

THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
LA MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

TRANSIT SERVICES COMMITTEE
COMITÉ DES SERVICES DU TRANSPORT EN COMMUN

REPORT NUMBER 2 TO COUNCIL
RAPPORT NUMÉRO 2 PRÉSENTÉ AU CONSEIL

2000 COUNCIL BUDGET REVIEW
ETUDE DU BUDGET DE 2000 PAR LE CONSEIL RÉGIONAL

The **TRANSIT SERVICES COMMITTEE** met on **17 DECEMBER 1999** and submits the items contained in this Report for the approval of Council at its next regular meeting.

Le **COMITÉ DES SERVICES DE TRANSPORT EN COMMUN** s'est réuni le **17 décembre 1999** et soumet les articles du présent rapport au Conseil pour approbation lors de sa prochaine réunion ordinaire.

PRESENT/PRÉSENCES :

Chair/Président :	A. Loney
Members/Membres :	M. Bellemare
	W. Byrne
	L. Davis
	C. Doucet
	D. Holmes
	H. Kreling
	J. Legendre

2000 TRANSIT SERVICES COMMITTEE BUDGET REVIEW

COMMITTEE RECOMMENDATION AS AMENDED

That Council approve the 2000 Draft Operating Estimates-OC Transpo Supplementary Information, as tabled with Regional Council, December 8, 1999 and as amended by the following:

2000 DRAFT OPERATING ESTIMATES, OC TRANSPO (p. 3)

That the 2000 Draft Operating Estimates be approved, including fare increases to be introduced on April 1, 2000 as follows:

- a) Ticket prices to increase by 5 cents to 80 cents;
- b) Adult Transpass prices to increase by \$1.50 to \$58.50; and
- c) Student Transpass prices to increase by \$1.00 to \$47.75.

2000 DRAFT OPERATING ESTIMATES, PARA TRANSPO (p. 11)

That the 2000 Draft Operating Estimates, Para Transpo, be approved, as amended by the following:

1. That approval be given for a total of \$240,000 which has been added to the Para Transpo 2000 draft operating estimates in order to increase the number of trips provided to Para Transpo customers by approximately 13,000. That the \$240,000 be drawn from Para Transpo operating reserves.
2. That approval in principle be given for a taxi pilot project for Para Transpo and authorization for staff to tender for service to provide transportation to some customers who would otherwise be refused service in 2000.
3. That the review of eligibility for Para Transpo be completed by June, 2000 and that any freed up service be re-deployed to customers who cannot use regular transit.

2000 DRAFT CAPITAL ESTIMATES, OC TRANSP0 (PP. 15 - 21)

1. That the 2000 Draft Capital Estimates be approved, with new Authority for \$18,179,000.
2. **That approval be given to create debenture authority of \$21,592,000 to allow the purchase of buses in 2000 for delivery in 2001.**

DOCUMENTATION

1. Co-ordinator, Transit Services Committee report dated 9 Dec 99 is immediately attached.
2. General Manager, OC Transpo report dated 13 Dec 99 follows the Co-ordinator's report.
3. Extract of Draft Minute, Transit Services Committee, 17 Dec 99 will be circulated prior to the Commission meeting and will contain a record of all votes.

Our File/N/Réf. 03-07-99-0026
Your File/V/Réf.

DATE 9 December 1999

TO/DEST. Transit Services Committee

FROM/EXP. Committee Co-ordinator

SUBJECT/OBJET **2000 TRANSIT SERVICES BUDGET REVIEW**

REPORT RECOMMENDATION

That the Transit Services Committee consider, for recommendation to the Commission, the 2000 Draft Operating Estimates and the 2000 Draft Capital Estimates and 10-Year Capital Forecast for the Transit Services Committee.

BACKGROUND

The following documents have been previously circulated and will be considered by the Transit Services Committee on 17 December 1999:

1. 2000 Budget Directions

Finance Commissioner's report dated 01 December 1999 (Approved by Council on 08 December 1999).

2. 2000 Draft Estimates: Executive Summary

Finance Commissioner's report dated 07 December 1999 (Tabled with Council on 08 Dec 99).

The following documents will be distributed on 10 December 1999:

3. 2000 Draft Operating Estimates, Existing Program Requirements,
Transit Services Committee

4. 2000 Draft Capital Estimates and 10-Year Capital Forecast.

Please ensure you bring all the relevant material with you to the meeting.

M. J. Beauregard

DATE: 13 December 1999

TO/DEST: Coordinator
Transit Services Committee

FROM/EXP: General Manager

SUBJECT/OBJET: **PARA TRANSPO 2000 BUDGET**

DEPARTMENTAL RECOMMENDATIONS

That the Transit Services Committee recommend to the Ottawa-Carleton Regional Transit Commission:

1. That approval be given for a total of \$150,000 which has been added to the Para Transpo 2000 draft operating estimates in order to increase the number of trips provided to Para Transpo customers by approximately 8,500. And, that the \$150,000 be drawn from Para Transpo operating reserves.
2. That approval in principle be given for a taxi pilot project for Para Transpo and authorization for staff to tender for service to provide transportation to some customers who would otherwise be refused service in 2000.
3. That the review of eligibility for Para Transpo be completed by June, 2000 and that any freed up service be re-deployed to customers who cannot use regular transit.

BACKGROUND

At the Transit Services Committee meeting of November 24th, staff were requested to bring back a report on options to deal with the 35,000 to 40,000 annual trip refusals on Para Transpo and that the report be considered as part of the 2000 budget process.

