



REPORT

TO: Mayor Bonnette and Members of Council

FROM: Deanna Locey, Transit Supervisor

DATE: June 17, 2021

REPORT NO.: TPW-2021-0011

SUBJECT: Specialized Transit Plan Final Direction Report

RECOMMENDATION:

THAT Report No. TPW-2021-0011, dated June 17, 2021, regarding the Specialized Transit Plan Final Direction Report, be received;

AND FURTHER THAT Council approve the recommendations contained within the Specialized Transit Plan Final Direction Report;

AND FURTHER THAT an Electric Feasibility Study in support of the Specialized Transit Plan and other Town fleet electrification be referred to Budget Committee for consideration as part of the 2022 capital budget process;

AND FURTHER THAT the Specialized Transit Plan Final Direction Report be reflected in the 2022 capital budget and forecast and referred to Budget Committee for consideration.

KEY POINTS:

The following are key points for consideration with respect to this report:

- Council endorsed the Specialized Transit Plan Mid-Term Direction Report and Confidential Report No. TPW-2020-0028 which enhanced operations in the ActiVan service and ensured that service delivery requirements are met as per the Accessibility of Ontarians with Disabilities Act (AODA).
- The Specialized Transit Plan Final Direction Report establishes service standards, ridership demand, fleet requirements and provides long-term plan to support the growth of the specialized transit service.

- The plan considers Council's Climate Change Resolution No. 2019-0088 which is to be a Net Zero municipality by 2030 by transitioning to an all-electric vehicle (EV) fleet with the first vehicle purchase in 2024.
- An Electric Vehicle (EV) Feasibility Study is required for Town fleet in 2022 to support Council's Climate Change Resolution No. 2019-0088.
- The plan requires technology upgrades and purchases for program enhancement through to 2031.
- Required staff resources have been included to accommodate growth and ridership demand to 2031.
- Proposed fare increase in 2022 with accompanying unlimited monthly pass for ActiVan clients.
- All recommendations contained within this report will be referred to Budget Committee for consideration as part of the budget process.

BACKGROUND AND DISCUSSION:

The Town of Halton Hills ActiVan service is a specialized transportation service for seniors aged 65 and older and persons with disabilities residing in Halton Hills. The Town has provided accessible transportation service through the ActiVan program since 1981. Over this period of 40 years, ActiVan has evolved from one bus capable of transporting three (3) wheelchair passengers, to a total fleet of eight (8) vehicles accommodating a total of fifteen (15) wheelchair passengers, and up to fifty-two (52) ambulatory passengers at one time.

Since the inception of the ActiVan program in 1981, Tyler Transport Limited had provided contracted operational support of drivers and vehicle cleaning services. Council may recall Confidential Report No. TPW-2018-0008, where in July 2018 Tyler Transport Limited made the decision to dissolve all business dealings inclusive of contracted operations of the ActiVan program. Since this date, the Town has been providing operational services in-house through contracted employment of drivers and administrative staff.

As part of the evaluation of the ActiVan program, through Delegation of Authority on March 30, 2020, the Specialized Transit Plan Consultant Award was approved and awarded to Left Turn Right Turn Ltd (LTRT). The Specialized Transit Plan is an update to the 2013 ActiVan Master Plan. The study was driven by the need to evaluate service delivery models and conversely build on recommendations made in Report No. TPW-2019-0026 and the Town's 2019-2031 Transit Service Strategy which evaluates service alternatives for a made-in-Halton Hills transit solution to meet the current and future mobility needs of the community.

The Specialized Transit Plan provided recommendation in two (2) separate phases. The first phase was endorsed by Council on September 28, 2020 and included the Specialized Transit Plan Mid-Term Direction Report and Confidential Report No. TPW-2020-0028 which evaluated the operations of the ActiVan service and ensured that

service delivery requirements are met as per the Accessibility of Ontarians with Disabilities Act (AODA). The second phase includes the Specialized Transit Plan Final Direction Report (Appendix 1), which evaluates service standards, ridership demand, fleet requirements and provides long-term recommendation to support the growth of the specialized transit service.

