

CITY OF HAMILTON

PUBLIC WORKS DEPARTMENT
Transportation, Energy & Facilities Division

TO: Mayor and Members General Issues Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: December 14, 2010	
SUBJECT/REPORT NO: Transit 2011 Operating Budget & Annual Service Plan - (PW10101) - (City Wide)	
SUBMITTED BY: Gerry Davis, CMA General Manager Public Works Department	PREPARED BY: Don Hull Director of Transit (950) 546-2424, Extension 1860
SIGNATURE:	

RECOMMENDATION

- (a) That the 2011 Transit Operating Budget submission summarized in Appendix "A" attached to Report PW10101, be received and referred to Council's City-wide budget deliberations;
- (b) That \$3 million in Provincial Gas Tax (PGT) currently allocated to fleet capital replacement be reallocated to the Transit Operating Budget to fund;
 - (i) \$2.67 million Conventional Transit (HSR) service level improvements and 29 FTE (Bus Operational and Maintenance Staff), as detailed in Appendix "B" attached to Report PW10101;
 - (ii) \$330,000 to increase the Transit Training Instructor complement by 1 FTE and the Bus Operator complement by 2 FTE, as summarized in Appendix "C" attached to Report PW10101.

EXECUTIVE SUMMARY

This report:

1. Presents the draft 2011 Transit Operating budget representing a 1.5% net levy increase or \$654,000, excluding a fare increase and compensation adjustment. A separate companion report (PW10078) Transit Fare Increase Policy responds to a Council direction to staff to report back with a policy for determining an annual fare increase.

**SUBJECT: Transit 2011 Operating Budget & Annual Service Plan
(PW10101) - (City Wide) - Page 2 of 24**

2. Responds to Council direction to staff to report back on (PW10077) Transit Operational Review & Service Improvement Plan (Report Executive Summary provided in Appendix “E”).

The above report identifies some recurring and growing trends in the overall Transit program. Current HSR transit service delivery performance is generally well regarded by the public, however;

- Requests from transit users for higher transit service levels in the transit program are on the rise, and further, that these service requests need to be addressed in the short term to prevent service delivery performance from further deteriorating to an unacceptable level (Summary of recent Community Contacts received is provided in Appendix “D”);
- The bus Operators and their Union representation advise that added pressure on maintaining scheduled service reliability within the HSR program due to growing numbers of service delivery responsibilities such as increased dwell time for ramp deployment and boarding/alighting for the frail, elderly and disabled, bicycle racks, growing traffic congestion, etc., without sufficient increase in service levels is inhibiting their ability to provide reliable service and is placing a strain on community and employer relationships;
- Council’s Senior’s Advisory Committee (SAC) and Accessibility Committee for Persons’ with Disabilities (ACPD) have reported the need for increased investment in Transit service;
- Community support exists for increased investment in Transit.

Public Transit is one of the most visible municipal public services in the community.

Recommendation (b) HSR Service Enhancement Plan (Appendix B)

The proposed \$3 million short-term HSR improvement strategy will make a measurable and valuable contribution towards addressing a growing community concern that Transit service level growth is not keeping pace with community expectations. The key Operational Review study findings contained within the predecessor report PW10077 conclude that:

“fundamental changes will be required if transit is to succeed in a world of increasing social, economic, environmental, technological and policy change citing the need for a significant shift in policy, from cost driven to a market-driven policy with less emphasis on cost recovery”.

A summary of change in GTA-Hamilton Transit service levels relative to population essentially since the introduction of Provincial Gas Tax (PGT) for Transit is provided in the table below. Hamilton’s current revenue service hours/capita for conventional transit services is in relative proportion to municipalities included in the GTA-Hamilton area (excludes Toronto).

In contrast to the above statistic, Hamilton has had the lowest investment in Transit service levels in comparison to the GTA-Hamilton municipalities essentially since the

**SUBJECT: Transit 2011 Operating Budget & Annual Service Plan
(PW10101) - (City Wide) - Page 3 of 24**

inception of the ongoing Provincial Gas Tax program for Transit (PGT) in 2005. Consequently, Hamilton has experienced an annual accumulating decline in PGT allocation from \$11.8 million/year to a forecast of \$10.9 million in 2011 which is calculated based on a formula of 70% ridership growth and 30% population growth. York, Mississauga, Durham, and Brampton all have Rapid Transit initiatives underway.

Municipality	Revenue Service Hrs./Capita 2005	Revenue Service Hrs./Capita 2008	%Change
York	0.80	1.03	29%
Mississauga	1.39	1.58	14%
Durham	0.67	0.66	-1%
Brampton	0.95	1.30	37%
Hamilton	1.44	1.41	-2%
Oakville	0.87	0.94	8%
Burlington	0.76	0.90	18%

Recommendation (b)(ii) to this Report proposes the expansion of the Transit Training Instructor complement by 1 FTE and the Bus Operator complement by 2 FTE to allow for Operator relief for the various training initiatives. Growth in Legislated, Corporate mandated, and Transit due diligence training requirements far exceed the current capacity of the Transit Training Program. Detail on training requirements is provided in Appendix "C".

In approving Report (PW03128c) ATS Master Plan – Eligibility and Registration for Accessible Transportation Services, summarized in Appendix "F" attached to Report PW10101, Council had referred implementation of the \$5.7 million multi-year service enhancement plan to the 2011 budget process. As this is an enhancement that falls outside the scope of the proposed allocation of PGT as stated within Recommendation (b) within this Report, it is necessary that this issue be considered in the general budget deliberations of Council, as a service enhancement and as such is being referred.

