



The Corporation of the Town of LaSalle

Date	March 23, 2017	Report No:	CAO-12-17
Directed To:	Mayor and Members of Council	Attachments:	Figures 1-3
Department:	Administration	Policy References:	
Prepared By:	Kevin Miller, CAO		
Subject:	Transit		

1.0 Recommendation

That Council authorize:

- Entering into an agreement with Transit Windsor for the provision of transit service to the Town of LaSalle for the years 2017-2021;
- The Town proceed (through Transit Windsor) to purchase two buses in accordance with the provisions as outlined in report CAO-12-17;
- Administration to coordinate the purchase of bus shelters and signage with Transit Windsor; and
- Entering into discussions with Street-seen media for the purposes of branding opportunities on the buses and advertising opportunities in/on the buses and at bus stops.

2.0 Background

In August of 2015, the Town issued a Request for Proposals (RFP) seeking the services of a qualified consultant to undertake a feasibility study to:

- Determine the demand for bus service within the Town, and
- If sufficient demand exists, to identify the capital/ and other non-financial matters associated with implementation.

The study was to be completed in two separate phases. Phase one included undertaking the necessary research to determine the need/demand for transit in LaSalle. Areas that were covered in the analysis included: urban form and demographics, destination points/trip generators in LaSalle, demand for travel into the city of Windsor, inventory of current transportation options available to residents, telephone survey, public open houses, peer review of services in similar sized communities, funding models and estimates for potential ridership.

Phase two would include the preparation of a Business Plan that would detail the expected capital and operational costs associated with introducing a transit service, routing options, fare options and any other non-financial matters.

At the conclusion of the RFP process, the Town engaged the services of Steer Davies Gleeve to prepare the feasibility

Highlights of Phase One

The primary purpose of the transit feasibility study is to identify the overall potential for transit service in LaSalle, including the market for travel and the affordability of the service to the community. An important part of the engagement process is to determine the level of community support for providing transit services, particularly in terms of a willingness to support the service with increased tax funding. A comprehensive consultation plan was completed to achieve these objectives. The plan included conducting a representative telephone survey, individual stakeholder group meetings, and a public information centre session.

Telephone Survey

In November 2015, a representative random telephone survey of LaSalle residents was conducted to assess public support for investing in a transit service in the Town, as well as to determine the community's likelihood for using transit services.

A total of just more than 400 household responses were collected. For each response, the head of household was asked a series of questions on their household's feelings regarding transit and their household's travel needs and habits. Heads of households were surveyed because they are in charge of financial decisions and are most aware of their own family's travel needs. To ensure that the results are based on a representative sample, weighting factors were applied to the survey data to reflect the actual age and gender composition of household maintainers in LaSalle.

The survey results show that there is strong support for transit service in LaSalle, even when a property tax increase is considered to support the service.

About 65 percent of respondents stated that they would support "introducing a local bus service in LaSalle at an average increase of \$25 to \$50 per year in property taxes per household." About 32 percent of respondents opposed, while 3 percent declined to answer.

In particular women, youth (aged 18 to 34), families, and those earning under \$100,000 a year demonstrate strong support (more than 65 percent) for a new bus service for the Town (see Figure 4-1). Strong support from families (either single parent or couples with children) was also observed.

Summary of Findings for the survey

- High level of support for transit service
- 65 percent support a transit service in LaSalle, with 10 percent of households saying that they would “definitely” or “probably” use the service.
- Most LaSalle residents support investing in transit even though their family may not use it. A majority of residents see the value of a transit service in the community.
- Transit will make LaSalle a more equitable and better place to live. The social importance of transit, for young people, the elderly, and those without other travel options is an important basis of support.
- Most respondents felt that non-commuting trips, to go shopping, go to appointments, or go out for the evening, are main reasons to use transit.
- Young people in particular indicate Windsor would be an important transit destination.

Stakeholder Meetings

The study team held individual stakeholder meeting with a wide range of community groups to further provide insight as to the needs and opportunities for new transit services in the Town. A list of community organizations consulted is outlined below.

ORGANIZATION TYPES	ORGANIZATIONS
Community agencies	United Way
Commercial organizations	Windsor Crossing Premium Outlet Mall
Government / municipal organizations	Town of Amherstburg Ontario Works, Windsor-Essex Vollmer Culture and Recreation Complex
Places of worship	Sacred Heart Church St. Andrew's Church St. Nicholas Church St. Paul's Church
Post-secondary schools	St Clair College University of Windsor
Secondary schools and transportation	Sandwich Secondary School St. Thomas of Villanova High School Western Secondary School Windsor Essex Student Transportation Services (WESTS)

Public information Centre

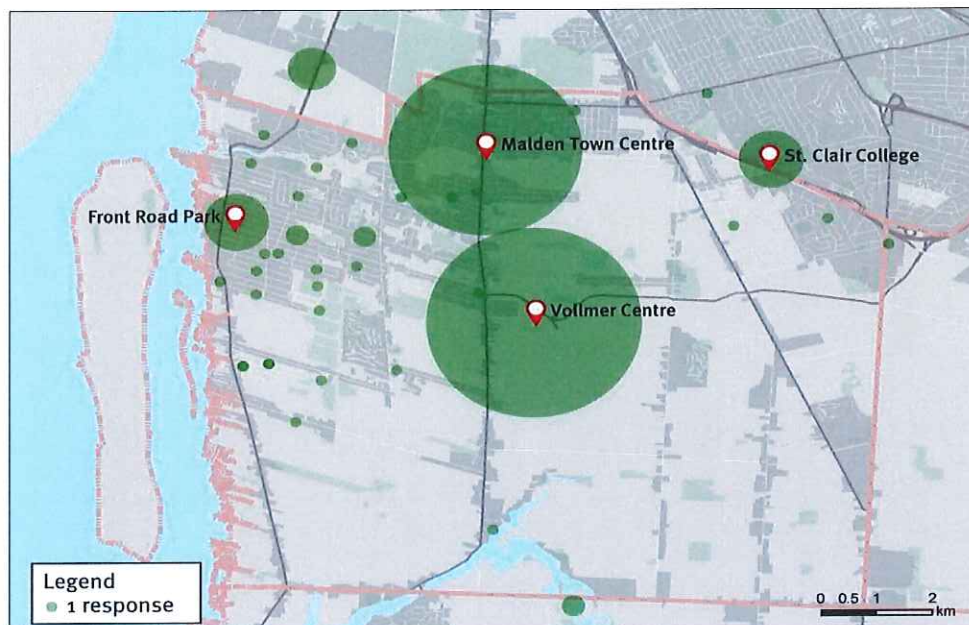
The study team hosted a Public Information Centre (PIC) session to encourage greater community feedback about the needs and opportunities for local transit services in the Town. The PIC was held in the lobby of Vollmer Centre on November 18, 2015 from 4pm to 9pm. Study team members engaged with approximately 50 community members covering a variety of age groups during the course of the public drop-in session.

