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## STAFF REPORT:



<b>REPORT TO:</b>	<b>Council</b>
<b>MEETING DATE:</b>	<b>March 31, 2014</b>
<b>REPORT NO.:</b>	<b>DOR.14.13</b>
<b>SUBJECT:</b>	<b>Transit Extension</b>
<b>PREPARED BY:</b>	<b>Shawn Everitt Director of Community Services</b>

### A. Recommendations

**THAT** Council receive staff report DOR.14.13, "Transit Extension", for information purposes;

**AND THAT** Council authorize the Mayor and Clerk to sign an Agreement extending the Trial Period to August 15, 2014 with the Town of Collingwood, Blue Mountain Resorts Ltd and Blue Mountains Village Association, to determine the financial viability and ridership levels of the existing Transit in the Spring and Summer months of 2014.

**AND THAT** Council authorize the use of 2013 cost savings to fund the proposed Transit Extension in the amount of \$15,000.

**AND THAT** Council direct staff to assist the Town of Collingwood to lobby for seed funding from the Federal and Provincial Government for this trial extension.

### B. Purpose & Background

#### Purpose

The purpose of this report is to provide Council with the necessary information to make an informed decision on the future operation of the Collingwood Blue Mountain Transit Service

Ridership numbers on page 3 of this report shows numbers from November 2013 through to March 2014 and demonstrates that the winter months ridership has been more than projected in the original proposal, however the ridership numbers for the spring and summer are at present unpredictable. The requested extension to the trial will provide the most accurate information to help ensure that this is a service that riders will or will not be using.

The extension to the service may even determine if a reduced service could be offered or provide service only on certain days. Additionally, lobbying for seed money from the Province or the Counties may also provide additional sources of revenue.

## **Background**

Town staff have met with the Town of Collingwood (Collingwood), Blue Mountain Resorts Limited (BMR) and the Blue Mountain Village Association (BMVA) and reviewed the possibilities of extending the trial period for the Collingwood Blue Mountains Transit Service.

The extension to August 2014 would allow the review of real ridership numbers through April, May, June and a portion of July with the development of a long term agreement being completed in July 2014, if warranted. Council authorization of any long term agreement could occur at the July 14<sup>th</sup>, 2014 meeting of Council prior to the Council summer break. This would determine if the Collingwood Blue Mountains Transit Service would continue on a permanent basis.

During discussions with BMR and the BMVA, it was determined the continuation of partner funding would be required and is expected to continue as originally proposed, however on an extension of the trial period as opposed to a long term agreement being in place at this time.

It is important to note that allowing an extension of the trial period for an additional three (3) months will not allow for the application of potential funding from the Population portion of Gas Tax in the amount of \$55,000, as a permanent service would have to be confirmed by April 1, 2014 to be able to receive Gas Tax Funding for the 2014 operating year. In this case, staff believe at this time it is equally important to determine the potential ridership numbers during the spring and summer months to ensure that the operational and financial sustainability can continue with the Transit system on a permanent basis. It is suggested that both Collingwood and The Blue Mountains staff would meet with the Ministry of Transportation to discuss possible funding opportunities to help offset operational cost for the transit service.

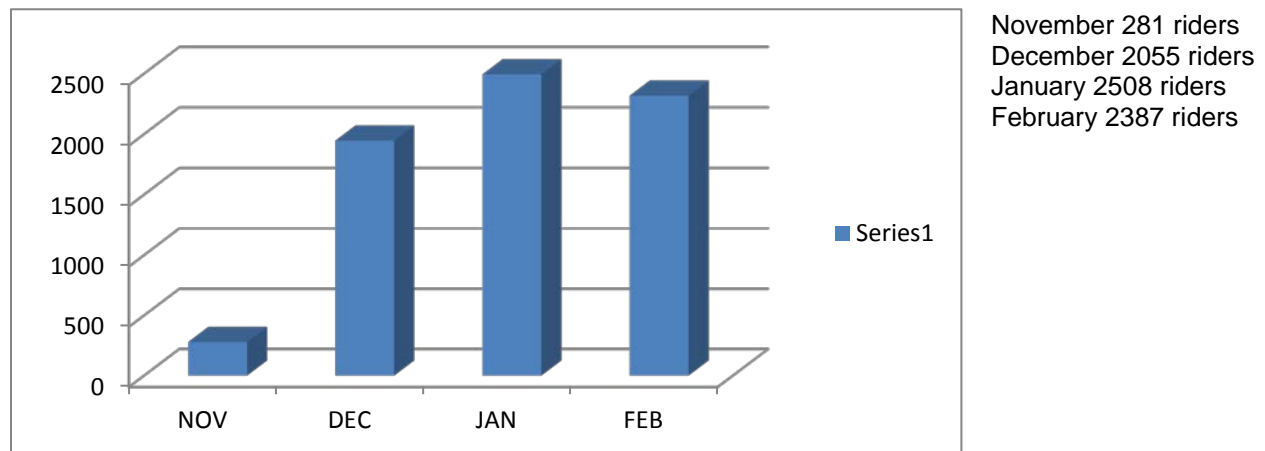
Staff will continue to monitor ridership and service levels and report back to Council during the extension, providing it is approved. Staff have undertaken a survey and compiled results along with ridership trends in the section below for information purposes.