Transit Capital Budget

The Transit Capital budget has historically been self-sustaining through a combination of funding from Operating budget reserve contributions, Provincial and "one-time" Federal grants. Arising from the recent Provincial announcement of the loss of Ontario Bus Replacement Program funding (OBRP), the Transit Capital fleet replacement program is projected to go into deficit in 2015.

The loss of \$3.7 million in Ontario Bus Replacement Program subsidy will be addressed as part of the overall 2011 Capital Budget Program.

Further, to begin to address the impact of the recommended reallocation of \$3 million in Provincial Gas Tax funding from the HSR Bus Replacement Program to the Transit Operating budget to fund the Transit Enhancement Plan outlined in this report, Transit will plan to incrementally increase its' contribution to reserves through the Operating

**SUBJECT: Transit 2011 Operating Budget & Annual Service Plan
(PW10101) - (City Wide) - Page 4 of 24**

Budget starting in 2011. The 2011 draft budget includes an increased contribution to reserve of \$450,000.

Fare Increase

Arising from Council's 2010 budget deliberations, staff was directed to create a Fare Policy and report back prior to Council's 2011 budget deliberations. Report PW10078, a companion report to this Report, responds to that direction.

Alternatives for Consideration - See Page 6

FINANCIAL / STAFFING / LEGAL IMPLICATIONS

Financial:

Refer to Appendix "A" - Proposed 2011 Transit Operating Budget
Refer to Appendix "B" - Transit Investment Plan
Refer to Appendix "C" - Annualized Training Requirements
Refer to Appendix "F" - Report PW03128c – Executive Summary

Staffing:

Refer to Appendix "A" - Proposed 2011 Transit Operating Budget
Refer to Appendix "B" - Transit Investment Plan
Refer to Appendix "C" - Annualized Training Requirements
Refer to Appendix "F" - Report PW03128c - Executive Summary

Legal: N/A

HISTORICAL BACKGROUND

In the course of Council's consideration of the 2010 Transit Budget, direction was given to staff to report back with a short-term transit improvement plan for Council's consideration that could be funded from a permanent transfer of \$3 million in PGT funds from Transit Capital to Operating, to be permanently replaced with FGT.

Staff has reviewed the route modification proposals contained within the Operational Review (O/R). For each individual route or group of routes, an implementation strategy consistent with the short term improvement plan is recommended. Appendix "A" provides a summary of the magnitude and timing of proposed changes to transit routes, including changes in bus and staffing requirements. It is recommended that implementation of any change in route alignment or reduction in service span or service frequency would be subject to a community consultation involving the affected Ward Councillor(s).

The consultant forecasts that in order for Hamilton to achieve its' Transportation Master Plan (TMP) goals for Transit of doubling the Transit rides/capita and to achieve similar transit use experience in comparable sized municipalities throughout Canada, Hamilton will, in the next 5 years (2014) need to increase service hours by 320,000 (+47%), representing an increase in operating expenditures of \$30 million. This plan presents an opportunity for Council to achieve measurable progress towards its' TMP goals.

**SUBJECT: Transit 2011 Operating Budget & Annual Service Plan
(PW10101) - (City Wide) - Page 5 of 24**

New investment in transit service levels over the past decade has historically been achieved through the Provincial Gas Tax program as summarized in the Table below.

Referring to the table below, approval of the staff recommendation (b) will result in the \$3 million ongoing capital commitment from the PGT being transferred to the Operating budget.

Estimated Annual Provincial Gas Tax Revenue		10,983,730
HSR Enhancements	3,906,520	
ATS Enhancements	1,750,520	
In Lieu of Fare Increase	<u>2,326,690</u>	
Ongoing Operating Commitment		7,983,730
Replacement - Add'l 3 per year	1,500,000	
12 Year Bus Life	<u>1,500,000</u>	
Ongoing Capital Commitment to Operating		3,000,000
Estimated Annual Provincial Gas Tax Available Funds		<u><u>0</u></u>

Recent changes and additions to Provincial Legislation such as Bill 168 amending the Occupational Health and Safety Act (OHSA) and new Legislation such as Accessibility for Ontarians with Disabilities Act (AODA) have increased the onus and responsibility of Employers to provide protection from violence and accessibility in the workplace. There is a training requirement and component legislated in both Acts.

Training requirements in addition to existing legislated, corporate, departmental and sectional training commitments exceed the capacity of the existing staff to ensure competence defensible in a court of law.

POLICY IMPLICATIONS

Affordable, accessible and reliable Public Transit is an essential contributor to reducing poverty. Public Transit provides affordable access to jobs for residents of the community that might otherwise not be able to participate in the workforce due to the much higher cost of automobile transportation. Public Transit contributes to lower Social Services costs. Affordable, accessible Public Transit allows residents some discretion over disposable income such as eating healthier, better choices for living accommodations and a higher overall level of participation in society.

The recommended priorities for transit service improvement contained in this report support Council's Strategic Plan, Senior Management Team Key Activities, Public Works Business Plan, Transportation Master Plan and Transit Vision 2040, (PW09080, September 2009).

Transit has a significant role to play in reaching the objectives and targets contained within the City's Transportation Master Plan. The changes recommended are in

keeping with an overall GRIDS direction to expand transportation options that encourage travel by transit. The proposed transit options are part of a strategy to improve public transportation at established and rapidly-growing nodes, through improved service levels that encourage additional transit ridership, with a long term (2031) goal to double transit ridership levels, compared to 2001. Ridership growth ensures that the future population growth (with its corresponding growth in transportation demand), confined within a firm urban boundary, can occur in a satisfactory manner.

