Committee of the Whole
REPORT 09-029
As Amended by City Council on November 11, 2009
9:30 a.m.
October 29, 2009
Southwest Ballroom
Sheraton Hotel

Present:
Mayor F. Eisenberger
Deputy Mayor T. Jackson

Absent with regrets:
Councillor L. Ferguson – Illness
Councillor M. McCarthy – other city business

Also Present:
C. Murray, City Manager
R. Rossini, General Manager, Finance and Corporate Services
G. Davis, General Manager, Public Works
M. Gallagher, Co-ordinator, Council and Committee of the Whole/Budgets

COMMITTEE OF THE WHOLE PRESENTS REPORT 09-029 AND RESPECTFULLY RECOMMENDS:

1. Affordable Transit Pass 2009 Program Update (ECS08051(c)) (City Wide) (Item 8.1)

   (a) That any remaining funds after December 31, 2009 allocated from the Social Services Initiative Fund #112214 to the 2009 Affordable Transit Pass Pilot Program budget be utilized to continue the program in 2010.

   (b) That the Affordable Transit Pass Pilot Project be extended until April 30, 2011, including continuation of one temporary full-time position in the Special Supports Division (Community Services
Department) and one temporary full-time position in the Transit Division (Public Works Department) to support program delivery, at a cost of $200,000 funded from the Ontario Works Stabilization Reserve Fund #110044.

(c) That future recommendations regarding continuation of the Affordable Transit Pass Program beyond the pilot phase be referred to the 2011 budget process.

2. Correspondence from Peter Hutton as referred by City Council on October 28, 2009 respecting public consultation on the Transit Fare Increase

That the correspondence from Peter Hutton respecting public consultation on the Transit Fare increase be received.

3. 2010 Transit Operating Budget

(a) Seniors Annual Bus Pass

That there be no increase to the cost of the seniors annual bus pass for 2010.

4. 2010 Transit Operating Budget (PW09089)

(a) That the General Manager of Public Works be directed to implement the following recommendations in order to achieve a 2% expenditure increase for the Transit program in 2010:

(i) Amend the HSR fleet replacement policy to purchase only forty foot diesel buses;

(ii) Adopt an ATS fleet replacement policy to purchase only low floor ramp equipped fleet;

(b) That the following amendments to the maintenance budget for implementation be approved:

(i) Authority to amend the current bus advertising contract with Street Seen Media Advertising for HSR fleet, in reference to Report PW08125, to include the ATS (DARTS) fleet;

(ii) An increase in the current contribution to the Operating budget from the Tickets in Public Hands account by $100,000, in accordance with Report FCS09054/PW09047;
A transit fare increase effective January 1, 2010 that increases fares by an average $0.15 per trip resulting in an estimated increase in fare box revenue of $1,500,000.00;

That the recommendations from Accessibility Committee for Persons with Disabilities (ACPD) Report 08-006, Item 2, to increase the level of subsidy and increase the Taxi Scrip cap on the maximum purchase be received and referred to the 2011 budget process;

That this item be removed from the Committee of the Whole Outstanding Business List.

That staff be directed to find $400,000 in non-service level related ongoing efficiencies, City wide, over the course of the 2010 budget process.

That staff be directed to report back to council within 6 months time with a policy for determining transit fares through the setting of a Revenue/Cost Ratio for implementation in the 2011 Budget.

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA

Five Added Delegation Requests

5.4 Jessica Dyment and Rose DiGiovani of St. Thomas More Secondary School
5.5 Deirdre Pike, Hamilton’s Network for Poverty Reduction
5.6 Peter Hutton, Hamilton Transit Users Group
5.7 Tom Cooper
5.8 Maggie Hughes

The presentations noted as Items 6.1 and 6.2 on today’s agenda have been withdrawn and will entertained at a future meeting of Public Works Committee.

Added Item of Correspondence from Peter Hutton which was referred by City Council on October 28, 2009

The agenda was adopted as amended.

(b) DECLARATIONS OF INTEREST

None

(c) PRESENTATIONS

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(i) **ATS Fleet Ribbon Cutting Ceremony (Item 6.1)**

Withdrawn

(ii) **Automated Stop Announcement Demonstration (Item 6.2)**

Withdrawn

(iii) **PRESTO Fare Card Presentation (Item 6.3)**

Nick Houston provided a power point presentation.

