



EAST HANTS
We live it!

MMM Group Limited



Final Report

Transit Services Business Plan

COMMUNITIES
TRANSPORTATION
BUILDINGS
INFRASTRUCTURE



March 27, 2015

TABLE OF CONTENTS

- 1.0 INTRODUCTION 1**
- 2.0 BACKGROUND REVIEW AND BUSINESS PLAN SCOPE 2**
 - 2.1 Corridor Feasibility Study Recommendations..... 2
 - 2.2 Discussion of Recommendations 2
 - 2.3 Scope of the Transit Services Business Plan..... 4
- 3.0 SERVICE PLAN 6**
 - 3.1 Route Concept..... 6
 - 3.2 Route Description 8
 - 3.3 Transit Stops..... 11
 - 3.4 Service Schedule..... 15
 - 3.5 Capital Infrastructure and Assets..... 18
 - 3.6 Transit Vehicle Procurement and Motor Carrier License Application 20
- 4.0 CONTRACTING TRANSIT SERVICES 22**
 - 4.1 Contracting Model..... 22
 - 4.2 Procurement Process 24
 - 4.3 RFP and Contract Contents 25
 - 4.4 Regulatory Requirements and Risk Management 32
- 5.0 MUNICIPAL ORGANIZATION AND STAFFING 34**
- 6.0 POTENTIAL SERVICE PROVIDERS AND PARTNERS 35**
 - 6.1 Potential Service Providers..... 35
 - 6.2 Potential Partners..... 36
- 7.0 MARKETING AND COMMUNICATION..... 39**

7.1	Launch Marketing.....	39
7.2	Ongoing Marketing and Communication.....	41
8.0	FINANCIAL PLAN.....	42
8.1	Capital Costs and Funding.....	42
8.2	Operating Costs.....	45
8.3	Fares and Revenue	47
8.4	Three-Year Financial Plan	49
9.0	IMPLEMENTATION PLAN	51

APPENDICES

Appendix A – Review of Transit Systems in Peer Municipalities

1.0 INTRODUCTION

The Municipality of East Hants is one of the fastest growing rural municipalities in central Nova Scotia. Located only 10 minutes north of the Halifax Stanfield International Airport and 30 minutes north of the heart of Halifax, East Hants is well positioned for growth and success. The Municipality is committed to capitalizing on this growth, meeting the ever-changing needs of its citizens, and creating healthy and sustainable communities. The *East Hants Strategic Plan (2013)* emphasizes the importance of diverse and accessible transportation options to community sustainability and economic development. Transportation is one of the *Strategic Plan's* seven key areas of strategic focus, and an associated goal is the “consideration of options related to public transportation within East Hants and between East Hants and Halifax Regional Municipality”.

In line with these strategic directions, East Hants completed a *Corridor Feasibility Study* in 2012 focusing on the Highway 102 corridor region and communities through to the airport. The *Study* recommended a fixed-route transit service with operations and maintenance contracted to a private carrier. The Transit Services Business Plan for East Hants builds on the recommendations of the *Corridor Feasibility Study*. Specific objectives of the work include the following:

- ▶ To review and validate the market analysis and recommendations of the *Corridor Feasibility Study*;
- ▶ To develop a detailed service plan, delivery plan and financial plan for the recommended transit service, including: routes, stops and assets; partnership and integration opportunities; service contracting; staffing and contract management; marketing and communications; operating and capital costs; and revenue sources; and
- ▶ To create an implementation plan for the service, with timelines and next steps for East Hants.

The Transit Services Business Plan includes the following sections:

- ▶ Section 2 reviews the *Corridor Feasibility Study* and defines the scope of the Transit Services Business Plan;
- ▶ Section 3 presents the service plan, including the route, schedule and recommended stops;
- ▶ Section 4 describes the contracted service delivery model and provides recommendations related to contracting transit services;
- ▶ Section 5 defines municipal staffing required to manage the transit service;
- ▶ Section 6 identifies potential service providers and partners;
- ▶ Section 7 provides marketing and communication recommendations;
- ▶ Section 8 identifies the costs, revenue sources and three-year financial plan for the transit service;
- ▶ Section 9 provides an implementation plan with timelines and next steps for East Hants; and
- ▶ Appendix A presents the results of the peer review of transit systems.

2.0 BACKGROUND REVIEW AND BUSINESS PLAN SCOPE

This section reviews the recommended service plan from the Corridor Feasibility Study completed for East Hants in February 2012 by Genivar (now WSP). It also discusses the recommended adjustments to the service plan to be applied in the development of the Transit Services Business Plan.

2.1 Corridor Feasibility Study Recommendations

The 2012 Corridor Feasibility Study recommended the following service plan elements for implementing transit service in the Municipality of East Hants:

- ▶ Phased introduction of service between Halifax Airport and Shubenacadie, generally along the Highway 2 corridor, with additional peak period service between the Airport and Lantz;
- ▶ Use of low floor, accessible small to medium capacity vehicles;
- ▶ Purchase of necessary transit vehicles by the Municipality of East Hants in order to take advantage of potential capital funding sources;
- ▶ Daily operation and maintenance of the service by the private sector;
- ▶ A flat cash fare of \$3.25 for all riders, discounts for tickets, monthly passes, and a \$1.00 premium for trips to and from the airport.

Each of these elements is discussed in the following paragraphs. The discussion draws on the review of peer transit systems, presented in Table A-1 (Appendix A).

2.2 Discussion of Recommendations

Service Plan

The Corridor Feasibility Study documents the substantial number of people from East Hants who work at the Airport, or further south in the Halifax region. This situation has not changed since the Study was completed. What has changed is that Halifax Transit has now introduced a MetroX service connecting the Airport with the Fall River Park and Ride, the Bridge Transit Terminal in Dartmouth, and downtown Halifax. This service operates every 30 minutes during weekday peak periods and every 60 minutes during the middle of the day, evenings, weekends and holidays. It takes approximately 50 minutes for this service to travel between the Airport and downtown. The continued presence of large numbers of East Hants residents working at the Airport and in Halifax together with the new MetroX service confirms that the East Hants transit service should serve the airport. It should connect with the MetroX service in order to allow East Hants residents to easily transfer between the two services.

