SUBJECT: Report 07-002 of the Provincial Gas Tax Transit Master Plan Steering Committee (PW07138) - (City Wide)  
*Public Works Outstanding Business List*

**RECOMMENDATION:**

(a) That Report 07-002 of the Provincial Gas Tax Transit Master Plan Steering Committee (TMPSC), attached hereto as Appendix “A”, be received;

(b) That the 5-year Transit Service Enhancement Plan, as amended by TMPSC, arising out of the September 15, 2007 Workshop of the TMPSC, attached hereto as Appendix “A” be approved;

(c) That staff be directed to create an Implementation Plan for the identified service enhancement priorities contained in the Plan and to include the recommended Service Enhancement Implementation Plan in the 2008 Transit Division budget submission;

(d) That Item 1(a) of Report 07-002 of the Provincial Gas Tax Transit Master Plan Steering Committee which states that the remaining balance in the Provincial Gas Tax Reserve be dedicated to service level enhancements, be amended such that a minimum reserve balance of $500,000 in the Provincial Gas Tax reserve be dedicated to support the ongoing Transit Capital Plan;

(e) That Item 3(b) of Report 07-002 of the Provincial Gas Tax Transit Master Plan Steering Committee which states, that Council consider all future Capital projects be funded from the Transit dedicated Federal Gas Tax, be rejected as there is insufficient Transit Dedicated Gas Tax to support the Transit Capital Plan over the long term;

(f) That Item 1(b) of Report 07-002 of the Provincial Gas Tax Transit Master Plan Steering Committee which states that consideration be given to funding future service level enhancements from fare increases and/or the tax levy be referred to Council for consideration during 2008 budget deliberations;
(g) That Item 2 of Report 07-002 of the Provincial Gas Tax Transit Master Plan Steering Committee which states that an expanded levy and/or fare increase as a means of addressing the service level deficiencies in existing services, be referred to Council for consideration during 2008 budget deliberations;

(h) That Item 3(a) of Report 07-002 of the Provincial Gas Tax Transit Master Plan Steering Committee which states that Council consider allocating a portion of the non-dedicated Federal Gas Tax to fund the transit Capital program, be referred to Council for consideration during 2008 budget deliberations;

(i) That Issue “L” Federal Gas Tax-Committed and Spent be removed from the outstanding business list;

(j) That Information Item (f) of Report 07-002 of the Provincial Gas Tax Transit Master Plan Steering Committee which states that the Beeline re-branding initiatives and the requested $15,000 to undertake the work as recommended be approved and funded from the current Operating budget of the Transit Division; and further that the name of the "Beeline" route be changed to "B-Line";

(k) That $50,000 be allocated from the Provincial Gas Tax Reserve in 2008 to the TMPSC as a budget for discretionary expenditures in 2008.

Scott Stewart, C.E.T.
General Manager
Public Works

EXECUTIVE SUMMARY:

On September 15, 2007, members of the TMPSC and staff from Public Works, including the General Manager and senior staff from Transit and Capital Planning and Implementation, Economic Development and Long Range Planning, met to consider and agree on a five-year Ridership Growth Strategy (Service Enhancement Plan) for the Transit Division.

TMPSC and staff were successful in coming to agreement on a Plan for Transit (HSR and ATS) service enhancement priorities over the next five years for the consideration of Council.

Report 07-002 of the TMPSC recommends that Council receive the five-year Service Enhancement Plan, attached hereto as Appendix “A”, for further consideration by the Public Works Committee.
Staff is recommending that the five-year Plan recommended by TMPSC be approved and be referred to staff for a report back to the Public Works Committee that develops the Plan into an Implementation Strategy, specifically with recommendations for service enhancements in 2008, to be contained within the 2008 budget submission by the Transit Division.

Report 07-002 of the TMPSC also contains a number of recommendations for the consideration of Council, as follows:

1(a) That the balance of on-going funding remaining in the Provincial Gas Tax Reserve be dedicated to service level expansion priorities as identified in Exhibit 2, as amended, and attached as appendix “A” of the Five-Year Service and Funding Plan;

1(b) That consideration be given to funding future service level enhancements from fare increases and/or the tax levy.

2. That an expanded levy and/or fare increases be supported as a means of addressing the service level deficiencies in existing services.

3(a) That Council consider allocating a portion of the non-dedicated Federal Gas Tax to fund the transit Capital program;

3(b) That all future Capital projects be funded from the Transit dedicated Federal Gas Tax.

Staff cannot fully support recommendation 1(a) which recommends that the full balance of the Provincial Gas Tax Reserve be dedicated to service level expansion priorities. Commitment of 100% of the Provincial Gas Tax revenue would leave the Transit program with no source of funding for Capital programs (excluding fleet replacement which is funded from a dedicated reserve) once the dedicated Federal Gas Tax for Transit is fully expended. Service level expansions also require “one-time” Capital expenditures to acquire the fleet, and Development Charges contributions are insufficient to cover the full cost. As such, staff are recommending that Council retain a minimum balance of $500,000 in the Provincial Gas Tax Reserve to assist with the ongoing sustainability of the Transit Capital Program.