This is a GTA and Hamilton wide transit fare card initiative. A multi-stage project with the initial launch in Oakville, November 2009 with the Hamilton launch in September 2010.

The power point presentation highlighted the following:
- PRESTO Implementation
- PRESTO Governance
- PRESTO Roll out Schedule
- What Customer Sees
- How do we get there? Major Business Transformation

The presentation was received.

(iv) **Operational Review Presentation – IBI Consulting (Item 6.4)**

Brian Hollingworth, IBI Consulting addressed Committee and provided a power point presentation.

Highlights of the Presentation included:
- Purpose of Presentation
- Objectives of HSR Operational Review Study
- Scope of Operational Review
- Key Study Conclusions
- Guiding Policies
- Historical Trends – ridership, system performance,
- Peer Comparison
- Route Performance
- Recommendations

Comments by members of council included:
- Number of peak service bus routes
- Relationship between service and headway
- Bus service routes to Chedoke area

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- Implications for the social aspects of altering routes
- Did you review support of transit – how is performance in the back of the delivery service i.e. maintenance side
- Elaborate on Changing the image of transit from social service to transportation service
- Historical trends – Growth in auto trips is outpacing growth in transit trips - why this type of trend?
- Economy – attribute to decline in ridership? – is it a factor?
- Circulated for public comment – 60 to 90 days to allow input when staff bring back the documents to committee
- ATS – was this taken into consideration at all with IBI Findings?
- Image issue of public transit of Hamilton – making it more diverse
- Expansion of services
- Co-relation between fares and ridership decreases – how can one justify increasing fares when it decreases ridership thus not reaching our strategic goals
- Allocation of gas tax
- Managing of maintenance of infrastructure
- Use of Federal Gas Tax on Transit
- route rationalization – Take the report to the Transit Steering committee made up of citizens and councilors for comments after report is presented to Committee.
- marketing services provided by the HSR
- re-educating the public
- re-branding – change public attitude

The presentation was received.

(v) Affordable Transit Pass 2009 Program Update (Item 6.5)

Staff provided an overview of the program.

The overview was received.

(vi) 2010 Transit Operating Budget – Staff Presentation (Item 6.6)

Don Hull provided a power point presentation. Highlights included:

- Program Scope
- 2009 Strategic Accomplishments
- 2010 Objectives/Initiatives
- Transit Gas Tax Steeting Committee 5 Year Service Plan
- Transportation Master Plan
- Fare Discount Programs
Committee of the Whole

- OMBI practices
- HSR Benchmarking for 2008
- ATS Benchmarking for 2008
- 2010 Operating Budget Expenditures, Revenues
- 2009 Restated Budget Expenditures
- 2010 Fare Revenue Variances
- 2010 Fare Increase Proposals

The presentation was received.

(d) PUBLIC DELEGATIONS

(i) Budh Dhillon, President ATU Local 107 (Item 7.1)

Mr. Dhillon provided a Power point presentation. Highlights included:

- Run times and schedules
- Inadequate Service Levels
- Connections
- Lost Revenue

(ii) Jessica Dyment and Rose DiGiovani, St. Thomas More Secondary School (Item 7.4)

The delegation addressed committee. Highlights of their presentation included:

- Addressed the at risk students in their school who have financial needs.
- St. Thomas More has 1900 students
- currently there is a lack of sufficient transit funding
- bus tickets account for more outreach expenditures
- school has spent $2,000 on providing students public transit
- rely on donations from teachers
- need transit options for students to get to school
- students forced to prioritize between lunch, doctors appointment or transit
- leads to isolation because of lack to access
- The delegation recommended:
  - do not raise fares
  - implement a weekly bus pass for unlimited rides
  - new summer youth pass must be extended for the school year

(iii) Lauren Marela, Campaign for Adequate Welfare (Item 7.3)

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The delegation addressed committee. Highlights of the presentation included:
- 100,000 who struggle daily on social assistance
- affordability of bus pass
- struggle to get enough money to get a bus pass
- does not qualify for the affordable bus pass
- can't get to job interviews because of affordability reasons in not being able to buy a bus pass.
- would suggest the following:
  - yearly bus pass like seniors
  - bus pass at a special rate
  - get Provincial Government to add monies for pass onto the Ontario works cheques.

