With respect to the Consideration of a Transit Fare Increase, the following motion was approved at the November 28, 2005 Committee of the whole meeting:

A motion to adopt Option 5 which defers the item for consideration to the overall budget process was APPROVED.

The deferral includes a referral of the issue to the Advisory Committee for Persons with Disabilities and the Seniors Advisory Committee for comment as well as the issues raised with regard to increasing HSR ridership to be referred to the Provincial Gas Tax Transit Master Plan Steering Committee.
SUBJECT: Consideration of a Transit Fare Increase (PW05125) - (City Wide)

RECOMMENDATION:

(a) That staff be directed to implement a Transit fare increase effective April 1, 2006 as described in Option 2 of Table 1 appended to this report. That the fare increase include a $0.15 per trip increase in cash fares; a $0.15 per trip increase in ticket fares; an $8.50 per month increase in monthly passes or equivalent programs (average $0.15 per trip); and a $40 increase ($0.10 average per trip) in the Senior Annual Bus Pass program.

(b) That Community Services Staff be directed to further investigate and report back on a decision-making framework to support access for low income citizens to City services to include, but not limited to, Transit.

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

EXECUTIVE SUMMARY:

Transit fare increase options are presented in the Alternatives for Consideration section of this report for the consideration of Council.

Council's transit fare policy has historically been reviewed annually during budget deliberations as part of Council's consideration of fee schedules for City services.
SUBJECT: Consideration of a Transit Fare Increase  
(PW05125) - (City Wide) - Page 2 of 13

Arising out of dramatic increases in the cost of fuel, which are appearing likely to be permanent, the Chair of Public Works, Infrastructure & Environment Committee requested that staff provide a report at this time for early consideration of a fare increase by Council in view of the extraordinary implications on 2006 transit budgets (HSR & ATS).

Staff requires a minimum of two months lead time from the date of the direction of Council to implement a fare increase.

Council has endorsed a triple bottom line approach to its decision-making methodology towards achieving its vision for a sustainable community. Transit fare increases have a material "win/loss" impact on Council's Financial, Social/Health and Environmental goals.

Financial

The 2006 Draft Maintenance Budget submission for the Transit programs requests an increase of $5,457,200 representing a 7.3% increase on expenditures and a 1.4% decrease on revenue (includes $600,000 increased fare box revenue and discontinuance of $1,476,690 gas tax revenue), resulting in a 15.7% increase overall.

There are five driving factors contributing to the increase:

- Gas Tax revenue discontinuance $1.5M  
- Fuel $2.0M  
- Employee related (Collective bargaining and retirement) $1.4M  
- Fleet parts $0.5M  
- Utilities $0.2M  
  Total $5.6M

The combined 2005 fuel budgets of the HSR and D.A.R.T.S. is $4.7 million. The Central Fleet & Facilities Division forecasts fuel costs on behalf of the entire Public Works Department. The 2006 forecast at the date of this report, based on a Diesel price of $1.01/litre, for example, projects a $2 million increase in fuel budget ((Diesel, Compressed Natural Gas (CNG), Unleaded gasoline)) for the Transit programs.

Sustained extraordinary fuel cost increases will have extraordinary impact beyond the HSR and D.A.R.T.S. programs, also impacting the Taxi Scrip program that has a gross budget of $994,000, the TransCab program with a gross budget of $559,190 and the D.A.R.T.S. taxi sub-contract in the amount of $1,420,347. Increases in the amounts of: $48,000, $27,000 and $60,000 respectively have been included in the budgets of each of these programs.

The last fare increase in the conventional transit (HSR) was 2003 and for specialized transit (D.A.R.T.S.) was 1996. Council has elected to limit fare increases in favour of growing Transit Ridership. In 2004, fare revenues exceeded budget by $400,000 due to Ridership growth. In 2005, revenues are again forecasted to exceed budget by an additional $200,000. However, costs most often unique to Transit, are rising faster than new revenue generated from new Ridership and include: fuel; fleet insurance; labour intensive operations; end of OMERS holiday, traffic calming initiatives, bus parts for higher technology low-floor accessible and low emission buses and facility energy costs.
Social Services report they will purchase an estimated $1.2 million in bus passes and tickets for their clients in 2005. A fare increase as contemplated in Option 2 of this report would generate an increased expenditure of some $86,000 in the Social Services program, resulting in an actual unbudgeted net levy impact of some $17,000 after provincial subsidy.