The TMPSC established the Marketing Sub-Committee on October 4, 2006 for the purposes of advising the parent committee on branding and promoting the City’s Rapid Transit initiatives. The Sub-Committee devised a marketing plan to complement the introduction of hybrid articulated buses, featuring a new livery, and an increase in service levels on Route #10 Beeline. The proposed Marketing Plan features simplified and unique customer information (timetable and infopost inserts), distinctive signage at bus stops and complimentary paint scheme for transit shelters. In addition, the Marketing Sub-Committee’s plan recommends changing the name of Route #10 from “Beeline” to “B-Line”, incorporating a stylized logo. This change will allow for a future
consistent nomenclature as additional rapid transit routes are introduced to implement Hamilton’s Transportation Master Plan.

**BACKGROUND:**

The Transit Master Plan Steering Committee (TMPSC) was created by Council in 2005 with mandates to: advise Council on Provincial Gas Tax expenditures; and to assist with the creation of Ridership Growth and Asset Management Plans.

The existence of Ridership Growth and Asset Management plans are a requirement of the Agreement between the City and the Province in order to remain eligible for Provincial Gas Tax funds. The plans were completed in 2006, approved by Council and subsequently submitted to the Province.

In 2006, Council expanded the mandate of the TMPSC to advise Council on Capital expenditures funded from the Federal Gas Tax dedicated to Transit.

At a prior meeting of the TMPSC, the Committee requested that Council give consideration to dedicating a portion of the unconditional Federal Gas Tax to Transit. Council referred the request back to TMPSC for more detail. TMPSC is recommending that the unconditional Federal Gas Tax be used to support the future Capital requirements of the Transit program.

**ANALYSIS/RATIONALE:**

The Transit Master Plan Steering Committee is comprised of: four members of Council, citizen membership from each of the Transit Service Areas (former municipalities of the Region of Hamilton-Wentworth); Corporate representation from Education, Chamber of Commerce, Airport; representation from Business Improvement Areas, the Transit Users Group, the Seniors’ Advisory Committee, and the Accessibility Committee for Persons with Disabilities.

Agreement on the priorities for Transit service enhancements for the future between staff and a broad scope of community representation will provide Council with the added assurance that limited funding is being allocated in the most effective manner.

**ALTERNATIVES FOR CONSIDERATION:**

No alternatives are being presented as staff and TMPSC are in agreement on the proposed five-year service enhancement plan.

Council does need to reconcile the difference in position between staff and the TMPSC regarding commitment of 100% of Provincial Gas Tax to service level improvements.
FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

There are no staffing or legal implications associated with the recommendations in this report.

While there are no immediate financial implications, Council’s direction is sought on the recommendations associated with allocating 100% of the Provincial Gas Tax Reserve to service level improvements.

POLICIES AFFECTING PROPOSAL:

Practicing sound financial management for the long haul is a cornerstone of the Public Works Strategic Plan (2008).

RELEVANT CONSULTATION:

On September 15, 2007, the TMPSC and staff from Public Works, including the General Manager and senior staff from Transit and Capital Planning and Implementation, Economic Development and Long Range Planning met to consider and agree on a five-year Ridership Growth Strategy (Service Enhancement Plan) for the Transit Division.

TMPSC and staff were successful in coming to agreement on a Plan for Transit (HSR and ATS) service enhancement priorities over the next five years for the consideration of Council.

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes  □ No
Consultation and partnership with community groups and individuals that provide and receive the service helps to ensure the community is receiving the most effective services.

Environmental Well-Being is enhanced. ☑ Yes  □ No
Transit service level enhancements are good for the environment. One transit bus can replace up to 50 cars.

Economic Well-Being is enhanced. ☑ Yes  □ No
Transit provides an economic advantage to the automobile. Transit attracts new development and assessment growth to the community. Transit provides access to the community for work, shopping, medical, education and recreation that stimulates new commerce in the community.

Does the option you are recommending create value across all three bottom lines? ☑ Yes  □ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants? ☑ Yes  □ No
A high level of Community consultation demonstrates that Hamilton staff recognizes the need for and are actively seeking community feedback.
THE PROVINCIAL GAS TAX TRANSIT MASTER PLAN STEERING COMMITTEE PRESENTS REPORT 07-002 AND RESPECTFULLY RECOMMENDS:

1. Consideration of Recommendations arising out of September 15, 2007 Workshop – Five-year Service Plan (Item 5.1)

That the Summary from the Five-Year Service and Funding Plan Workshop, as amended, be received and forwarded to the Public Works Committee with the following recommendations:

(a) That the balance of on-going funding remaining in the Provincial Gas Tax Reserve be dedicated to service level expansion priorities as identified in Exhibit 2, as amended, and attached as appendix “A” of the Five-Year Service and Funding Plan;

(b) That consideration be given to funding future service level enhancements from fare increases and/or the tax levy.
2. **Levy Expansion**

   That an expanded levy and/or fare increases be supported as a means of addressing the service level deficiencies in existing services.

