

Our File/N/Réf.

DATE 7 February 2000

TO/DEST. Co-ordinator
Transit Services Committee

FROM/EXP. General Manager

SUBJECT/OBJET **SHUTTLE SERVICES - REQUEST BY CASINO SHUTTLE
SERVICES - PROPOSED SHUTTLE BETWEEN DOWNTOWN
HOTELS AND EAST AND WEST END LOCATIONS AND RIDEAU
CARLETON RACEWAY & SLOTS FACILITY**

DEPARTMENTAL RECOMMENDATION

That the Transit Services Committee recommend and that the Transit Commission authorize the General Manager to enter into an agreement on behalf of the Commission whereby 1029979 Ontario Inc. (a division of which operates as Casino Shuttle Services) will be allowed to operate a shuttle bus service taking passengers to and from downtown hotels and specified east and west end locations and the Rideau Carleton Raceway & Slots Facility under the terms and conditions set out in this report.

BACKGROUND

The Commission has the exclusive franchise to operate a passenger transit service within the Urban Transit Area. The Regional Municipality of Ottawa-Carleton has the exclusive franchise for passenger transit services in the remainder of the Regional Area. In 1976, the Regional Municipality delegated its authority to operate the exclusive franchise in the balance of the Regional Area to the Commission. These franchises, granted under the Regional Municipality of Ottawa-Carleton Act apply with some exceptions to all passenger transportation for reward, except taxi service.

Casino Shuttle Services currently operates a shuttle service between any desired locations in Ottawa-Carleton and the Hull Casino. This service does not come within the exclusive franchise of the Commission and the Commission has no authority to prevent the service to the Hull Casino from operating. The shuttle service, operating as an inter-provincial transportation, is subject to the federal Motor Vehicle Transport Act, 1987, which requires that operating authority be obtained from provincial transportation authorities.

DISCUSSION

On 27 January 2000, the Commission received a request from Casino Shuttle Services to operate shuttle services between the locations set out at Schedule A of this report and the Rideau Carleton Raceway & Slots Facility using two 21 to 26 passenger luxury mini-buses. The raceway and slots facility is located outside the Urban Transit Area. The slots facility, being run by the Ontario Lottery Corporation, is hoping to open during the week of 14 February 2000 and will operate daily from 11:00 a.m. to 3:00 a.m. Early estimates project that an average of 5,000 to 8,000 patrons per day will visit the facility. Casino Shuttle Services proposes to operate its shuttle program from 10:00 a.m. to 4:00 a.m. daily. Casino Shuttle Services has an agreement with Leduc Bus Lines Ltd. to provide the buses and drivers for this service.

Passengers taking the service will be charged a fee of \$7.00 return. It is anticipated that, initially, in order to generate patrons coming to the facility, passengers will receive casino kits providing discounts for goods and services at the slots facility which will be of the same value as the cost of the return trip.

STAFF COMMENT

OC Transpo does not currently operate a regularly scheduled service to the Rideau Carleton Raceway and does not at this time have the equipment available to provide this service on a regularly scheduled or charter basis. Furthermore, the proposed service and the hours of operation of the slots facility extend beyond the daily times of transit operations.

The initial routes proposed by Casino Shuttle Services provided limited opportunities for transit users to make use of OC Transpo services and extend their trip to the raceway and slots facility. Therefore OC Transpo staff suggested that the shuttle service provide service between the Greenboro Transit Station and the raceway and slots facility. This would generally involve a short detour along the proposed route. Casino Shuttle Services is prepared to offer this service on the two routes to and from east and west end locations.

In order to ensure that the operators of the shuttle service can defray some of the initial capital cost of establishing this service, it is proposed that the service be permitted for an initial period of three years. Given the fact that the Commission and the Region hold the exclusive franchises to operate this type of service and could be surrendering a potentially profitable operation, it is suggested that an initial annual fee of \$2,000.00 per vehicle (or \$4,000) be charged for authorization of the service. This fee can be renegotiated annually following consideration of reported passenger volumes using the service.

POTENTIAL COMMISSION AUTHORIZATION

Should the Commission authorize the operation of this service, Casino Shuttle Services would be required to enter into an agreement which would include the following conditions:

- stipulate the type of vehicles to be used, the specific routes to be used by the shuttles and restrict the use to passengers going to and coming from the raceway and slots facility;

- authorize the alteration of routes and addition of further vehicles upon the approval of the General Manager of OC Transpo;
- requires tracking of passenger volumes using the shuttle services on a daily basis and reporting of the results to the General Manager on a quarterly basis;
- require that a copy of a current Safety Standards Certificate for the vehicle be provided to the Commission;
- require proof of liability coverage of \$8 million for the carrier, the Commission and the Region;
- require that the carrier indemnify the Commission and the Regional Municipality from any liability from the operation of the service;
- require that the carrier provide at the Greenboro Transit Station bilingual, weatherproof signage approved by the General Manager or his delegate setting out departure times for the shuttle service to the raceway and slots facility;

PUBLIC CONSULTATION

Public consultation is not required for this matter.

FINANCIAL IMPLICATIONS

OC Transpo will receive revenues by way of the payment of annual fees. Given current equipment restrictions, OC Transpo is not in a position to operate this service. Any potential revenue losses from not operating this service directly can only be accurately forecast following an extended period of operation of the slots facility, which has yet to occur.

*Approved by
Gordon Diamond*