The Enfield, Elmsdale and Lantz areas along Highway 2 represent the largest concentration of population within East Hants, and should be the focus of future transit service. This was confirmed in the Corridor Feasibility Study. North of Lantz, the Highway 2 corridor is less populated, with sections of rural property separating small concentrations of development in Milford and Shubenacadie. While the Study recommended that transit service operate as far north as Shubenacadie, the combined populations of these areas is less than half of that found in the combined Enfield, Elmsdale and Lantz areas. The additional distance and time required to travel to Milford and Shubenacadie almost doubles the resources needed for a route to serve less than fifty percent more ridership.

Given the low density of population and destinations in the northern part of the Highway 2 Corridor, it is recommended that initial transit service focus on the southern area of the Corridor and not consider operating north of Lantz until after operating experience has been gained and the route is successful. The recommended route from the airport to Lantz will be able to operate at a higher frequency / with a shorter headway. This will make the service significantly more attractive to commuters.

Ridership and Vehicle Size

The Corridor Feasibility Study noted anticipated ridership of 10 to 12 passenger boardings per hour, representing approximately 120 to 145 boardings each weekday. While this level of usage would be typical of many small-scale transit services in Canada, it shouldn't be expected quickly once service is first implemented.

Based on the peer review (Table A-1), communities with service area populations of 7,000 to 20,000 achieve 8 boardings per hour on average. A minimum of 2 boardings per hour was observed in Niagara-on-the-Lake, where service was only introduced in 2012, while a maximum of 18 occurred in Yellowknife. We therefore recommend a more conservative level of ridership of 6 to 8 passenger boardings per hour, or approximately 75 to 100 boardings per weekday.

This level of ridership supports the Corridor Feasibility Study recommendation to use small to medium-sized buses. These vehicles typically accommodate anywhere from 15 to 30 people, depending on their interior configuration and accessibility features. This size should be sufficient to accommodate any of the anticipated ridership ranges.

Service Delivery Model

The availability of Provincial programs to assist East Hants in the direct purchase of vehicles is attractive and can potentially make it cheaper to contract the operation of the service. However, purchasing and providing the vehicles to a contractor means that East Hants may have to also provide necessary spare vehicles and could create concern with ensuring the contractor provides adequate and appropriate maintenance for them. Decision on the purchase of the vehicle(s) should not be finalized at this point in the analysis. Rather, more detailed analysis as part of the contracting research portion of this project should be undertaken and appropriate recommendations made.

The Corridor Feasibility Study recommended that a private sector firm be contracted to operate and maintain the transit service and equipment on behalf of East Hants. This is the best arrangement for a small municipality to follow when considering implementing a new service to its residents. As illustrated in Table A-1, the majority of transit systems in small communities use a contractor for service delivery. The only question is what specific services should be contracted and what should remain with the municipality, and why. This is a primary outcome of the Transit Services Business Plan.

Fare Structure

The recommended fares in the Corridor Feasibility Study are typical of what is found in Canada. Comments on the particular types of fares are provided below:

- ▶ A cash fare of \$3.25 is slightly higher than in peer municipalities (Table A-1). The actual cash fare should be reconsidered based on the final costs of the service.
- ▶ Keeping a consistent cash fare level for all types of customers (adults, youth, seniors) reflects the fact that it costs the same amount to carry any customer, regardless of their demographic.
- ▶ Providing discounts for pre-purchased tickets for adults can advance revenue for the municipality and reduce the amount of cash that has to be processed.
- ▶ Providing further discounts for pre-purchased tickets for other demographics such as youth and seniors provides a way for these groups to save money (which can encourage ridership), as well as minimize cash.
- ▶ Providing monthly passes that are discounted further than tickets encourages regular ridership. However, a monthly pass cost of \$95.00 is significantly higher than in other peer municipalities (Table A-1). The actual monthly pass cost should be reconsidered based on the final costs of the service
- ▶ The proposed Airport premium is questioned. While the concept of charging a small premium for a higher level of service or longer trip is well established in the transit industry, such a premium could discourage ridership by people who work at the airport or want to transfer to the MetroX service. A regular East Hants customer traveling to Halifax via the Airport would already have to potentially pay their \$95 East Hants pass and their \$111 MetroX pass each month. Adding an additional \$1.00 premium to each East Hants trip could add a further \$80.00 expense to a regular commuter.

2.3 Scope of the Transit Services Business Plan

Based on the above discussion, the following elements were included in the analysis within the Transit Services Business Plan:

- ▶ The Business Plan will focus on an initial route to operate between the Airport and the Sportsplex in Lantz, using Highway 102 from the Airport to Enfield and old Highway 2 from Enfield to the

Sportsplex. Highway 214 will be used to connect the route between Highway 2 and the Sobeys and Superstore facilities at the Highway 102 interchange.

- ▶ A detailed route description and proposed stop arrangements will be developed and costed during the Business Plan development. Fixed and flexible route and stop options will be evaluated.
- ▶ A focused explanation of potential ridership on the proposed route will be developed.
- ▶ Appropriate vehicle requirements to serve the route and ridership will be identified and costed.
- ▶ The merits of direct purchase of vehicles versus the contracting of their provision will be addressed.
- ▶ A comprehensive list of services that need to be provided to implement and operate a transit service will be developed and the merits of contracting versus retaining them in-house will be discussed.
- ▶ Frequencies and service hours will be developed, considering the needs of the target audience.
- ▶ Potential service providers and partners will be identified and engaged.

3.0 SERVICE PLAN

3.1 Route Concept

The proposed East Hants transit route will operate between the Halifax Stanfield International Airport (YHZ) and the community of Lantz via Highways 2 and 102. The north end of the route will consist of two branches, one providing service along Highway 214 to the Superstore/NSLC and municipal office building to the west of Highway 102, and the other providing service further along Highway 2 to the East Hants Sportsplex in the community of Lantz. It is anticipated that service will use a single bus and operate on a 60 minute frequency, with each trip providing service to both branches. The South end of the route servicing YHZ will operate on a one-direction loop via Bell Boulevard, Red Wing Drive, Barnes Drive and Silver Dart Drive, providing service to the surrounding employment properties as well as the YHZ main terminal.

The north end of the proposed route includes two branches: one providing service to the Superstore/NSLC retail area and one serving the East Hants Sportsplex in Lantz. Since the service will operate as a one-way loop, direct connections between the two north branches of the route will be limited to one direction only. It is recommended that the routing follow peak travel directions and switch direction at midday, bringing all passengers towards the Superstore and surrounding commercial area during the AM and back home in the PM. The explanation of the options and the rationale for this recommendation is further described in the section below.

