PROVINCIAL GAS TAX TRANSIT MASTER PLAN STEERING COMMITTEE

REPORT 06-008

Monday, December 11, 2006
4:00 p.m.
Council Chambers
Hamilton City Hall
71 Main Street West, Hamilton

Present: Councillor B. McHattie (Chair)
Councillors B. Clark, M. McCarthy, T. Whitehead
K. L. De la Cruz, H. Donison, M. Duncan, L. Heywood,
R. Letourneau, D. McLean, A. Pazaratz, D. Rodrigues,
P. Shaker, B. Simons, R. Smithson, K. Wiens

Absent with regrets: J. Dawson/D. Bender,
L. McMillan
T. Nolan – Personal

Also present: D. Hull, A. McLaughlin and C. Slinn - Transit Division
P. Homerski, Public Works
T. Tollis, Budgets and Finance Division
C. Biggs, Clerk’s Office

THE PROVINCIAL GAS TAX TRANSIT MASTER PLAN STEERINT COMMITTEE PRESENTS REPORT 06-008 AND RESPECTFULLY RECOMMENDS:

1. Provincial Gas Tax – Committed and Spent (Item 7.1)

   That correspondence be forwarded to the Province requesting clarification with respect to inflationary increases being included in the provincial gas tax funds which are allocated to the City of Hamilton.

2. Federal Gas Tax – Committed and Spent (Item 7.2)

   That Council be requested to allocate a portion of the on-going general federal gas tax money to transit to be under jurisdiction of the Provincial Gas Tax Transit Master Plan Steering Committee.

Public Works Committee – January 15, 2007
3. Bike Racks on Buses (Item 7.3)

That the Provincial Gas Tax Transit Master Plan Steering Committee supports the expenditure of $224,000 funded from the Federal Gas Tax for the purchase and installation of bike racks on all City’s bus fleet.

FOR THE INFORMATION OF THE COMMITTEE:

(a) Call to Order/Election of Chair and Vice Chair (Item 1)

Councillor B. McHattie called the meeting to order. He suggested that the election of the Chair and Vice Chair be deferred pending completion of the citizen appointment process.

(b) Declarations of Interest (Item 2)

None

(c) Presentation of BRT Paint Scheme Contest and Launch – Phil Homerski and Cindy Slinn (Item 3)

Councillor B. McHattie made a presentation to the winning artist of the BRT Paint Scheme Contest, David Kuruc. Councillor McHattie also made a presentation to the two runners up, Kevin Nicol and Brendon Simon.

(d) Approval of Minutes of the October 4, 2006 meeting (Item 4)

The Minutes of the October 4, 2006 meeting of the Provincial Gas Tax Transit Master Plan Steering Committee, were approved and received as presented.

(e) Delegation Requests (Item 5)

None

(f) Information Items

On motion, the following Information Items were received.

Public Works Committee – January 15, 2007
(i) CUTA
   (aa) Public Transit – Issue Paper 18
   (bb) Expressions Bulletin
   (cc) Ipsos-Reid Poll on Transit Infrastructure
   (dd) Public Transit and the Role of the Federal Government – August, 2006
   (ee) Pre-Budget Submission of CUTA to the House of Commons Standing Committee on Finance – September, 2006

(ii) Letter to the Federal and Provincial Governments advising them that funding is required for Bus Rapid Transit

(iii) One-Time Federal Public Transit Funding (FCS06081) (City Wide)

NOTE: Recommendations in this report were approved by City Council on August 9, 2006 as Item 13 of Committee of the Whole Report 06-013.

(iv) Service Request Inventory Update (to be distributed)

(v) HSR Newsletter – “The Running Times”, Fall, 2006

(g) Verbal Updates

(i) Provincial Gas Tax – Committed and Spent – Don Hull

Don Hull provided a verbal report accompanied by the Provincial Gas Tax balance sheet with specific reference to the proposals for new spending that have been recommended for submission to Council for consideration during their 2007 levy budget deliberations. The 2007 proposals include: $2.6M in TMPSC recommended service enhancements; $1M in Staff recommended service enhancements; $900K permanent draw on gas tax to reduce the 2007 Transit budget levy impact; and inflation at 3% built into prior approved service enhancements. Council cannot approve all of the above proposals without exceeding the total ongoing funding from the Province ($11.8M) which would constitute a breach of the Agreement between the City and the Province. As such, Council will be compelled to curtail or reject some of the proposals in order to remain in compliance with the City’s agreement with the Province.

In terms of an inflation factor being added to committed expenditures, the Committee requested if communication could be made with the Province to ask if they anticipate this to be an issue since they are not providing an inflationary increase. Staff also clarified that the funds received from the province are based on fuel consumption, not on sales meaning that ongoing revenue from the Province will fluctuate based on consumption and not gross sales.

Public Works Committee – January 15, 2007
Councillor T. Whitehead expressed concern with respect to enhanced services, and asked if a representative from the Planning Department or GRIDS was consulted. He indicated that although east-west service on Rymal Road was on the list of consideration, it was “bumped” from the list of priorities as other options took precedence. He requested staff to provide a list of comparatives in order to better comprehend the business and ridership growth sides, and to understand why the Rymal Road enhancement was not chosen.

