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STAFF REPORT: COMMUNITY SERVICES DEPARTMENT



REPORT TO: Committee of the Whole
MEETING DATE: February 3, 2014
REPORT NO.: DOR.14.06
SUBJECT: Update re: Link to Collingwood Transit
PREPARED BY: Shawn Everitt
 Director of Community Services

A. Recommendations

THAT Council receive Report DOR.14.06 entitled “Update re: Link to Collingwood Transit”, for information purposes;

AND THAT Council direct staff to bring forth a further report analyzing the transit trial and future options for the link to the Collingwood Transit system, as set out in report DOR.14.06.

B. Background

In October 2013, a proposal was made to Council by The Blue Mountain Village Association and Blue Mountain Resorts to enter into a joint pilot project that would have a 6 month Trial of a Public Transportation System that would provide a link from the existing Collingwood Transit System to The Blue Mountains. Included in this pilot project, Blue Mountain Resorts as well as the Blue Mountain Village Association would provide new Public Transit Bus stops within the Resort area that would provide support to employees for transportation.

Council approved Staff Report CAO.13.10 in November 2013 authorizing the Clerk and Mayor to sign an agreement for the 6 month trial pilot project. Once approved Town staff worked with Blue Mountain Resorts, the Blue Mountain Village Association as well as Collingwood Transit staff to determine how the Public Transit link would operate, where the appropriate stops would be located, as well as determining the hours of operations of the trial.

The bus currently operates 7 days a week between 7:00a.m. – 10:00a.m. and 3p.m. – 7:00p.m. The locations for stops for the Trial Period are as follows:

- 1) The Blue Mountains Link leaves on the hour from the Colltrans hub at Pine Street and Second Street.
- 2) Hurontario Street & Sixth Street
- 3) Oak Street and Sixth Street
- 4) High Street and Sixth Street
- 5) Georgian Meadows residential area
- 6) Mair Mills residential area
- 7) South Base Lodge stop, on Gord Canning Drive bus lay by

- 8) Blue Mountain Village stop by Grand Georgian and Village main entrance using existing taxi & bus area
- 9) Blue Mountain Inn stop, location is within the Blue mountain Inn parking lot
- 10) Lakeshore Road East, stop is located at the Craigleith Community Centre
- 11) Timmons Street Bus Stop, location is at existing Town property
- 12) First Street and High Street
- 13) Return to Colltrans hub at Pine Street and Second Street.

The tracking of ridership of the link during the first two months has provided encouraging numbers for the winter months. The original proposed budget "Attachment 1" projected 750 riders per month in addition to the sales of 40 monthly passes per month were used to provide the expected level of revenue.

Original Budget as proposed

<u>Tickets</u>	December 2013	January 2014
Projected Riders per month	750	750
Monthly Passes	40 per month	40 per month

Actuals as of end of January 2014

<u>Tickets</u>	December 2013	January 2014
(Actual Riders per month)	1968 riders 1,218 more than projected	2080 riders 1,330 more than projected
Monthly passes (per month)	25 passes 15 less than projected	25 passes 15 less than projected

The ridership numbers for the first two months have surpassed the numbers anticipated in the original proposal. However, in reviewing the original request to Council, staff note that the document identifies on Schedule #2 that Blue Mountain Resort summer employee head count numbers are 45% of that of the winter and the spring and fall head count is 25% of the winter numbers for employees. Accordingly, there is some question as to the extent of any potential decline in ridership and revenue numbers during those periods.

Moving forward, staff propose to bring a report to Council later this month reviewing a number of matters related to the transit trial. Items that staff anticipate will be considered in the report include:

- a review of the potential decline of ridership during non-skiing seasons;
- if and where additional stops maybe required;
- whether existing trial stop locations are needed;
- detailed costs of bus stop location enhancements;

- what the required capacity of a potential new bus may be if the service were to be continued beyond the trial period;
- what the potential purchase agreement for a new bus may look like;
- whether there is merit in extending the trial for a further trial period in order to better ascertain the nature and impacts of off-season ridership; and
- a report on the willingness of trial partners to provide extended and/or permanent financial contribution toward the transit link beyond the trial period(s).