### **Survey and Ridership results**

Monthly Ridership was initially estimated at 750 riders and has provided encouraging numbers for the winter months. The proposed budget presented to both councils, projected 750 riders per month with an additional forty (40) monthly passes projected to be sold.

As of February 1<sup>st</sup> the monthly ridership numbers are nearly triple what was projected by staff. It is important to note that although the numbers are much higher, the original budget was based upon a full year of service and factored in the lower ridership seasons, so in fact, the original budget numbers will still be used moving forward.

Without transit operation during the spring and summer months, it is difficult to determine the potential use. Below is an illustration of the past four (4) months of **total** ridership by month. Ridership for the past four months has reached over 7000 riders.



Ridership By Month

A survey was undertaken during the month of February to help determine the typical users of the transit as well as what was most important to the riders. Based upon the survey results staff anticipate no changes to the system at this time. The following illustrates the results of the survey:

1. Which Municipality do you live in?

Collingwood	58.2%
Wasaga Beach	12.0%
The Blue Mountains	29.7%
  
2. What stops would you like to see within the service corridor?
  - CCI
  - Jean Vanier
  - Toronto Ski Club
  - Mountain Springs
  - Anywhere on Grey Rd. 19 from the Village to Hwy 26
  
3. How Many Times a month do you take the bus?

1-10	-15
10-20	-17
20-30	-14
30-40	-7
40-50	-9
  
4. Do you use any other modes of Public Transit to connect with this bus?

Colltrans	63%
Wasaga Beach Link	4.9%
Wasaga Transit	31.7%
  
5. What adjustments/improvements would you like to see with this service?
  - Regular Stops at High Schools
  - Increased Hours of Service
  - 6:00am start

6. What other service hours would you like to see?

10:00am-3:00pm	-49.7%
12:00pm-1:00pm	-15.4%
12:00pm-3:00pm	-11.0%
7:00pm-10:00pm	-6.0%
After 10:00pm	-5.0%