Councillor M. McCarthy expressed concern with respect to bus routes proposed for Flamborough, indicating that they also were postponed.

Councillor Clark informed the Committee that in a number of other jurisdictions, where there is a demand for increased or new services, a demonstration project is put in place for 6 to 9 months to see whether or not the demand exists i.e., tested before committing to capital and operational increases. Since service demands far exceed capacity, and since there are competing interests, would it be more viable to do demonstration projects in areas requesting service. Staff will investigate and report back on the implications of doing such pilot projects.

Don McLean asked if there is a report on latent demand – specialized transit program as it would be helpful to have information.

Councillor Whitehead questioned if there are any areas where service is currently provided, but where there is not enough demand. He asked that this matter be placed on a future agenda for discussion.

The Committee requested that ATU be invited to a future meeting to appear as a delegation. Staff advised that prior to the constitution of the TMPSC Council has approved funds in the amount of $900K for staff to add services in areas with identifiable service capacity shortages. These enhancements continue to be implemented in consultation with the ATU through a joint committee (Run Times Newsletter distributed for information).

(ii) Federal Gas Tax – Committed and Spent – Don Hull

With respect to the federal gas tax funds, Don Hull pointed out that the federal government has made a transit dedicated commitment of $8.9M for the years 2005-07 and an additional commitment, in principle of and estimated $8M for the years 2007-09 contingent on a Federal Government budget surplus. To date, funding in the amount of $4.8 million has been received, of which Council has drawn $3.8 million for the purchase of new fleet.
(iii) **Bike Racks on Buses – Andy McLaughlin**

Andy McLaughlin provided an update on the status of the bike racks on buses program and advised that Staff had submitted a 2007 Capital budget request in the amount of $224,000 as directed by Council. An ongoing request of $50,000 in Operating funding was included in the Request to fund repairs and maintenance on the bike racks. If approved by Council, the racks would be purchased and installed, and a marketing/promotional campaign would be carried out for public awareness. Staff will be preparing a detailed report for the consideration of Council during their 2007 Budget deliberations.

Following approval of the recommendation in Item 3, the Steering Committee directed staff to bring a report back outlining the on-going operating costs of maintaining the bike racks, including the source of funding.

(h) **Staff Presentations (Item 8)**

(i) **Area Rating Overview – Tony Tollis and Tom Hewitson**

Tony Tollis provided the Committee with a power point presentation outlining the purpose of area rating and services where area rating can be applied within the Municipal Act. The presentation also outlined area rating pre-amalgamation with respect to Transit.

The presentation also included:

- 2006 share of transit miles
- impact of enhancement
- use of gas tax with respect to the impact of enhancement
- 2007 proposed transit service enhancements
- Heritage Green and Beeline enhancements – increase in total cost of transit service vs increase in total transit miles
- Total impact of Heritage Green and Beeline enhancements.

Councillor Whitehead stated that there is a need to start getting to the point of more equity in the distribution of costs for services to the point where all urban areas should be on par across all centres. However, staff advised that the formula for the 2007 budget process will not be changing.
On motion, the presentation with respect to Area Rating was received and a sub-committee composed of Councillor B. McHattie, Daniel Rodrigues, Brendan Simons, Don McLean and Ron Smithson, was established to review the issue of area rating transit and bring back recommendations to be forwarded to the Area Rating Sub-Committee for their consideration. Staff was requested to review the policies of Ottawa and Sudbury with respect to how they area rate transit services.

The Committee asked if any legislation contained in Bill 130 would have an impact area rating; staff responded that the area rating policy would not be affected by this Bill.

(ii) 2007 Enhancements Report Update – Don Hull
(a) Public Works Proposed Options
(b) TMPSC Options

Councillor McHattie vacated; Councillor Whitehead assumed the Chair.

Don McLean requested that discussion of this matter be tabled to the next meeting of the Committee in order to receive additional information i.e., percentage of monies allocated from the gas tax for ATS as related to the percentage of spending for ATS out of the total transit budget.

(iii) Sustainability/Marketing/Communications Plan – Don Hull/Dave Hardy

Staff advised that this item was placed on the agenda in error, and will be brought back to the Committee at a future meeting.

(i) Discussion Items (Item 9)

(i) Selection Process

The Committee Clerk advised that the process of Appointments of Citizens to Agencies, Board and Commissions is in progress, and that members interested in continuing to serve on this Committee would be required to re-apply prior to the December 15, 2006 deadline.

(ii) Date of Next Meeting

The members of the Committee will be notified by e-mail of the next meeting date of this Committee.
(iii) B.I.A. Brochure

Copies of the brochure issued by the B.I.A. were distributed to the Committee, showing its various districts, including International Village, Downtown Hamilton, Barton Village, King Street West, Stoney Creek, Waterdown, Westdale Village, Ottawa Street and Main Street Esplanade.

(j) New Business

Agenda item for next meeting: Implementation of a bus rapid transit plan.

There being no further business, the Committee adjourned at 6:20 p.m.

Respectfully submitted

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

Carolyn Biggs
Legislative Assistant
December 11, 2006