It is anticipated that with direction from Council, a future report detailing the options and costs could be brought forth at the February 24th 2014, Committee of the Whole meeting for consideration.

C. The Blue Mountains' Strategic Plan .

Among others, "The Blue Mountains Sustainable Path" document contains a theme of "Regional Thinking", with a goal of creating "a strong vibrant regional community".

Under the theme of "Accessible and Integrated Public Transit System", one of the Goals identified is to: "develop an integrated public transportation system".

D. Environmental Impact

Increasing access to public transit reduces the dependence on, and use of cars. This improves air quality, decreases greenhouse gas emissions and conserves energy.

E. Budget Impact

With the higher than projected ridership it is anticipated that budgeted funding from the Town of an upset limit of \$18,000, for this trial project will fall within or under budget.

F. In Consultation With

Troy Speck, Chief Administrative Officer
Kristofer Wiszniak, Collingwood - Engineering Technician

G. Attachments

1. October 7, 2013 Public Transit Proposal

Respectfully submitted,

Shawn Everitt
Director of Community Services

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To: The Blue Mountains Council
From: Blue Mountain Resorts Limited and the Blue Mountain Village Association
Date: October 7, 2013
Re: Public Transit

1. PROPOSAL

Extend the Town of Collingwood public transit service to the Craigeith area of the Town of The Blue Mountains.

After several years of discussions about extending public transit between Collingwood and The Blue Mountains, there are three key conditions that today permit a tremendous opportunity to finally test the viability of this service:

1. Collingwood is looking to better serve the western portions of its community;
2. The Blue Mountains' largest employer is willing to invest in public transit in order to overcome barriers to their workforce;
3. There is the experience of the link between Wasaga and Collingwood that provides evidence on the incremental increase in regional transit.

2. BACKGROUND

History

October of 2007

Discussions with representatives from Collingwood, The Blue Mountains, Blue Mountain Resorts and some private business owners. The discussions were limited to determining the basic needs, the potential users, and required level of service. Blue Mountain Resorts advised that they were already shuttling their housekeeping staff from Wasaga Beach to the Resort. The people in attendance representing the Village owners indicated a need for transit service for employee retention, as well as expanding the catchment area for their workforce. The Blue Mountains advised that they were not in a position to pursue the project at this time, and that it would be necessary for council and staff to review a potential service in the years to come.

July of 2010

Staff from Collingwood, the Town of Wasaga Beach and The Blue Mountains met to discuss the opportunity to implement a Transit Link between the three municipalities. At that time The Blue Mountains was not in a position to proceed, and Collingwood and Wasaga Beach continued to work as partners on this venture and successfully launched the Collingwood/Wasaga Beach link which has proved to be successful for the past two years.

August of 2012

Town of Collingwood staff were directed by Council to pursue talks with The Blue Mountains and the Resort to begin to develop a working relationship and eventually a plan to implement a service between the two municipalities, due to the growing need for public

transit as well as public demand by way of online petition. As per Council's direction, Collingwood staff organized and chaired several meetings with interested stakeholders to develop a business plan for a transit link between the two municipalities.

2013 Meetings

There have been two Stakeholders Meetings attended by the following:

Brian Macdonald, Manager Engineering, Town of Collingwood
Kris Wiszniak, Engineering Technician, Town of Collingwood
George Vadeboncoeur, CAO Town of Wasaga Beach
Bruce Hoppe, Manager of Development, County of Simcoe
Greg Marek, Planner III, County of Simcoe
Randy Scherzer, Director of Planning and Development, County of Grey
Troy Speck, CAO , The Blue Mountains
Sue Nicholson/Bob Cooke, Collingwood BIA
Don Braden, President, Blue Mountain Village Association
Dave Sinclair, Vice President Human Resources, Blue Mountain Resorts
Shane Maclaughlin, Board of Directors, Collingwood Chamber of Commerce

Specific discussions at the meetings included the cost of service, hours of service, appropriate routing, and available funding. During the roundtable discussion, each stakeholder group provided additional information which was valuable in determining potential ridership, funding and future transit expansion.