(iv) Sally Palmer, Social Action Committee, Ontario Association of Social Workers (Item 7.4)

The delegation addressed committee. Highlights of their presentation included:
- discounted fares
- happy that the city has extended affordable transit pass however most people on social assistance can not afford to use public transit
- transit costs becomes a barrier for recreational activities, visiting friends, family and looking for employment
- Recommended:
  - not to improve increase unless provision made for those on social assistance
  - offer bus pass to social assistance for 25% of the costs of a transit pass

(v) Ursula Samuels and Deirdre Pike, Hamilton’s Network for Poverty Reduction (Item 7.5)

The delegation addressed committee. Highlights of their presentation included:

- poverty rate in Hamilton has increased
- single moms have to decide whether to pay the rent or send child to school
- ask that there be no fare increase
- increase in numbers of people on Ontario Works/ODSP
- social housing wait list increases
- affects of raising the fare will affect these people the most
- service leakage – subsidizing seniors/people with disabilities/students
- eliminating those subsidies would be unacceptable
- city will drive away riders if bus fares were increased
- Vision 2020 goal to get people out of their cars and onto buses
- find another source of revenue for HSR
- Transit Users Group, Teachers have ideas to assist
- appreciate the extension of the affordable transit pass program
- this would be a tax increase on the poor
- urge council to vote no to the increase

(vi) David Hart Dyke on behalf of Peter Hutton, Hamilton Transit Users Group (Item 7.6)

The delegation addressed committee. Highlights of the presentation included:
- speaking on behalf of the transit users group

(vii) Tom Cooper, Poverty Round Table (Item 7.7)

The delegation addressed committee. Highlights of the presentation included:
- Presented recommendations contained in written submission:
  - Continue the Affordable Transit Pass program through until 2011
  - Allocate staff resources to support focus group research on opportunities to make the affordable transit program more inclusive and accessible (such as expansion of availability of pass in different locations)
  - Ask staff to review the feasibility of implementing an affordable ticket program versus an affordable pass program.
  - Maintain ticket price and look at distribution of tickets
  - Suggest of selling HSR tickets at municipal service centres, library, recreational centres – low income neighbourhoods would have better access
With current economic recession the low income community do not have the capacity to bear another increase in transit fares. Public Transit is their only means of getting around the city.

City of Hamilton Transit will provide list of ticket retailers to Tom Cooper and suggest the plotting of locations on ride guides as well as providing the list to members of Council.

(viii) Maggie Hughes (Item 7.8)
Not in attendance

The presentations made by members of the public were received.

(e) STAFF DIRECTION FOR FOLLOW UP REPORTS:

(i) Affordable Transit Pass 2009 Program Update (ECS08051(c)) (City Wide) (Item 8.1)

Staff were directed to explore and report back to Committee on the expansion of the program to assist students by providing an affordability ticket program (include information on what School Boards currently provide)

(f) 2010 Transit Operating Budget (PW09089) (City Wide) (8.2)

(i) The following motions were DEFEATED on a Standing Recorded Vote:

(1) Defer decision on transit fares pending receipt of additional information on the ratio formula in two weeks.

DEFEATED ON A STANDING RECORDED VOTE:

Yeas: Collins, Duvall, Bratina, McHattie, Merulla, Morelli
Total: 6

Nays: Jackson, Pasuta, Mitchell, Pearson, Powers, Whitehead, Eisenberger
Total: 7

Absent: Clark, Ferguson, McCarthy
Total: 3

(2) That the Transit Fares be increased by 10 cents

DEFEATED ON A STANDING RECORDED VOTE:

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Yeas: Whitehead, Collins, Duvall, Jackson, Mitchell
Total: 5
Nays: Bratina, McHattie, Merulla, Morelli, Pasuta, Pearson, Powers, Eisenberger
Total: 8
Absent: Clark, Ferguson, McCarthy
Total: 3