Social/Health

Council's Official Plan advocates that the public transit system should be affordable, efficient, convenient, and accessible stressing easy access to activity areas.

For the past six years, Staff has undertaken an annual User Satisfaction Survey to determine transit users' views of the service and to determine areas of strength and areas for improvement. Fares are always cited as a concern, but have not been the highest priority of transit users.

Transit users are generally tolerant of reasonable fare increases so long as the service quality is viewed as providing value for the money. They gauge value on service supply and performance based on a personal assessment of:

- Accessibility - is the service strategically located to optimize accessibility?
- Availability - is the service available at the hours required?
- Reliability - is the service delivered to the published schedules?
- Affordability - can the citizens who require the service afford it?
- Accommodation - does the service accommodate citizens with special needs?
- Adequacy - is there a range of services customized to the unique needs of the community?
- Achievement - are the citizens satisfied with the service?

There has been a consistent recurring theme among user responses for priority to be given to higher service levels; more frequent service and longer service duration. Transit users want the bus to arrive reliably and at the scheduled time. The Transit program has historically consistently achieved a 99.9% service delivered to service scheduled performance rating, however, in the last couple of years there has been a decline in "on-time" reliability as service additions have not kept up with service demands. There has been an increase in the number of complaints related to crowded buses and "Passbys" due to full buses.

Increased Transit demand (HSR and D.A.R.T.S.) in the absence of corresponding increases in service hours has also precipitated a sustained pressure from Bus Operators and the community in general to increase the transit system capacity. In 2005, Council responded by dedicating $956,000 in gas tax revenue to address the Operators concerns, $250,000 to address capacity shortfall in the Gore Park to McMaster corridor and $1,290,000 to improve the Accessible Transit Services (ATS) program (D.A.R.T.S.).

Transit fare structures have historically been designed to promote ridership and reward frequent use in recognition of Council's desire to balance the amount the user pays with user satisfaction, and further, to ensure the service is accessible to high need populations. Table 3, appended to this report illustrates that fare discounts for seniors, students and children amount to some $3.4 million from the full cash fare.
While Council has traditionally provided subsidized transit fares to particular groups in the community referenced above and the Public Health and Community Services Department has purchased bus tickets and passes on behalf of eligible clients through a number of social service programs, many other high need residents of Hamilton do not currently have access to subsidized transit fares.

Hamilton has the highest rate of poverty in the Province of Ontario. Almost 20 per cent of Hamilton’s population or 95,650 residents live in households with incomes below the poverty line. These residents live below the Low Income Cut-Off (LICO) developed by Statistics Canada. Some groups in our community experience disproportionately high levels of poverty. Of the 95,650 residents in Hamilton living below the LICO, 26% are working poor, 22% are children, 17% are seniors, 8% are on social assistance and considered ‘job ready’, 15% are on social assistance with barriers to employment, and 8% have no income source period. While some of these residents are in all likelihood eligible for the subsidized transit fares referenced above, many are currently not. Individuals and families living in poverty in Hamilton are often in the position of deciding between paying the rent or buying food. After paying for food, housing, clothing and other expenses including heat, hydro, medications, etc., little or no money is available to pay for transportation.

While some of these residents are in all likelihood eligible for the subsidized transit fares referenced above, many currently are not. Individuals and families living in poverty in Hamilton are often in the position of deciding between paying the rent or buying food. After paying for food, housing, clothing, and other expenses including heat, hydro, medications etc. little or no money is available to pay for transportation.