Shifting from a cost-driven to a market-driven service policy will entail revision to current routes and service levels, which can include removal of service in some neighbourhoods and introduction of new routes in others.

RELEVANT CONSULTATION

Corporate Services Department, Financial Planning & Policy

ATU Executive participated on the Operational Review Steering Committee and determination of the transit improvement priority list. Stakeholder interviews, including members of Council, were undertaken by Consultant. The transit Community feedback program logs all service improvement requests. Public Works Strategic Planning Section participated on the O/R Steering Committee.

Council's Accessibility Committee for Persons with Disabilities.

Council's Seniors Advisory Committee.

ANALYSIS / RATIONALE FOR RECOMMENDATION

Staff has prioritized the recommended transit improvement plan based on:

- Customer Service - maximizing customer service. Customers repeatedly report accessible, frequent, reliable service as the most important features of public transit in citizen satisfaction surveys.
- Stakeholder input.
- Environmental - likelihood to increase transit modal share or ridership growth.
- Policy - Transit Vision 2040, Transportation Master Plan, Corporate Strategic Plan, Corporate and Transit program image, Vision 2020, RG&, GRIDS.
- Employee input.

ALTERNATIVES FOR CONSIDERATION

The Provincial Government recently announced the elimination of the Ontario Bus Replacement Program (OBRP) to fund the Fleet replacement program, representing an ongoing annual impact of \$3.7 million. While this is a very serious loss to the Transit capital program, diversion of the funds to replace the loss of the Provincial subsidy is

not the recommended priority at this time. Responding to community and employee pressure for improved transit service levels is viewed as a higher priority. The transit fleet is currently in above overall condition and can sustain some short term funding shortfall.

CORPORATE STRATEGIC PLAN

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

Skilled, Innovative & Respectful Organization

- ◆ A culture of excellence
- ◆ More innovation, greater teamwork, better client focus
- ◆ An enabling work environment - respectful culture, well-being and safety, effective communication
- ◆ Opportunity for employee input in management decision making
- ◆ Council and SMT are recognized for their leadership and integrity

Financial Sustainability

- ◆ Financially Sustainable City by 2020
- ◆ Effective and sustainable Growth Management
- ◆ Delivery of municipal services and management capital assets/liabilities in a sustainable, innovative and cost effective manner
- ◆ Full life-cycle costing for capital
- ◆ Address infrastructure deficiencies and unfunded liabilities

Intergovernmental Relationships

- ◆ Acquire greater share of Provincial and Federal grants (including those that meet specific needs)
- ◆ Maintain effective relationships with other public agencies

Growing Our Economy

- ◆ An improved customer service
- ◆ A visitor and convention destination

Social Development

- ◆ Everyone has a home they can afford that is well maintained and safe
- ◆ Residents in need have access to adequate support services
- ◆ People participate in all aspects of community life without barriers or stigma

Environmental Stewardship

- ◆ Reduced impact of City activities on the environment
- ◆ Aspiring to the highest environmental standards

Healthy Community

- ◆ An engaged Citizenry
- ◆ Adequate access to food, water, shelter and income, safety, work, recreation and support for all (Human Services)

APPENDICES / SCHEDULES

- Appendix "A" - Proposed 2011 Transit Operating Budget
- Appendix "B" - Transit Investment Plan
- Appendix "C" - Annualized Training Requirements
- Appendix "D" - Community Contacts
- Appendix "E" - Report PW10077 - Executive Summary
- Appendix "F" - Report PW03128c - Executive Summary

Appendix A - Proposed 2011 Transit Operating Budget

Section	2010 Restated Budget (\$000's)	2011 Requested Budget (\$000's)	\$ Change (\$000's)	% Change
HSR	\$31,668	\$32,202	\$535	1.7%
ATS	\$11,963	\$12,083	\$120	1.0%
Transit Total	\$43,631	\$44,286	\$654	1.5%

**SUBJECT: Transit 2011 Operating Budget & Annual Service Plan
(PW10101) - (City Wide) - Page 10 of 24**

Appendix B - Transit Investment Plan

Priority	Route # & Name	Service Type	Operating Cost Range (Low to High, \$000)		FTE Increase	Peak Vehicle Increase	Capital Cost (\$000)	Strategy
1	51 University	Daily	\$390	\$600	5	0	0	Service Reliability (see note 1)
1	1 King	Daily	\$740	\$1,200	9	4	\$1,700	Service Reliability (see note 1)
2	21 Upper Kenilworth	Daily	\$340	\$450	4	0	0	Ridership Growth (see note 2)
2	10 B Line	Saturday	\$190	\$250	1	0	0	Ridership Growth (see note 3)
3	5 Delaware	Daily	\$390	\$550	5	0	0	Service Standards (see note 4)
3	43 Stone Church	Weekend	\$190	\$300	2	0	0	Ridership Growth (see note 5)
3	44 Rymal	Weekday	\$190	\$300	2	0	0	Ridership Growth (see note 6)
4	6/7/8 Aberdeen/ Locke/York	Daily	\$240	\$350	1	2	\$850	Route Coverage (see note 7)
Totals			\$2,670	\$4,000	29	6	\$2,550	
Note 1	Responds to increased demand on the Mainline corridor having negative effect on schedule adherence. Increasing frequency in selected time periods will result in better distribution of passenger loads, resulting in better service reliability.							
Note 2	Responds to ridership growth to/from East Mountain due to expanded Mohawk College Universal Bus pass program, Mountain plaza renovation and additional trip generation from the Heritage Greene big box retail/entertainment complex.							
Note 3	Responds to increased demand on the Mainline corridor during shopping hours, connecting University Plaza and the Eastgate node, to improve attractiveness of transit, provide better distribution of passenger loads and encourage further Ridership growth.							
Note 4	On Weekdays, improves off-peak frequency in Dundas. On Weekends, responds to requests for improved frequency in Dundas and for extension of service to Meadowlands node.							
Note 5	Responds to requests for Saturday evening service between developing areas and the Lime Ridge and Meadowlands transit nodes, helping to grow ridership; introduction of Sunday/Holiday service during shopping hours, with limited evening service.							
Note 6	Responds to requests for Weekday shopping hour's service between developing areas and Eastgate transit node, helping to grow ridership.							
Note 7	Responds to requests for north/south service on Dundurn from Aberdeen to York to support intensification initiatives.							