Routing on North End Branches

The north end of the proposed route includes branches providing service to the Superstore/NSLC retail area and to the East Hants Sportsplex in Lantz. Although the travel times and distances will be similar, the order in which these branches are driven during the route will have implications for providing trips to or from certain areas. The two routing options are illustrated in the following figures, and Table 1 and 2 below summarize whether or not connections between certain segments of the proposed route can be provided for each order of driving the two branches.



Figure 1: North Branch 1 – Sportsplex → Superstore



Figure 2: North Branch 2 – Superstore → Sportsplex

Table 1: North Branch 1 – Sportsplex → Superstore – Available Connections

	To Highway 2 S of Elmsdale / YHZ	To Highway 214 W of Highway 2 / Superstore	To Highway 2 N of Elmsdale / Sportsplex
From Highway 2 S of Elmsdale / YHZ	Direct connection	Connection via Sportsplex Branch	Direct connection
From Highway 214 W of Highway 2 / Superstore	Direct connection	Direct connection	No Connection
From Highway 2 N of Elmsdale / Sportsplex	Connection via Superstore Branch	Direct connection	Direct connection

Table 2: North Branch 2 – Superstore → Sportsplex – Available Connections

	To Highway 2 S of Elmsdale / YHZ	To Highway 214 W of Highway 2 / Superstore	To Highway 2 N of Elmsdale / Sportsplex
From Highway 2 S of Elmsdale / YHZ	Direct connection	Direct connection	Connection via Superstore Branch
From Highway 214 W of Highway 2 / Superstore	Connection via Sportsplex Branch	Direct connection	Direct connection
From Highway 2 N of Elmsdale / Sportsplex	Direct connection	No Connection	Direct connection

The comparison above indicates that direct connections are available between most of the segments along the route. Depending on the order the branches are driven, passengers from the south wishing to travel to one of the branches may be required to ride the other branch first before reaching their stop. Direct connections between the two north branches of the route will be limited to one direction only.

A routing configuration can be considered that would service the Sportsplex Branch first in the morning, and switching to service the Superstore branch first during the afternoon. This would follow peak travel directions, bringing all passengers towards the Superstore and surrounding commercial area during the

AM and back home in the PM, facilitating both employment and shopping trips to the commercial area. However, as travel behaviour to and from the Sportsplex may be more focused to the later afternoon and evening, this configuration may not provide a desirable connection for passengers wishing to return home in Elmsdale after activities at the Sportsplex in the evening.

If a consistent routing direction across the day is desired, the route configuration travelling to the Superstore before the East Hants Sportsplex is recommended. This will allow residents travelling from the commercial area to Highway 2 north of Elmsdale with groceries and other merchandise a direct connection to their destinations. This configuration will require passengers from Highway 2 north of Elmsdale to alight at the intersection with Highway 214 and walk to access the Superstore and surrounding commercial area, but most of these passengers will not yet be travelling with any merchandise.

It is recommended that the configuration switching the direction at midday should be used upon implementation of the service. Once the service is in operation, trip making behaviour using the service should be observed and used to inform the need of changing to a consistent routing direction, or for changing the time of day when the order of the north branches of the route is switched.

3.2 Route Description

The proposed route is configured as a one way loop beginning and ending at Halifax Stanfield International Airport (YHZ). The terminal platform shares the existing platform used by Halifax Transit Route 320. After departing from this stop, the proposed route is outlined below and illustrated in Figure 3.

The estimated travel time for the bus route for both the AM and PM configurations is approximately 47 minutes for the round trip beginning and ending at YHZ.

All Day:

1. Follow Silver Dart Drive north, merging with Bell Boulevard;
2. Bear right to follow Bell Boulevard towards Highway 102;
3. Bear right onto Highway 102 E-N on-ramp;
4. Exit Highway 102 NB at Exit 7 towards Highway 2;
5. Right turn onto Highway 2 NB;

AM Routing:

6. Follow Highway 2 NB straight through past Highway 214;
7. Left turn into East Hants Sportsplex. Loop around in Sportsplex parking area;
8. Right turn from East Hants Sportsplex to Highway 2 SB;

9. Right turn from Highway 2 SB to Highway 214 WB;
10. Right turn from Highway 214 WB into Petro-Canada/Superstore Driveway
11. Through from Petro-Canada/Superstore Driveway to Park Road SB;
12. Left turn from Park Road SB to Commerce Court. Loop around in municipal office parking area;
13. Right turn from Commerce Court to Park Road NB;
14. Right turn from Park Road NB to Highway 214 EB;
15. Right turn from Highway 214 EB to Highway 2 SB;

PM Routing:

6. Left turn from Highway 2 NB to Highway 214 WB;
7. Right turn from Highway 214 WB into Petro-Canada/Superstore Driveway
8. Through from Petro-Canada/Superstore Driveway to Park Road SB;
9. Left turn from Park Road SB to Commerce Court. Loop around in municipal office parking area;
10. Right turn from Commerce Court to Park Road NB;
11. Right turn from Park Road NB to Highway 214 EB;
12. Left turn from Highway 214 EB to Highway 2 NB
13. Left turn into East Hants Sportsplex. Loop around in Sportsplex parking area;
14. Right turn from East Hants Sportsplex to Highway 2 SB;
15. Follow Highway 2 SB straight through past Highway 214;

All Day:

16. Left turn from Highway 2 SB to Highway 102 SB on-ramp;
17. Exit Highway 102 SB on Exit 6 towards YHZ;
18. Left turn from Highway 102 SB off-ramp to Bell Boulevard;
19. Right turn from Bell Boulevard onto Red Wing Drive;
20. Left turn into Barnes Drive NB;
21. Merge from Barnes Drive NB to Bell Boulevard, then to Silver Dart Drive.

