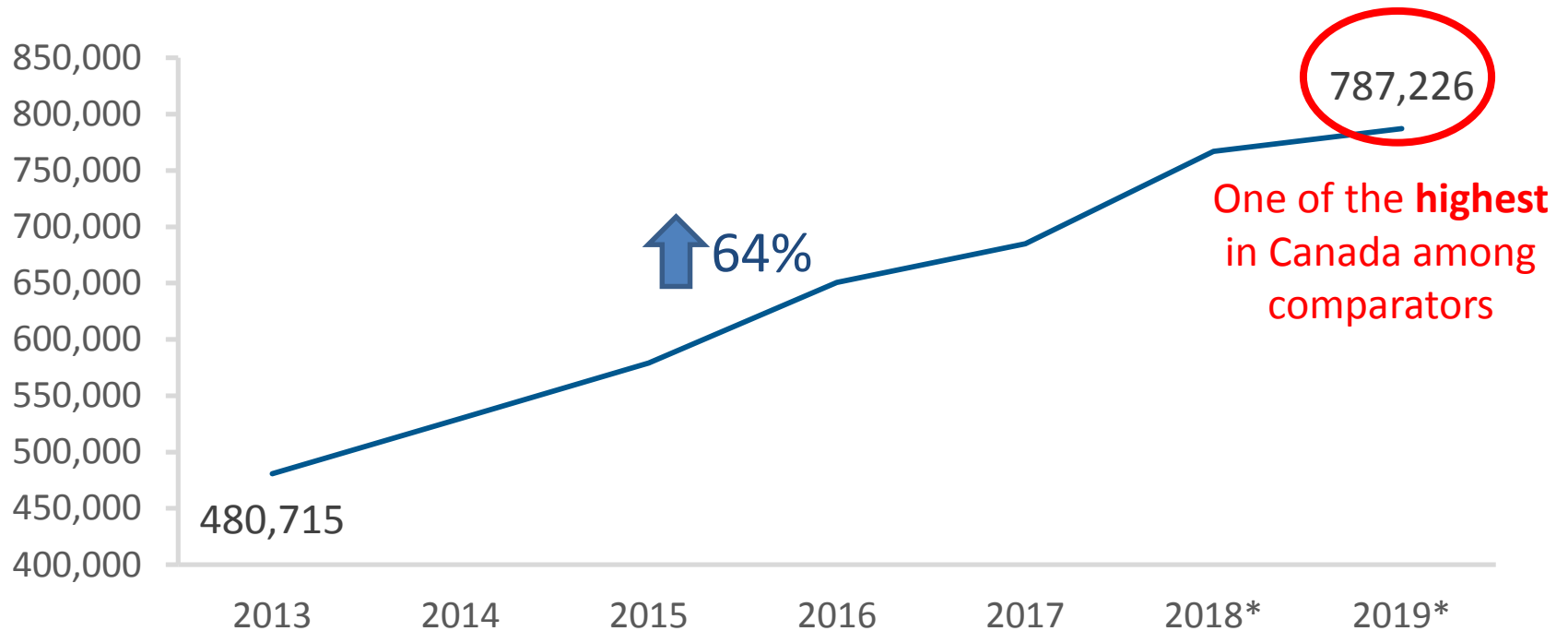
# YEAR FOUR: SERVICE RESOURCE DETAILS

- 11 additional buses
- 30 FTE
- Approximately 39,000 service hours (annualized)
- Total cost \$4.5 million annualized over two years
  - 2019 - \$1.8 million (net of fare increase)
- Fare increase \$0.10 effective September 1, 2019