The PIC provided the opportunity to gauging community views on the need and support for a local transit service in the Town; interactive presentation boards were displayed during the PIC session to solicit feedback on the priority objectives for a transit service should it be introduced.

Three key structured questions were included at the PIC:

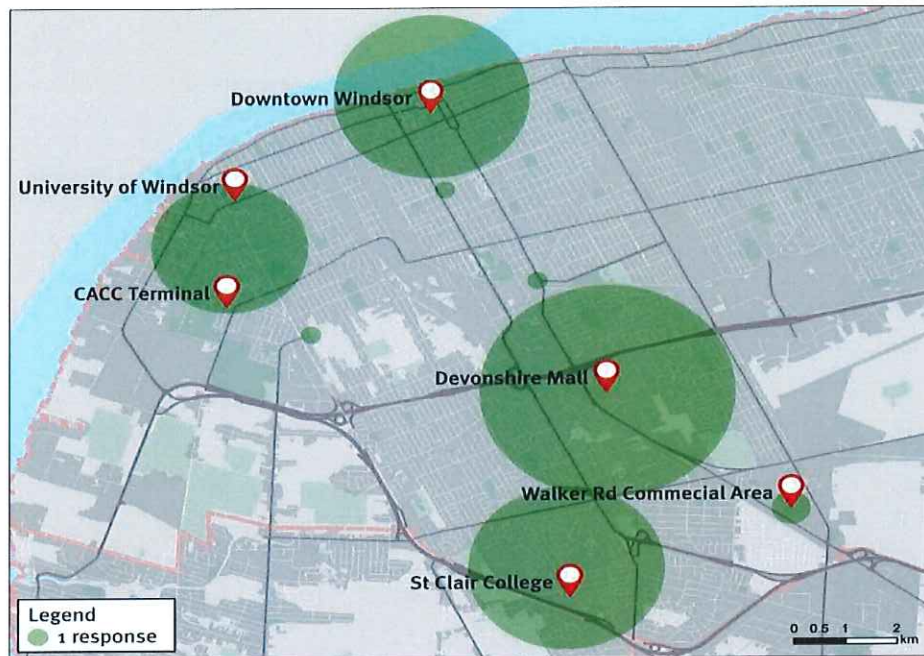
- What times of the day should service be prioritized?
- What are the priority locations in LaSalle a new service should connect to?
- What are the priority locations in Windsor a new service should connect to?

During the PIC, the study team also asked participants to identify the priority locations in or near LaSalle a local transit service should connect to. Participants were asked to place a red sticker for where they lived and a set of green stickers for the places they frequently travel. The results are shown in the figure below.



Given the close community and economic linkages between LaSalle and Windsor, a Town transit service will likely connect to key destinations in Windsor and to the Transit Windsor network. To provide some direction about appropriate connection points in Windsor, the study team also asked participants to select the best location in Windsor for connections.

The Figure below identifies the key locations.



General Community Views on a LaSalle Transit System

The PIC also provided the opportunity to engage more openly with community members to understand their general community views, both positive and negative, about introducing a transit service in LaSalle.

Recognizing the limitations of existing services,

- Passengers currently must walk a long distance or must rely on others to drive them to access Transit Windsor services
- Passengers using Handi-Transit specialized services due to its limited operating funding have identified service reliability and customer service concerns
- Taxi services are available however but at a very high costs—between \$25 to \$50 per trip
- Temporary route diversion of Route 7 – South Windsor along Herb Gray Parkway rather than previously on Tenth Avenue causes passenger inconvenience

Satisfying community needs

- Transit will help to secondary school students gain better independence by providing opportunities for them to get travel after extra-curricular activities and to access part time employment opportunities
- Transit will help to expand opportunities for seniors to be better engaged in the community and gain greater independence to run errands and access medical appointments

- Transit expands employment opportunities for people, particularly lower income individuals—helps to promote improved economic benefits in the community

Reducing household tax obligations

- Transit service provides an increased obligation for taxpayers and thus is not supported

Ensuring cost-effectiveness

- Proposed service needs to satisfy community needs while remaining cost effective
- Consider the use of school buses and smaller vehicles to operate the service

Making services simple to use and understand

- Demand-response services (where a traveller must prearrange a trip by phone) is confusing and not likely to generate high levels of ridership

Service Type Identification

Based on the background review and the feedback gathered from the public engagement process, the study team has identified that the contiguous urban area in LaSalle has the appropriate land use density and the scale of trips to support a cost-effective transit service. From the feedback and analysis conducted, it is important for the local service to make connections to key destinations Windsor as well as to Transit Windsor services. The general area is shown in Figure below.

Outside of the contiguous urban area, there are still opportunities to provide limited services to key rural connections, depending on the scale of town investment available.

Based on an assessment of general travel patterns and feedback from the community, a service operating during the Monday to Friday daytime period should be prioritized in the short term.



Options for Service

Option 1: Transit Windsor fixed route service

For Option 1, the Town would contract Transit Windsor to operate a fixed-route service. The Town would negotiate a fee for Transit Windsor, and in exchange Transit Windsor would provide the drivers to run the service, as well as buy, maintain, and store additional buses to support the expanded service. For this option, the Town could either:

- extend Transit Windsor's existing services into LaSalle
- operate a new route that connects between key destinations in LaSalle and Windsor

Given the number of services that operate near the LaSalle border, there are opportunities for the Town to extend existing Transit Windsor routes. Extending an existing service can help support a more seamless service and provide more convenient options for passengers. Of course, Transit Windsor would need to agree to extending one of its existing services—they would want to ensure that service changes do not negatively affect existing passengers.

Option 2: Independent LaSalle fixed-route service

For Option 2, the Town would contract the operation of a fixed-route service that connects LaSalle and Windsor, similar to Option 1. Instead of contracting the service to Transit Windsor, the Town would contract a third-party operator to run the service, as well as to maintain and store its buses—similar to the arrangements made by Tecumseh Transit Service. The Town may choose to buy buses on its own, or include the procurement of buses to the contractor.

The service would operate within the urban contiguous area of LaSalle and connect to key destinations and major transit transfer points in Windsor.

Option 3: Independent LaSalle demand response service

For Option 3, the Town would contract the operation of a transit service to a third-party operator, similar to Option 2. Instead of providing a fixed-route service, this option would operate a demand response service within the contiguous urban area in LaSalle. Under this demand response service model, a passenger would need pre-book a trip by telephone, and potentially by smartphone and computer. The service would pick up and drop off passengers at any location within the identified urban LaSalle service area. Passengers could also have the option to connect to key destinations or transit transfer points in Windsor.

Conclusions from Phase One

The findings outlined in this Phase 1 report demonstrate that there is a need and the community support to introduce a new transit service in the town.

The public and stakeholder engagement process identified how a transit service can satisfy the need to provide Town residents and workers greater travel choices in the community, particularly the Town's youth, seniors, and people without exclusive access to a car.