**SUBJECT: Transit 2011 Operating Budget & Annual Service Plan
(PW10101) - (City Wide) - Page 11 of 24**

Appendix C - Annualized Training Requirements

Program	Operators	Frequency (years)	Hour (s)	Total	Hour (s)	Instructor	Hour (s)	Session (s)	Total	Grand Total	Total Hours	Complement	
												Operator	Instructor
1 AODA (one time)*	450	1	2	\$32,000	900	1	2	75	\$6,000	\$38,000	225	0.5	0.1
1 Pre-trip Inspection Refresher and Monitoring	150	3	0	\$0	0	1	1	150	\$3,000	\$3,000	112.5	n/a	0.1
1 Operator Ride Checks**	450	Annual	0	\$0	0	1	2	450	\$32,000	\$32,000	1181	n/a	0.6
1 CVOR Employee Abstract Monitoring**	600	Monthly	0	\$0	0	1	3	12	\$1,500	\$1,500	54	n/a	0.0
2 Performance Appraisal	450	Annual	3	\$48,000	1,350	1	3	90	\$11,000	\$59,000	405	0.7	0.2
2 Equity and Inclusion Policy	450	Once	8	\$125,000	3,600	0	0	0	\$0	\$125,000	0	n/a	0.0
2 It Starts with You	32	Once	2	\$2,200	64	0	0	0	\$0	\$2,200	0	n/a	0.0
2 Corporate Policy Review**	90	5	8	\$25,000	720	1	8	15	\$5,000	\$30,000	180	0.4	0.1
3 PRESTO*	450	Once	3	\$48,000	1,350	1	3	75	\$9,000	\$57,000	337.5	0.7	0.2
3 DDC	150	5	8	\$42,000	1,200	1	8	20	\$7,000	\$49,000	240	0.6	0.1
3 Smart Driver (per year for 3 years)	150	1	6	\$32,000	900	1	4	38	\$6,000	\$38,000	228	0.5	0.1
3 Smart Driver (on going)	90	5	0	\$0	0	1	2	90	\$7,000	\$7,000	270	n/a	0.1
3 Transit Ambassador	90	5	24	\$76,000	2,160	1	24	18	\$18,000	\$94,000	648	1.1	0.3
3 Emergency Evacuation Refreshers	90	5	2	\$6,400	180	1	2	15	\$1,200	\$7,600	45	0.1	0.0
3 Customer Service**	90	5	8	\$25,000	720	1	4	15	\$2,500	\$27,500	90	0.4	0.0
3 New Operator Training**	32	1	184	\$208,000	5,888	2	156	8	\$102,000	\$310,000	3744	n/a	1.9
Program	Operators	Frequency (years)	Hour (s)	Total	Hour (s)	Instructor	Hour (s)	Session (s)	Total	Grand Total	Total Hours	Complement	

**SUBJECT: Transit 2011 Operating Budget & Annual Service Plan
(PW10101) - (City Wide) - Page 12 of 24**

													Operator	Instructor
4	Annual New Operator Training Adjustment	32	1	16	\$18,000	512	1	16	8	\$5,000	\$23,000	192	n/a	0.1
3	New Mechanic Service Line Training **	10	1	56	\$20,000	560	1	56	5	\$11,000	\$31,000	420	n/a	0.2
2	Return to Work Driver Safety Assessments **	90	1	2	\$0	180	1	2	90	\$7,000	\$7,000	270	n/a	0.1
3	Airbrake Refresher Employee Licence Renewal **	100	5	4	\$0	400	1	4	8	\$1,200	\$1,200	48	n/a	0.0

Training Hours	13,080	Total Instructor Hours	8,915
Training Hours / Employee	20	Total Instructor Complement	4.5
Training Cost / Transit Expense	0.9%	Total	\$735,000
New Training Cost / Transit Expense	0.3%	New	\$292,600

1. Legislated Training
2. Corporate Initiative
3. Transit Specific Requirement
4. Additional New Operator Training Requirement

