SUBJECT: Hamilton-Wentworth District School Board - School Hour Transit Pass Program (PW08102) - (City Wide)

RECOMMENDATION:

(a) That The Hamilton Street Railway Company be authorized and directed to enter into an Agreement with The Hamilton-Wentworth District School Board for a School Hour Transit Pass program, with a term ending on June 30, 2009, in a form satisfactory to the City Solicitor;

(b) That The Hamilton Street Railway Company be authorized and directed to carry out future renewals of the School Hour Transit Pass program based on such fee structure as may be approved by the City of Hamilton from time to time, in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY:

A School Hour Transit Pass Program between HSR and The Hamilton-Wentworth District School Board (HWDSB) has been in place since 2002, providing a limited use bus pass to students nominated by HWDSB under its school transportation program. This Pass program has worked well for the parties, and is now due for renewal for the 2008/2009 academic year.

The Agreement will be for a one year term, and pricing will be fixed for HWDSB’s 2008/2009 academic year. It is the desire of HWDSB to negotiate a further Agreement in 2009 to conform to its future program needs. Recommendation (b) to this Report will allow HSR to renew the Agreement in future years, based on such fee structure as
Council may approve as part of the City’s annual budget deliberations and on the advice of the City Solicitor, without requiring further specific approvals of Council to renew.

There is a mutual benefit to the parties, as HSR gains substantial pre-paid revenues, and HWDSB receives reliable, cost efficient transportation services that meet its program needs. The expected program revenues of $400,000 for the 2008/2009 academic year will provide a substantial offset of the cost of service delivery.

**BACKGROUND:**

The information/recommendations contained within this report have City wide implications.

Since 2002, HSR has maintained a School Hour Transit Pass program, designed for use by those students deemed eligible by HWDSB. The School Hour Transit Pass is issued to those students HWDSB deems as eligible, at no charge to the student and at the sole expense of HWDSB, on the basis of two, five (5) month terms during the school year. There were approximately 800 students designated for the Pass by HWDSB at June 30, 2008.

The Pass is valid 6:00 a.m. to 6:00 p.m., Monday to Friday only; and is not valid on Saturdays, Sundays, statutory holidays and Board designated Christmas and March breaks.

HWDSB has requested that HSR continue the program, and staff have negotiated an agreement with HWDSB for the 2008/2009 academic year. The price of the pass to HWDSB for each of the two terms in the 2008/2009 academic year is dependent on the number of students designated by HWDSB as eligible, as proposed below.

<table>
<thead>
<tr>
<th>No. Eligible Students</th>
<th>Unit Price per Term</th>
<th>Equivalent Unit Monthly Price</th>
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<tbody>
<tr>
<td>up to 899</td>
<td>$260.00</td>
<td>$52.00</td>
</tr>
<tr>
<td>900 - 999</td>
<td>$252.50</td>
<td>$50.50</td>
</tr>
<tr>
<td>1,000 - 1,099</td>
<td>$245.00</td>
<td>$49.00</td>
</tr>
<tr>
<td>1,100 - 1,199</td>
<td>$237.50</td>
<td>$47.50</td>
</tr>
<tr>
<td>1,200 or more</td>
<td>$230.00</td>
<td>$46.00</td>
</tr>
</tbody>
</table>

The price for the lower tier of enrolment represents a discount of somewhat less than 20% from the current $63.00 price of the HSR Elementary/Secondary Monthly Bus Pass, and is commensurate with the restricted hours when the Pass may be used.

HSR also offers, at the option of the qualifying student, conversion of this restricted Pass to the equivalent privileges of an HSR Elementary/Secondary Bus Pass, on a school term basis. HSR “up-sells” this “School Plus Pass” for the five month school term at a cost to the student of $85, allowing unlimited travel over and above the HWDSB sponsored School Hour Only Pass. This is a joint promotion of the Board and HSR and is promoted by HWDSB via information in the letter of eligibility to students.

These programs are only made available to students designated as eligible and sponsored by the HWDSB and are not available to others as part of the regular HSR fare structure.
It is the policy of HWDSB that, for eligible HWDSB students, home to school transportation will be safe, secure and on time, bringing students to school ready to learn, cost effectively, efficiently and within budget. This program arrangement compares favourably with yellow bus transportation services that HWDSB otherwise employs as necessary.

**ANALYSIS/RATIONALE:**

Through this Report, staff are recommending that the program with HWDSB continue in this academic year and in the future, under pricing terms associated with the general HSR fare structure as considered and approved periodically by Council, and in a contractual form that is acceptable to the City Solicitor.

There is mutual benefit to the parties under the agreement. HSR gains substantial pre-paid revenues, and HWDSB receives reliable, cost efficient transportation services that meet its program needs.

The 2007/2008 revenues from the School Hour Transit Pass program were about $375,000. It is expected that the new rates established for the 2008/2009 academic year will generate approximately $400,000 during the program term.

**ALTERNATIVES FOR CONSIDERATION:**

Council may choose to not accept the Recommendations, in which case the current Agreement with HWDSB would be discontinued, and HWDSB would seek alternative transportation arrangements to meet its obligations, at a greater cost to HWDSB. It is not possible to calculate service impacts on HSR, as this program with HWDSB has existed in the current and previous forms for more than ten years.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

The financial implication is positive, as the agreement with HWDSB generates an additional $25,000 in new annual revenues over and above those from the 2007/2008 academic year, which will be used to offset the cost of delivering the program.

There are no staffing implications associated with the Recommendations.

Acceptance of the Recommendations has the legal implication of committing HSR to the Agreement with The Hamilton-Wentworth District School Board for one academic year, ending June 30, 2009, and further as may be mutually agreeable to the parties.

**POLICIES AFFECTING PROPOSAL:**

The Recommendations within this Report respond to Values, Goals and Vision Drivers set out within the Public Works Strategic Plan, specifically those dealing with sustainable financial management of core Public Works programs, as well as development of smart processes that match our needs. Recommendation (a) provides specific enhancement of Transit program revenues through an ongoing cooperative partnership with HWDSB. Recommendation (b) streamlines the process whereby future program renewal is carried out, within parameters that protect the interests of the City of Hamilton.
RELEVANT CONSULTATION:
This recommendation is the result of consultation between HWDSB, HSR and City Legal Services staff.

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
Access to the community is enhanced in a manner that complies with legislated requirements.

Environmental Well-Being is enhanced. ☑ Yes  ☐ No
Encourages the ongoing use of public transit.

Economic Well-Being is enhanced. ☑ Yes  ☐ No
Provides an effective use of public tax dollars.

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