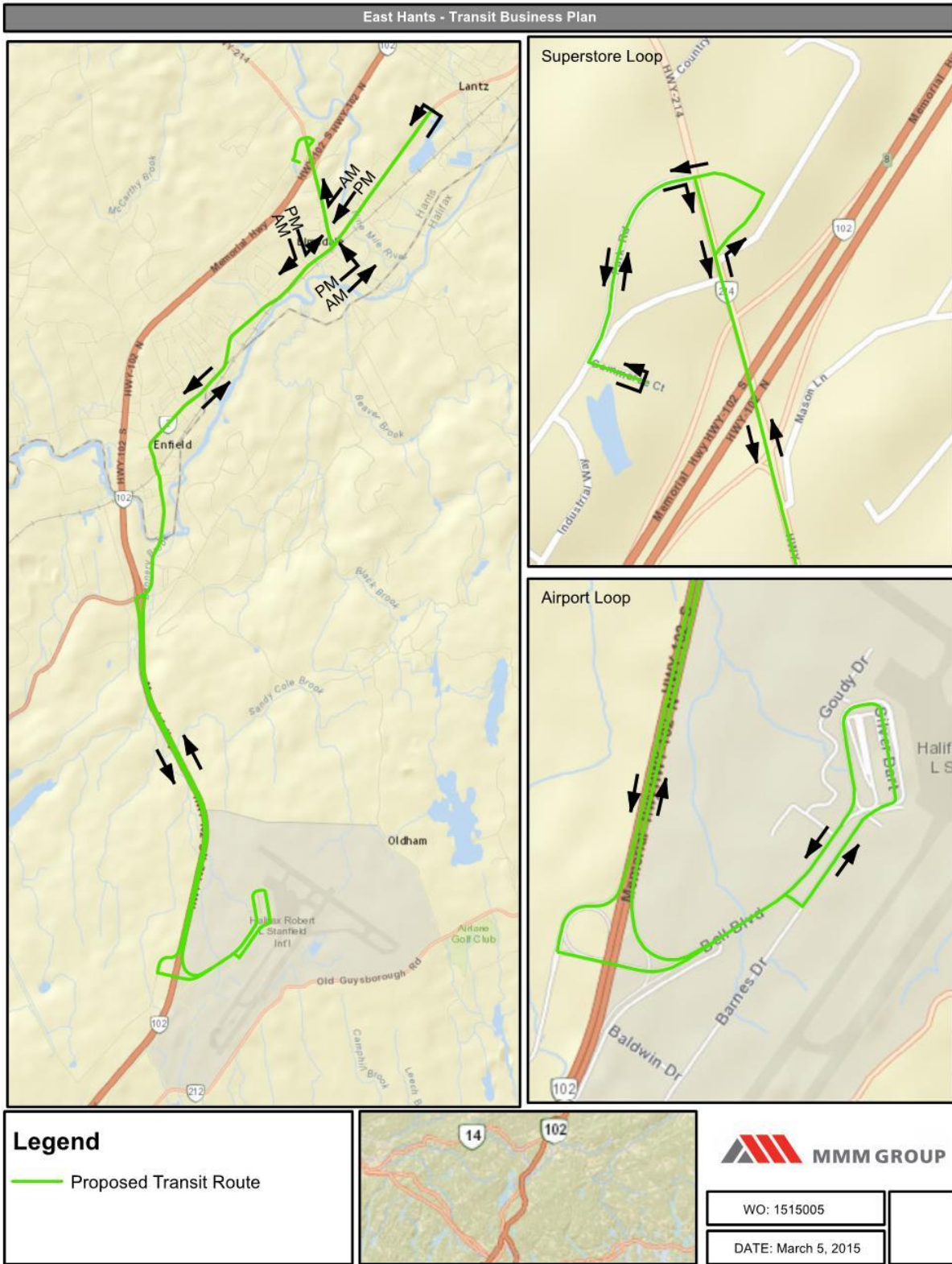


Figure 3: Proposed Transit Route

3.3 Transit Stops

Passenger boardings and alightings to and from the proposed transit route can be accommodated using either “fixed stops” (the bus stops at designated locations only) or “flag stops” (the bus can stop anywhere along the route to pick up passengers who flag the bus or to drop off passengers who request a stop). Both methods of operation have different advantages and disadvantages, described below.

Fixed Stops

Fixed stops require the selection of locations along the transit route where passengers will congregate to board and alight the bus. Fixed stops provide a clear indication of the transit route for passengers, and provide a clear indication for transit operators of whether pedestrians on the street edge are prospective passengers. Fixed stops result in increased consistency of transit travel times through busier areas, by maintaining a consistent number of stops per trip, and allowing certain stops to be used as time points to manage on-time performance.

The provision of fixed stops requires an investment on the part of the transit operator for the installation and maintenance of signage for all stops along the route, and the provision of a hard-surfaced area for people to stand and wait. Other amenities such as benches, shelters and trash receptacles may also be considered for fixed stops, but with further installation and maintenance costs. The operation of fixed stops will require snow clearing to ensure that the stops are accessible to transit users during the winter.

A conceptual layout of fixed stops along the route is illustrated in Figure 4. Stops have been located at the accesses to the residential neighbourhoods fronting onto Highway 2, as well as near other commercial or institutional facilities. This configuration will include approximately 39 individual stops to sign and maintain, noting that separate stops will be required on each side of the road on the segments where two-way service is provided. It is anticipated that the stops on Barnes Drive northbound and Silver Dart Drive at YHZ would use the existing Halifax Transit stops in these locations. Assuming a walking distance around each stop of 400m, this configuration of stops will provide adequate coverage of the Highway 2 and Highway 214 corridors, but will not cover the full depth of the neighbourhoods fronting the Highway.

If fixed stops are pursued, it is recommended that stops be spaced no less than 250m apart, in order to minimize the number of stops over busier segments of the route and better maintain consistent travel times.

