



MANAGEMENT REPORT

Date: January 10, 2023
To: Finance and Labour Relations Committee
From: Michael Mousley, Manager of Transit
Report #: FIN23-002
Attachments: None

Title: Financial Comparison - Saturday Fixed Route Full-Service versus On-Demand Service

Objective: To provide a cost comparison report to the Finance and Labour Relations Committee between a Saturday fixed route full-service and the current Saturday on-demand service.

Background: At the October 11, 2022 Council meeting, the following motion was adopted:

THAT a report detailing the financial implications of maintaining the 2022 regular transit and parallel transit rates for the 2023 calendar year and a financial analysis of regular and on-demand transit service on weekends be referred to the 2023 budget discussions.

A separate report has been prepared for Council's consideration regarding the 2023 rates.

In February 2021, in conjunction with the existing Sunday on-demand service a Saturday on-demand service was introduced replacing the six-route full-service model (the #7 Industrial route at that time only operated Monday to Friday). There were two factors for the implementation of an on-demand model at that time:

1. Very low ridership continued as Pandemic restrictions were still in place after one year of "essential trips only", "stay at home orders" and educational facilities on a remote learning model.
2. Budgetary concerns during the Pandemic also were a guiding factor as all Departments were asked by Council to find any possible savings in operating in order to lessen the impact on the tax levy and to remain at an acceptable level of

service. It was projected at the time that the Transit Department would recognize an operating savings of over \$210,000 in 2021 (fuel and labour).

Analysis: There are several factors to consider when discussing returning to a Saturday full-service model from the current on-demand service, such as operating and fuel costs, staff recruitment, and ridership convenience. Below are the financial comparisons including some additional options.

Points to Consider:

- Six Saturday on-demand buses travel approximately 1,200 kms, compared to six regular fixed routes which travel approximately 2,150 kms excluding the #7 Industrial route;
- If the #7 Industrial route was included, the total kms would be 2,425 (it should be noted that the previous Saturday regular service did not include the Industrial route);
- Based on current costs of fuel, additional fuel costs would be approximately \$51,000; and
- Provincial funding supports related to the pandemic have substantially ceased, which means that these costs will fall to the tax-subsidization part of 'who pays'.

Labour:

- Offering a full Saturday service would require eight additional part-time transit drivers (if including the industrial route) as there would be two shifts to operate on Saturday (including a driver to cover breaks);
- These additional staff members would only work Saturdays;
- Presently, there are numerous recruiting challenges in every sector globally and the specific skills required for operating Transit vehicles, and retention challenges for part-time positions for these skills;
- It could take several months, or longer, to recruit the talent needed to deliver the service on Saturdays; and
- Eight additional drivers for a full Saturday service would cost an additional \$101,710.

Total approximate additional costs to the annual budget to offer a full fixed route on Saturday would be \$152,710 (labour and fuel only).

Financial Implications:

Financial impact to current year operating budget:

If direction is provided to return to Saturday full-service it would cost an additional \$152,710 (additional labour and fuel) in 2023.

Financial impact on future year operating budget:

\$152,710 would be added to future budgets.

Alignment with Strategic Priorities:

Mobility, Accessibility and Design Excellence

Improving ways to get around, to and from Stratford by public transit, active transportation and private vehicle.

Alignment with One Planet Principles:

Health and Happiness

Encouraging active, social, meaningful lives to promote good health and wellbeing

Staff Recommendation: THAT the report titled, "Financial Comparison – Saturday Fixed Route Full-Service versus On-Demand Service" (FIN23-001), be received for information;

AND THAT On-Demand Service remain for Saturday transit service.

Prepared by: Michael Mousley, Manager of Transit
Recommended by: David St. Louis, Director of Community Services
Joan Thomson, Chief Administrative Officer