Since the approval of the Specialized Transit Plan Mid-Term Direction report, staff have successfully begun discussions with municipal partners to formalize agreements for transfer connection locations between specialized transit services as to increase cross boundary travel options for specialized transit program users. Additionally, staff have retained a pool of part-time ActiVan Transit Assistants necessary to support the increased dispatch and administrative hours of service required in order to comply with recommendations made in the Accessibility of Ontarians with Disabilities Act (AODA) for specialized transit services. ActiVan dispatch hours have since been increased to 7:00 am - 8:00 pm, seven (7) days a week for convenience in trip bookings as well as administrative support to in-service transit operators.

The Specialized Transit Plan Final Direction Report (Appendix 1) provides long-term recommendation for the ActiVan specialized transit program until 2031. These recommendations have been developed to address needs to support ridership growth by focusing on staffing impacts, improving service standards, policy and process and fleet requirements including transitioning to an all-electric vehicle (EV) fleet.

All recommendations contained within the Specialized Transit Plan Final Direction Report have considered Council's Climate Change Resolution No. 2019-0088 to be a Net Zero municipality by 2030. The report considers that the future growth and ridership demand be predicated on the most energy efficient model taking into consideration transportation emissions and the overall carbon footprint from the Town's specialized transit program.

The projected growth factor for ridership for the ActiVan service is closely tied to levels of employment, population and proportion ratio of seniors within the current population. All three growth factors are anticipated to expand over the next 10 years, increasing demand for the ActiVan service. However, there is uncertainty regarding population projections due to the delay in anticipated growth based on Halton Region's Official Plan and Halton Region's Integrated Growth Management Strategy, though changes in ridership projections are expected to be minimal as to not affect the recommendations contained within the plan.

Alternatively, the COVID-19 pandemic has drastically impacted ridership resulting in a decrease in service of up to 70% since March 2020; however, ridership is anticipated to rebound over the next one to three (1-3) years and substantially grow from a projected fifty-one thousand (51,000) ActiVan trips in 2022 to eighty-six thousand (86,000) trips by 2031. Projected ridership includes demand for ActiVan and ad hoc services only and does not include the Taxi Scrip program, as these trips are intended to be dissolved into the proposed Universal Access Service, as indicated in the Transit Service Strategy.

In order to meet the needs for the projected ridership growth of the ActiVan program, while focusing on Council's Resolution to be Net Zero by 2030, the following recommendations outlined below will be required for the support of specialized transit services in the Town through to 2031, pending annual Budget Committee approval. The following recommendations are intended to improve service efficiency and quality, as well as meeting Town strategic priorities and goals.

Improvement of Service Standards

Service standards were developed to provide effective achievement of goals against peer and industry standards and best practices. An assessment of challenges was gauged through public engagement through the Let's Talk Halton Hills website, as well as measured through current operational performances. The service standards are intended to cover all areas of ActiVan functions and measures of success.

Recommendation includes developing an internal policy of standards of key performance indicators (KPI's) to encompass the following achievements and goals:

- Eligibility
- Customer Service
- Service Quality
- Service Efficiency
- Operations

Operational Adjustments

ActiVan service revenue hours are projected to increase from 14,000 annual service revenue hours reported in 2019, gradually increasing to 25,000 annual service revenue hours by 2031. The delivery of the planned service revenue hours will require ActiVan to expand its operating hours and increase the accessible vehicle hours by 2031.

Extension of service revenue hours will allow ActiVan to sustain the growing demand of specialized transit services while providing more convenient transportation options for customers. By increasing the dedicated service revenue hours of the ActiVan vehicles this subsequently decreases reliance on ad hoc taxi services. Additionally, increasing and decreasing the number of in-service vehicles based on peak and off-peak hours of service will provide a more efficient and convenient level of service for the ActiVan program.