Affordable transportation is a significant barrier for people living in poverty to get to and from work. Increasing transit fares will make it even more difficult for low income individuals in Hamilton to access employment and educational opportunities, as well as health/medical services and other community services or supports. Additionally, an increase to transit fares will impact on the ability of low income individuals to participate in community life and to maintain their social networks (i.e. participate in recreation, social, volunteer, cultural and other activities). Access to affordable transportation can help achieve social inclusion and contribute to the well being of those Hamilton residents living in poverty. Calgary, Ottawa and Waterloo have been identified as being in some form of development of transit fare subsidy programs for low income residents that require public transit to access the community. Council may wish to consider directing staff to further investigate and report back on a low income Transit Pass Strategy either in combination with or in isolation of the other options presented. This would build on earlier work undertaken by the cross departmental work group that created an inventory of selected, existing City subsidies (SPH 05022).

Environmental

Public transit can play an important role in helping Canada meet its Kyoto commitment to reduce greenhouse gas (GHG) emissions. Canada’s transit industry and millions of individual Canadians believe that Kyoto represents a real opportunity to improve our quality of life and spur innovation. When people choose transit instead of a car, they produce a much smaller amount of GHG emissions. Public transit also offers a host of secondary benefits, like better urban air quality, that add to its appeal as a tool to help meet Kyoto targets.
SUBJECT: Consideration of a Transit Fare Increase (PW05125) - (City Wide) - Page 5 of 13

The Kyoto Protocol commits several dozen countries to slowing global warming by reducing their GHG emissions. Under Kyoto, Canada must meet GHG reduction targets every year between 2008 and 2012. The vast majority of Canadians support ratifying Kyoto. They understand that Kyoto is a first step in responding to a global problem that has been linked to extreme weather events, as well as other serious health and environmental issues. The federal government’s Transportation Climate Change Table concluded that “fast, convenient, safe and reliable transit service is fundamental to any meaningful strategy to reduce GHG emissions from urban passenger transportation.” Clearly, public transit can play a significant part in meeting Canada’s Kyoto commitment - and the time is right for renewed investment in public transit.

Canada’s transportation sector emitted 27 percent of national GHG emissions in 1997. About 30 percent of transportation emissions, or 8 percent of national emissions, were from urban passenger travel. But public transit - despite getting millions of Canadians where they need to go each day - caused less than 0.3 percent of our national GHG emissions.

People who travel by public transit create 65 percent fewer GHG emissions than if they travel by car. Even if someone opts for transit just two days out of five, their GHG emissions will be cut by 25 percent. If walking or biking is added to the mix, the reductions are even more significant. Bottom-line, when millions of people make the decision to get out of cars and onto transit it leads to a sizable net reduction in GHG emissions.

BACKGROUND:

The information/recommendations contained within this report have City wide implications and relate to matters/facilities/programming/property within the entire City.

Transit Mission - For the benefit of the general public, we provide access to the community and GTA municipalities through an affordable and environmentally advantageous public transportation alternative that is safe, reliable, convenient and professionally delivered.

Transit programs have a long history of established performance measurements. Industry comparisons that are relevant to financial and service performance are provided in the table, below. In the analysis, Hamilton is compared to 14 other Canadian municipalities ranging in population from 300,000 to 1,000,000. Selecting this population range places Hamilton right on the median population.

<table>
<thead>
<tr>
<th>Performance measure</th>
<th>Hamilton (Rank 7th)</th>
<th>Performance Indication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue/Cost ratio - 57%</td>
<td>5th</td>
<td>These financial measures illustrate very good cost control, particularly in view of lower average fare</td>
</tr>
<tr>
<td>Municipal cost/capita - $56</td>
<td>7th</td>
<td>with Hamilton on the median of investment in Transit.</td>
</tr>
<tr>
<td>Net cost/trip - $1.04</td>
<td>12th</td>
<td>These service level measures illustrate a slightly lower average fare and lower service hours driving</td>
</tr>
<tr>
<td>Average fare - $1.33</td>
<td>6th</td>
<td>a lower than average transit use.</td>
</tr>
<tr>
<td>Service hours/capita - 1.43</td>
<td>9th</td>
<td></td>
</tr>
<tr>
<td>Passenger trips/capita - 47</td>
<td>11th</td>
<td></td>
</tr>
<tr>
<td>Passenger trips/hour -33</td>
<td>9th</td>
<td></td>
</tr>
</tbody>
</table>