A very integral part of the meeting was the potential for a partnership between the municipalities and the businesses in the Blue Mountain Village and employees of BMR Limited. Resort employees were surveyed to obtain an indication of the demand for transit service.

With service requirements now identified, a basic service level was determined to allow for an accurate price point to be established for the type of service required for all parties involved. Collingwood staff also worked with the Ministry of Transportation (MTO) and the Canadian Urban Transit Association (CUTA) to determine additional funding opportunities to help burden the costs associated with the service. The County of Simcoe has also identified their support of the initiative, however is not, at this time, in a position to commit any funding in the form of operating funds. Similarly, the County of Grey also supports the initiative being undertaken but is not in a position to commit funding. The County of Grey has now included the transit link in their Transportation Master Plan which is now available for public review.

Political Meeting – September 4, 2013

On September 4, 2013 a meeting was held of the senior elected representative of the jurisdictions impacted including:

Sandra Cooper, Mayor, Town of Collingwood
Rick Lloyd, Deputy Mayor, Town of Collingwood
John Brown, CAO, Town of Collingwood
Brian Macdonald, Manager Engineering, Town of Collingwood
Kris Wiszniak, Engineering Technician, Town of Collingwood
Cal Patterson, Mayor, Town of Wasaga Beach/Warden, County of Simcoe
David Foster, Deputy Mayor, Town of Wasaga Beach
George Vadeboncoeur, CAO Town of Wasaga Beach
Ellen Anderson, Mayor, The Blue Mountains

Duncan McKinlay, Deputy Mayor, The Blue Mountains/Warden, County of Grey
Troy Speck, CAO, The Blue Mountains

Attendees were presented with the background and details of the discussions to date. Those details included the financial impact of a six month trial as well as projections for a link service out to 2018.

3. NEXT STEPS

It is clear to the Resort that Collingwood and Wasaga Beach staff and elected representatives see the extension of the current transit service to The Blue Mountains as a valuable service to their own communities. There are certain windows of opportunity for a trial to fully reflect the expected peak demands especially the human resource needs of the Resort. The first such ideal window is to have a trial announced in October and operational in November. With this in mind, the Resort has decided to put the proposed issue before the The Blue Mountains Council at this time. It is our hope that this deputation will prompt a timely consideration by staff and Council of a six (6) month trial service.

This deputation sets out the Business Plan for a trial including cost estimates, indications of demand, sources of funding and the service route. These details have been developed by Town of Collingwood engineering staff and are based on the same data reviewed by all parties to the 2013 meetings (with the exception of the significant increase in the funding contribution by the Resort stakeholders).

We respectfully request Council to instruct staff to negotiate a contract with the Town on Collingwood for the extension of their public transit to the Craigeith area of the Town of The Blue Mountains for a six (6) month trial service commencing November 1, 2013.

4. BUSINESS PLAN:

With Collingwood and Wasaga Beach having two successful municipal transit systems and an inter-municipal link which is gaining popularity; the most integral part of establishing a new node to a system is connectivity. It is necessary that passengers are able to travel between communities to expand workforces, connect local businesses, and explore what each has to offer.

The core hours of service for a new link should be geared towards daily riders who use the service for commuting to work, school, medical, shopping, and child care. These riders are often those who will make up the daily dedicated ridership and contribute to the majority of reliable revenues. Therefore it is necessary to ensure that the revenues that will be "counted on" for the offset of operational expenses are catered to initially. Over 2,000 residents signed a petition supporting an extension of the service.

A considerable variable in the demand for service with the service to The Blue Mountains would be the different hours of work for different occupations at the Resort. Riders could be employed in a variety of positions, from housekeeping which works during the day, to the service industry which can run until the late hours of the night. The ability to have flexibility to accommodate targeted ridership groups will also be a key factor in operating a successful service. Results of the Resort employee surveys are found in Schedule #2. This data indicates that the projected ridership in Schedule #1 could well be very conservative.