Fleet Requirements

For the ActiVan program to sustain ridership demand projections to 2031, the fleet size will increase by 60% over the next ten (10) years from the current fleet size of eight (8) vehicles to thirteen (13) vehicles by 2031. Recommended fleet would include a mix of both accessible low floor vans to larger 8 metre low floor accessible buses with a capacity of eighteen (18) ambulatory and/or twelve (12) ambulatory and three (3)

wheelchair passengers. Additionally, the existing spare vehicle ratio of 25% should remain as it is the industry standard.

While this plan provides overall fleet guidance, due to uncertainties in future ridership and delay in anticipated growth based on Halton Region's Official Plan and Integrated Growth Management Strategy, it is recommended that demand (passenger trips + unaccommodated trip requests) be tracked on a yearly basis to guide the projected years' new vehicle purchase(s). New vehicles should be purchased when the overall demand for trips relative to the number of vehicles on the road reaches 4.2. Additionally, vehicle purchases should also be made if the Town's spare vehicle ratio falls below the industry standard of 25%.

As part of the study, LTRT evaluated two (2) alternatives to support Council's Resolution to be Net Zero by 2030. The two (2) alternatives contained within the report are as follows:

1. To meet Council's Net Zero directive to transition to a fully electric fleet by 2030, while aligning with the ActiVan seven-year replacement cycle of the transit vehicles, the transition to an all-electric fleet must begin in 2024 to have a fully electric fleet by 2031.
2. Defer electrification of ActiVan fleet to 2035. Deferring full electrification of the fleet to 2035 would allow the Town to plan for Electric Vehicles (EV) including the infrastructure required to support EV.

Staff are recommending alternative one (1), which would include procuring battery electric buses or vans for all new and replacement vehicle purchases starting in 2024. The scope of details for infrastructure requirements including any EV or equivalent energy efficient vehicle be refined and updated following an EV Feasibility Study. This recommendation supports Council's Climate Change Resolution No. 2019-0088 to be Net Zero by 2030 following the directive to transition the Town's fleet to electric vehicles wherever possible.

For ActiVan to sustain the procurement and replacement of EV purchases as to achieve an all-electric fleet by 2031, significant investments in infrastructure must be made prior to the delivery of the first battery EV purchase. These investments include facility upgrades and/or lease of a temporary facility to support additional space for vehicle charging stations, energy storage systems, backup generators and enclosed garage space to house EVs and EV infrastructure, as well as an upgrade to the power grid to address the existing constraints on power distribution systems.

These recommendations should be evaluated through an EV Feasibility Study for the Town's fleet to ensure that necessary infrastructure and storage meet the requirements for an EV fleet while remaining in-line with the Town of Halton Hills Low Carbon Transition Strategy. Additionally, an EV feasibility study should commence in 2022 to better understand and determine costs associated with the capital purchase of EVs and the infrastructure required to support each unit. These costs would accurately guide the Town's long range financial plan and aid in determining the feasibility of purchasing an

all-electric fleet by 2030. Alternative fleet recommendations should also be considered as part of the study, including but not limited to hybrid electric, eco-diesel and hydrogen vehicles etc., taking into consideration transportation emissions and the overall carbon footprint of the Town's fleet.

Technology

All technology recommendations contained within the Specialized Transit Plan Final Direction Report are an integral component for supporting the future of specialized transit services in Halton Hills while remaining focused on reducing the carbon footprint of the ActiVan program. Technology recommendations include engaging the Town's current accessible transit software vendor to implement and/or improve on software limitations that can affect accurate scheduling such as updating speed parameters within the software to accurately depict appropriate travel and load times.

Technology recommendations also include an 'Automatic Fare Collection' (AFC) system onboard specialized transit vehicles to be purchased in 2025, eliminating the need to print and reconcile paper fare tickets. An AFC system would also provide protection of revenue collection. The purchase of an AFC system should be combined with conventional transit services such as Universal Access Service once this service is implemented within the Town.