* Training funded from other sources
 ** Current Training budget

Note: Airbrake Refresher Unpaid

Appendix D - Recent Community Contacts

Feedback Id	Memo
37404	Customer said he and his disabled mother in a wheelchair waited 45 minutes to be able to board her wheelchair on the bus. He said that 5 buses were too full and could not accommodate her. He feels that she should not have to wait that long and HSR should do more to ensure buses are not so packed that customers cannot get on.
37879	Today (July 1st, 2010) I worked and at the end of my shift (7pm) I waited and as it was a holiday I expected Sunday service, which usually is every 30 minutes. I waited for 90 minutes to have 3 buses drive by without stopping to pick up the passengers who were waiting.
37929	Operator pulled up to the stop and had a person with a walker standing at the front of the bus while the bus was traveling. Operator opened the door and told them they could not get on the bus because it was too full.
38267	Customer said her son and his friend waited for 45 minutes because all the buses were by passing because they were full. They had to walk to the Mall where she picked them up when she finished work. By the time, she got the boys home it was 5:20p a full two hours after they were dismissed from school at 3:15p. She feels this is ridiculous and HSR needs to address this issue.
38268	Customer said she was waiting for a bus and numerous buses by passed her because they were jammed with students. Feels HSR needs to add more buses on weekday mornings.
38298	Customer said he was standing at the stop and without a word of a lie, counted 10 buses that went passed him because they were full. He finally got on the 11th bus. Feels HSR needs to be doing more to accommodate the large number of passengers waiting for buses on weekday mornings.
38302	Three times this week, at different times of day (Monday at 10:30am, Tuesday at 11:30am, Thursday at 7:30am) I've found myself at the bus stop and each of these three times, the bus has passed the stop by entirely because it was already too full.
38314	I missed the bus today because it was full and did not stop. Waiting 20 minutes for the next bus just wasn't an option because I would have had 43 students standing out in the hall, so I had to take a cab instead. At its current capacity, this route is not pleasant, not reliable, and not even safe. I'd like to see either buses running more frequently or a double-bus used for that route.
38336	Complainant was waiting at a bus area and the woman bus driver waived to him from the bus indicating that there was no more room on the bus and drove past him. He is very upset and he had to take a taxi.
38344	Customer said she takes the same bus every day and lately since the students went back to school, she can't get on this bus because it's too full. She said that either HSR has to put an accordion bus on this route or add another bus in the peak a.m. times. She was 20 minutes late for work because she couldn't get on the bus.
38345	I'm not willing to wait for the 9th bus to ride so please put more buses on this route. I'm late going to my exam.

**SUBJECT: Transit 2011 Operating Budget & Annual Service Plan
(PW10101) - (City Wide) - Page 14 of 24**

Feedback Id	Memo
38346	Customer said he was trying to catch a bus but all the buses are by passing stops because they are full. Feels HSR needs to address this issue immediately as it's happening every day now.
38348	Customer said that the buses are passing by many students because they are full. Feels HSR needs to address the overcrowded buses because these kids are waiting up to 45 minutes to get a bus home from school.
Feedback Id	Memo
38349	Customer said the bus drove past her at the stop because it was full. She said this has been happening regularly ever since the students went back to school and feels that HSR needs to add more buses because it's ridiculous that she can't get to work on this bus.
38378	The HSR needs to seriously consider adding additional buses at 8:00a. I arrived at the bus stop this morning at 7:50a and was not able to get on a bus until 8:30a. Every morning is like this with a minimum of 15 people waiting at this particular stop. Today there were at least 30 people waiting. Take the initiative to run another bus at this time to allow everyone to get where they have to go on time. There is no reason why anyone should have to wait 40 minutes before they can get on a bus. Literally, 7 or 8 buses passed our stop before one had room for passengers.
38379	This bus frequently fills up with students and this overcrowding happens multiple times a day. I definitely believe the issue with the overcrowding needs to be addressed.
38384	The bus is at its fullest and likely to ignore students waiting at a stop between the hours of 12:00p and 4:00p. During these hours when the bus is late, it's likely to miss connections.
38387	Customer is not happy the bus is full and passing her by 2-3 times a week and wants the HSR to fix the problem because it's making her late for work.
38404	There are too many "Cadillac" strollers on the buses these days that are using the wheelchair spaces forcing the disabled PMD user to have to wait for 4-5 buses before they can be boarded. He said he knows HSR is in a tough spot because stroller riders will cry discrimination if they are not permitted to board but on the other hand PMD riders can't get on a bus as long as HSR permits these large strollers to board.
38422	Customer said the operator was asking people to move to the back but no one was complying with her request so she told this customer and others that they had to get off the bus because there was no more room for them.
38425	Customer said this bus arrived late and was packed.
38432	Customer said the bus is full to the rafters every trip in the morning. Said the HSR needs to add more service to this route or at put artic buses on instead of the 40 footers because many passengers are being left behind.
38433	Customer said that the buses are so packed in the mornings and many people have to wait 4-5 buses before they can get on. Feels HSR needs to address this and act on it very soon.

**SUBJECT: Transit 2011 Operating Budget & Annual Service Plan
(PW10101) - (City Wide) - Page 15 of 24**

Feedback Id	Memo
38443	<p>She was at her stop at 7:20a but didn't get on a bus until 8:10a. She said 6 buses by passed her full and she had to wait until bus number 7 before she could get on. Feels more service is required during the am rush hour.</p>
38475	<p>This morning, I stood in the rain as 4 busses passed myself and others waiting at my stop. The HSR needs to do demographic studies, customer surveys, population statistics, plotting of student houses, rethinking of stop locations and what routes service those stops. Day after day, busses are too full to pick up people at my stop.</p>
38481	<p>Customer said there are not enough buses running during dismissal times and many kids are left behind because the bus is too full at 3:17p. She feels HSR either needs to put another bus on that runs right behind this one or at the very least put an artic bus on the route so all kids can be accommodated.</p>
38515	<p>Customer said that 3 buses passed her at this stop because they were all full of students. She said HSR needs to add more buses along this route so everyone can be accommodated.</p>

Executive Summary:

This report responds to Council direction to staff to report back on two separate but related matters.

Council directed that staff report back on:

- “(a) Transit service level improvements that would be prioritized with the transfer of \$3M (or a lesser amount) in funds from the Federal Gas Tax to the Provincial Gas tax fund, and
- (b) An implementation strategy for carrying out this transfer, including an understanding on the impact of current Federal Gas Tax priority allocations.”