There is also high community support for a new transit service in the Town. A representative telephone survey that found that a majority of households (65 percent) support introducing a local bus service in LaSalle, recognizing that it would cost a household an average increase of \$25 to \$50 per year in property taxes.

The assessment of land use and travel patterns demonstrated that the contiguous urban area in LaSalle should be prioritized for transit service. To support the travel needs of the Town, service options include operating a fixed-route, a flexible demand-response service, or a combination of the two. Ongoing operations and maintenance of the service could be contracted to Transit Windsor or another third-party operator. The assessment of service options will identify potential connections outside of the contiguous urban area, including to key destinations in more rural areas of the Town (with limited service).

Building on these service approaches, Phase 2 of the study will include developing a business plan. The business plan will propose detailed service designs, a fare structure, an organizational plan and marketing roadmap, as well as a financial and implementation plan.

Highlights of Phase Two

Phase 1 of the study included a comprehensive feasibility assessment, which analyzed current travel needs, identified potential transit solutions to accommodate those needs, and measured community interest in investing in a new transit service.

Building on the previous work completed, Phase 2 included the development of a business plan for a Town transit service. The business plan included:

- developing and evaluating service concepts
- completing a detailed service design for the recommended concept
- identifying fare structure and policies
- developing implementation strategies (e.g. marketing strategies , organizational plan)
- developing a financial plan

There are two potential objectives for transit connections for the LaSalle service:

- Service connections within LaSalle
- Serving connections between LaSalle and major destinations in Windsor

These objectives are not mutually exclusive, as there are opportunities to provide services that fulfil both. However, prioritizing these two objectives helps to guide the details of service design, while managing scarce resources.

The results from the representative telephone survey show similar preferences for using a local transit service within LaSalle only or to connect to/from Windsor. For both options, 4 percent and 6 percent of respondents said they would “definitely” and “probably” use such a service, respectively.

Service Options

Three service concepts were assessed further based on the criteria set out in the previous section. To equitably compare the different concepts, the evaluation focused on the route concept within LaSalle only. All three options serve local destinations including Malden Town Centre, Front Rd, and Vollmer Centre. Given that St Clair College is a key destination and an important Transit Windsor interchange location, the hub is a logical place for a proposed LaSalle transit service to connect to.

Based on past consultation and travel pattern assessments, a logical extension of service would be to extend service to other major destinations farther into the Windsor, such as Devonshire Mall, which is not only a popular destination, but where a number of other Transit Windsor routes converge. To possibly accommodate this opportunity, one criterion will consider whether the local routing within LaSalle has the flexibility to the major shopping centre. Figure 2.2 summarizes the assumed service frequencies and span of service of the three service concepts. The following subsections describe the route alignment of the service concepts in detail.

	Option 1	Option 2	Option 3
	<u>Town loop concept</u>	Point-to-point Increased coverage	Point-to-point Direct service
Assumed service frequency (mins)	Every 45 minutes (1-way, counter-clockwise only)	Every 45 minutes (2-way)	Every 45 minutes (2-way)

Assumed service span

Monday to Friday 7 am to 7pm

Option 1

Option 1 is a large one-way loop, running counter-clockwise. This arrangement maximizes coverage, but will increase journey time for trips that would go the 'wrong' way round the loop. Travel times are also generally asymmetric, so a short outbound trip means a long return trip (and vice versa).



Option 2

Option 2 includes a one-way loop serving western LaSalle, with a 2-way route serving the remaining areas (including Malden Town Centre). Customers would be able to transfer between westbound and eastbound services at Malden Town Centre, allowing passengers to travel from the southwest to northwest without going via St Clair College.



Option 3

Option 3 provides two-way service, apart from a small loop in western LaSalle. This provides direct service at the expense of coverage of the Morton Dr. area.



Evaluation Measures

EVALUATION CRITERIA	MEASURE
Providing a cost-effective service	<ul style="list-style-type: none"> Minimize annual operating service hours, assuming a consistent level of service
Providing a direct service	<ul style="list-style-type: none"> Minimize travel time* from key residential areas to St Clair College (weighted higher as identified in key service design principles) Minimize travel time* from key residential areas to local destinations—Malden Town Centre and Vollmer Centre (weighted lower)
Promoting a growing ridership base	<ul style="list-style-type: none"> Maximize number of households served Maximize ridership levels
Allowing flexibility to connect to other hubs in Windsor	<ul style="list-style-type: none"> Ability to be flexible in extending service to Devonshire Mall

Evaluation Results

The evaluation results (and associated inputs) are shown in Table 2.3, with the following symbols:

- ① (Gold) – Best performance
- ② (Silver) – Moderate performance
- ③ (Bronze) – Worst performance

Evaluation results

Evaluation measure	Option 1 Town loop	Option 2 Point-to-point / coverage	Option 3 Point-to-point / direct
Providing a direct service <i>How quickly can passengers travel</i>	③ Operates in one direction, leading to longer travel times	② Eastern portion has direct ride; western portion has longer	① Direct ride minimizes travel times
Providing a cost-effective service <i>How many buses are required to provide the service?</i>	① TI ED 2 buses are required to run a 45-minute service	① TI ED 2 buses are required to run a 45-minute service	① TI ED 2 buses are required to run a 45-minute service

Allowing flexibility to connect to other hubs in Windsor <i>Is there potential to extend services to Devonshire Mall without needing an additional bus?</i>	1 Potential to extend service to Devonshire Mall without an extra bus	2 TI ED Requires one additional bus to extend to Devonshire Mall	2 TI ED Requires one additional bus to extend to Devonshire Mall
Promoting a growing ridership base <i>How many LaSalle households are within 400m of the transit route?</i>	2 Serves approximately 6,900 households	1 Serves approximately 7,000 households	3 Serves approximately 4,800 households
Promoting a growing ridership base <i>How many riders are forecasted?</i>	3 48,000 riders	1 58,000 riders	2 55,000 riders

Comparing the results for each of the evaluation categories reveals the following:

- **Providing a cost-effective service:** All three options require two buses to operate, and hence have the same annual operating cost.
- **Promoting a growing ridership base:** Options 1 and 2 serve a very similar number of households, and both serve substantially more than Option 3. Increasing coverage by serving more households tends to increase ridership.
- **Providing a direct service:** Option 3 performs the best, and Option 1 performs the worst. A more direct service results in shorter travel times, which tends to increase ridership.
- **Allowing flexibility to connect to other hubs in Windsor:** Option 1 does not require an additional bus to serve Devonshire Mall however, there is no scheduled 'buffer' time to recover should a trip be delayed; Options 2 and 3 require an additional vehicle. Connecting to Devonshire Mall (and hence to more Transit Windsor routes) will make it easier to access destinations in Windsor, and increase ridership. The fewer vehicles required to do this, the more likely it is to be implemented.