However, with the unique location of Southern Georgian Bay Communities, there is also the advantage of increased seasonal ridership in both winter and summer months which has the

potential of attracting many additional riders and reducing taxpayer contribution.

Trial Service 6 Months

Similar to the way Collingwood and Wasaga Beach approached their joint service, there was a small demand from the transit community which brought forth the initial request of a bus to operate between both Municipalities. There was a small amount of money available from the County of Simcoe in the amount of \$35,000 which was utilized as seed funding to begin a five month trial service to operate the link between municipalities. The trial service only offered transit during the peak hours of the day 6:00am - 9:30am and 3:00pm - 7:00pm, however as months progressed, the bus was at capacity and riders were being left behind. After the five month trial lapsed, both Collingwood and Wasaga Beach committed to fund the service jointly and increase hours of service throughout the day and after the first year of full service ridership had increased to 21,000 passengers.

The trial period was advantageous as it provided a baseline ridership and some way of measuring the need for service. This experience is very useful in considering the proposed six (6) month trial.

The proposed service between Collingwood and The Blue Mountains would ideally begin in November of 2013 with a six (6) month contract. During the contract, municipalities would be in the midst of budget preparations for 2014. It would be suggested to budget the cost for the remainder year of operation for 2014. At the end of the trial period, staff would review the service and prepare quarterly projections for revenue. Municipalities would then provide a report to council at budget approval to extend the contract for an additional 6 months, or until revenues/ridership have leveled off. Service would continue to be monitored as needed or until a permanent operation contract would be awarded. The budget set out in Schedule #1 was developed with the assistance of Collingwood staff and is the same as presented at the September 4, 2013 meeting except for the addition of the Resort funding commitment.

5. FUNDING:

Collingwood staff reviewed several different funding approaches for the operation of The Blue Mountains Collingwood Transit link. Ideally, in any situation such as this (being a new service), a large financial commitment is not often preferred, especially with the ridership demand not precisely determined. Funding opportunities will help burden the costs to the municipalities involved and provide an increased level of service which will draw more passengers to use the service.

Private Partnerships

Several partnerships with businesses at the Resort as well as the municipalities' respective Business Associations are key potential partners in establishing additional funding to offset operational costs. Similar to Banff, Alberta's ROAM service, the Municipality worked with hotel establishments at Rimrock and Banff Springs resort to better help staff to travel to work. Hotels provided direct operating funding in exchange for free passes for employees and guests, which at the same time committed revenue to the service by increasing ridership to report for Provincial funding.

Additionally, restaurants and business owners in the Collingwood Downtown and Blue Mountain Village could commit to purchasing a certain number of passes per month for employees or visitors to help offset costs of operation. Between *all* businesses in Collingwood and the Resort if there was a commitment of 100 passes a month for a year, there is an equivalent of \$50,000 of revenue. If Blue Mountain Resorts no longer has to operate and manage an employee shuttle,

more operating funding could also be available. It would be necessary for a firm commitment from the private partners, along with a governance agreement to state their level of commitment for a given time period.

Subsequent to the September 4, 2013 meeting, both the Blue Mountain Village Association and Blue Mountain Resorts have in total committed \$40,000 to the Trial Service. The Resort will also provide \$10,000 a year for the next 2 years. Furthermore Blue Mountain Resorts will encourage monthly bus passes through payroll deductions and the BMVA will encourage Blue Mountain Village businesses to purchase monthly passes for staff. The dollar value of these commitments is set out in Schedule #1.