Staffing Resources

Due to the projected increase in operating hours and dedicated vehicles in-service during peak periods, the necessary hire of an additional seven (7) full-time transit operator(s) will be required by 2031. This will increase the specialized transit operator personnel to a total of ten (10) full-time and seven (7) part-time positions required to cover the projected 25,000 annual service hours by 2031.

In addition, recruitment of one (1) specialized transit administrative coordinator will also be required in 2023 to provide managerial and administrative support specifically regarding customer support for eligibility and concerns, as well as overseeing daily scheduling and service planning.

All recommended increases in dedicated service hours and transit operators required to support the increase in service delivery will be evaluated regularly by staff and will only be increased when the cost of ad hoc service outweighs the cost of internal dedicated resources. All supplementary administrative staffing recommendations will be included as part future annual budget considerations and subject to Budget Committee approval.

Policy and Fare Changes

Policy and process recommendations include changes to operational processes, fare structure and organizational communications strategies. These recommendations are

made to enhance the customer experience and improve the efficiency in which ActiVan delivers its service.

Currently customers are required to pay \$3.00 per trip Monday to Friday 7:30 am to 5:00 pm and \$4.00 per trip after 5:00 pm on weekdays and weekends. This two-tier fare structure is confusing to customers and is not consistent with best practices. The Specialized Transit Plan Final Direction Report recommends that ActiVan increase fares in 2022 to \$4.00 per trip for all time periods. This flat fare structure will better align with fares collected by Milton Transit for cross-boundary travel purposes and ensure payment consistency and provide a seamless operation for customers.

As an enhancement to the customer, a \$100 unlimited monthly pass for ActiVan is recommended to be introduced simultaneously. It is expected that approximately 8% of current customers who make up 49% of current trips would use the monthly pass and see their overall fare costs decreased. As a result of the fare policy change, ridership would be projected to increase by 3% as well as an increase in revenue by 32%. Several other monthly fare rates were analyzed by LTRT; however, the \$100 monthly fare pass provided the best balance of stabilizing revenue against the increased operational costs associated with ridership growth and expanded dedicated service hours.

STRATEGIC PLAN ALIGNMENT:

This report aligns to the Town's Strategic plan recognizing the value to foster a healthy community that provides a clean environment and range of economic and social opportunities to ensure a superior quality of life in our community.

This report also identifies transportation as one of the Town's Strategic priorities.

RELATIONSHIP TO CLIMATE CHANGE:

This report impacts and/or helps address climate change and the Town's Net Zero target through climate mitigation.

PUBLIC ENGAGEMENT:

Public Engagement has been conducted as follows: Online Survey, Open House/PIC/Workshop, Stakeholder Meetings, and Technical Agencies.

All public engagement conducted followed the Town's fundamental principles for the Public Engagement Charter and remained consistent in the Town's commitment to the promise of Transparency, Notification and Participation. All public engagement conducted was constant in meeting all three spectrums of the Engagement Matrix to Inform, Consult and Collaborate.

The development of the Specialized Transit Plan included consultation meetings with Technical Agencies, Stakeholders and the public. In addition, the Halton Hills Accessibility Advisory Committee (HHAAC) was presented the plan in two (2) separate phases, in which feedback was received and overall, the HHAAC supported the proposed improvements contained within the plan.

The public was engaged through prerecorded Virtual Public Information Centre (PIC) meetings which were posted on November 26, 2020, and April 1, 2021, through the online platform Let's Talk Halton Hills and allowed convenient opportunity to provide comment and input through surveys and interactive engagement tools. Each virtual public meeting and presentation provided key project information and acquired necessary feedback on the ActiVan program.

The second public consultation posted on April 1, 2021 included a survey which informed and requested public input that fed into the final recommendations contained in the Specialized Transit Plan Final Direction Report. The survey received 71 responses which identified the following:

- 75% agree with extending ActiVan accessible hours of service both weekdays and on weekends.
- 43% agree with implementing an Automatic Fare Collection (AFC) system.
 - 53% agree with implementation of an AFC however propose it be implemented sooner than 2025.
- 95% are in favor of a monthly pass.
- 90% in favor of ActiVan purchasing first electric bus by 2024.