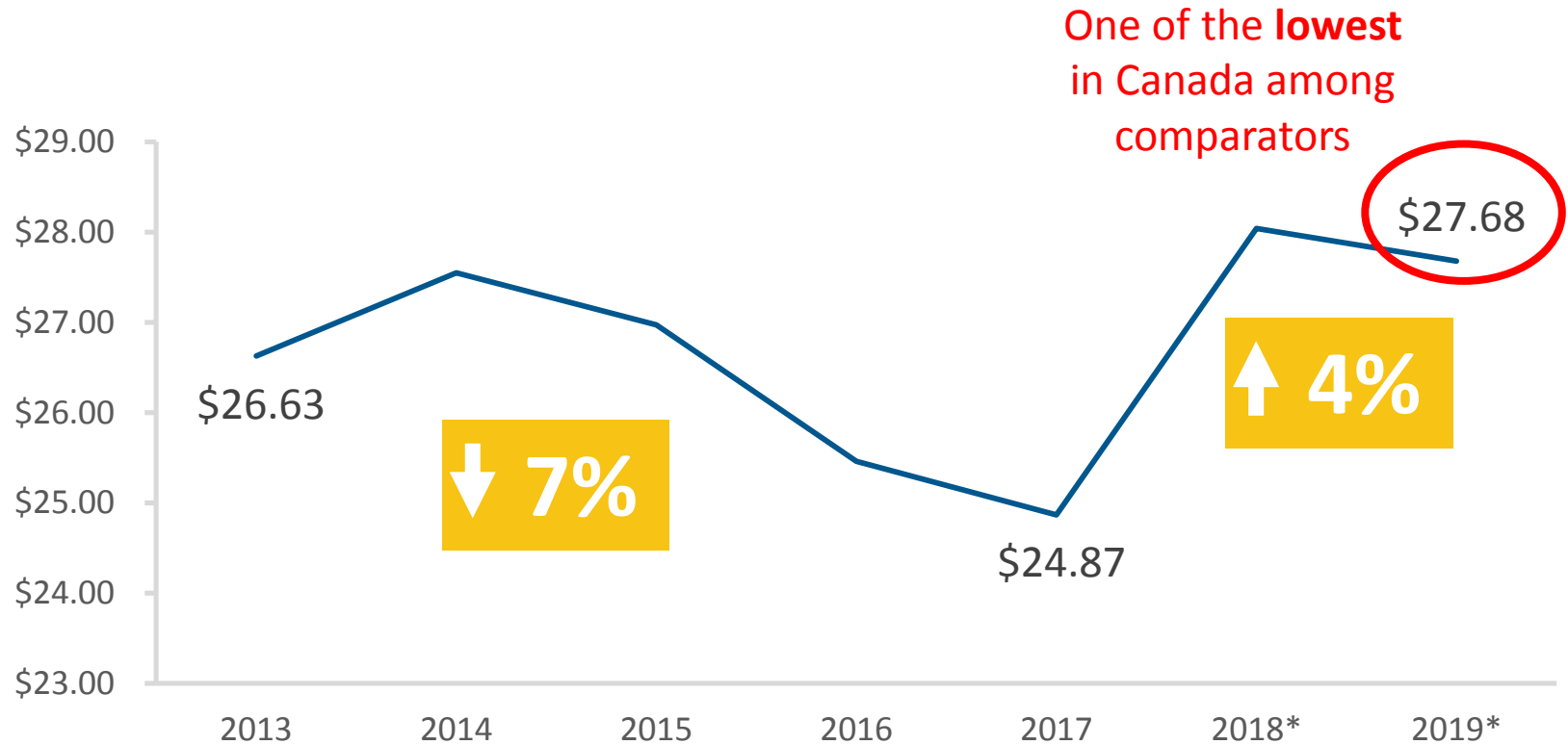
- Operating Agreement
- Equipment challenges / refresh
- Adoption rate / retiring tickets

# PARATRANSIT (DARTS) TRIPS



\* projected

# PARATRANSIT COST PER TRIP



# SUMMARY OF BUDGET/ACTUALS

Year	BUDGET (Council)	ACTUAL (Municipal Contribution)	DIFFERENCE
2017	\$15.9M	\$17.1M	\$1.2M
2018	\$17.5M	\$20.3M**	\$2.8M**
Adjusted 2019 budget*	\$21.8M		\$1.5M

\* 2019 Paratransit budget was realigned to reflect previous actuals

\*\* Projected

# PARATRANSIT 2019 BUDGET AND DRIVERS

- Number of trips drives cost
  - Increase in trips
  - More registered and active customers than projected
- Employee-related costs
- Fleet transition
  - Unrealized productivity rates (trips / hour) on new vehicles
  - Short-term vehicle leases

GO BULLDOGS GO!