Conclusions

Based on the evaluation results in Table 2.3 reveal the following:

- **Option 1** – Provides good coverage and allows for some flexibility to extend services to Devonshire Mall without an additional bus, but passengers must travel along a long and indirect route
- **Option 2** – Provides good coverage with moderate travel times while in the vehicle, but has no flexibility to extend services to Devonshire Mall without additional buses
- **Option 3** – Provides the most direct and fast travel times, but has relatively poor coverage and no flexibility to extend services to Devonshire Mall without additional buses
- Option 2 is the only option that performs either best or second-best in all categories. Consequently, Option 2 is the recommended service concept.

Public Engagement

To seek further input into the study, the study team hosted another Public Information Center (PIC) in the Council Chambers at the LaSalle Civic Centre on November 18, 2015 from 4pm to 8pm. The PIC provided the opportunity to seek input on the proposed service concepts and its evaluation, as well as preliminary fare policies. The feedback was then considered and assessed based on how it meets the established objectives of the service.

The study team issued notices of the public meeting on the study website and sent direct invitations to participants in Phase 1 of the consultation. Study team members engaged with more than 20 community members covering a variety of age groups and representative agencies during the course of public drop-in session. The presentation boards from the PICs were also posted on the study website, and interested members of the public provided feedback to the study team via email.

The following key themes were taken away from the PIC:

- Balancing service coverage with shorter travel times,
- Provide fast service and connect to major destinations,
- Connect to familiar transfer locations,
- Integrate fare policies with Windsor, and
- Need for schedule coordination with connecting routes.

Service Design

With consideration of community input on the preferred service concept and evaluation of options, the study team recognizes the need to develop a service that:

- Minimizes walking time to stops while also minimizing in-bus travel times
- Reduces transfer waiting times when connecting between routes
- Matches with the levels of service being provided by connecting routes in Windsor
- Makes it easy for passengers to navigate through major transfer hub areas and connect between routes

Based on the above, Option 2 is the recommended for implementation.

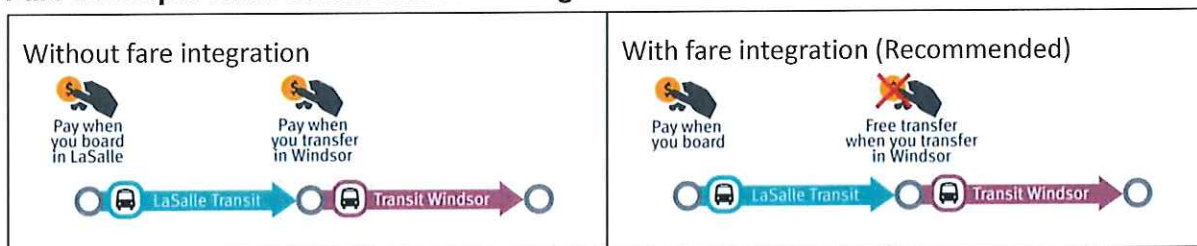
The study team recognizes that the recommended service option may not satisfy all the travel markets within the community. However, it is intended to be a first stage to initiate a new transit service, build ridership levels, and demonstrate momentum with improving transit travel in the greater Windsor urban area. As ridership builds and as travel behaviour changes, service improvements and new route connections should be implemented.

Fare Integration

As discussed in Section 3.2, feedback from the Public Information Centre identified the need to work closely with the City of Windsor to integrate fares between the two municipalities. Given the close proximity and the close travel linkages between the two jurisdictions, it is recommended that fare arrangements be established where a LaSalle resident does not have to pay two fares focusing services funded by LaSalle and Transit Windsor.

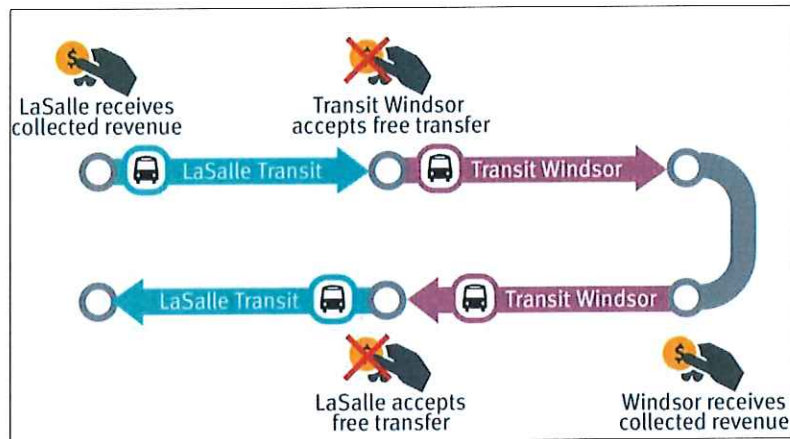
A double fare creates a disincentive for riders to use the service and creates a level of fare inequity—whereby a person travelling a short distance across a municipal border (i.e. Windsor Crossing to the Walker Road commercial area) costs more than a person travelling a longer distance within Windsor (i.e. University of Windsor to Tecumseh Mall). The recommended fare integration model would allow passengers to transfer between LaSalle and Transit Windsor's services for free. Figure 6.1 illustrates how concepts would operate without fare integration (left) and with fare integration (right).

Fare concepts without and with fare integration



There is a benefit to both LaSalle and to Transit Windsor in working towards fare integration. LaSalle benefits from being able to promote greater levels of ridership, while Transit Windsor would still receive a portion of new ridership revenue. Figure 6.2 illustrates how each agency would receive fare revenues from a cross-boundary journey. Riders starting in LaSalle and transferring to another route in Windsor would pay the fare in a LaSalle vehicle (LaSalle would receive revenues for that fare) and would receive a transfer slip to continue their journey for free on a Transit Windsor service. Since passengers are likely to be making the parallel journey back home, they would then board a Transit Windsor bus (Windsor would receive revenues for that fare), obtain a transfer slip to continue for free on a LaSalle service.

Fare collection arrangements under the recommended fare integration concept



Without LaSalle's transit service and the fare integration structure, it is unlikely such travelers would use Transit Windsor services altogether. Consequently, Transit Windsor would see an increase in revenue, even with free transfers. It is also unlikely the additional demand would trigger increases in service levels and hence costs.

Other Considerations

In addition to the matters as noted above, the following items were also considered in the final recommendations:

- the Accessibility for the Ontarians Act (AODA)
- U-Pass with University of Windsor
- Marketing and promotion
- Community outreach
- Start up fare incentive program
- Determination of bus stops (shelters and signs)

Financial Plan

Fare Revenue

It is recommended that the Town's cash fare be \$2.75 (has since been updated to \$3.00) — however this does not mean the Town would receive the full fare for each boarding. This is because other user groups (such as seniors) and fare types (such as tickets) have lower fares. Passes will also offer a lower cost per ride. At the time of analysis, Transit Windsor's revenue per passenger is \$1.92, and to Tecumseh Transit's revenue per passenger is \$1.00. For purpose of this analysis, it is assumed that LaSalle's transit services would receive \$1.51 for each passenger. It should be noted that fare rates in LaSalle will be consistent with the Transit Windsor rates.

Given the forecast ridership ranging from 53,000 to 60,000 in Years 1 and 3 respectively, it is therefore expected that fare revenue will contribute approximately \$80,000 to \$91,000 per year.