Council also directed staff to report back on the recommendations arising out of an extensive Operational Review of the Transit program. The preliminary findings of the review were first presented with the 2010 Transit budget to Committee of the Whole in November 2009.

The recommendations contained in this report rely on the consultant recommendations arising from the Transit Operational Review (O/R) as well as relevant input from other sources that includes public feedback received through the ongoing Transit Community Contacts program, ongoing ridership surveys conducted by the Transit Planning Section, ongoing transit service performance monitoring through the Transit Service Quality program, employee feedback through the joint Union/Management Transit Runtime and Safety & Security committees, as well as related Council policies including the Transit Vision 2040 Report (PW09081) September 2009.

Combined, these transit service performance monitoring tools indicate some recurring trends:

- Current transit service delivery performance is generally well regarded by the public, however;
 - Requests from transit users for higher transit service levels are on the rise and are characterized by requests for less crowding so they can sit, fewer full buses, more boarding and alighting time for seniors and persons with disabilities, enhanced schedule reliability, etc., and further, that these service requests need to be addressed in the short term to prevent service delivery performance from deteriorating to an unacceptable level;
 - The bus Operators and their Union representation advise that added pressure on maintaining scheduled service reliability due to growing numbers of service delivery responsibilities such as ramp deployment, bicycle racks, growing traffic congestion, etc., without sufficient increase in

**Appendix E
Excerpt from Report PW10077**

- service levels could inhibit their ability to provide reliable service and may place a strain on community and employer relationships;
- Community support exists for increased investment in Transit.

Serving over 70,000 Hamilton residents on an average work day, Public Transit is one of the most visible municipal public services in the community.

The proposed short-term transit improvement strategy will make a measurable and valuable contribution towards addressing a growing community concern that Transit service level growth is not keeping pace with community expectations.

The key Operational Review study findings conclude that:

“fundamental changes will be required if transit is to succeed in a world of increasing social, economic, environmental, technological and policy change citing the need for a significant shift in policy, from cost driven to a market-driven policy with less emphasis on cost recovery”.

The consultant forecasts that in order for Hamilton to achieve its' Transportation Master Plan (TMP) goals for Transit of doubling the Transit rides/capita and to achieve similar transit use experience in comparable sized municipalities throughout Canada, Hamilton will, in the next 5 years (2014) need to increase service hours by 320,000 (+47%), representing an increase in operating expenditures of \$30 million. This plan presents an opportunity for Council to achieve measurable progress towards its' TMP goals.

New investment in transit service levels over the past decade has been achieved through the Provincial Gas Tax program as summarized in the Table below.

<i>Estimated Annual Provincial Gas Tax Revenue</i>	10,983,730
HSR Enhancements	3,906,520
ATS Enhancements	1,750,520
In Lieu of Fare Increase	<u>2,326,690</u>
<i>Ongoing Operating Commitment</i>	7,983,730
Replacement - Add'l 3 per year	1,500,000
12 Year Bus Life	<u>1,500,000</u>
<i>Ongoing Capital Commitment</i>	3,000,000
<i>Estimated Annual Provincial Gas Tax Available Funds</i>	<u><u>0</u></u>

As identified through Report (FCS10021), dated March 24, 2010, staff identified to Council that the Amending Agreement, relating to Federal gas tax revenue sharing, reflects the new allocation amounts for the extension period and the revised timelines as a result of the extension.

**Appendix E
Excerpt from Report PW10077**

Through the Amended Agreement, the City of Hamilton has now been recognized as a “large urban municipality”. As such, the City of Hamilton will be limited going forward to two (2) eligible project categories over the expansion period. Through the above report, staff projected that the two eligible project categories to include Roads and Bridges and the addition of Public Transit effective in 2011.

To the latter segment of the motion, the financial analysis section of this report speaks to the City’s infrastructure and repair deficit, as well as the Federal gas tax revenue sharing projections in relation to the City’s projected discretionary capital budget. In summary, an enhancement in Transit program funding, all things remaining equal will result in a lesser level of funding for discretionary capital (block funding). As part of the 2010 Tax Supported Capital Budget process staff highlighted the fact that projected annual gross capital budgets, over the next few years, may be significantly less than previous years. The projections reflect, in part, uncertainty surrounding Provincial and Federal funding commitments in future years, and the relatively high reliance of these funding commitments as it applies to the City’s discretionary capital funding capacity. The Table below provides a forecast of the City’s infrastructure funding shortfall, based on the 10 year annual average funding projection, as presented through the 2010 Tax Support capital budget summary. Consequently, any additional financial support for Transit through Federal gas tax revenue sharing, will reduce the potential funding for other projects/initiatives as identified in the table below, all things remaining equal.

TABLE 1

Infrastructure Funding Shortfall Forecast (\$000's)			
	2010 Required	10 yr. Annual Average Funding Forecast (2010 - 2019)	Projected Annual Infrastructure Deficit
Roads	75,000	48,000	27,000
Corporate Facilities (Excl. CH)	20,000	7,000	13,000
Indoor Rec. Facilities	20,000	17,000	3,000
Parks	15,000	5,000	10,000
Information Technology	15,000	13,500	1,500
Forestry	10,000	2,500	7,500
Total	155,000	93,000	62,000
Note: Excludes provisions for Replacement reserves			

As per the information contained within the financial section of this report, the City of Hamilton’s capital funding capacity is projected to decline relative to previous years principally due to declining funding commitments from higher levels of government. Based on this projection, the City will be challenged to deliver on the required level of infrastructure investments, potentially resulting in a greater funding gap and therefore a greater infrastructure deficit.

