

Item

7.2



Hamilton

Transit

POSTPONEMENT OF YEAR 5 OF THE
10-YEAR LOCAL TRANSIT STRATEGY
JUNE 17, 2020



1

Public Works Department
TRANSIT DIVISION

TRANSIT DURING COVID-19

MARCH

-
- 11 WHO DECLARES THE PANDEMIC
 - 12 ELEMENTARY AND SECONDARY SCHOOLS CLOSE
 - 13 POST-SECONDARY SCHOOLS CLOSE
 - 17 PROVINCE-WIDE STATE OF EMERGENCY
 - 19 REAR-DOOR BOARDING AND PAUSE IN FARE COLLECTION
 - 20 COUNCIL APPROVES THE 2020 BUDGET, INCLUDING YEAR 5 SERVICE ENHANCEMENTS
 - 23 ENHANCED SATURDAY-LEVEL SERVICE ON WEEKDAYS (~70% OF NORMAL SERVICE)

TRANSIT DURING COVID-19

APRIL

3 PROVINCE ORDERS MORE WORKPLACES TO CLOSE

3 FURTHER PHYSICAL DISTANCING MEASURES ON BUSES

**TRANSIT
IS FOR
ESSENTIAL
TRAVEL
ONLY.**

Only use transit if absolutely necessary for groceries, medical appointments or to go to work if you can't work from home.

If you're experiencing symptoms of COVID-19 or going to an assessment centre for testing do not use public transit.

For more information, visit www.hamilton.ca/hsr



80%

of buses on the road

27 PROVINCE RELEASES GUIDING PRINCIPLES

TRANSIT DURING COVID-19



YEAR 5 PLAN

Y5

13

additional
buses



35
FTE



Approximately

46,000

service
hours



Fare increase

\$0.05

effective
September 1, 2020

Total Cost of

\$4,239,000

annualized over
two years

2020 - \$688k
(net of fare revenue)



I) FLEET ACQUISITION

13 buses

Tech upgrades
needed

Suppliers impacted
by COVID too



10 Year Local Transit Strategy was contingent
on funding from senior levels of government

II) RECRUITMENT & TRAINING

29 new operators needed

City recruitment
suspended

Training and licensing
challenges



III) FARE REVENUE

- Before COVID-19 hit, Ridership and fare revenue were increasing
- Then COVID-19 pandemic emergency occurred



III) FARE REVENUE (CONT'D)

	2019 Actual	2020 Budget	2020 Actual	Variance to Actual	Variance to Budget
January	\$ 3,740,006	\$ 3,975,850	\$ 4,083,719	\$343,713	\$107,869
February	\$ 3,573,204	\$ 3,713,500	\$ 4,029,950	\$456,746	\$316,450
March	\$ 3,951,380	\$ 4,171,880	\$ 3,086,922	(\$864,458)	(\$1,084,958)
April	\$ 3,893,100	\$ 3,973,400	\$ 117,957	(\$3,775,143)	(\$3,855,443)
May	\$ 3,542,997	\$ 3,845,030	\$ 117,957	(\$3,425,040)	(\$3,727,073)
June	\$ 3,331,202	\$ 3,592,080	\$ 117,957	(\$3,213,245)	(\$3,474,123)
	\$ 22,031,889	\$ 23,271,740	\$ 11,554,463	(\$10,477,426)	(\$11,717,277)

III) FARE REVENUE (CONT'D)

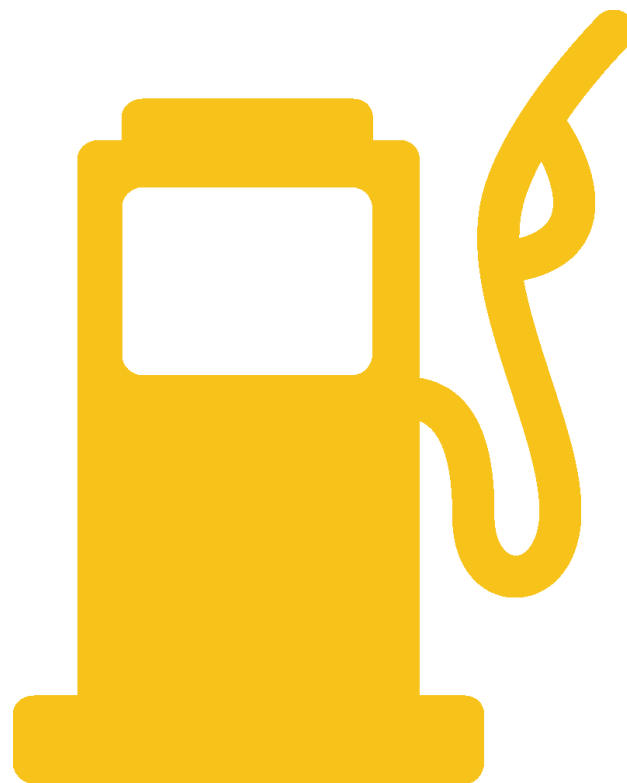
- **\$21-27 M** non-recoverable revenue shortfall for 2020
- **Consumer confidence** is key to ridership recovery

IV) GAS TAX REVENUES

\$0.02 / litre gas tax

Formula = 70% ridership
/ 30% population

\$11.4 M expected
in 2019/2020



V) CAPACITY LIMITS



FINANCIAL IMPACT

	Year 5 2020 In-Year Mitigation Impact	
Mitigated Service Expenditures:		
Employee Related Costs	1,034,980	Savings
Maintenance Costs	1,032,350	Savings
Fare Revenue	(1,077,000)	Loss
Total Net Operating Costs	990,330	Net Savings
Contribution to Reserves - Expansion Fleet	822,700	Savings
Contribution from Reserves - Tax Stabilization	(990,000)	Loss
Total Net In-Year Mitigated Impact	\$ 823,030	Net Savings

CONCLUSION

- Postponing Year 5 allows the HSR to address uncertainties
- HSR will play a vital role in the city's overall recovery