Provincial Gas Tax

The Province of Ontario operates a program whereby a portion (2 cents per litre) of its gasoline tax revenues are given to municipalities operating transit. The amount provided is based on the number of trips on the transit system, and the population of the municipality it serves. For the 2014-15 financial year, based on a direct of population and ridership, the amounts provided were as follows:

- \$0.27 per passenger trip (based on CUTA statistics)
- \$7.94 per person residing in the municipality that municipal transit services were provided (based on figures from Ministry of Finance)

Given the funding formula and the forecast number of passengers, the Town could receive between \$254,000 and \$261,000 annually for the first three of the service.

The gas tax program stipulates that no matter what the amount generated based on the above formula, the total amount provided under the program is capped at 75% of municipal spending in the previous year. Based on the calculated net expenditures for the first three years, the Town's expected spending on transit would be high enough for LaSalle's allocation to not be capped.

Existing specialized transit

Currently, specialized transit services in LaSalle receive some funding under the gas tax program, \$71,000 and \$59,000 in 2014 and 2015 respectively. Because the amount available to LaSalle for all transit services is fixed, and that the Town's planned spending on conventional services also already not capped, the projected \$254,000 and \$261,000 in anticipated gas tax revenues for the first three years of service would not be in addition to funds provided to the town previously.

Other Costs

- Bus stop infrastructure
- Marketing
- Administrative
- Capital

Financial Model

Bringing all the assumptions together, the following table summarizes the financial implications (in constant 2016 dollars) of the proposed service for the first three years of service.

	Year 1	Year 2	Year 3
Operating costs			
Contractor costs	\$584,000	\$584,000	\$584,000
Administrative costs	70,000	70,000	70,000
Marketing costs	40,000	15,000	15,000
Capital costs			
Stops infrastructure	390,000	0	0
Revenues			
Fare revenue	80,000	88,000	91,000
Provincial gas tax	254,000*	258,000*	261,000*
Total net costs	\$750,000	\$323,000	\$317,000

* Figures show the estimated total provincial gas tax allocation to LaSalle, including the amount that would be used to fund existing specialized transit service.

*Above background section are excerpts from the Phase one and two reports from Steer Davies Gleave

3.0 Report

On June 28th, 2016 Steer Davies Gleave presented the finding and recommendations of the Phase 2 report to Council.

At that meeting the following resolution was passed:

230/ 16 Burns/Desjarlais That the Phase 2 report prepared by steer davies gleave, regarding the provision of transit for the Town of LaSalle BE RECEIVED, and that administration BE REQUESTED to prepare a report on the next steps to move to implementation of a transit system based on the recommendations as contained in the report.

Carried

Subsequent to the June meeting a report was presented to Council at the July 21st, 2016 meeting seeking authorization for Town administration to continue meeting with representatives for Transit Windsor and request that a business case be submitted to the Town for transit services.

At that meeting the following resolution was passed:

281/ 16 Bondy/Desjarlais That the report of the Chief Administrative Officer dated July 21, 2016 (CAO-16- 16) recommending a meeting take place with the City of Windsor with respect to the provision of a bus service in LaSalle BE APPROVED.

Carried.

Since that time, administration has met on several occasions to discuss how a transit route in LaSalle might operate. Transit Windsor has finalized a proposal which can be summarized as follows:

Route

The proposed route is generally consistent with the preferred route as outlined in the Phase 2 report (refer to figure 1). The route would be covered by two buses, one bus starting at St. Clair College and one starting in the vicinity of Morton Drive and County Road 20 (Front Road).

As noted on the attached figure, the route would hit all of the key trip generators in LaSalle and capture approximately 75% of the households in the urban area. The areas being captured are those households within 400m of a bus stop – which distance is consistent with industry standards (refer to figure 2). Admittedly, there are some residences that lie outside the 400m distance. Unfortunately, it is very difficult to design a route that catches all households considering the available budget and length of route (ride time for passengers). At this point, the proposed route is viewed to be the most optimal route that meets all of the criteria. However, this route is not carved in stone. Certainly as the service becomes known, and ridership patterns become established, there may be opportunities to make minor alterations to the route in the future.

As indicated above, the two buses will travel to St. Clair College. At that point, passengers could make a seamless link to three other Transit Windsor Routes:

1. South Windsor 7 – College St, through LaSalle to St. Clair, on to Devonshire Mall and the Walker Road power centre
2. Dougal 6 – St. Clair to downtown
3. Dominion 5 – St Clair to downtown.

It is noted that passengers will also be able to connect with the South Windsor 7 in the Malden Town Centre.

Hours of Operation

The Phase 2 report had assumed that any service would operate two buses from Monday to Friday - 12 hours per day.

Transit Windsor had provided two scenarios for the Town to consider.

Firstly, an option to run two buses Monday to Friday – 12 hrs/day (7280 hrs/yr) and secondly, an option to run two buses Monday to Saturday – 12 hrs/day (8736 hrs/yr). Providing Saturday service was something that the study team did hear during the public consultation process. As previously stated, any new transit system will never accommodate all of the needs of stakeholders. There always needs to be a balance between the provision of a service and the ability to fund that service. On review of the second option, operating at 8736 hours annually exceeding the available budget for transit. With a desire to offer some Saturday service and be conscience of the available budget, administration met with Transit Windsor to explore what other opportunities may exist. As a potential solution the following third option is being recommended for implementation.

This option would provide for:

- One bus Monday to Friday 12 hrs/day – first bus
- One bus Monday to Friday 8 hrs/day - second bus
- One bus on Saturday 12 hrs per day

The above hours of operation (6708 hrs/yr) would provide 2 buses from Monday to Friday during the a.m. and p.m. peak periods and only one bus during the mid-day off peak times. The Hours saved by going to one bus during the week day off periods can be shifted to providing one bus on Saturdays. Although this option does not have the same level of service as would option 2 – two buses six days a week, it does allow the introduction of a Saturday service from the start up and fits within the financial model. As with the route, this is being proposed as the initial startup. If demand grows in the future, the Town could commit extra resources to adding additional hours into the schedule.

Length of route

The length of time a rider will be on the bus to reach their destination is a critical factor in designing the route. It is always a balance between capturing as many potential riders as possible and not making the ride too long where riders will be discouraged from using the system. The examples noted below are the worst case scenarios – assuming the rider is the furthest away from their destination.

Based on a preliminary schedule that has been developed the system has been designed on a 45 minute headway. As indicated above, one bus would start at St. Clair and one at Morton Drive and Front Road. A bus leaving St. Clair at 7:00 am would arrive at Morton and Front Road in 45 minutes. Likewise a bus leaving Morton and Front Road would arrive at St. Clair in 45 minutes. Other examples include St. Clair to Town Hall in 20 minutes and St. Clair to Vollmer in 30 Minutes.

The other variable is the frequency. While the times would remain the same whether there is one or two buses in service, the time a rider will wait for “the next” bus increases when there is only one in service.