MTO Provincial Gas Tax

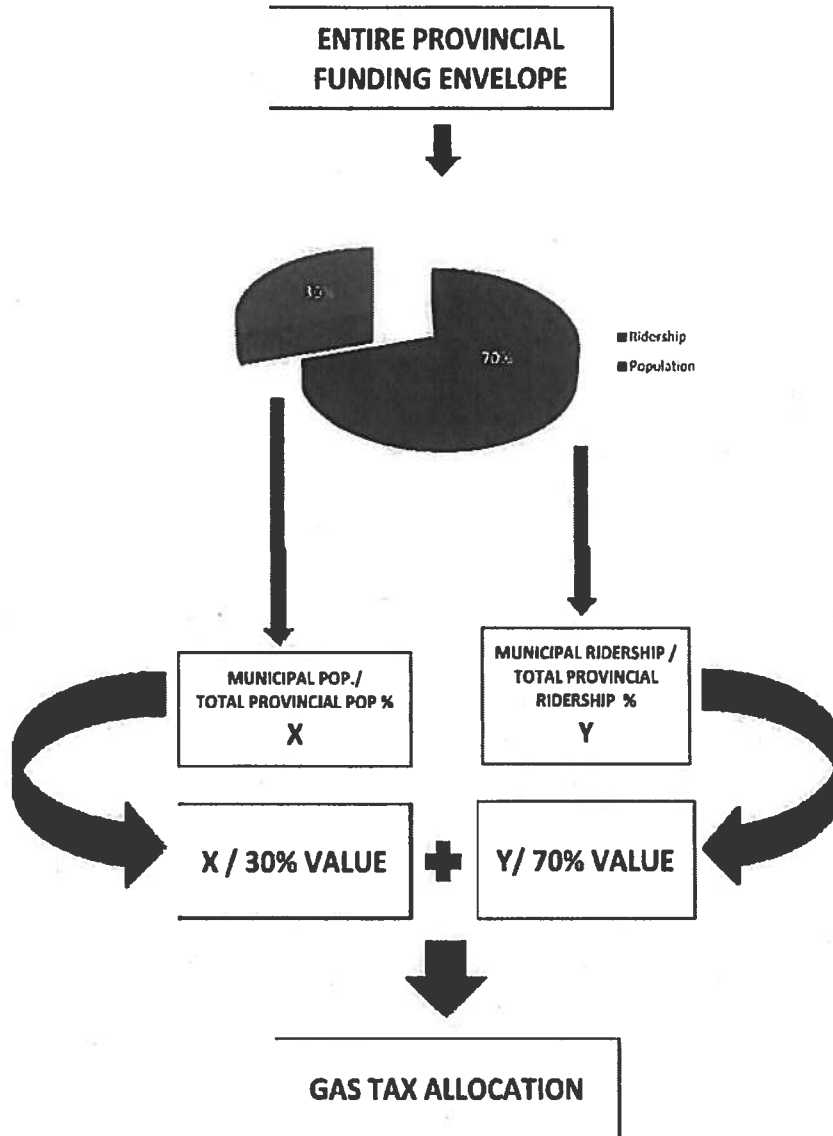
Collingwood staff have been in direct contact with officials from the Ministry of Transportation to discuss potential Provincial funding for a transit Link Between Collingwood and The Blue Mountains. The Gas Tax funding is available to all Municipalities who provide, or contribute to provide transit service in their own municipality. Funding options are below, and are directly quoted from Ministry Personnel:

1. Operate a service between the two municipalities with no financial support from The Blue Mountains. The only impact on future Gas Tax allocations would be the increased ridership derived from the new service that you would report to CUTA.
2. The Blue Mountains commits to financial support of the system, and through agreements/by-laws The Town of Collingwood acts as the 'host' municipality for the sake of the Gas Tax program. In this case, the Town of Collingwood would be allocated all Gas Tax funding, and this would include the population of the Town of The Blue Mountains in addition to transit ridership.
3. The Blue Mountains commits to financial support of the system and opts to become a Gas Tax recipient on their own. They could then enter into an agreement with you for the operation of the service. Their allocation would be based on their contribution levels, population and ridership.

Unless The Blue Mountains gets involved in public transit the community will see nothing of the provincial gas tax money - it is simply left on the table.