The last fare increase in the Transit programs was 2003 for conventional transit (HSR) and 1996 for specialized transit (ATS/D.A.R.T.S.). In 2005, Council took advantage of a
“one-time” opportunity to use $1,476,690 of Provincial gas tax revenue to assist in arriving at their desired levy for the Transit program in lieu of a fare increase. Based on provincial consultation sessions attended by Staff in July, it is expected that this funding for this purpose will cease to be an eligible revenue from the gas tax reserve under revised Provincial eligibility criteria in 2006. Staff has been advised that the Province is expected to announce the 2006 eligibility guidelines in October.

A sample of current fares among municipalities in and around the GTA is illustrated in Table 1 of this report.

Public transit's link to urban air quality

Public transit is a potent weapon in our battle against climate change; it also helps combat other forms of air pollution, including smog. Without a doubt, this is one of the main reasons that 92 percent of urban Canadians think public transit makes their community a better, healthier place to live. Air pollution has a substantial impact on public health, killing more Canadians than traffic collisions, breast cancer or prostate cancer. Most Canadians are exposed to harmful levels of air pollutants, and about 20 percent have a respiratory problem such as asthma or chronic obstructive pulmonary disease. In Ontario alone, air pollution is estimated to cause 1,900 premature deaths and more than $10 billion in economic costs each year. While transit's biggest contribution to urban air quality is to help people get around without a car, Canadian transit companies are also working to reduce emissions from their own operations.

ANALYSIS/RATIONALE:

Option 1 represents the historical approach to fare increases based roughly on offsetting the inflationary increases in the Transit programs.

Option 2 focuses on raising additional revenue through a higher “user pay” proportion of the extraordinary cost increases directly associated with delivering the Transit programs with fuel as the most predominant example.

Option 3 is based on the concept of recovering the full cost of the projected fuel increase through increased fares.

Option 4 sustains Council’s Transit Ridership growth strategy by distributing the entire program cost increases through the general tax levy.

ALTERNATIVES FOR CONSIDERATION:

Historical experience demonstrates that fare increases as an aspect of transit service has the greatest influence on passenger trips. As such, the assessment of the options available included an evaluation of the implications not only on increased revenue potential, but also lost ridership.

Option 1

That Council direct staff to implement a Transit fare increase, effective April 1, 2006 as described in Table 1 of this report. That the fare increase include a $0.15 per trip increase in cash fares; a $0.10 per trip increase in ticket fares; a $6 per month increase in monthly passes or equivalent programs (average $0.10 per trip); and a $40 increase ($0.10 average per trip) in the Senior Annual Bus Pass program.
Implementation of Option 1 will generate an estimated $1,100,000 in new net revenue for the HSR program (over and above the $600,000 in new revenue that will be included in the 2006 budget due to ridership growth in 2004/05) and result in an estimated permanent loss of 590,000 passenger trips annually.

Implementation of Option 1 will generate $60,000 in new fare revenue for the D.A.R.T.S. program through the increase in ticket fare from $2.10 to $2.25. As demand for the D.A.R.T.S. program continues to exceed supply, there would be no means of measuring the passenger trip implications other than to forecast that demand would continue to exceed supply irrespective of the fare increase.

Note: The D.A.R.T.S. fare is a pre-purchased ticket set at the Adult cash fare price.

Implementation of Option 1 will reduce the net levy impact by 3.4% based on the 2006 maintenance budget submission.

**Option 2**

That Council direct staff to implement a Transit fare increase, effective April 1, 2006 as described in Table 1 of this report. That the fare increase include a $0.15 per trip increase in cash fares; a $0.15 per trip increase in ticket fares; a $8.50 per month increase in monthly passes or equivalent programs (average $0.15 per trip); and a $40 increase ($0.10 average per trip) in the Senior Annual Bus Pass program.