**Appendix E
Excerpt from Report PW10077**

A telephone survey of the Municipalities across Canada with populations over 500,000 revealed that all but one Municipality, other than Hamilton, allocated dedicated Federal Gas Tax to Transit, a few as much as 100%.

The Consultant report provides recommendation on a number of other transit initiatives. All of these initiatives are addressed in the current transit program work plan or will be addressed in future reports. A reference table is provided within the background section of this report.

The Transit Capital budget has historically been self-sustaining through a combination of funding from contributions to the Operating budget, Provincial and “one-time” Federal grants. There has been no reliance on the Corporate Capital budget. Arising from the recent Provincial announcement of the loss of Ontario Bus Replacement Program funding (OBRP), the Transit Capital fleet replacement program is projected to go into deficit in 2016. Recommendation (b) contained in this report seeks Council’s authorization and direction for the consideration of an additional permanent allocation of \$3.7 million in FGT to the Transit Capital budget to replace the lost OBRP funding within the 2011 Corporate Capital Budget submission. A summary of the current status of Transit reserves is attached to this report as Appendix “B”.

**Appendix F
Excerpt from Report PW03128c**

Executive Summary:

This report presents two separate, but related recommendations regarding implementation of the City's new eligibility policy for Council's consideration.

Recommendation (a) (i) seeks Council's approval and direction for the reallocation of previously reserved funds for implementation of Council's new Specialized Transit Eligibility policy, (Report PW03128), to fund an immediate increase in the Specialized Transit program of 17,000 trips annually on a permanent basis in response to an unacceptable level of trip request denials. The annualized 2010 costs of \$500,000 can be accommodated within available operating funding approved for the implementation of the new eligibility policy, and there is no requirement in 2010 for additional staffing within the ATS program, as the trips result from existing levels of requests.

Given the current operating configuration with DARTS as the primary service provider, additional fleet will be required in 2010 and beyond to provide the expanded number of trips expected. Recommendation (a) (ii) to this report provides authority to purchase additional vehicles in 2010 in conjunction with the planned fleet purchase. Future fleet expansion necessary to accommodate the annual increase in trips will be brought forward for consideration as a capital program request in each year of the multi-year budget implementation plan, and will be dependent on the nature of the trips to be served.

Recommendation (b) responds to Council's directions arising from the predecessor to this Report, that being PW03128(b). At that time, Staff recommended adoption of a new Eligibility Policy for the Specialized Transit program as well as a "phased-in" approach to implementation. The proposed policy was approved in its entirety, with one notable exception, reassessment of the existing clients under the new policy. While the reassessment would ultimately result in substantial future budget pressure mitigation, it would also have displaced a number of clients that had come to rely on the service over a period of years. Notwithstanding, the Project Steering Committee, composed of members of the Advisory Committee for Persons with Disabilities, Seniors Advisory Committee, and the community, recommends the reassessment based on equity and the opportunity to create new capacity from the existing budget for the newly eligible clients with no other affordable means of transportation.

As directed, and as described as Phase 2 in Report PW03128(b), a study was carried out on behalf of the City by Nelson/Nygaard Consulting Associates, given a number of cost and operational uncertainties that required further study before full implementation implications could be determined. The study reached a number of significant conclusions, which are detailed in the Appendix A to this Report.

The third and final phase of the new policy implementation gave staff direction to report back to Council with an implementation plan based on the Consultant's findings. This

**Appendix F
Excerpt from Report PW03128c**

Report provides the analysis and recommendations for implementing necessary service changes over a four (4) year period starting in 2011, subject to Council approval of a multi-year service enhancement and budget implementation plan as detailed in Recommendation (b) to this Report.

There is an unprecedented anticipated influx in demand that will result from the changes in the policy, as well as concurrent increases due to general growth in senior and disabled demographic groups, and those increases anticipated from enactment of further *Accessibility for Ontarians with Disabilities Act, 2005* (AODA) legislated standards. As well, there has been a growth in the number of trip request denials on the DARTS service within the latter half of 2009, which was not identified at the time of the Study but will require address with the other identified new demand.

The increase in demand due to eligibility changes alone is projected at 34%, to be met over a two year phase-in period, beginning in 2011. There is a further projected impact of 22% resulting from accommodation of current latent demand for trips, expected population growth in the senior cohort, and anticipated service requirements under AODA. In all, accommodation of up to 250,000 new trips annually should be expected by 2014. Recommendation (b) to this Report sets the target for taking new registrants into the program beginning in 2011, subject to further Council approval during 2011 budget discussions which allows for sufficient lead time to put required services into place, and to ensure that there is no impact on the City tax supported budget in 2010.

TABLE 1 5 Year Demand Forecast

Unconstrained Demand Forecast - Without Reassessment						
	2009	2010	2011	2012	2013	2014
Base	426,585	426,585	426,585	426,585	426,585	426,585
Unaccommodated Current Demand		17,063	17,063	17,063	17,063	17,063
Demand due to Eligibility Changes	-		47,865	95,731	143,596	143,596
Increase due to Population Growth	-		6,583	13,988	23,203	31,693
Increase due to Service Changes	-		-	15,309	31,463	48,444
Total demand	426,585	443,648	498,096	568,676	641,910	667,381
Cumulative Change to 2009		4%	17%	33%	50%	56%

Based on 2010 program budget and projected annual general cost increases of 3%, the 5 year impact of demand growth results in a requirement for \$5.7M in new annual operating requirements by 2014, as noted below.