Gas Tax is allocated by ridership and Municipal population

The following chart illustrates Provincial Gas Tax Allocation:



The different scenarios outlined by Ministry officials have allowed staff to properly ascertain a realistic figure for Provincial Funding. Potential funding, based upon Population only has been estimated at \$55,000 a year. Once ridership is determined a more concrete figure could be estimated for additional funding.

Municipal / County Contributions

Financial support from municipalities is the most important source of funding, given that it would be necessary for both or either of the Towns to operate the service. It will be necessary to present both Councils with the options available and potential costs associated with the service.

Wasaga Beach also noted that they would proceed to their council to ask for partial funding for this new pilot project as well. They realized the importance of being involved with transportation initiatives as the partnership with Collingwood and Wasaga Beach has proved successful.

The County of Grey has noted that they have added the Transit Link into their Transportation Master Plan, and that there may be partial funding to initiate a trial service. It was suggested that a formal request on behalf of the parties interested in developing the service should be made to County Council.

The County of Simcoe has increased their budget for 2013 for transit initiatives, specifically in the area of "startup" funding. It was noted at the meeting of June 4, 2013 that there may be funding available to support this project if there was a request made to County Council.

The two key municipalities are of course Collingwood and Blue Mountains. Based on the budget in Schedule #1, the contribution for the trial required from both municipalities is approximately \$18,000. These funds would straddle two fiscal periods (\$6,000 in FY13 and \$12,000 in FY14). Council may wish to budget for the full FY14 period which would be an additional \$15,000.

Schedule #1 also sets out budgetary projections through to 2018. While it is difficult to project ridership, the assumptions used are well under the demand indicated in the Resort employee survey. There has also been no attempt to measure the non-employee use of the service. Furthermore only the Resort has been considered as a private funder but others may well come on board. Moreover there is early indication that Wasaga may contribute some funds as the extension adds value to their transit system. Both counties remain at the table but seem less likely to contribute. On the cost side it is noted that the purchase of new bus would be considered and the depreciation of that capital asset would be added to the expenses.

6. SERVICE AREA:

Throughout discussions with current potential stakeholders, a basic service area has been commented on several times and there are several areas which have been identified as "key" areas to service.

Town of Collingwood

- Georgian Meadows Subdivision
- Mair Mills Estates
- Evergreen Estates
- Agnora
- Fisher Field

Town of The Blue Mountains

- Blue Mountain Inn
- Grand Georgian
- Westin Trillium
- Craigleith Catchment

The attached map outlines the proposed route which would operate on a half hour schedule, and coincide with Colltrans/Collingwood Wasaga Beach Link as well as Wasaga Beach Transit.



7. BENEFITS TO THE TOWN OF THE BLUE MOUNTAINS:

1. Supports Regional Economic Development
 - a. Public transportation addresses the biggest barrier to working at the Resort Thereby assisting BMR limited, the Town's largest employer as well as the over 40 Blue Mountain Village employers.
 - b. Assistance the Resort employers help them prosper and buoys the local economy
 - c. Expands commerce amongst the major regional communities
 - d. Public transit connects existing affordable housing with employment opportunities
 - e. An effective private public partnership on infrastructure growth
 - f. The Blue Mountains is a partner in regional transit

2. Supports the Sustainable Path
 - a. Ensures that The Blue Mountains provincial gas tax for transit is received
 - b. Provides a "green" transportation option for residents of The Blue Mountains
 - c. Provides experience for expansion of transit within The Blue Mountains
 - d. The Blue Mountains is a forward thinking community

3. Balances municipal investment within The Blue Mountains
 - a. The Resort in particular provides significant taxes to the municipality
 - b. The Resort in particular provides significant tax savings to the municipality by paying for its own snow clearing, security, waste management
 - c. While the proposed transit service only serves Craigeith this should not be an issue for broad-minded citizens. It is no different than general tax dollars going into a Slabtown bridge, a particular section of road, snow clearing sidewalks only in Thornbury, a roundabout or any other expenditure not tied to user charges.