Implementation of Option 2 will generate an estimated $1,450,000 (over and above the $600,000 in new revenue that will be included in the 2006 budget due to ridership growth in 2004/05), in new revenue for the HSR program and result in an estimated permanent loss of 780,000 passenger trips annually.

Implementation of Option 2 will generate $60,000 in new revenue for the D.A.R.T.S. program. As demand for the D.A.R.T.S. program continues to exceed supply, there would be no means of measuring the passenger trip implications other than to forecast that demand would continue to exceed supply irrespective of the fare increase.

Note: The D.A.R.T.S. fare is a pre-purchased ticket set at the Adult cash fare price. The new D.A.R.T.S. revenue is the same for either Option 1 or Option 2 as the cash fare increase is the same in both options.

Implementation of Option 2 will reduce the net levy impact by 4.4% based on the 2006 maintenance budget submission.

**Option 3**

That Council direct staff to implement a Transit fare increase, effective April 1, 2006 designed to fully offset the forecasted $2 million increase in fuel costs. That the fare increase include a $0.40 per trip increase in cash fares; a $0.30 per trip increase in ticket fares; a $16.50 per month increase in monthly passes or equivalent programs; and a $40 increase ($0.10 average per trip) in the Senior Annual Bus Pass program.

Implementation of Option 3 will generate in the order of $2.3-$2.9 million in new net revenue for the transit programs (over and above the $600,000 in new revenue that will be included in the 2006 budget due to ridership growth in 2004/05) and result in an estimated permanent loss of some 1.6 million passenger trips annually.
SUBJECT: Consideration of a Transit Fare Increase
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There is an industry accepted method for estimating the Ridership loss associated with a fare increase called the "elasticity formula". In arriving at estimated revenue increases and Ridership decreases associated with a fare increase, staff utilizes this formula in combination with experience and our historical results to arrive at a forecast. Staff forecasting has been very accurate in recent history. However, it must be noted that as the magnitude of the fare increases goes up, beyond five or ten cents, the reliability of the elasticity formula and staff experience moves significantly from "reliable forecast" to "best guess" as would be the case with this option.

Option 4

Council may elect not to implement a fare increase. The impact of this decision would likely result in ridership levels remaining constant or showing continued modest growth.

The 2006 preliminary maintenance budget submission forecasts an increase of $5,457,200 or 15.7%.

Option 5

Council may elect to defer consideration of a fare increase for consideration in context with the overall budget process. The impact of this option is to delay the annualization of the revenue increases and as such, the direct impact on 2006 revenues will be reduced.

Critical approval timeframes include notification period requirements embedded in various Bus Pass programs including by February 28, 2006 for a May 1, 2006 implementation for Senior Pass rates, and Universities by February 28, 2006 for a September 1, 2006 fare increase. In addition, approximately two months lead time is required to complete necessary implementation activities that include depletion of current fare media inventory, replacement with new inventory and provision of appropriate notice to the broader transit customers.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Hamilton is eligible to receive in the order of $12 million in Provincial gas tax revenue when the full 2 cents per litre is in place in 2007. The provincial allocation is based on 70% Ridership and 30% population. Therefore, the allocation dependent on Ridership is in the order of $8.4 million.

Declining Ridership will have a direct impact on Hamilton’s level of revenue received from the province as Provincial gas tax is allocated based on a formula of 70% Ridership and 30% population. For example, implementation of Option 1 contained in the Alternatives section of this report will generate an estimated $1.11 million in new fare box revenue with a corresponding estimated loss of 590,000 transit trips, or a 2.9% reduction. Based on 70% of the provincial gas tax being contingent on Ridership revenue, there is potential for a loss of provincial revenue from $0 to $240,000 contingent upon Ridership changes in other municipalities.

Social Services report they will purchase an estimated $1.2 million in bus passes and tickets for their clients in 2005. A fare increase as contemplated in Option 2 of this report would generate an increased expenditure of some $86,000 in the Social Services program, resulting in an actual unbudgeted net levy impact of some $17,000 after provincial subsidy.
SUBJECT: Consideration of a Transit Fare Increase  
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There are no staffing implications associated with the recommendations.