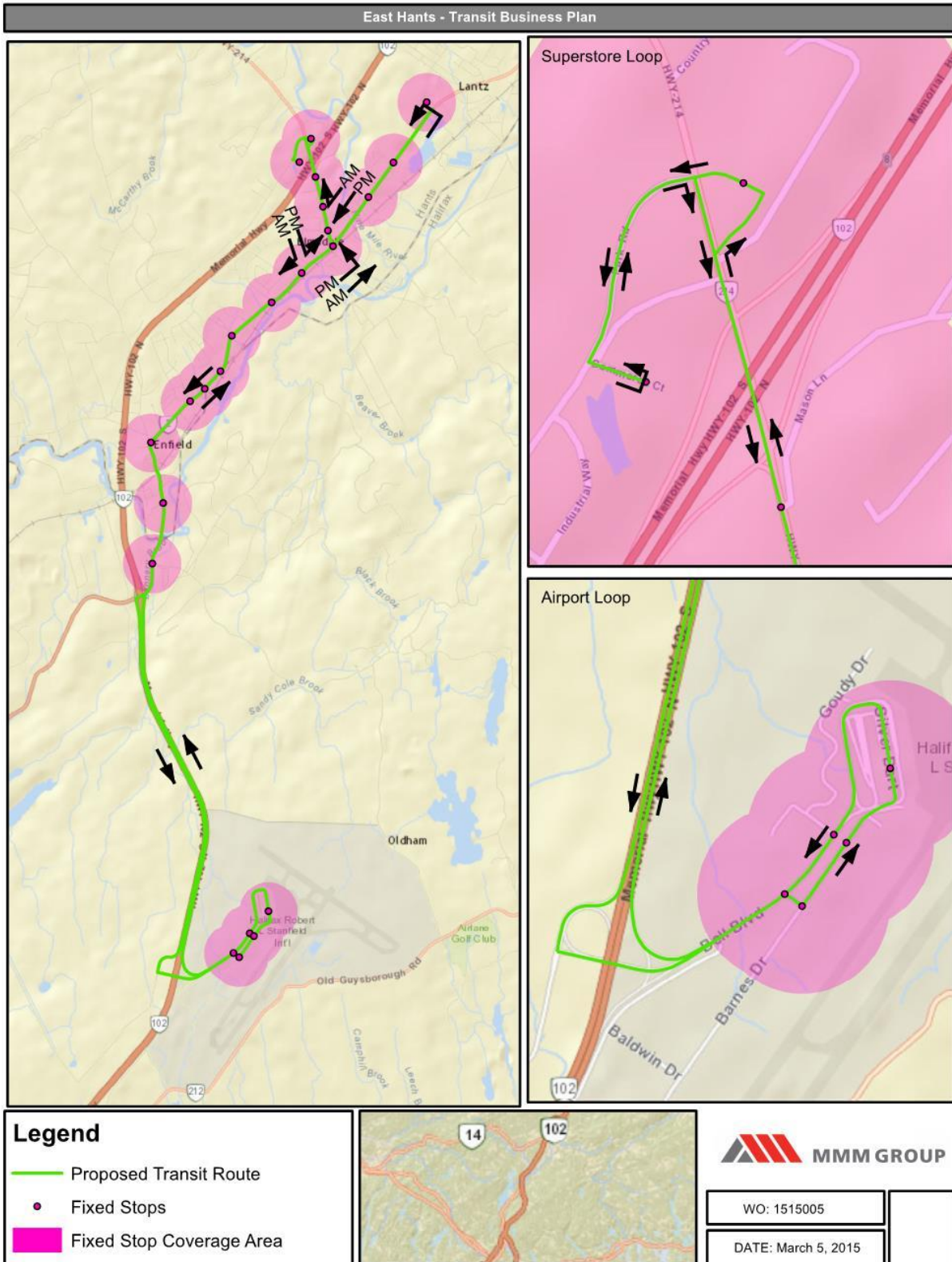


Figure 4: Concept for Arrangement of Fixed Stops along Proposed Route

Flag Stop Service

Flag stop service allows passengers to board and alight from the bus at any point along the route; passengers flag the approaching bus and request their stop when they board. This style of operation eliminates the need for the installation and maintenance of fixed stops, as passengers may choose the points most convenient for them; this will also minimize walk distances to transit, making the use of the service more attractive for passengers who would be located further from a fixed stop.

As the number of stops along the transit route using flag stop service is variable depending on demand, it may be more difficult to maintain consistent travel times for transit trips across the day. The lack of fixed stops also increases the ambiguity for transit operators of whether pedestrians adjacent to the road are prospective passengers.

Recommended Hybrid: Fixed Stops and Flag Stop Service

The recommended operation of the proposed East Hants Transit route is using flag stop service, with fixed stops at major generators along the route. It is not anticipated that initial transit demand will be sufficiently high to result in significant variations in travel time as a result of providing stops on demand, and providing limited fixed stops will minimize the costs of maintaining and implementing signage and other amenities.

It is recommended that the route include fixed stops at the East Hants Sportsplex, Superstore/Petro-Canada and use of the five existing Halifax Transit stops on Barnes Drive and Silver Dart Drive at YHZ. In the event of low ridership and faster than expected travel times during a segment of a particular trip, these stops can be used as time points to dwell and maintain scheduled arrival times downstream.

Additional fixed stops could be added in years 2 and 3 at high-demand locations in response to rider feedback and bus driver observations. For example, the intersection of Highway 214 and Highway 2 may warrant a stop in later years.

Fixed Stops at the Superstore/Petro-Canada and Sportsplex

The proposed fixed stops will be implemented at locations where relatively high pedestrian activities are expected and where buses may dwell for a short time to maintain schedule reliability. In order to minimize the impacts on vehicular traffic, a bus bay on the side of the Superstore / Petro-Canada laneway is recommended in order to allow buses to pull out of traffic while they are stopped at this location. This facility should include a pedestrian platform with sufficient room for passengers to gather before boarding the bus. Figure 5 illustrates the approximate location for this stop.



Figure 5: Transit Circulation and Potential Stop Location at Superstore

A transit stop will also be required in the East Hants Sportsplex parking lot, in order to separate the stopped bus from traffic circulation through the lot. A small drop-off bay exists in the parking lot to the west of the main Sportsplex entrance (see Figure 6), and this may be an appropriate location for the bus drop-off if the dimensions of this facility are sufficient to accommodate the vehicle chosen for the service.



Figure 6: Transit Circulation and Potential Stop Location at East Hants Sportsplex

Fixed Stops at the Airport

In order to facilitate transfers between the two services, it would be beneficial to arrange for the East Hants Transit service to share the platform at YHZ that is currently used by Halifax Transit Route 320.

Staff from Halifax Transit have indicated that there is sufficient space for both services to use the platform and they do not have any objections to this arrangement. Staff from the Halifax International Airport Authority are also supportive of East Hants' use of the platform at YHZ and have not expressed concerns about security. The MetroX stop is currently on the lower road and is in use without any problems.

It is recommended that a formal Memorandum of Understanding with Halifax Transit and the Halifax International Airport Authority be developed to document the use of the platform for both services. This agreement can finalize the details – for example, whether there will be one shared stop vs two separately marked stops.

It is also recommended that East Hants Transit service use the four current Halifax Transit stop areas on the other airport area roads where there is common service. Bus stop signs will need to be installed and this arrangement should also be documented within the Memorandum of Understanding.