DISCUSSION

In 1999, Para Transpo will operate 340,000 revenue hours of service and provide approximately 735,000 passenger trips. However, based on the current demand for Para Transpo service, it is estimated that 35,000 trip requests that will not be accommodated. To be able to reduce the number of trip refusals in 2000, a change in demand for Para Transpo service and additional funding will likely be required.

A complete review of Para Transpo's eligibility criteria and the implementation of a new registration process by mid-2000 will be necessary if Para Transpo is to provide an acceptable level of service to those who need it the most.

This review combined with other demand management strategies will have a positive effect on service in 2000, however, these initiatives alone will likely not be sufficient to significantly reduce the number of trip refusals in 2000. Additional resources will also be required.

OPTIONS TO INCREASE SERVICE

A) One option to increase the quantity of Para Transpo service in 2000 is to purchase additional hours of service from our current contractor Laidlaw Transit.

During the summer months vehicles are available to increase service levels. However, if additional service was to be provided in 2000, customers would benefit most if the service was increased mainly in the Fall and Winter periods when Para Transpo customers often do not have transportation alternatives. During the Fall and Winter periods, when the demand for Para Transpo service increases, Laidlaw have advised that they could not guarantee a service increase without acquiring additional vehicles.

Effective January 2000, Laidlaw could acquire and place in service up to two cars in addition to their current fleet. Each additional vehicle placed in service would provide approximately 3,650 single trips throughout the Fall and Winter periods at an annual gross cost of approximately \$73,000.

By the end of February 2000, Laidlaw have indicated that more vehicles could be made available. However, the cost of any additional service beyond the initial two vehicles would be dependent on Laidlaw's cost of acquiring additional vehicles.

Overall, it is estimated that in 2000 for every additional \$100,000 of service purchased from Laidlaw beyond the service level operated in 1999, an additional 5,000 single Para Transpo passenger trips would be provided.

B) Another option to increase the quantity of Para Transpo service in 2000 is to purchase service from a contractor or contractors on a per trip basis to supplement the hourly rate service presently operated by Laidlaw. Experience in other municipalities indicates that, in most situations, this is a much more cost-effective method of providing service when it is combined with an hourly rate base service. Taxis are used in many municipalities to supplement their base service and the cost to provide a taxi trip in these municipalities is often 40% less than the cost of a trip provided by their hourly rate base service.

This would be in line with the OC Transpo Comprehensive Review recommendation that Para Transpo purchase some services from cabs (including accessible cabs as available) when necessary to serve scheduled trips that existing resources cannot service.

According to the current contracts with Laidlaw, the Commission has the right to provide transportation to Para Transpo customers through alternate methods which could include the use of taxis or any other method which the Commission deems appropriate.

Should the Transit Services Committee approve, in principle, a pilot project using taxis or other forms of transportation purchased on a per trip basis, staff would proceed to obtain further input, prepare and issue the necessary tender/proposal documents, evaluate the submissions and report back to the Transit Services Committee with a recommendation.

It is estimated that service purchased on a per trip basis to supplement the hourly service operated by Laidlaw, could provide up to 30% more trips than would be provided under the terms of the current hourly rate Laidlaw contract. The main disadvantage would likely be that the trips would generally be provided by drivers with less experience dealing with persons with a disability. Driver suitability would, therefore, be one of the important elements to be evaluated in any proposal to provide a taxi type supplement to Para Transpo.

The process of developing and implementing a pilot project, such as this, would take time and, therefore, any additional service generated by this pilot project would not be in effect until the summer of 2000, at the earliest. This pilot project would also provide valuable information, which could be used in the development of the various options to provide cost-effective Para Transpo service at termination of the current contract with Laidlaw, which expires at the end of June 2002.

C) A third option to increase the quantity of Para Transpo service in 2000 would be to provide some additional service beginning in January 2000 through a purchase of service from Laidlaw Transit and also provide some additional service through a pilot project as described in B above. This option would have the advantage of providing additional service as early as January 2000, as well as providing potentially more cost-effective service later in the year.

FINANCIAL ANALYSIS

Assuming no increase in service beyond what will be provided in 1999, the present Para Transpo operating reserve fund will be sufficient to cover additional costs in 2000 and 2001. However, under the current two-year service contract extension, no reserve funds will be available after 2001 and it is forecast that the contract will terminate in mid-2002 with a funding shortfall of approximately \$750,000. Any additional service provided above the current contract would serve to increase the expected funding shortfall and will accelerate it to 2001.

SUMMARY

Para Transpo will continue to use demand management strategies throughout 2000 to ensure that the available resources are used to provide service to those who need it the most. Para Transpo's eligibility criteria will be reviewed and a new registration process will be implemented by June of 2000. In addition to these initiatives, it is recommended that approximately 4,250 more trips be provided to Para Transpo customers beginning in January 2000 through a purchase of service with Laidlaw Transit.

The annual gross cost of this additional service would be in the area of \$85,000. It is also recommended that later in the year approximately \$65,000 be used to provide a pilot project using

taxis to provide more cost-effective service. It is estimated that an additional 4,250 trips could be provided through the use of taxis and the pilot project would also provide valuable information for the development of the various options to provide cost-effective Para Transpo service at termination of the current contract with Laidlaw at the end of June 2002.

The review of Para Transpo's eligibility criteria, combined with the additional hours of contracted Laidlaw services and the trips provided by the taxi pilot project, are expected to generate at least 10,000 trips for Para Transpo customers who would otherwise have been refused service in 2000.

*Approved by
Gordon Diamond*