Operating Costs

Year	2017	2018	2019	2020	2021
Hourly Rate	\$51.27	\$54.34	\$55.71	\$60.50	\$61.70

Pursuant to the Transit Windsor proposal, the Town would pay the costs for all hours of service associated with the LaSalle route. The hourly costs noted above includes but not limited to, wages and benefits, cost of insurance, claims, daily servicing costs, technology enhancement operating costs, maintenance rate and administration costs.

The hourly rate does not include fuel and will be billed monthly based on usage and the average rate that Transit Windsor pays for diesel.

Capital Costs

As part of the proposal, Transit Windsor would order two new buses as part of their Metrolinx consortium bus order. In order to meet the next order deadline, LaSalle would need to advise Transit Windsor of interest to move forward prior to March 31st, 2017.

Transit Windsor originally proposed that LaSalle would reimburse Transit Windsor on an annual basis using a declining balance amortization of costs of the capital purchase. The chart below sets out the anticipated capital costs under that model over the next five years.

Year	2017	2018	2019	2020	2021
Annual Cost	\$190,249	\$158,535	\$132,107	\$110,085	\$91,734

Based on further discussion with the City, the Town has requested that they accept a straight line approach for the repayment of the buses. The city has agreed in principle to this approach provided that there are provisions included in the agreement that the City be reimbursed by the Town for the outstanding value of the bus in the event the Town does not renew the contract. It is noted that by taking this approach the annual cost to the Town would be approximately \$100,000. The rationale for this model is that it will lessen the financial impact in the initial years of operations when the service is trying to build ridership.

The Town would be responsible for other capital costs outside of any agreement with Transit Windsor. This would include bus shelters, concrete pads/benches and signage. As shown on the financial analysis, funding has been allocated to this infrastructure over a 2-3 year period (refer to figure 3).

Administration has also been in contract with the Ministry of Transportation regarding the Public Transit Infrastructure Fund (PTIF). Although the Town did not qualify for the 2016 fiscal year, administration has been advised that the ministry is looking at our proposed service and we understand the Town would be advised sometime in April whether any funding will be approved. The amount is formula based (population) and is estimated to be approximately \$60,000. This funding has not been accounted for in the funding model, however, if the Town is successful the grant would help accelerate installation of capital infrastructure (i.e. shelters, pads etc.).

Fare Revenue

Transit Windsor will provide the fare collection service in conjunction with the route. The LaSalle route will have a separate designated route number that will allow Transit Windsor to record all rides and the associated revenue. For every ride that occurs on the LaSalle route, the corresponding fare (cash, ticket, monthly pass) will be credited to the Town. The only exception will be for the bus pass used at the connection point at St. Clair. It is proposed that at this location only, revenue would be split on a 50/50 basis. The only other relatively new matter to

deal with is how revenue will be shared for the U-pass. Although preliminary discussions have occurred on how the parties may approach this issue, no decision has been made to date and those details will be outlined in the agreement.

One of the topics discussed during the public consultation phase was an incentive period where the fare would be waived for passengers. To this end, it is suggested that fares (LaSalle only) be waived between September and December of 2017, with full fares being implemented January 1st, 2018.

LaSalle Financial Model

During the initial feasibility study and throughout the discussions with Transit Windsor, introducing a service that is within the means of the Town was always a major principle.

With the above in mind, the following assumptions have been used in developing the model.

- Fare box revenue based on 150/week day 75 weekend.
- Provincial gas tax to double by 2021 – currently the provincial gas tax is at 2 cents and the government has announced a commitment to double the gas tax to 4 cents by 2021.
- Population growth forecasts of 1.5%
- Estimated hourly fuel costs have been estimated at a 3% increase annually.
- Capital expenditures (outside of buses) spread over 2-3 years

	M-F All Day	M-F Peak	Saturday	TOTAL	
Number of Buses:	1	1	1		
Numbers of Days of Service:	5	5	1		
Hours of Operations per day:	12	8	12		
Deadhead/Unproductive time:	1.5	1.5	2		
Total Yearly Hours	3,510	2,470	728	6,708	
Hourly Costs of Service	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
ESTIMATED -- Hourly Rate from Transit Windsor	51.27	54.34	55.71	60.50	61.70
ESTIMATED Hourly Fuel Cost (with a 3% assumed annual increase)	11.00	11.33	11.67	12.02	12.38
Population (with a 1.5% growth assumption)	30,200	30,700	31,200	31,700	32,200

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total Hours of Service	6,708	6,708	6,708	6,708	6,708
Hourly Rate	51.27	54.34	55.71	60.50	61.70
Transit Windsor Service Cost	343,900	364,500	373,700	405,800	413,900
Fuel Cost	73,800	76,000	78,300	80,600	83,000
Non recoverable taxes	8,400	8,800	9,000	9,700	9,900
Administrative & Marketing Costs	50,000	25,000	25,000	15,000	15,000
Maintenance costs - Shelters	5,000	10,000	15,000	15,000	15,000
Capital Costs - Bus (Estimate: To be finalized with the Agreement)	100,000	100,000	100,000	100,000	100,000
Capital Costs - Shelters (10 per year @\$5,000 each)	50,000	50,000	50,000	-	-
Capital Costs - Signs and Asphalt/Concrete Pads	25,000	25,000	-	-	-
Handi Transit Services (Current)	58,600	58,600	58,600	58,600	58,600
Total Costs	714,700	717,900	709,600	684,700	695,400

<u>Fare Box revenues</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
LASALLE TARGET = 150/Weekday 75/Weekend (Tecumseh=88/day, South Windsor #7 =560/Weekday)	42,900	42,900	42,900	42,900	42,900
ACHIEVEMENT TARGET	50%	66%	75%	85%	95%
Estimated Riders	21,450	28,314	32,175	36,465	40,755
Transit Windsor fares (net)	1.91	1.91	1.91	1.91	1.91
Total Estimated Fare Box revenues	41,000	54,100	61,500	69,600	77,800

<u>Gas Tax Revenues</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
The lessor of:					
\$7.94 per population plus \$0.27 per rider (Provincial Commitment 2019: 9.93/0.34, 2020: 11.94/0.41, 2021: 15.88/0.54)	245,600	251,400	320,800	392,500	533,300
75% of the total costs of Transit Services	536,000	538,400	532,200	513,500	521,600
Estimated Gas Tax Revenues	245,600	251,400	320,800	392,500	521,600
Total Revenues	286,600	305,500	382,300	462,100	599,400
(Surplus)/Deficit from Transit Operations	428,100	412,400	327,300	222,600	96,000
<u>BUDGET IMPLICATIONS</u>					
Current (2017) Budget for Handi Transit	61,000	61,000	61,000	61,000	61,000
Current (2017) Budget for Transit	225,000	225,000	225,000	225,000	225,000
Total 2017 Budget	286,000	286,000	286,000	286,000	286,000
<i>Additional Contribution required from the reserve and/or budget increase</i>	<i>142,100</i>	<i>126,400</i>	<i>41,300</i>	<i>(63,400)</i>	<i>(190,000)</i>
Municipal Contribution/Subsidy	428,100	412,400	327,300	222,600	96,000