3.4 Service Schedule

Halifax Transit Route 320 currently provides service between Halifax, Dartmouth and YHZ. This route uses a platform on Silver Dart Drive opposite the Alt Hotel to serve YHZ. This route operates on a 60 minute frequency daily, arriving at YHZ at nine minutes past the hour (eight minutes past on weekends) and departing for Halifax at 15 minutes past the hour. The service frequency is increased to 30 minutes during weekday peak periods (6:00-9:00 AM and 4:00-7:00 PM); additional buses during these times arrive at and depart from YHZ at 39 and 45 past the hour, respectively.

It is recommended that the departure of the East Hants transit service from YHZ be aligned with Halifax Transit route 320 to depart at 15 minutes past the hour. Aligning the departure times will ensure that passengers using both services have an opportunity to transfer to the other, and the consistent and regular clock face departure time will be easy for regular users to remember.

In order to maintain the reliability of the service and give the transit operator opportunities for short breaks along the route, time points at key points along the route should be established. Logical time points along the proposed route are the stops at the Superstore/NSLC and the East Hants Sportsplex, as these locations lie at the northernmost ends of the route and are anticipated to account for a significant proportion of passenger activity using the service. Given the departure of the service from YHZ at 15 minutes past each hour and the estimated travel times, Table 3 summarizes estimated arrival and departure times at the proposed time points along the route. Departure times from each point were aligned as closely to clock face times as possible to facilitate customer familiarity.

Table 3: Recommended Arrivals, Departures and Time Points

AM Routing					
YHZ	Sportsplex		Superstore		YHZ
Departure	Arrival	Departure	Arrival	Departure	Arrival
0:15	0:33	0:35	0:42	0:45	1:06
PM Routing					
YHZ	Superstore		Sportsplex		YHZ
Departure	Arrival	Departure	Arrival	Departure	Arrival
0:15	0:34	0:40	0:49	0:50	1:08

In order to provide desirable connections for commuters to and from Halifax Transit Route 320, it is recommended that the East Hants service be started in the morning so it is able to bring commuters from East Hants to meet the 7:15 am Route 320 bus to Halifax from YHZ. In order to reduce operating time, this first route could begin at the Sportsplex time point at 6:35am to serve East Hants commuters, instead of beginning the full loop from YHZ starting at 6:15 am. It is recommended that the last trip from YHZ to East Hants departs at 7:15 pm, in order to accommodate the last of the passengers from the 30 minute service on Halifax Route 320. Depending on demand for evening travel to YHZ from east Hants, this trip may be able to terminate at the Sportsplex to reduce operating time.

Given the frequency, service hours and time points outlined above, Table 4 describes a potential schedule for the initial implementation of the East Hants Service. Once implemented, travel behaviour should be monitored to determine whether more or less service is required.

Table 4: Proposed Schedule for Initial Implementation of East Hants Transit Service

AM Service			
YHZ (Departs)	Sportsplex	Superstore	YHZ (Arrives)
-	6:35	6:45	7:06
7:15	7:35	7:45	8:06
8:15	8:35	8:45	9:06
9:15	9:35	9:45	10:06
10:15	10:35	10:45	11:06
11:15	11:35	11:45	12:06
PM Service			
YHZ (Departs)	Superstore	Sportsplex	YHZ (Arrives)
12:15	12:40	12:50	13:08
13:15	13:40	13:50	14:08
14:15	14:40	14:50	15:08
15:15	15:40	15:50	16:08
16:15	16:40	16:50	17:08
17:15	17:40	17:50	18:08
18:15	18:40	18:50	19:08
19:15	19:40	19:50	-

Future Service Extension into Lantz

The estimated round trip time of the proposed transit route of 47 minutes leaves approximately 13 minutes of flexibility to accommodate any variability in travel times as well as times at YHZ and key time points along the route. If this additional time remains once the service is in operation, there is the potential for some of this time to be allocated to extending service beyond the East Hants Sportsplex to serve some of the residential development in Lantz.

A number of loops into Lantz were examined that added between 2:10 and 7:10 minutes to the overall round trip travel time, with the longer loops providing coverage to a greater number of residents. The loop concepts are illustrated in the figures below and the resulting travel time increases are summarized in Table 5. Selection from these concepts should be based on the demand from the affected community as well as observations of the excess time in the 60 minutes allocated for the round trip observed once the service is in operation.

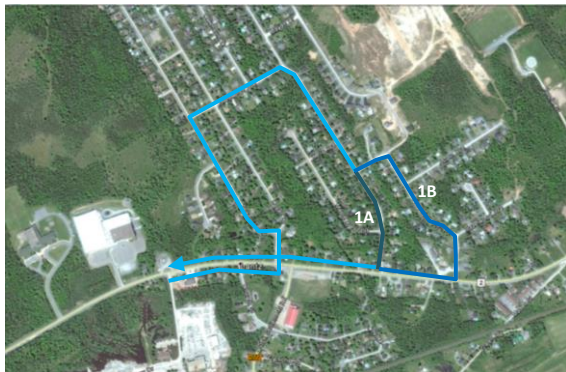


Figure 7: Lantz Loop - Concept 1 (A&B)

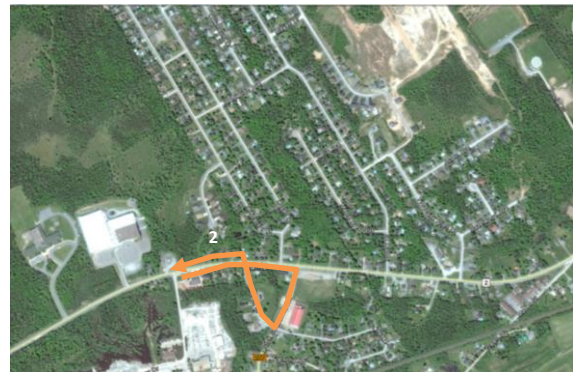


Figure 8: Lantz Loop - Concept 2

Table 5: Additional Transit Travel Times from Lantz Service Loops

Loop Route	Estimated Additional Travel Time
1A	5:25
1B	6:19
2	2:08
1A + 2	6:17
1B + 2	7:10

Annual Service Hours

The recommended schedule involves 13.25 hours of service per day, 256 days per year, for a total of 3,392 annual service hours. The service will run from 6:35am to 7:50pm, Monday to Friday, 12 months a year. Service is not recommended on Statutory Holidays: New Year's Day, Good Friday, Canada Day, Labour Day and Christmas Day.

