



TO: GENERAL COMMITTEE

SUBJECT: TRANSIT SERVICE PARTNERSHIP AGREEMENT – FOR THE PROVISION OF TRANSIT SERVICES TO THE TOWNSHIP OF ESSA

WARD: ALL

PREPARED BY AND KEY CONTACTS: B. FORSYTH, DIRECTOR OF TRANSIT AND PARKING STRATEGY

SUBMITTED BY: B. FORSYTH, DIRECTOR OF TRANSIT AND PARKING STRATEGY

GENERAL MANAGER APPROVAL: R. JAMES-REID, EXECUTIVE DIRECTOR OF ACCESS BARRIE

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the Mayor and City Clerk be authorized to execute the Transit Services Partnership Agreement with the Township of Essa, subject to the satisfaction of the Director of Legal Services and Executive Director of Access Barrie.

PURPOSE & BACKGROUND

2. The purpose of this report is to seek Council's approval for staff to execute a partnership agreement to provide transit services to the Township of Essa and Base Borden. This Agreement defines the roles and responsibilities for the service partners involved including financial obligations. The service would be provided to the Township of Essa on a full operational cost recovery basis by the City of Barrie.
3. As per motion 13-G-046, Council directed staff to negotiate a Transit Service Partnership Agreement for the provision of transit services to the Township of Essa and report back to City Council with details on the service.
4. On May 22, 2013 the Transit Service Partnership Agreement was executed and service began on August 12, 2013. The initial agreement continued until December 31, 2014, with an option to renew for an additional 3 years. The agreement was renewed for the full 3 years and is set to expire on December 31, 2017.
5. Staff at the City of Barrie have collaborated with the staff at the Township of Essa over the last 4 years making service improvements that has seen ridership continue to grow since the inception of service. Staff are projecting 2017 ridership to be approximately 19,000, which equates to growth of 18% from the first full year of operation.
6. The operational costs for transit services provided to the Township of Essa are on a full cost recovery basis, with the City of Barrie incurring no net expense related to the operation. The current annual net operating cost to the Township of Essa is approximately \$175K.
7. The Township of Essa has expressed support in moving ahead with another Transit Services Partnership Agreement, and the Township Council approved a motion (CW195-2017) on November 15, 2017 of a very similar motion to the one being recommended to Barrie City Council in this report.

8. The County of Simcoe has developed a transit feasibility and implementation study and intend to implement the first phase of their plan in 2018. Staff from the County of Simcoe have informed staff at the City of Barrie that future phases include the County of Simcoe managing the transit services on behalf of the Township of Essa but have not confirmed a transition date.

ANALYSIS

9. The transit service would remain the same as today. The service is commuter-focused, with two buses that would operate from the Allandale GO Station, along County Road 90 to portions of Angus, terminating at CFB Borden.
10. The following provides a brief overview of the purpose and context for the key terms and conditions that are associated with the current agreement, as well as the proposed agreement:
- a) The Transit Services Partnership Agreement would define the City of Barrie as solely responsible for the provision of this transit service, including coordinating, managing, and supervising the transit services to be provided by the City's existing staff.
 - b) The transit services would be provided to the Township of Essa on a full operational cost recovery basis, with the City of Barrie incurring no net expense related to the operation.
 - c) The Transit Services Partnership Agreement would define that all operating and financial risks and costs would be the full responsibility of the Township of Essa. The estimated increase of insurance costs for the City of Barrie would be included in the costs paid by the Township of Essa.
 - d) The Township of Essa would be responsible for all other required support services not defined as the responsibility of the City of Barrie, included but not limited to: snow removal, garbage collection, and required construction and/or maintenance of local bus stop locations in the Township of Essa. The Township of Essa would be asked to acknowledge, through the Transit Services Partnership Agreement, that they are aware of the full cost of this new transit service, including but not limited to cost factors identified by the City of Barrie, and the risks associated with future potential new or increased costs.
 - e) The Township of Essa would be responsible for any operating shortfall resulting from any revenue or expense items differing from the amounts projected, including but not limited to: Ontario Gas Tax revenue; projected fare revenue; additional expenses related to AODA compliance.
 - f) The City of Barrie would continue to act as the host municipality providing the public transit services and would directly receive all Ontario Gas Tax revenue related to these services. Ontario Gas Tax revenue would be applied to the operating cost of providing the agreed upon transit services.
 - g) The Transit Services Partnership Agreement would contain a provision that it may be cancelled by either the City of Barrie or the Township of Essa with no less than 120-days' notice, with the Township of Essa bearing all cancellation costs.
11. As the County of Simcoe plans to manage the transit service for the Township of Essa at a future unknown date, the agreement will be initially executed for a full year, with an option to renew 2 times for additional one year periods.
12. Staff would report back to General Committee in the event that a Transit Services Partnership Agreement between the City of Barrie and the Township of Essa is not executed.

ENVIRONMENTAL MATTERS

13. An efficient and effective transit system facilitates an alternative to single passenger automobile trips, thereby reducing greenhouse gas emissions. The transit service would have environmental benefit through the reduction of passenger vehicle trips between Angus, CFB Borden, and Barrie.

ALTERNATIVES

14. There are alternative available for consideration by General Committee:

Alternative #1

General Committee could choose not to approve the recommendation authorizing staff to execute a Transit Service Partnership Agreement and take no further action with respect to continuing to provide transit service to the Township of Essa.

This alternative is not recommended given the City of Barrie has developed a strong partnership with the Township of Essa providing their residents with options to travel between Barrie and Essa. The Township of Essa do not have a contingency plan in place to deliver transit service to their residents and would result in a significant service disruption to their residents and would negatively impact future transit services.

FINANCIAL

15. The financial model has been structured in a similar manner to the initial agreement. Table 1 indicates the estimated net operating costs, estimated partner funding, and the estimated cost to the Township of Essa, for the provision of the transit service from 2018 to 2020(based on the current service in place):

**ESTIMATED NET COST OF TRANSIT SERVICE (Essa-Borden-Barrie)
2018-2020 Service Cost Forecast**

Service:

Conventional transit service will run Monday to Friday and will include: -Morning peak service with 4 round trips from Barrie to Angus/CFB Borden to Barrie -Mid-day service with 2 round trip from Barrie to Angus/CFB Borden to Barrie -Evening peak service with 4 round trips from Barrie to Angus/CFB Borden to Barrie
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ESTIMATED NET ANNUAL OPERATING COST	2018	2019	2020
Annual Operating Cost through COB (Note 1)	\$ 361,591	\$ 368,711	\$ 376,059
Fare Revenue	\$ (45,000)	\$ (46,000)	\$ (48,000)
Ontario Gas Tax (Note 2)	\$ (140,000)	\$ (140,000)	\$ (140,000)
Estimated Funding Required from the Township of Essa	\$ 176,591	\$ 182,711	\$ 188,059

Note 1:

Includes ONLY operating costs to City of Barrie. Does NOT include costs for services to be directly provided by the Township of Essa, including but not limited to: snow clearing, garbage collection, pass distribution, etc.
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Note 2:

Preliminary estimate of Ontario Gas Tax Funding, subject to change with funding agreement renewals.

LINKAGE TO 2014-2018 STRATEGIC PLAN

16. The recommendations included in this Staff Report support the following goal identified in the 2014-2018 City Council Strategic Plan:
- Well Planned Transportation
 - Responsible Spending