PROVINCIAL GAS TAX TRANSIT MASTER PLAN STEERING COMMITTEE
REPORT 05-001
Tuesday, December 13, 2005
5:30 p.m.
Room 110
Hamilton City Hall
71 Main Street West, Hamilton

Present: Councillors B. McHattie, C. Collins, S. Merulla, and T. Whitehead
H. Donison, M. Duncan, L. Heywood, D. McLean, A. Pazaratz,
B. Simons, P. Shaker, L. Wilson
J. Dawson, K. L. De La Cruz, R. Letourneau, T. Nolan,
R. Smithson, and K. Wiens

Absent with regrets: Councillor M. Ferguson, illness

Also present: D. Bender, P. Hutton, Alternates
D. Hull, J. Dahms, A. McLaughlin, and P. Thompson, Transit Division
T. Horzelenberg, Capital Planning and Implementation Division
M. Zegarac, Budgets & Finance Division
I. Bedioui, Clerk’s Office

THE PROVINCIAL GAS TAX TRANSIT MASTER PLAN STEERING COMMITTEE PRESENTS REPORT 05-001 AND RESPECTFULLY RECOMMENDS:

1 Appointment of Chair and Vice Chair (Item 2)
   (a) That Councillor B. McHattie be appointed as Chair of the Provincial Gas Tax Transit Master Plan Steering Committee.
   (b) That Tim Nolan be appointed as Vice Chair of the Provincial Gas Tax Transit Master Plan Steering Committee.

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2. **Selection of Consultant (Item 10)**
   
   (a) That due to time constraints, staff be authorized to select a consultant from the City's roster to assist the Steering Committee in developing an Asset Management Plan and Ridership Growth Strategy.

   (b) That the scope of work and associated consulting fees be determined by the Steering Committee prior to final engagement of the consultant as outlined in subsection (a) and be funded from the gas tax reserve.

3. **Proposed Transit Fee Increase and Area Rating (New Business)**

   That in the interest of avoiding fare increases, the Area Rating Sub-Committee be requested to investigate other alternatives to the existing City of Hamilton's Area Rating model.

**FOR INFORMATION:**

(a) **Declarations of Interest**

None declared.

(b) **Discussion with MTO Representative (Item 4)**

Mr. Peter Coghill, of the Transit Policy and Programs Office of the Urban and Rural Infrastructure Policy Branch of the Provincial Ministry of Transportation addressed the Steering Committee.

He gave a verbal overview of the Dedicated Gas Tax for Public Transportation Program and provided hard copies for distribution.

He discussed the following topics and answered questions posed by the Steering Committee:

- Guiding Principles for Improving Public Transit in Ontario (especially to increase ridership)
- Provincial Gas Tax Allocation formula (based on 70% transit ridership and 30% municipal population)
- 2006 Gas Tax Eligibility Guidelines
- How the Gas Tax is to be used
- The requirement that Hamilton participate in the GTA fare card
- Reporting requirements
- Changes and Clarification to Program Guidelines

Mr. Coghill advised the Committee of the following changes to the Program Guidelines for 2006:

- 3 year baseline (2001-2003) to include annual rate of inflation (2%)
- Deferral or reduction of fares may be undertaken as a strategy but only once within any 3 year period.
- All gas tax spending must be incremental to baseline spending towards increasing transit ridership only.
- Maximum of 50% per year may be spent on operating expenditures that support ridership growth (exception for municipalities with no capital assets)
- Gas tax funds cannot be used to offset expenditures of other municipal departments such as welfare/social services.

(c) Distribution of Background Material and Recommended Reading – for information (Item 5)

Staff explained the contents of the information package that was distributed to the Steering Committee members.

The Committee discussed the contents as follows:

• Report PW05125 – Consideration of a Transit Fare Increase

Don Hull indicated that a 15¢ per trip fare increase was being proposed in the above mentioned report. He advised that the Committee of the Whole had referred the report to the Steering Committee for consideration. After some debate, the Steering Committee decided to consider the issue at its next meeting.

Staff advised the members that the following documents were on a CD which was provided in their package.

• Report PW05011c entitled Transit Master Plan Steering Committee, Consideration of Revised Terms of Reference Report
• Dedicated Gas Tax Funds for Public Transportation Program – 2004 Guidelines and Requirements
• Transportation Master Plan

An overview of the Transit Division and a list of demands submitted by transit users were also included in the package.

Chair McHattie vacated the Chair to attend another meeting and Vice-Chair Nolan assumed the Chair.

(d) Consideration and Recommendation of 2006 Capital Budget (Item 6)

A copy of the 2006 Capital Budget for the Transit Program was distributed and reviewed. The Steering Committee was advised that replacement fleet is funded by an alternate source and the balance of the Items depend on gas tax funds.

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Staff requested that the Committee support these expenditures. The Committee decided to consider this matter at its next meeting.

(e) **Asset Management Plan and Ridership Growth Strategy (Items 7 & 8)**

Staff advised the Steering Committee that the Asset Management Plan and the Ridership Growth Strategy need to be prepared by March 2006 in order to meet the Provincial requirements.

The Asset Management Plan is a long term plan for replacement and refurbishment of buildings, buses, bus stops, etc.

The Ridership Growth Strategy refers to enhancing service levels.

(Jennifer Dawson left the meeting and Daryl Bender took her place as a voting member.)

(f) **Unfinished Business**

In addition to the issue of the proposed fare increase and the proposed capital budget expenditures for 2006, the following Items were referred to the next meeting of the Steering Committee:

- Bus Rapid Transit (Item 9)
- Update respecting representation from the Public School Board (Item 12)

(g) **Adjournment**

There being no further business, the meeting adjourned at 8:45 p.m.

Respectfully submitted,

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

Ida Bedioui,
Legislative Assistant
December 13, 2005