INTERNAL CONSULTATION:

The following Departments and associated staff were consulted through the development of this report: Office of the CAO including Senior Manager of Climate Change and Asset Management, Corporate Services including finance staff, and Transportation and Public Works staff including the Director of Public Works and Director of Transportation.

FINANCIAL IMPLICATIONS:

This report has the potential to require funding in a future budget year and therefore needs to be referred to budget committee for tracking purposes.

Capital Investment

The total capital investment for the recommendations contained within the Specialized Transit Plan Final Direction Report (2022 – 2031) is currently estimated at \$6.5 million between 2022 and 2031, excluding investments required to facilitate supporting infrastructure for EV operation. As indicated above, a feasibility study is currently proposed in the 2022 draft budget for consideration, in order to identify necessary infrastructure needs for EV fleets (e.g., facility requirements and power grid upgrade)

and alternative fleet options in support of the Town's Low Carbon Transition Strategy. The results of the study, including funding requirements, will be reported to Council upon completion of the study.

Out of the \$6.5 million, excluding the infrastructure requirements, approximately \$5.5 million is attributed to the procurement of new and replacement electric vehicles and a proposed temporary electric vehicle shelter.

It should be noted that the projected capital funding needs will be considered in the Town's Development Charges (DC) background study and the Community Benefits Charges (CBC) strategy that is currently underway. The portion of the capital needs that is required to support growth will be recommended for recovery under the updated Town's DC by-law and CBC by-law as applicable. The non-growth-related component will require additional funding from the Town's capital reserves.

Staff will continue to seek additional funding opportunities related to environmental and climate change as well as expansion or support of transit services as they arise to offset capital investments required to support enhancements of specialized transit services.

Operating costs

In addition to the capital investments, the Specialized Transit Plan requires additional operating costs to implement the plan, including the costs for additional vehicle maintenance, fuel, compensation costs to expand the transit operator workforce, additional staffing requirements for service management and administration as well as all other service expansion recommendations contained within the report. In estimating the operating costs, the Specialized Transit Plan assumed that Universal Access Service (UAS) will be introduced in 2024 and the current Taxi Scrip Program will be phased into a conventional transit service in the future.

It is important to note that the in-depth operating cost impacts needs to be assessed at the time the service delivery option (e.g., EV or alternative fleet recommendations) is determined and the total capital investment requirements are identified as part of the feasibility study as noted above. Further, the operating costs will be adjusted based on the actual timing of the Transit Service Strategy (including UAS).

Subject to the impending feasibility study and the implementation timing of UAS, the current preliminary estimates indicate that the net operating cost to support the operation will require approximately \$1.6 million in 2022, which represents a \$40,000 increase from the 2021 budget. The net cost is expected to increase to \$1.7 million in 2024, to \$1.9 million in 2026 and \$2.3 million by 2031. It is expected that a portion of the operating cost will continue to be funded by the Provincial Gas Tax (i.e., \$577K approved funding as of 2020).

Upon Council approval of Report TPW-2021-0011, the current projected capital needs (\$6.5M between 2022 and 2031) and the preliminary operating cost estimate (\$1.6M in

2022) will be incorporated into the draft 2022 budget and forecast and will be referred to Budget Committee for consideration.

Further, upon completion of the feasibility study expected in 2022, the financial implications arising from the overall capital investment requirements and the incremental operating costs will be assessed and reported to Council for their information and approval.

Reviewed and approved by,

A handwritten signature in black ink, appearing to read "Maureen Van Ravens". The signature is written in a cursive, flowing style.

Maureen Van Ravens, Director of Transportation

A handwritten signature in black ink, appearing to read "M. J. Leight.". The signature is written in a cursive, flowing style.

Moya Jane Leighton, Director of Finance & Town Treasurer

A handwritten signature in black ink, appearing to read "W. Andrews". The signature is written in a cursive, flowing style.

Bill Andrews, Commissioner of Transportation and Public Works

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Chris Mills, Acting Chief Administrative Officer