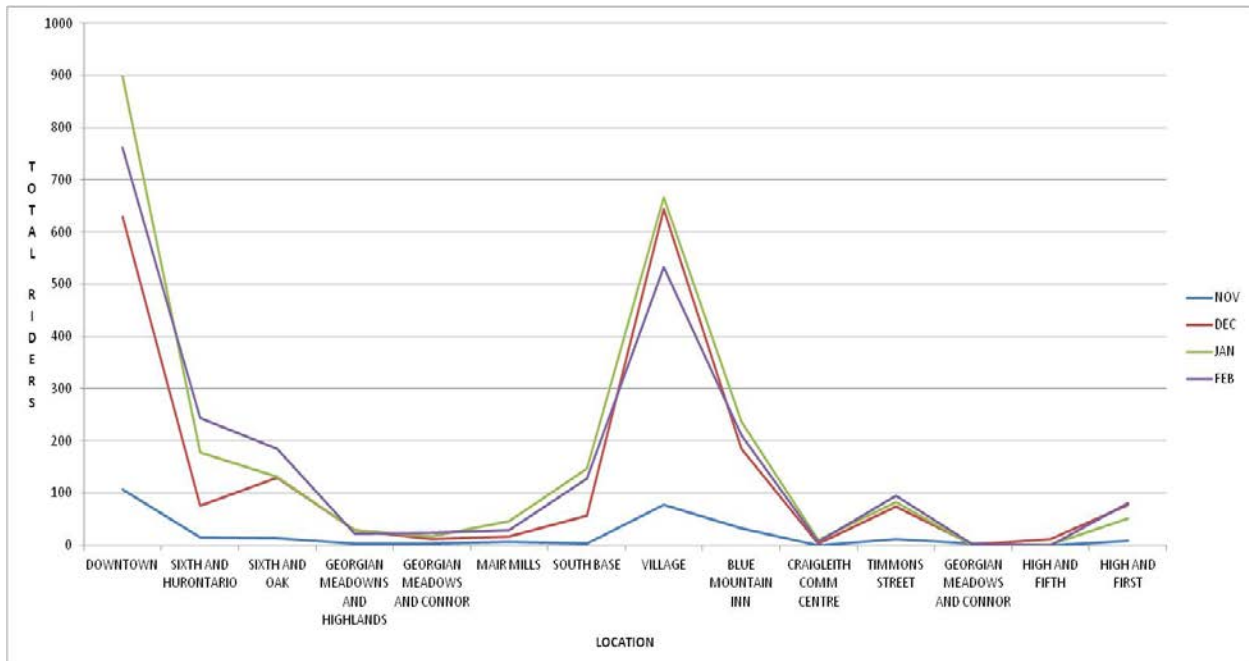
7. What are your main reasons for using transit?

Work	-24.9%
School	-5.4%
Shopping	-10.8%
Medical	-4.8%
Visiting	-4.8%
No Vehicle	-18.4%
Recreation	-11.0%

8. Would you use transit in the spring, summer, and fall?

Yes	91.7%
No	8.3%

The chart below illustrates the past three and a half months of ridership and where riders have been boarding the bus.



### **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**

Staff recommends that the trial extension be funded by 2013 overall town cost savings. The 2014 Budget included the Public Transit Enhancement Report (Attachment 2) that identified \$47,000 for 2014; however no funding source was identified. Community Services staff has consulted with Financial Services and the use of 2013 cost savings were supported.

#### Current Funding Model

##### Private Partners

Both BMR and the BMVA have in total committed \$40,000 to the original trial service. BMR will also provide an amount of \$2,000 (Attachment 3) for the next extension of the trial service for the three months following May 15<sup>th</sup>, 2014. Furthermore BMR will continue to encourage monthly bus pass sales through payroll deductions and the BMVA will encourage Blue Mountain Village businesses to purchase monthly passes for staff.

##### MTO Provincial Funding

Collingwood staff has 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. Municipalities who do not have transit service do not receive the gas tax funding. If the service becomes permanent, The Blue Mountains could either start their own service, or continue to operate under the Collingwood contract which would allow Collingwood to collect the Gas Tax funding on their behalf and apply it to offset operations.

Council has committed \$18,000 to financially support of the Collingwood Blue Mountain Transit service, and through agreements/by-laws The Town of Collingwood would act 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 Blue Mountains in addition to transit ridership. Funding will not be issued until 2014 for the population portion of the Gas Tax and 2015 for the ridership component of the Gas Tax.

Ministry officials have indicated that a permanent service would have to be confirmed by April 1, 2014 to be able to receive Gas Tax Funding for the 2014 operating year. As indicated earlier, staff will be meeting with MTO on March 21, 2014 and will provide the results of the meeting when the report is presented to Council on March 31, 2014.

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 Contributions

The two key municipalities are of course The Town of Collingwood and The Town of The Blue Mountains. Based on the 2014 Budget Plan (Attachment 1), the contribution for the approved funding for the original six (6) month trial required from both municipalities is approximately \$18,000. These funds straddle two fiscal periods (\$6,000 in 2013 and \$12,000 in 2014). The cost for the additional three months for the trial period would be an estimated \$43,197 of which BMR and the BMVA would contribute \$2,000 which reduces the cost to \$20,600 per municipality. It is important to note that this trial will not see the greater contribution from the Private Partners, as it is their intent to offer the service for winter employees, but given our current budget projections, staff are confident that the revenues will also continue to offset budget.