(3) That the Transit Fares be increased by 20 cents
DEFEATED ON A STANDING RECORDED VOTE:
Yeas: Pasuta, Mitchell, Pearson, Powers, Eisenberger
Total: 5
Nays: Whitehead, Collins, Duvall, Jackson, Bratina, McHattie, Merulla, Morelli
Total: 8
Absent: Clark, Ferguson, McCarthy
Total: 3

(ii) The following motion was APPROVED on a Standing Recorded Vote:
That there be no increase to the cost of the senior annual pass for 2010.
CARRIED ON A STANDING RECORDED VOTE:
Yeas: Whitehead, Collins, Duvall, Jackson, Bratina, McHattie, Merulla, Morelli, Pasuta, Mitchell, Pearson, Powers, Eisenberger
Total: 13
Nays: 0
Absent: Clark, Ferguson, McCarthy
Total: 3

(iii) The following REFERRAL MOTIONS were APPROVED:
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(1) That the capital block funding be referred to the Capital Budget discussions.

CARRIED ON A STANDING RECORDED VOTE:

Yeas: Whitehead, Collins, Duvall, Jackson, McHattie, Merulla, Morelli

Total: 7

Nays: Bratina, Pasuta, Mitchell, Pearson, Powers, Eisenberger

Total: 6

Absent: Clark, Ferguson, McCarthy

Total: 3

(2) The Operational Review report undertaken by IBI Consultants was received and referred to staff and the Transit Steering Committee for a report back to Committee of the Whole responding to the report recommendations.

(iv) 2010 Transit Operating Budget (PW09089)

The following recommendations contained in Report PW09089 respecting the 2010 Transit Operating Budget are noted for the consideration of City Council:

(a) That the General Manager of Public Works be directed to implement the following recommendations in order to achieve a 2% expenditure increase for the Transit program in 2010:

(i) Amend the HSR fleet replacement policy to purchase only forty foot diesel buses;

(ii) Adopt an ATS fleet replacement policy to purchase only low floor ramp equipped fleet;

(b) That the following amendments to the maintenance budget for implementation be approved:

(i) Authority to amend the current bus advertising contract with Street Seen Media Advertising for HSR fleet, in reference to Report PW08125, to include the ATS (DARTS) fleet;

(ii) An increase in the current contribution to the Operating budget from the Tickets in Public Hands account by $100,000, in accordance with Report FCS09054/PW09047;
(iii) A transit fare increase effective January 1, 2010 that increases fares by an average $0.XX per trip resulting in an estimated increase in fare box revenue of $XX;

(c)(i) That the recommendations from Accessibility Committee for Persons with Disabilities (ACPD) Report 08-006, Item 2, to increase the level of subsidy and increase the Taxi Scrip cap on the maximum purchase be received and referred to the 2011 budget process;

(c)(ii) That this item be removed from the Committee of the Whole Outstanding Business List

(g) NOTICES OF MOTION

The following Notice of Motion was presented by Councillor McHattie:

Whereas, the Federal Gas Tax fund has never been used for transit improvements in Hamilton, despite the federal governments’ direction that municipalities with a population of larger than 500,000 must spend the funds entirely on transit (note that Hamilton’s population was just below half a million as per the Census figures when the Federal Gas tax fund rules were established), and;

Whereas, $3M of the Provincial Gas Tax funding has been allocated to capital expenditures (versus operating funding), despite this source of funding being the only source of operating funding available for transit service level improvements, and;

Whereas, HSR does not currently have any funding for new transit service, and;

Whereas, $3M in operational funding to facilitate new transit service (throughout the City as per the Transit Steering Committee’s list of priority locations such as Rymal Road, Heritage Green etc.) could be identified by back-filling the Provincial Gas tax capital expenditures with Federal Gas tax capital funding.

Therefore be it resolved,

That staff report back on:

(a) Transit service level improvements that would be prioritized with the transfer of $3M (or a lesser amount) in funds from the Federal Gas Tax to the Provincial Gas Tax fund, and
(b) An implementation strategy for carrying out this transfer, including an understanding on the impact of current Federal Gas Tax priority allocations

The meeting adjourned at 3:50 p.m.

Respectfully submitted

Mayor F. Eisenberger

M. Gallagher, Co-ordinator
Committee of the Whole/Council
October 29, 2009