RESERVE & RESERVE FUND STATUS	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Transit reserve (Council restricted)	225,000				
Provincial Gas Tax (Legislatively restricted)	545,000				
Total Transit related reserve balance	770,000	627,900	501,500	460,200	523,600
<i>Required contribution from the Reserve to balance the Municipal contribution/subsidy</i>	<i>(142,100)</i>	<i>(126,400)</i>	<i>(41,300)</i>	<i>63,400</i>	<i>190,000</i>
Estimated Year End Balance	627,900	501,500	460,200	523,600	713,600

Transit Windsor Enhanced Services

As part of the 2014 -2018 LaSalle strategic plan, one objective was to examine other alternative modes of transportation – including transit. In 2015 a RFP was issued to undertake a study to determine the need/demand for a transit system in LaSalle. The study looked at two potential models. One was for the Town to operate its own transit system (operated by a 3rd party) and the other was to look at the merits of entering into an agreement with Transit Windsor. Based on our meetings with Transit Windsor and their submission, the following are additional reasons administration is recommending entering into a contract:

- Fare integration – perhaps the most compelling reason is that of fare integration. This means that riders from LaSalle will pay one fare and can transfer for no additional cost at St Clair College onto the balance of the Transit Windsor system. This advantage was highlighted in the Phase two report and as well noted as being important by residents during the public engagement sessions. It is believed that having an integrated system will increase the ridership on the route.
- Electronic Fareboxes – the new buses for LaSalle would be outfitted with electronic fareboxes that will allow for the collection of fares using cash, tickets, passes or smart cards. The fareboxes can generate customized monthly reports on fare revenue, ridership data by fare group and by bus stop. Transit Windsor planning staff will work with the Town to analyze the data to determine if stops are being utilized and whether or not changes could be made to the route to improve the transit service.
- Intelligent Transportation System (ITS) – this new system will provide transit passengers with real time information on the location of the bus. The data can be used to evaluate the route and determine whether time points require amendment. The ITS will also provide Stop Annunciation which is a AODA requirement. This feature allows upcoming stops to be announced on the bus to assist passengers who may have disabilities, as

well as those who may not be familiar with the area. Security camera is another feature of this system. Cameras will be installed to provide additional security to the drivers and passengers.

- Google transit – Transit Windsor is now a Google Transit partner. This planning tool allows passengers to use the latest schedule and route information to help determine where and when to catch a bus to get to their destination.
- Planning and Scheduling – Transit Windsor staff would be available to meet with LaSalle staff to address any concerns and make recommendations for changes where appropriate. Transit Windsor staff are also available to share best practices when it comes to areas such as bus shelter locations etc.
- Maintenance – All maintenance of the LaSalle buses will be completed by Transit Windsor. Service line employees at Transit Windsor will ensure that the buses are cleaned on a daily basis and that any service issues are addressed as soon as possible to ensure the bus is back in service. The two buses being purchased by the Town will be committed to the LaSalle route, save and except if it needs to be taken out for a maintenance purpose. At that point another bus will be put on the LaSalle route until the bus is available for use.

Financial Accountability

When the Town elected to enter into discussions with Transit Windsor administration had reviewed the RFP process conducted by the Town of Tecumseh. Tecumseh entered into a contract with a 3rd party in 2009 to run their transit system. At the end of that contract, Tecumseh issued a RFP (fall 2015) for transit service to the Town – as a 3rd party operator.

Transit Windsor, along with a number of other providers, provided a cost to Tecumseh to operate their buses. As a result of this process, LaSalle was able to obtain a good understanding as to what the cost would be to provide this type of service. It is noted that the Tecumseh route is similar in both length and number of stops to that of LaSalle. With that information, administration knew that if the costs of entering into an agreement with Transit Windsor were substantially higher, the Town would always have the option to issue its own RFP.

Based on the proposal as presented by Transit Windsor, it is recommended that Council authorize entering into an agreement with Transit Windsor.

Branding and Advertising

The Town would have the ability to brand the two buses and look for advertising opportunities in/on the buses and at bus stops. Transit Windsor currently has a contract with Street-seen media to provide for the wrapping of buses and for advertising in/on the buses and at shelters. It is recommended that for consistency, that administration be authorized to enter into discussions with Street-seen media with respect to the two buses that will be owned by the Town and the

various shelters. It is noted that the financial model has not assumed any revenue from this source. Should an advertising dollars be recognized, it would be considered as an additional revenue stream for the Town. On the other hand, it has been assumed Council would like to brand the buses, therefore an amount has been included in the financial model. It is recommended that the matter of branding and advertising be referred to the promotion strategic planning working committee for further consideration.

Implementation

It is intended that the new transit system be implemented the first of September – with the start of the school year. As indicated in this report, the Town would be committed to purchasing two buses prior to the end of March. Transit Windsor has advised that the new order may not be available in time for the September launch of the system, however, have agreed to take two buses from their existing fleet to use for the LaSalle route until such time as the new buses arrive and are ready for use.


During the summer months the Town will put together an aggressive media campaign regarding the launch of the new transit system.

Recommendation

As noted in Section 1 of this report the following is recommended to Council;

- Entering into an agreement with Transit Windsor for the provision of transit service to the Town of LaSalle for the years 2017-2021;
- That the Town proceed (through the Transit Windsor) to purchase two buses in accordance with the provisions as outlined in report CAO-12-17;
- Administration to coordinate the purchase of bus shelters and signage with Transit Windsor; and
- Entering into discussions with Street-seen media for the purposes of branding opportunities on the buses and advertising opportunities in the in/on the buses and at bus stops.