There are no legal implications associated with the recommendations.

The 2006 Gas Tax eligibility criteria had not been published at the time of this writing.

**POLICIES AFFECTING PROPOSAL:**

The recommendation contained in this report is both complementary and contradictory with different aspects of the Official Plan and Vision 2020. Vision 2020 advocates the balance of economic, environmental and social sustainability, the three legged stool. Fare increases (user pay) support the financial sustainability aspects of Vision 2020. On the contrary, the Official Plan and Vision 2020 advocate raising transit ridership to 100 trips per capita and increasing the reliance on the tax base to support public transit in support of the social and environmental objectives of the two plans. In addition, the annual Customer Satisfaction survey undertaken by HSR staff indicates a user tolerance for fare increases that are in line with reasonable cost of living increases at constant service levels and sustained service reliability.

**RELEVANT CONSULTATION:**

Public Works, Public Health & Community Services, and Corporate Services staff were involved in the preparation of the report.

**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

Participation in community life is accessible to all Hamiltonians.

Costs of the Transit programs are distributed between the general ratepayer and the transit user in proportions determined by Council through it's fare policy. Transit fare increases beyond the level of affordability of captive user impedes access to the community. Costs of program increases are ultimately passed on to the residents either through fees for services, rent or taxes. Council's fare policy determines the burden/affordability threshold to be carried by the service user versus distributing the cost out over the broader tax base.

Environmental Well-Being is enhanced. ☐ Yes ☐ No

Increased transit fares lead to reduced transit use resulting in a negative environmental impact.

Economic Well-Being is enhanced. ☑ Yes ☐ No

Transit programs might otherwise not be sustainable at current service levels if not for fare increases when net levy impacts exceed Council's goals.

Does the option you are recommending create value across all three bottom lines?

☐ Yes ☐ No

Financial outcome overall is positive. There is a negative impact on Council's social and environmental goals.

Do the options you are recommending make Hamilton a City of choice for high performance public servants?

☐ Yes ☐ No
TABLE 1 - FARES FOR ONTARIO TRANSIT MUNICIPALITIES POPULATION 300,000 - 1,000,000 AS OF SEPTEMBER 2005

Note: Of the municipalities surveyed at the time of this report, only the City of Ottawa has direction on 2006 fare policy at this time. Staff is to include a 7.5% increase in their 2006 budget.

<table>
<thead>
<tr>
<th>Class</th>
<th>Category</th>
<th>Hamilton current</th>
<th>Option 1</th>
<th>Option 2</th>
<th>Miss.</th>
<th>York</th>
<th>Grand River</th>
<th>Brampt.</th>
<th>London</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash - All</td>
<td>Ticket</td>
<td>$2.10</td>
<td>$2.25</td>
<td>$2.25</td>
<td>$2.25</td>
<td>$2.25</td>
<td>$2.25</td>
<td>$2.35</td>
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<tr>
<td></td>
<td>Weekly</td>
<td>-</td>
<td>$21.00</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Adult</td>
<td>Monthly</td>
<td>$65.00</td>
<td>$71.00</td>
<td>$73.50</td>
<td>-</td>
<td>$78.00</td>
<td>$55.00</td>
<td>-</td>
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<tr>
<td></td>
<td>Day Pass</td>
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<td>$7.00</td>
<td>$7.00</td>
<td>-</td>
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<tr>
<td>Senior</td>
<td>Ticket</td>
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<td>$1.80</td>
<td>$1.85</td>
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<td></td>
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<td>$20.00</td>
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<td>-</td>
<td></td>
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<td></td>
<td>Annual Pass</td>
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<td>$245.00</td>
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<td>Student</td>
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<td>$1.45</td>
<td>$1.50</td>
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<td></td>
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<td>-</td>
<td>$1.50</td>
<td>$1.50</td>
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<td></td>
<td></td>
<td></td>
<td>$20.00</td>
</tr>
<tr>
<td></td>
<td>Monthly</td>
<td>$50.00</td>
<td>$56.00</td>
<td>$58.50</td>
<td>-</td>
<td>$52.00</td>
<td>$45.00</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Note: All pass program pricing to be adjusted according to contractual agreements, based on above pricing.