TABLE 2 5 Year Projected Cost Impacts

		Cumulative New Trips	City Customer Service FTE	Cumulative New Costs	Increase over Previous Year	Avg Cost Per New Trip
WITHOUT REASSESSMENT	2010	17,063	-	\$ 431,000	\$ 431,000	\$ 25.26
	2011	71,511	1.9	\$ 1,456,000	\$ 1,025,000	\$ 20.36
	2012	142,091	4.5	\$ 3,017,000	\$ 1,561,000	\$ 21.23
	2013	215,325	7.1	\$ 4,754,000	\$ 1,737,000	\$ 22.08
	2014	240,796	8.0	\$ 5,689,000	\$ 935,000	\$ 23.63

Approval of a service enhancement and budget implementation plan will be sought as part of the 2011 budget process, in order to confirm Council's direction for the multi-year implementation. Staff will then establish the support systems required for administration of the new eligibility policy including issuing an RFP and contracting with the professional third party resources required to administer the functional mobility assessments necessary to determine eligibility.

The projected funding for the program change is approximately \$5.7M by 2014 for which there is \$500K in approved operating funds, but no current identified funding source for the remaining \$5.2M. Recommendation (b) to this Report directs staff to bring forward a plan for Council endorsement of the approach to increases in the program requirement of the City tax supported budget in each of the years between 2011 and 2014, in predetermined amounts subject to annual verification of actual requirements. This approach is necessary as once initiated, there is little if any opportunity for withdrawal or modification of the program changes based on cost and/or funding availability, the reason being that the predominance of newly eligible registrants, while large in anticipated numbers, is expected to be narrow in scope of disabilities, essentially comprised of persons with developmental and visual disabilities. As such, it will be impossible to constrain client registration growth once the eligibility policy is expanded to include these further classifications of disability.

Hamilton's existing eligibility policy specifically includes both those with Alzheimer's and those requiring dialysis as automatically eligible with no further screening for determination of functional capability to use conventional transit. Additionally, Hamilton's Taxi Scrip program, accounting for some 25-30% of all trips is an exceptional offering that exists in a limited number of municipalities across Canada. As identified in the 2010 Transit budget presentation, these are the major contributing factors to Hamilton having an extraordinarily high number of registrants and trips per capita.

The Nelson\Nygaard study strongly recommends recertification of existing registrants, within a time frame of 18-24 months from implementation of the program, using a "screen in" process to determine those who would clearly meet the criteria for unconditional eligibility. Recertification of existing ATS registrants would achieve goals

**Appendix F
Excerpt from Report PW03128c**

of equity and consistency, and the realization of cost mitigation of some \$1.2M in annual operating cost by 2014, which might be deployed in meeting the service expansion required to meet the needs of new registrants resulting from the change in policy. The cost differential of the decision to not reassess existing registrants is set out in Table 3 below.

TABLE 3 Cost Impact of NOT Reassessing Existing Registrants

		Cumulative New Trips	City Customer Service FTE	Cumulative New Costs	Increase over Previous Year	Avg Cost Per New Trip
WITH REASSESSMENT	2010	17,063	-	\$ 431,000	\$ 431,000	\$ 25.26
	2011	54,381	1.3	\$ 1,157,000	\$ 726,000	\$ 21.28
	2012	106,020	3.2	\$ 2,349,000	\$ 1,192,000	\$ 22.16
	2013	159,749	5.1	\$ 3,674,000	\$ 1,325,000	\$ 23.00
	2014	182,938	5.9	\$ 4,505,000	\$ 831,000	\$ 24.63
<hr/>						
		Cumulative New Trips	City Customer Service FTE	Cumulative New Costs	Increase over Previous Year	Avg Cost Per New Trip
WITHOUT REASSESSMENT	2010	17,063	-	\$ 431,000	\$ 431,000	\$ 25.26
	2011	71,511	1.9	\$ 1,456,000	\$ 1,025,000	\$ 20.36
	2012	142,091	4.5	\$ 3,017,000	\$ 1,561,000	\$ 21.23
	2013	215,325	7.1	\$ 4,754,000	\$ 1,737,000	\$ 22.08
	2014	240,796	8.0	\$ 5,689,000	\$ 935,000	\$ 23.63
IMPACT OF NO REASSESSMENT				\$ 1,184,000		

The issue of inequity introduced by not reassessing existing passengers has been identified by the Project Steering Committee, which includes representation from the community, as a major inconsistency in the approved program. The Steering Committee anticipates that the inequity between persons with disabilities within the community will be a significant issue, and supports the consultant recommendation in this regard, strongly recommending Council reconsideration of the approved direction.

Given the current operating configuration with DARTS as the primary service provider, additional fleet will be required in 2010 and beyond to provide the expanded number of trips expected. Recommendation (a) (ii) to this report provides authority to purchase additional vehicles in 2010 in conjunction with the planned fleet purchase. Future fleet expansion necessary to accommodate the annual increase in trips will be brought forward for consideration as a capital program request in each year, and will be dependent on the nature of the trips to be served.

Recommendation (d) seeks authority for retention of a Project Manager for a 24 month fixed term to carry out Recommendation (c) to this Report, as well as to initiate implementation activities. The program changes being contemplated require extensive

**Appendix F
Excerpt from Report PW03128c**

work with community stakeholders, multiple service providers, and several thousand registrants and/or their family and caregivers. Stakeholders within the services sector dealing with persons with developmental and cognitive disabilities have offered to work closely with the City to find new and creative ways of providing service and to ensure that cost impacts are minimized. The work cannot be undertaken with existing staffing levels in the ATS section of Transit.

Implementation of the revised eligibility policy for the specialized transit program, the basis for this report, will represent the most significant and complex change in this program in some 15 years, and will establish the program vision for at least the next 5 years.