3.5 Capital Infrastructure and Assets

This section addresses anticipated capital assets that will need to be planned for. Costs and financial impacts associated with these assets are described in section 8, *Financial Plan*.

Vehicles

The service concept described above requires one vehicle to operate over a service day of approximately 13 hours. The preferred vehicle will be one of the many types of approximately 19- to 24-passenger vehicles currently available on the market, and will preferably be a low-floor bus.

A spare vehicle will also be required in order to ensure service reliability in the event of vehicle mechanical failure, accident or major maintenance that cannot be completed in one weekend period. The provision of an acceptable spare vehicle for occasional use should be included in the contract requirements.

Sample contract wording: "Have available and immediately supply at the Operator's expense one (1) standby vehicle of a type and condition approved by the Town to provide and maintain regular service in the event that one or more of the vehicle fleet is out of service. The standby vehicle shall be used by the Operator while Town owned vehicles are temporarily out of service for repairs." (Town of Wasaga Beach and Collingwood)

Bus Stops

The seven key, fixed stop locations described in the previous sections will require bus stop signs to be developed and maintained. The signs need to have an appropriate design and size to be clearly visible to both customers and drivers.

Bus stop area improvements should be considered for the Superstore/NSLC stop – specifically the bus bay and sidewalk/waiting area. The Sportsplex stop only requires confirmation if the bus will use the existing bay or some other adjacent location. No improvements should be required for any of the Airport area stops as the current Halifax Transit stop areas will be used (note that the East Hants Transit signs will need to be installed at these locations).

Passenger shelters should only be considered at the Superstore/NSLC stop and the Sportsplex stop, as these are likely to be the busiest areas outside of the Airport. It would be best to validate the need for

these during the first six to twelve months of operation and then only consider shelters if the service is successful and the busiest locations are clearly identified. It is not expected that shelters will be necessary in the Airport area, as the stop at the terminal area has sufficient nearby inside places to wait.

Fare Collection Technology

East Hants should purchase a manual fare box for the transit vehicle it owns. For the vehicle on stand-by, the contractor should be asked either to provide a fare box or to propose another fare collection arrangement.

It is not expected that advanced smart card or mobile payment technology will be implemented at this time. Halifax Transit is researching this technology for implementation in the next two to three years. East Hants should track this effort and be prepared to participate when it becomes operational. This will allow for fare integration opportunities.

Park and Ride Facilities

The existing park-and-ride lot adjacent to the East Hants municipal office is likely to be used by transit riders. Transit riders living east of Lantz may also park at the Sportsplex and board the bus from there. The Municipality of East Hants should therefore develop a Memorandum of Understanding with the Sportsplex that allows transit riders to use the Sportsplex parking lot.

Other park-and-ride facilities are unlikely to be needed in the initial years of service. Commuters traveling to Halifax by transit and using a park-and-ride lot will continue to use the Fall River lot rather than paying for two transit passes and adding a transfer at the airport. Additional East Hants park-and-ride facilities could be developed as needed in response to rider feedback.

For East Hants commuters traveling to Halifax by transit, a new park-and-ride lot off of exit 5a (south of the Airport, on Aerotech Drive) would enable commuters to board MetroX without having to drive all the way to Fall River. The Municipality of East Hants could work with Halifax Regional Municipality and the Airport to develop this new lot.

Vehicle Storage Facility

East Hants will not need to develop any new vehicle storage facilities. The contractor should be asked to arrange for a vehicle storage area or facility as part of the contract requirements. This storage area may be indoor or outdoor, and it may even be on municipal property if East Hants has an appropriate space available. This can be specified in the contract and request for proposal.

Sample contract language: "Provide a secured, heated, indoor storage facility where the buses will be stored three hundred and sixty-five days of the year." (Town of Collingwood)

Automated Vehicle Location

For the first contract term, a basic Automated Vehicle Location (AVL) system should be provided by the contractor. Models used by the trucking industry are relatively inexpensive (estimated at \$1,000) and will allow East Hants and the contractor to monitor exactly what service was operated and when.

Once the service is operational and successful, East Hants may wish to purchase its own AVL system or upgrade the AVL requirements in the contract. A more sophisticated AVL system could be used to provide web-based or mobile information to customers on the precise location of the bus, resulting in better customer service.

3.6 Transit Vehicle Procurement and Motor Carrier License Application

Transit Vehicle Procurement

As described in section 3.5, *Capital Infrastructure and Assets*, it is recommended that the Municipality of East Hants purchase one 19- to 24-seat transit vehicle (images below). A low-floor vehicle is recommended.

East Hants can issue a tender for the purchase of this vehicle. The tender will include the specifications required, including:

- ▶ Seating capacity;
- ▶ Accessibility (low floor); and
- ▶ Fuel type.

As part of the tender, East Hants may wish to request prices for a more basic vehicle as well as for a more expensive vehicle (e.g. low-floor or low-floor with ramp).

To further develop these specifications, East Hants can issue a Request for Information to transit vehicle manufacturers (e.g. Crestline Coach, Blue Bird/Girardin). This will provide East Hants with information from manufacturers on the required specifications.



Motor Carrier License for Municipally Owned Transit Vehicles

The Nova Scotia Utility and Review Board ("NSUARB" or "Board") is responsible for the regulation of all public passenger carriers within the Province, including public transit systems. The mandate includes licensing, approving fares, routes, stops, and equipment for use, as well as hearing complaints against carriers, and hearing applications for modification or discontinuance of service. The Board acts under the *Motor Carrier Act* and *Regulations* for purposes of public passenger transportation within the province.

The applicant for a Motor Carrier License is typically the vehicle/fleet owner. Application is made to the Board via Form A – Application for Motor Carrier License and Form G - Motor Carrier Certificate of Insurance. The Board has authority to determine if a license should be granted to the applicant, even if no opposition is received. Any revisions to the transit service (routes, schedule, fares) and fleet must be submitted to the Board for approval. The Board has published requirements relating to practices and procedures for public passenger applications to the NSUARB which are available, along with Forms, on the public passenger section of their website.

Note: The municipality can make application for a license with a detailed description of the transit service and only a general description of the vehicle to be used. This will allow Easy Hants to secure a license first and then procure the vehicle and contract the transit service.