# 2019 AND BEYOND

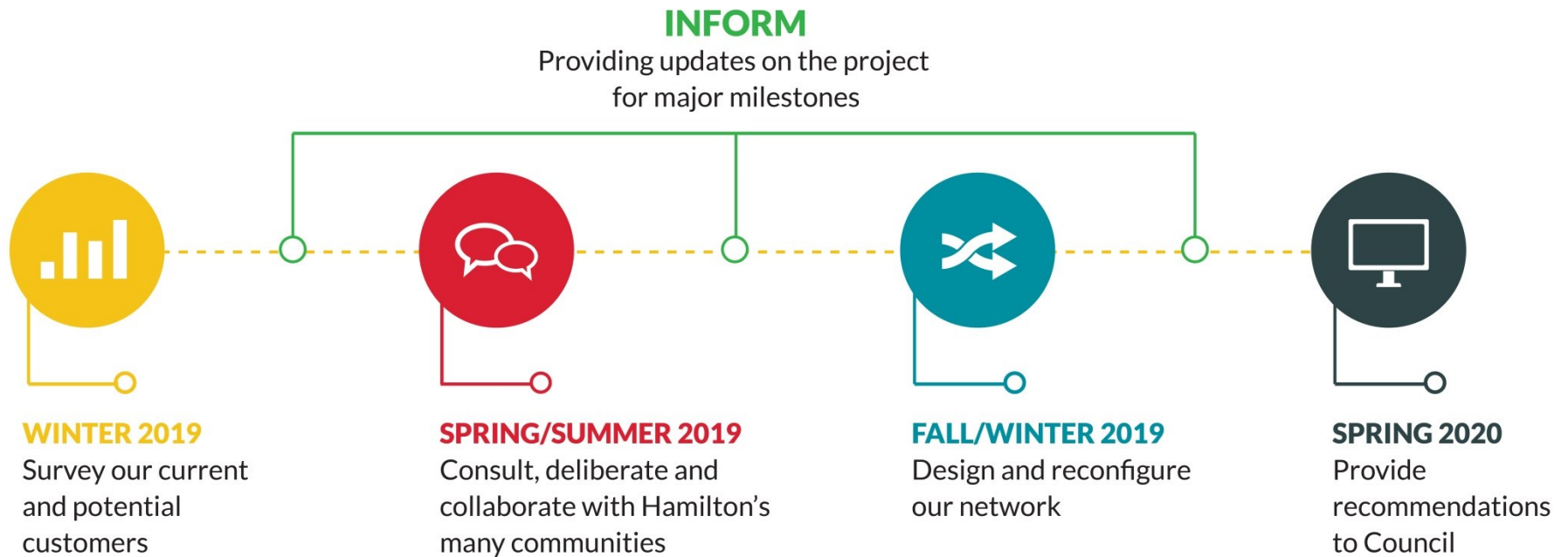




# (Re)envision the HSR



# (Re)envision the HSR



# 2019 & BEYOND

- Incorporate the recommendations from (re)envision project into the 10 Year Local Transit Strategy
- Implementation of approved service improvements in years 5-10 with a focus on modal split
- Planning and preparing for LRT construction and reconfiguration
- Maintenance and Storage Facility

- Collective Bargaining Agreement
- Fare Policies
- Industry Impacts - Electric Buses / Autonomous Vehicles
- PTIF Phase 2 - Investing in Canada Infrastructure Program (ICIP)

# PROVINCIAL POLICY CHANGE



Newsroom

*News Release*

## **Government for the People to Lower Student Tuition Burden by 10 per cent**

January 17, 2019

**First ever province-wide tuition reduction will make college and university more affordable and accessible for students and families, while empowering students to choose how fees are spent**