3. **Federal Gas Tax – Non-dedicated**

   (a) That Council consider allocating a portion of the non-dedicated Federal Gas Tax to fund the transit Capital program;

   (b) That all future Capital projects be funded from the Transit dedicated Federal Gas Tax.

**FOR THE INFORMATION OF THE COMMITTEE:**

(a) **Call to Order/Introductions**

   Councillor McHattie called the meeting to order.

(b) **Declarations of Interest**

   Councillor McHattie requested if there were any declarations of interest, of which there were none.

(c) **Approval of Previous Minutes**

   On a motion, the Minutes of the June 7, 2007 meeting of the Provincial Gas Tax Transit Master Plan Steering Committee, were received and adopted as presented.

(d) **Presentation – Budh Dillon, President, ATU Local 107**

   Budh Dillon, President of ATU Local 107, and Robin West, Canadian Director of ATU Canadian Council, gave a power point presentation. In their presentation, the ATU expressed support for allocation of Provincial Gas Tax funding for the purposes of both addressing the deficiencies in existing service levels, as well as for new service level expansion.

   The ATU feels that investment in existing services has not kept pace with increased workload demands on the Operators that have accumulated over time as a result of changes in the community, including:
Introduction of accessible buses
Increase in use of strollers and buggies
Bike racks have been added
Increased ridership
Ageing population
Extension in some routes to cover city expansions
Streets changed from one way to two way traffic
Additional traffic and traffic signals
Narrowing of streets to beautify the City
Delays due to fire, accidents, weather conditions, detours, constructions, operators’ need to use the washrooms, etc.

The ATU asked that Committee and Council give consideration to allocating a portion of the remaining gas tax funds to addressing deficiencies in existing services which may also lead to increased ridership.

On a motion, the presentation was received.

(e) Consideration of Recommendations arising out of September 15, 2007 Workshop – Five-year Service Plan (Item 5.1)

By consensus agreement, the following amendments were approved in the Summary of the Five-Year Service and funding Plan Workshop:

(i) Section 2.7.2 – Waterdown Transit Improvements

Delete “In light of the fact that”, and replace with “Since most”, to read as follows:

“Since most transit travel to/from Waterdown would be commuter related, it was recommended that initial improvements be provided in the peak period only.”

(ii) Exhibit 2: Summary of Recommended Service Improvements – Upgrade priority of ID 9 – Route 52 Main West – Dundas (Head/Pirie-Downtown) from “Moderate” to “High”

P. Hutton indicated that he wished to be recorded as opposed to sub-section (a) of the recommendations as shown in Item 1.

(f) Funding for B-line Rebranding Initiatives (City Wide)

On a motion, the following recommendation of the Marketing Sub-Committee was referred to staff for a report back with respect to funding source:
(i) That provincial gas tax funds in the amount of $15,000 be provided to support Rebranding of the Beeline to the B line;

(ii) That the Rebranding be completed under the direction of Cindy Slinn, Marketing Co-ordinator, Transit Division of the Public Works Department.

(g) Communications from Steering Committee Members

Councillor McHattie requested that any requests for information from members of the Committee be directed to his office or to the Committee Clerk, to be placed on the Committee’s agenda for discussion.

(h) Bus Rapid Transit (New Business)

In response to announcement by the Premier to assist with the funding of Rapid Transit initiatives in Hamilton, the Committee requested that they have the opportunity to provide some input into how the monies will be spent.

Councillor McHattie requested that this matter be placed on the next agenda of the Committee, and that staff come back with some dollar figures on operating costs and implications.

Staff will provide the presentation made by Hamilton to the GTTA-Hamilton Board at the next meeting.

It was also suggested that Mayor Eisenberger be invited to attend the next meeting to discuss this issue.

(i) Information Items

On a motion, the following items were received:

(i) Correspondence from Donna Cansfield, Minister of Transportation, respecting Council’s funding request for the development of a Bus Rapid Transit System in Hamilton

(ii) Correspondence from the Honourable Lawrence Canon, Minister of Transport, Infrastructure and Communities, respecting Council’s request for federal funding assistance to introduce a Bus rapid Transit (BRT) System

(iii) CUTA Issue Paper No. 10 CARRIED
(j) **Proposed Date of Next Meeting** – first week of November

There being no further business, the Committee adjourned at 5:55 p.m.

Respectfully submitted

Councillor B. McHattie  
Chair  
Provincial Gas Tax Transit Master Plan  
Steering Committee

Carolyn Biggs  
Legislative Assistant  
September 25, 2007