



THE CORPORATION OF THE TOWN OF AMHERSTBURG
OFFICE OF ENGINEERING & INFRASTRUCTURE SERVICES

Mission Statement: As stewards of the Town of Amherstburg, we strive to improve the quality of life of all residents through the delivery of effective, efficient, and affordable services.

Author's Name: Antonietta Giofu	Report Date: June 3, 2024
Author's Phone: 519 736-3664 ext. 2320	Date to Council: June 25, 2024
Author's E-mail: agiofu@amherstburg.ca	Resolution #:

To: Mayor and Members of Town Council

Subject: Transit Service Agreement Renewal

1. **RECOMMENDATION:**

It is recommended that:

1. Administration **BE AUTHORIZED** to update and renew the existing Agreement with Transit Windsor to a five-year term (September 1, 2024 – August 31, 2029) to provide a transit route with four trips per day and that connects with services provided by Transit Windsor; and,
2. That the Chief Administrative Officer and Clerk **BE AUTHORIZED** to take any such action required to effect the recommendation noted above and sign any required documentation/agreement(s) for the renewal of the transit service, satisfactory in legal form to the Clerk, in technical content to Director of Infrastructure Services and in financial content to the Chief Financial Office.

2. **BACKGROUND:**

On March 13, 2023, Council passed resolution # 20230523-011 as follows:

1. Administration *BE DIRECTED* to proceed with a transit service with Transit Windsor;
2. That the Chief Administrative Officer and the Clerk *BE AUTHORIZED* to take any such action required to affect the recommendation noted above and sign any required documentation/agreement(s) for the implementation of the transit service,

satisfactory in legal form to the Clerk, in technical content to Director of Infrastructure Services and in financial content to the Chief Financial Officer;

3. *By-law 2023-032 being a By-law to authorize the execution of an agreement with His Majesty the King in Right of the Province of Ontario as represented by the Minister of Transportation for the Province of Ontario related to dedicated Gas Tax funds – 2022-2023 be taken as having been read three times and finally passed and the Mayor and Clerk BE AUTHORIZED to sign same;*
4. *By-law 2023-033 being a By-law to enter into an agreement with the Ministry of Transportation related to funding under the dedicated Gas Tax funds be taken as having been read three times and finally passed and the Mayor and Clerk BE AUTHORIZED to sign same; and further,*
5. *That Council APPROVES the transfer to the Transit reserve for gas tax money received in 2023 for Transit."*

The current agreement with Transit Windsor expires on August 31, 2024.

3. DISCUSSION:

Amherstburg Route 605 has experienced growth in ridership every month since its inception, with monthly average ridership up 95% since 2022. Route 605 is doing very well for a new route, since typically a new route takes 18-24 months to truly achieve full ridership potential and growth. Route 605 achieved this in the first 12-months of operation, noting that current service is three (3) trips per day. The largest contributor to this ridership has been students from the University of Windsor and St. Clair College. The Universal Bus Pass Program (U-Pass) with the University of Windsor has represented 36% of Route 605's ridership for January – April of 2024 and St Clair College with the SaintsPass has represented 22% of Route 605's ridership for the same time frame.

The following table outlines the total monthly passengers since the start of the service in September of 2022:

Month	Total Passengers		
	2022	2023	2024
January		695	1301
February		703	1290
March		784	1376
April		822	1132
May		1119	1317
June		1214	
July		1245	
August		1252	
September	462	1555	
October	597	1427	
November	966	1407	
December	628	1376	
Total	2653	13599	6416

Feedback from residents, either to the Town directly or through Transit Windsor, suggests that they are generally happy with the service, with the exception of the route frequency. Rider comments have indicated a desire to add another trip to accommodate increased demand for the service. Accordingly, Administration requested that Transit Windsor provide an option to increase the service from three to four trips per day, representing a 33% increase in service frequency. Attached is the proposed changes in bus stop timing based on increasing the number of trips from three to four trips per day, including Holidays. This service increase will still require only one bus and the current route alignment will remain unchanged.

For the most part, the wording of the new agreement terms will remain consistent with the previously approved agreement with the most notable changes in the annual number of hours (increased from three trips per day at 2228 hours to four trips per day at 2740 hours) and the hourly rates. These changes are summarized below in the financial section of this report.

4. RISK ANALYSIS:

The need for a public transit service in the Town has long been a request from the residents and has garnered support from many local and community groups. Public transportation contributes to both the economical and physical health of individuals. Such a system brings financial benefits to communities, and is a key component of a healthy business ecosystem by increasing mobility options for both residents who are job commuters, students who are pursuing educational opportunities and customers who wish to visit Amherstburg for a day trip opportunity.

5. FINANCIAL MATTERS:

As noted, the most notable change in the current agreement is what the annual hourly fees will be for Transit Windsor to provide the transit service to Amherstburg.