Town of Collingwood - The Blue Mountains Bus Service

7 Day Week
7:00am - 10:00am
3:00pm - 7:00pm

SCHEDULE #1

Description	2013 (2 months)	2014 (First 4 months)	2014 Last 8 months	2015	2016	2017	2018
REVENUE							
Taxation							

User Fees and Other Revenue

Other Municipalities							
Grey County		?					
Simcoe County		?					
Wasaga		?					
Private Partners		?					
Resort		?					
Tickets	13,300.00	26,700.00	10,000.00				
Fares (\$2.00) (750/mth with 5% increase per year)	\$ 3,000.00	\$ 6,000.00	\$ 12,000.00	\$ 12,600.00	\$ 13,230.00	\$ 13,891.50	\$ 14,586.08
Monthly Passes (40 per mth)			\$ 19,200.00	\$ 20,160.00	\$ 21,168.00	\$ 22,226.40	\$ 23,337.72
Provincial Gas Tax			\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00
Population *(estimates based on MTO formulas)			\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00
Ridership *(estimates based on MTO formulas)							

TOTAL REVENUE \$ 16,300.00 \$ 32,700.00 \$ 96,200.00 \$ 132,760.00 \$ 124,398.00 \$ 126,117.90 \$ 127,923.80

EXPENSES

Advertising	\$ 250.00	\$ 250.00	\$ 500.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Contracted Services (3% increase per year)	\$ 23,000.00	\$ 46,000.00	\$ 99,000.00	\$ 149,350.00	\$ 153,830.50	\$ 158,445.42	\$ 163,198.78
Fuel (3% increase per year)	\$ 4,900.00	\$ 9,800.00	\$ 22,200.00	\$ 32,960.00	\$ 33,948.80	\$ 34,967.26	\$ 36,016.28
Studies							
Bus Rental/Depreciation							
Sundry							
Bus Stops	\$ 500.00	\$ 500.00	\$ 3,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Maps			\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00

TOTAL EXPENSES \$ 28,650.00 \$ 56,550.00 \$ 125,200.00 \$ 184,810.00 \$ 190,279.30 \$ 195,912.68 \$ 201,715.06

NET \$ 12,350.00 \$ 23,850.00 \$ 29,000.00 \$ 52,050.00 \$ 65,881.30 \$ 69,794.78 \$ 73,791.26

Net Total \$ 36,200.00

Capital Expenses

2015 Purchase of New 40 ft Bus \$ 400,000.00

SCHEDULE # 2

	BMR Respondents		BMR Employees		Resort Area Partner Employees			Total Users	Assume 66% are Part Time (2 shifts/wk)	Assume 33% are Full Time (5 shifts/wk)	PT Employee Trips/wk	FT Employee Trips/wk	Winter (1.5 weeks)	Total Trips	
		875	"Yes"	264	"Likely"	105	Report Area Respondents							"Yes"	96
Winter	Extrapolate Survey to reflect 100% response With a more realistic actual use (50% for "Yes" and 25% for "Likely")	1800	543	216	360	256	35	462	305	153	1098	1373	37065	na	na
Summer	BMR Summer head count is 45% of Winter. Assume same as winter for Area Partners		272	54	128	9	283	187		93	673	841	na	13624	na
Spring & Fall	BMR Spring/Fall head count is 25% of Winter. Assume 50% of winter for Area Partners		122	24	128	9	150	99		49	356	445	na	na	22411
													Total Employee Ridership for Year 73,100		
													at \$1.50/ride \$109,650		
													at \$2/ride \$146,199		

Winter Trial - Estimated Revenue

	October 4th:
People who use bus	300
wks in the winter	15
# of Days per wk	3
Avg. Trips/day	1.75
Total Rides in winter	11812.5
	\$1.75
	\$20,672
	\$41,344

Note: This does not include additional employees the resort might hire because public transportation is now available, resort guests, residents from the resort area, Georgian Meadows/Mair Mills/Cwood users, etc.