<table>
<thead>
<tr>
<th></th>
<th>Net Rev (000)</th>
<th>Lost Trips (000)</th>
<th>Last Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>*$1,100</td>
<td>(590)</td>
<td>Apr. 2003</td>
</tr>
<tr>
<td></td>
<td>*$1,450</td>
<td>(780)</td>
<td>Feb. 2005</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Jan. 2005</td>
</tr>
<tr>
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<td></td>
<td></td>
<td>Jul. 2004</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Feb. 2005</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Jan. 2004</td>
</tr>
</tbody>
</table>

*Note: Annualized
### TABLE 2 - SUBSIDIZED USER FEES

<table>
<thead>
<tr>
<th>Average Cost per Trip</th>
<th>Subsidy</th>
<th>%Subsidy off Adult Pass</th>
<th>% Subsidy off Cash</th>
<th>Concession Cost (Loss)/Gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Cash Fare $2.19</td>
<td>$0</td>
<td></td>
<td>N/A</td>
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</tr>
<tr>
<td>Adult Ticket $1.70</td>
<td>$0</td>
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<td>N/A</td>
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<td>Special Ticket $1.35</td>
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<tr>
<td>Adult Pass $1.16</td>
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<tr>
<td>Special Pass $0.89</td>
<td>$(0.27)</td>
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</tr>
<tr>
<td>Day Pass $1.17</td>
<td>$(0.53)</td>
<td></td>
<td></td>
<td>$(26,000)</td>
</tr>
<tr>
<td>Senior Annual Pass $0.53</td>
<td>$(0.63)</td>
<td>54%</td>
<td>74%</td>
<td>$(1,143,000)</td>
</tr>
<tr>
<td>McMaster MSU Pass $0.63</td>
<td>$(0.54)</td>
<td>45%</td>
<td>70%</td>
<td>$(897,000)</td>
</tr>
<tr>
<td>McMaster GSA Pass $0.63</td>
<td>$(0.54)</td>
<td>45%</td>
<td>70%</td>
<td>$(167,000)</td>
</tr>
<tr>
<td>Redeemer College Pass $0.74</td>
<td>$(0.42)</td>
<td>36%</td>
<td>64%</td>
<td>$(32,000)</td>
</tr>
<tr>
<td>GO Integration Sticker $1.18</td>
<td>$0.02</td>
<td></td>
<td></td>
<td>$3,300</td>
</tr>
<tr>
<td>Employer Commuter Pass $1.27</td>
<td>$0.11</td>
<td></td>
<td></td>
<td>$7,200</td>
</tr>
<tr>
<td>Columbia College A Pass $2.20</td>
<td>$1.04</td>
<td></td>
<td></td>
<td>$(90,000)</td>
</tr>
<tr>
<td>Columbia College B Pass $0.79</td>
<td>$(0.37)</td>
<td>32%</td>
<td>62%</td>
<td>$(10,000)</td>
</tr>
<tr>
<td>Columbia College C Pass $0.78</td>
<td>$(0.38)</td>
<td>32%</td>
<td>62%</td>
<td>$(14,000)</td>
</tr>
<tr>
<td>School Hour Only Pass $1.08</td>
<td>$(0.08)</td>
<td></td>
<td>48%</td>
<td>$(22,000)</td>
</tr>
<tr>
<td>School Plus Pass $1.02</td>
<td>$(0.14)</td>
<td></td>
<td>51%</td>
<td>$(3,200)</td>
</tr>
<tr>
<td>Total Concession Cost</td>
<td></td>
<td></td>
<td></td>
<td>$(3,400,000)</td>
</tr>
</tbody>
</table>