Currently, the hourly fees for 2024 under the existing agreement is \$73.93 per hour. The new hourly rate starting on September 1, 2024 will be \$70.71. This represents a 4.36% decrease from the existing 2024 contracted rate after taking into consideration cost factors such as salary and benefit increase as per collective agreement, direct administration costs etc. The main reasons for this decrease are:

1. The existing agreement is set at annual operating hours of 2228 and the new proposed agreement is set at annual operating hours of 2740, thereby resulting in an overall reduction in hourly rate.
2. The maintenance costs in the existing agreement were based on the older 2015 NOVA Bus and the new agreement is based on the 2018 NOVA bus. Buses purchased since 2018 (delivered and on order) now make up the majority of Transit Windsor's fleet. The newer buses have overall reduced maintenance

costs which in turn provides for a reduced hourly operating cost in the new agreement.

3. The existing costing was based on 2022 Consumer Price Index (CPI) rate of 5.51% and proposed agreement is based on 2023 CPI rate of 3.31%.

This hourly fee is charged to the Town based on actual hours spent delivering the services of the Amherstburg 605 route and includes bus maintenance, repairs, claims, operating cost of technology, etc. Subsequent year hourly fees for the duration of the agreement will increase annually based on CPI.

Fuel for the buses is invoiced based on monthly average bulk rate. This is consistent with and handled in the same manner as the existing agreement and will be based on actual fuel used.

The Town will also be invoiced separately for the annual capital costs of the transit service, in the amount of \$74,800. This is calculated based on service seven days per week at an estimated 2740 hours. The current agreement has an annual capital costs billing of \$61,200. The increase in the capital cost billing is on account of a substantial increase in the purchase price of buses and increase in interest rate.

Provincial Gas Tax funding can significantly contribute to the cost of a municipal transit service and leveraging provincial funding lessens the burden on taxpayers. The Town's allocation for the 2023-2024 Gas Tax program is approximately \$193,000. The revenue received on the Amherstburg route from rider fares is also credited to the Town.

This new agreement may have an effect on the current 2024 operating budget and any variances will be reported to Council in the 2024 year-end reporting. For future year budgeting purposes, the new agreement will be utilized to set appropriate budget requirements.

6. CONSULTATIONS:

Transit Windsor

(Space left intentionally blank)

7. CORPORATE STRATEGIC ALIGNMENT:

Vision: Preserving our past while forging our future.

<i>Amherstburg Community Strategic Plan 2022 - 2026</i>	
<p style="text-align: center;">PILLAR 1 Deliver Trusted & Accountable Local Government</p> <ul style="list-style-type: none"> <input type="checkbox"/> Improve trust between council and staff, and residents, by strengthening governance and internal accountability structures. <input type="checkbox"/> Deliver transparent and efficient financial management. <input type="checkbox"/> Increase effective communication and engagement with residents. <input type="checkbox"/> Develop our staff team, resources, and workplace culture. <input checked="" type="checkbox"/> Continue to deliver strong core municipal services. <input checked="" type="checkbox"/> Ensure Amherstburg is an inclusive accessible and welcoming community committed to reconciliation. 	<p style="text-align: center;">PILLAR 3 Encourage Local Economic Prosperity</p> <ul style="list-style-type: none"> <input type="checkbox"/> Encourage development of commercial and industrial lands. <input type="checkbox"/> Continue to promote local tourism industry, especially overnight accommodation. <input type="checkbox"/> Continue to facilitate downtown development for residents and visitors. <input type="checkbox"/> Continue to leverage partnership opportunities with other provincial, federal, and local governments, agencies, and organizations.
<p style="text-align: center;">PILLAR 2 Invest in Community Amenities and Infrastructure</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Maintain safe, reliable and accessible municipal infrastructure and facilities. <input type="checkbox"/> Increase access to recreation opportunities for all ages. <input type="checkbox"/> Finalize and execute plans for town-owned lands (e.g. Duffy’s site, Belle Vue) <input type="checkbox"/> Create public access to water and waterfront <input checked="" type="checkbox"/> Prioritize opportunities to reduce environmental impacts of Town operations and increase Town resilience to climate change. 	<p style="text-align: center;">PILLAR 4 Shape Growth Aligned with Local Identity</p> <ul style="list-style-type: none"> <input type="checkbox"/> Define and communicate a vision for the Town’s future and identity. <input type="checkbox"/> Promote and plan for green and “climate change ready” development. <input type="checkbox"/> Review and implement policies that promote greater access to diverse housing. <input type="checkbox"/> Protect the Town’s historic sites and heritage. <input type="checkbox"/> Preserve the Town’s greenspaces, agricultural lands, and natural environment.

8. CONCLUSION:

Administration is recommending that Council approve the renewal of the current agreement with Transit Windsor for a 5-year term to continue transit service in the Town of Amherstburg.



Antonietta Giofu
Director of Infrastructure Services

Report Approval Details

Document Title:	Transit Service - Agreement Renewal.docx
Attachments:	- Route 605 Schedule - 4 Trips Per Day.pdf
Final Approval Date:	Jun 13, 2024

This report and all of its attachments were approved and signed as outlined below:



Tracy Prince



Valerie Critchley



Kevin Fox