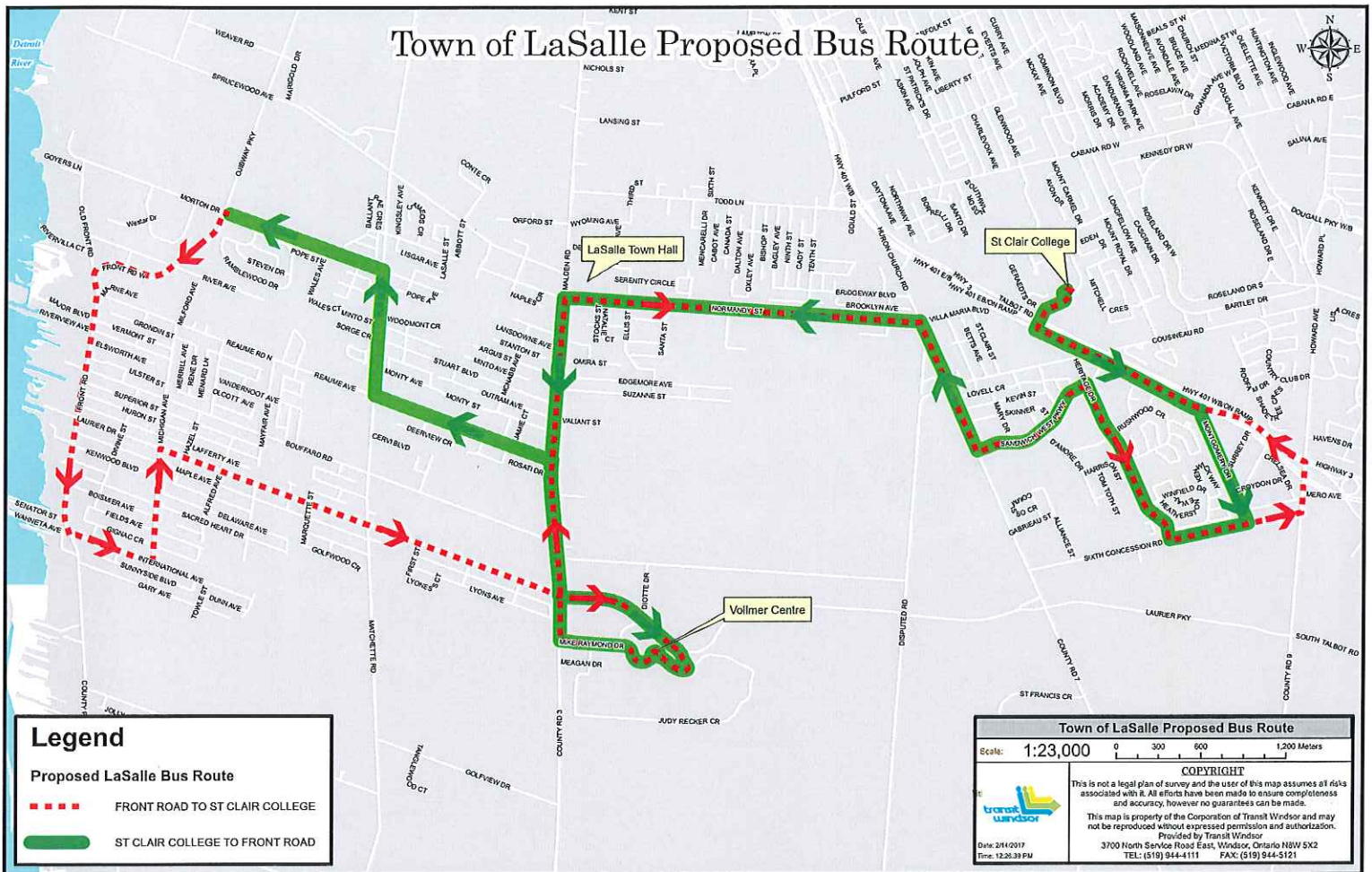
Respectfully submitted,

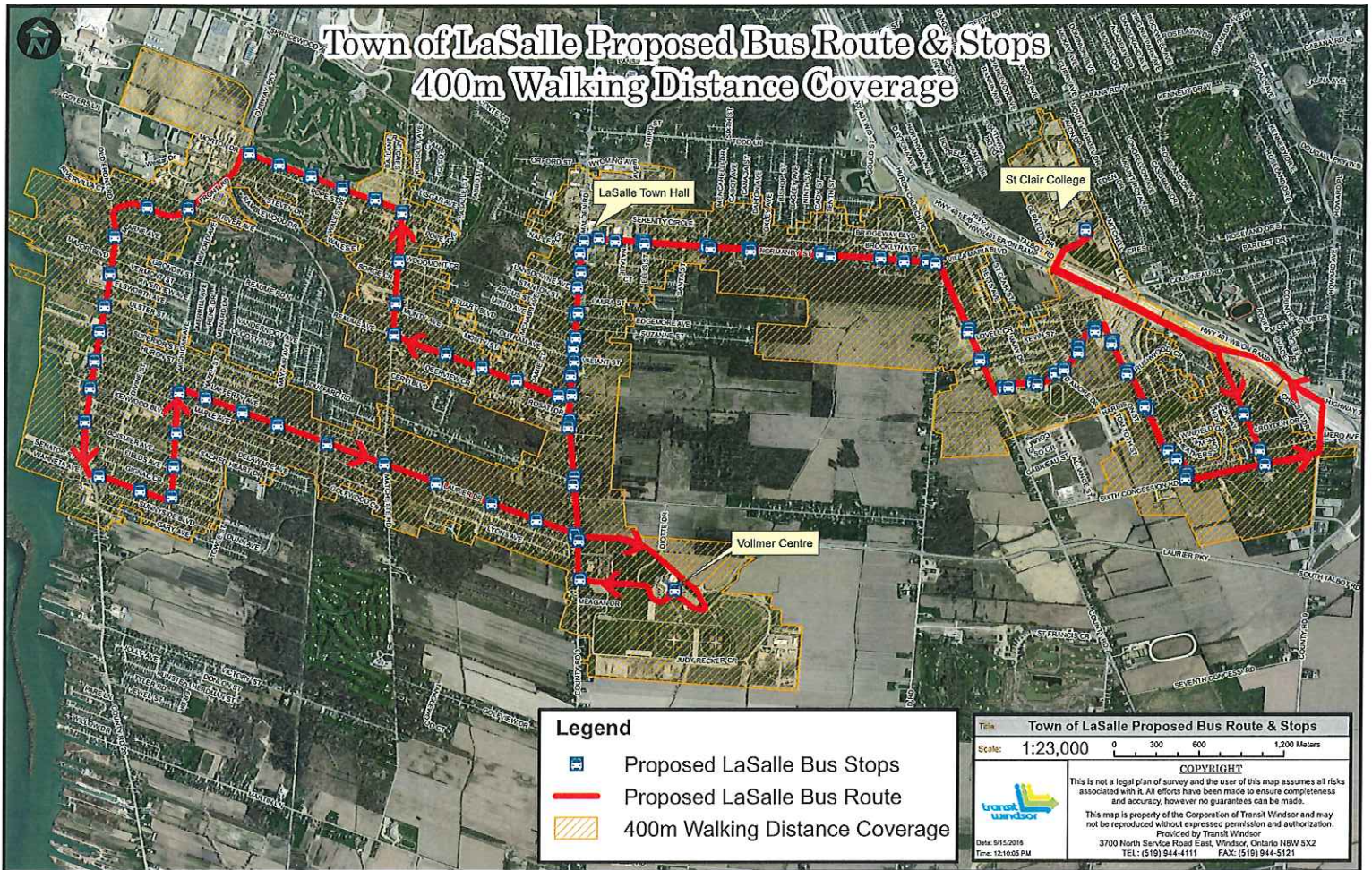


K. Miller
Chief Administrative Officer

Reviewed by:

CAO	Finance <i>Jan</i>	Council Services	Public Works <i>"PM"</i>	DSI <i>"AS"</i>	Culture & Recreation	Building	Fire
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Town of LaSalle Proposed Bus Route & Stops with Proposed Shelter Locations