### TABLE 3 - HAMILTON REVENUE TO COST RATIO

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue to Cost Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>59%</td>
</tr>
<tr>
<td>2001</td>
<td>58</td>
</tr>
<tr>
<td>2002</td>
<td>55</td>
</tr>
<tr>
<td>2003</td>
<td>58</td>
</tr>
<tr>
<td>2004</td>
<td>57</td>
</tr>
<tr>
<td>2005</td>
<td>54% (Budget)</td>
</tr>
<tr>
<td></td>
<td>53% after &quot;one-time gas tax&quot;</td>
</tr>
</tbody>
</table>
GLOSSARY OF TERMINOLOGY

Trans-Cab

Shared-ride taxi service is operated under contract by private taxi Operators in eastern Stoney Creek and a portion of Glenbrook. It provides a cost-effective way of delivering public transit service to low-density, low-demand areas.

Trans-Link

Route 52A Dundas Local was formerly a fixed-route service. This weekday peak period route has been modified to operate as a combination fixed-flexible service in response to a neighbourhood demand for transit to be less intrusive in the residential neighbourhood it serves. In addition to a change in route operation, the service is provided using a smaller bus, is demand responsive making it ideally suited to the unique demand characteristics and neighbourhood configuration.

Customers can obtain a convenient pick-up at their door, by phoning a special number and speaking directly with the bus operator.

This service is probably better suited to all day operation in a wider area with several trip generators. A Trans-Cab application would be more appropriate for the neighbourhoods served by Trans-Link.

Accessible Transportation Services (ATS)

In 1994 the City formed the ATS office. It is responsible for the development, implementation and monitoring of transportation services for persons with disabilities, under the City’s Accessibility Implementation Plan. The plan is a program to ensure accessibility to transportation services in the City for persons with disabilities. It is based on the “Family of Services” concept of utilizing a variety of different services to accommodate the range of transportation needs of disabled persons.

D.A.R.T.S. Contract

In 1975 the City expanded the public transit service creating a stand-alone transit service for adults with disabilities. The Disabled & Aged Regional Transit System (D.A.R.T.S.), a not-for-profit corporation, manages and operates the service under contract to the City.

Specialized transit service is door-to-door, with specialized handling and care of passengers. All trips require prior booking. Ambulatory trips may be provided by sub-contract with taxis, dependent on schedule availability on D.A.R.T.S. vehicles. Following the eligibility criteria approved by City Council, clients apply to and are assessed by the ATS Service Manager’s office prior to being registered for services. D.A.R.T.S. has a fleet of 61 low floor wheelchair accessible buses.

Taxi Scrip

All persons with disabilities who qualify for Accessible Transportation Services are registered for the Taxi Scrip Program. The program provides the primary means of travel to ambulatory persons with disabilities, as well as providing improved travel choices and spontaneity to users of D.A.R.T.S. Taxi Scrip provides users with a 40% saving on the metered rate charged by local Taxi companies. The passenger books all trips directly with the Taxi Company of their choice. Following the eligibility criteria
approved by City Council, clients apply to and are assessed by the ATS Service Manager’s office prior to being registered for services.

The ATS office monitors sales, trips, revenues and costs and communicates with taxi companies on all aspects of the taxi scrip program. Taxi scrip users exceed 1,600 persons who make over 200,000 trips per year.

**Accessible Low Floor Buses (ALF)**

The ATS office provides on-going assistance to Transit in the route allocation, vehicle design and trip monitoring for the Accessible Low Floor bus fleet.

This service promotes an alternative means of accessible travel for persons with disabilities utilizing the existing services provided by Transit. Persons with disabilities using personal mobility devices (PMD – scooter, wheelchair, and walker) as well as one travel attendant/companion, may travel under an optional fare payment policy. Ongoing replacement of the existing Transit fleet is creating greater opportunities each year. Route evaluation, implementation and ongoing service monitoring are done by the ATS Service Manager.

**Community Bus**

This service was not included in the current program but should remain integral to the “Family of Services” concept. Opportunities for implementation within the City should be reviewed on an ongoing basis.