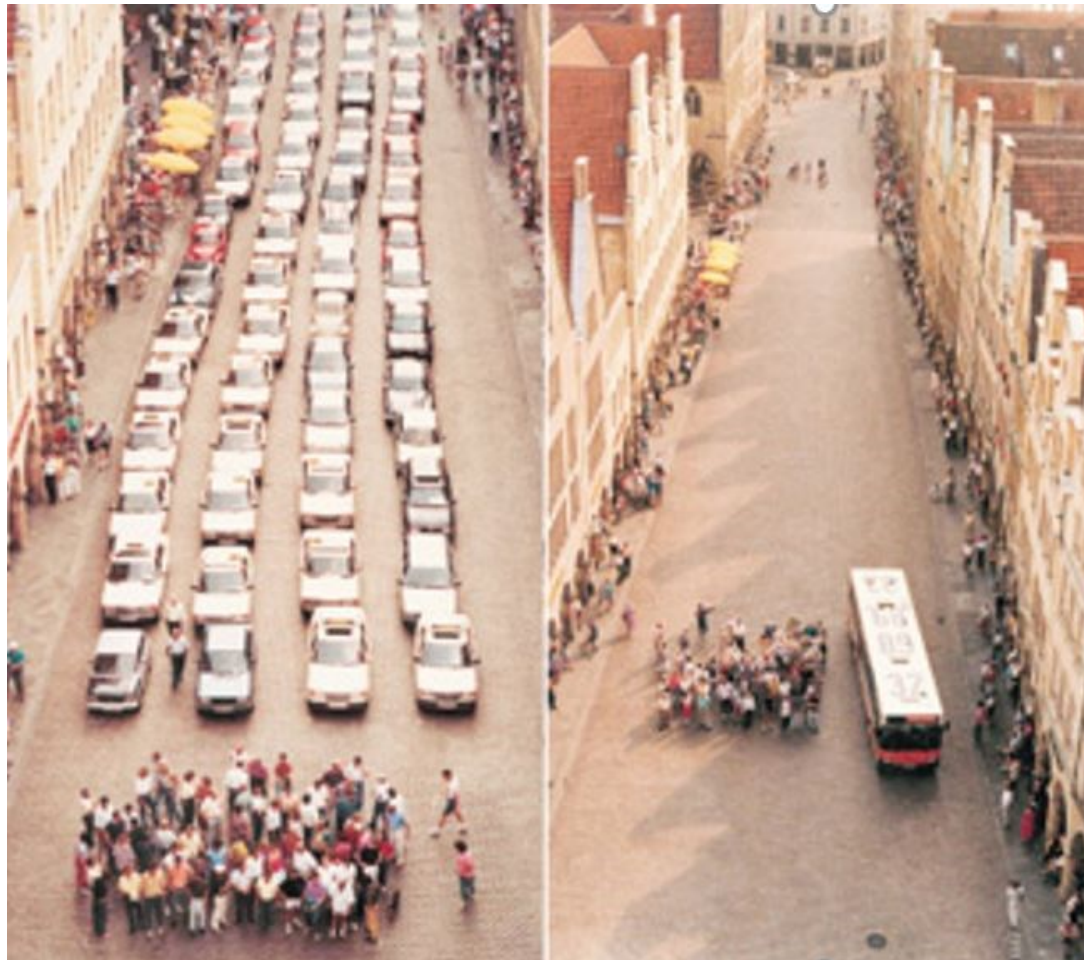
For the first time in Ontario, students at every publicly-assisted college and university will see their tuition rates go down by 10 per cent thanks to a province-wide tuition rate reduction introduced by Ontario's Government for the People. The tuition rate reduction is the latest step in the Ford Government's plan to keep more money in the pockets of Ontario students and families.

# TRANSIT IS MORE THAN JUST A BUS

- It's more than just a bus – *it's about people*
- Benefits to the community
- Environmentally responsible
- Building for the future



# THANK YOU





TRANSIT

YOUR FIRST CHOICE