### **F. In Consultation With**

Troy Speck, Chief Administrative Officer  
Robert Cummings, Director of Finance  
Brian MacDonald, *Director, Public Works and Engineering* - Collingwood  
Kristofer Wiszniak, Engineering Technician - Collingwood

### **G. Attachments**

1. 2014 Budget Plan
2. 2014 Enhancement Report
3. Letter from Blue Mountain Resorts and Blue Mountain Village Association

Respectfully submitted,

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Shawn Everitt  
Director of Community Services

For more information, please contact  
Shawn Everitt severitt@thebluemountains.ca 519-599-3131 ext. 281

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### 2014 Budget Plan

	2013/2014 6 month Trial Budget	2014 3 Month Trial Extension	2013/2014 YTD Costs And Revenues 3.5 Months Service
<b><i>User Fees and Other Revenue</i></b>			
The Blue Mountains	\$18,000.00	\$15,100.00	\$5,404.00
Private Partners	\$40,000.00	\$2,000.00	\$23,332.00
Passes	\$6,000.00	\$1,560.00	\$4,840.00
Cash Sales	\$9,000.00	\$5,850.00	\$8,514.00
Transfer from Reserve Funds			
<b><i>Total User Fees and Other Revenues</i></b>	<b><i>\$67,600.00</i></b>	<b><i>\$24,510.00</i></b>	<b><i>\$42,090.00</i></b>
<b><i>TOTAL REVENUE</i></b>	<b><i>\$67,600.00</i></b>	<b><i>\$24,510.00</i></b>	<b><i>\$42,090.00</i></b>
<b><i>EXPENSES</i></b>			
Contracted Services	\$69,000.00	\$31,390.00	\$35,981.00
Fuel -	\$14,700.00	\$7,220.00	\$11,253.00
Sundry	\$1,900.00	\$1,000.00	\$260.00
<b><i>TOTAL EXPENSES</i></b>	<b><i>\$85,600.00</i></b>	<b><i>\$39,610.00</i></b>	<b><i>\$47,494.00</i></b>
<b><i>Collingwood portion</i></b>	<b><i>(18,000.00)</i></b>	<b><i>(15,100.00)</i></b>	<b><i>(5,404.00)</i></b>

**Budget Enhancement Report**

<b>Department</b>	Office of the CAO
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<b>Description</b>	Collingwood Transit Extension
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**JUSTIFICATION**

The current Collingwood transit system is only in a trail phase, which will be ending in May 2014. If this transit system continues past the six month trial period, funding will be required to extend this service. The funding will be a 50/50 split between the Town of Collingwood and the Town of The Blue Mountains for the net operating deficit. The proposed budget below assumes ridership and gas tax revenues come in as estimated.

<b>Submitted by:</b>	<i>Troy Speck</i>	<b>Date of Submission:</b>	<i>21/11/2013</i>
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<b>BUDGET ENHANCEMENT</b>			
	<b>2014</b>	<b>2015</b>	<b>2016</b>
Contract Services	\$ 47,000	\$ 265,000	\$ 32,950

<b>FUNDING SOURCES</b>			
	<b>2014</b>	<b>2015</b>	<b>2016</b>
To be reviewed after trail period	\$ 47,000	\$ 265,000	\$ 32,950







Brian McDonald  
Director of Public Works  
And Engineering  
Collingwood

Shawn Everitt  
Director  
Recreation  
Town of the Blue Mountains

March 4, 2014

Brian and Shawn,

This letter is to indicate the support of Blue Mountain Resorts Limited and Blue Mountain Village Association for an extension of the trial of Link bus service between Collingwood and The Blue Mountains under similar terms and conditions as those in the current Agreement between our organizations. The current trial is meeting our expectations and we remain committed to the funding we promised for the calendar years subsequent to the trial period. We are agreeable to a prorated portion of that annual contribution being applied to the extension, say \$2,000.

We are hopeful that your two Councils will support the extension. The feedback we have received from our employees, guests and the community is all positive. Hopefully this initiative continues to build the regional transportation opportunities between Wasaga Beach, Collingwood and The Blue Mountains.

Yours truly,

Don Braden  
President  
Blue Mountain Village Association

Dave Sinclair  
V.P. Human Resources  
Blue Mountain Resorts Limited