4.0 CONTRACTING TRANSIT SERVICES

When contracting transit service, the municipality maintains ownership of the service and authority over setting policies, such as fares and schedules. The potential financial and operational benefits for a municipality to contract transit service are:

- ▶ Benefits of market competition – best price and quality.
- ▶ Savings in operating costs – lower overall wages & benefits, more efficient use of labour and assets (integration with other company operations).
- ▶ Shift appropriate risk to the private sector.
- ▶ Flexibility to modify or cancel service more easily.

In addition to payments to the transit Operating Company, there are other costs for the transit agency/municipality, such as transactions costs (RFP process time and expenses) and recurring performance management and contract administration costs. This section will outline how to maximize the value proposition for contracting transit service in East Hants.

4.1 Contracting Model

The transit partnership refers to the contract scope and the assignment of responsibilities between the contracting parties.

The contract scope can vary:

- ▶ **OMV** Operate, Maintain vehicle, Vehicle provision
- ▶ **OM** Operate, Maintain vehicle owned by municipality
- ▶ **O** Operate (vehicle owned and maintained by municipality)

The OM model for contracting is most typical and is recommended for East Hants, for the following reasons:

- ▶ **Cost:** This model offers the potential to subscribe to senior government capital investment funding for vehicles, facilities and information technology that is available to municipalities (and not private companies) such as the Public Transit Assistance Program.
- ▶ **Potential service providers:** The market is also usually more competitive when capital infrastructure requirements are excluded from the contract scope. East Hants is more likely to obtain numerous proposals if vehicles are not included in the scope.
- ▶ **Minimizing conflict:** OM bundles operations and maintenance under a single organization and management, thereby minimizing conflicting priorities that may arise between these functional groups. OMV also provides this benefit.

- ▶ **Protection against disruption:** If for any reason, East Hants needs to terminate its relationship with one contractor and find another contractor, they could do this more quickly and without service disruption if they own the transit vehicle.

Contract Term

The contract term is usually a combination of a fixed term plus contract extension options. A shorter contract term of 5 years is recommended for East Hants as a new transit system – for example, 3 years fixed term and pricing with two 1-year contract extension options at the sole discretion of the municipality. With experience, a longer contract term may be considered in future procurements.

The contract should specify the situations in which the municipality can terminate the contract early without penalty to the (e.g. if the operator fails to meet the terms of the contract) and the penalties that apply should either party need to terminate the contract in other situations.

Payment Model

Under the majority of OM contracts, operating companies are paid based on the number of service hours delivered. This payment model is recommended for East Hants due to its simplicity and widespread use.

The operator will provide the hourly rate for service delivery in year 1, 2 and 3 as part of their proposal (see additional information in the *Procurement Process* section). The operator will develop this hourly rate based on East Hants' planned revenue service hours (3,392 per year). The hourly rate will factor in the operator's fixed costs (e.g. management, facilities and overhead expenses) as well as the variable costs (e.g. drivers' wages and vehicle maintenance costs).

As part of this payment model, East Hants should consider the following issues:

- ▶ **Service disruptions.** Each month, the contractor will invoice based on the number of service hours delivered. To avoid disputes, the contract will need to specify if and when the contractor will be paid for planned service hours that were not delivered. Often, contractors receive payment for service hours that were not delivered only when service disruptions are outside of their control – for example, when floods or major storms prevent operations. Contractors do not receive payment for service disruptions due to preventable mechanical issues.
- ▶ **Changes in service levels.** Recognizing that the operator's hourly rates are based on the planned number of revenue service hours, the contract should also enable adjustment of hourly rates when service levels change dramatically. For example, if service hours increase or decrease by more than 20%, the operator's hourly rates can be re-negotiated.

Sample contract language: "It is recognized by the Town that a certain portion of the Operator's costs are fixed and that the agreed rate contained in this contract reflects these costs. Should the Town request an increase in service resulting in a projected increase in total annual hours in excess of 20% of the hours specified in the proposal, the Town shall have the right after an experimental period, to request the Operator to revise the rate charged. If the Town requests a reduction in the total annual

vehicle hours, in excess of 20% of the hours of operation the Operator shall have the right to submit revised costs.” (Town of Collingwood and Wasaga Beach)

- ▶ **Fuel provision.** There are three possible approaches to fuel provision as part of this payment model.
 - ▶ The contract could specify a monthly adjustment to the operator’s rates to account for fuel prices during the previous month. This option transfers the risks associated with fluctuations in fuel prices to the municipality.
 - ▶ The operator could be required to purchase all fuel and absorb any price variations. This option requires the contractor to assume the risks associated with fluctuations in fuel prices.
 - ▶ The municipality could supply all fuel; the operator would be required to refill vehicles at the municipality’s preferred supplier. This option should be considered if the municipality receives bulk discounts on fuel for its fleet.
- ▶ **Holdbacks.** The contract should specify the holdbacks or other penalties if the operator fails to meet the contract terms and conditions.

4.2 Procurement Process

The most common method of procuring transit services is a publicly advertised request for proposal (RFP). Other options exist, such as sole sourcing from a preferred provider or selection from a list of preferred vendors selected through a request for information (RFI) process, but they are used less frequently.

Request for Proposal and Evaluation Criteria

Under an RFP, the municipality describes the service it is seeking and openly solicits proposals from qualified companies. Responding proponents have the opportunity to be innovative and convincing about their capabilities. The RFP is not a tender and the transit agency typically asks the proponent for a proposal with two components:

1. Technical proposal that describes the company’s relevant experience and its business plan - key management personnel, startup and operational plans, personnel hiring and retention programs, vehicle inspection and maintenance programs and customer service and communication plans.
2. Price proposal with hourly rates for years 1, 2 and 3 of service delivery, and total costs for the first three years of service based on the planned number of revenue service hours.

Each component is scored sequentially based upon a two-stage evaluation process, with evaluation criteria published in the RFP document. Typically, the technical component must meet a minimum number of evaluation points in order to proceed to evaluation of the pricing proposal. Proposals that do not meet this minimum are not evaluated further and the proponent’s price proposal is returned unopened. The evaluation criteria reflect a mix of quality and cost considerations, hence, the proposal with the lowest price is not necessarily the winning proposal. A 50/50 assignment of evaluation scoring to technical and price is common. There are systems with higher and lower assignments of technical/ price points but 50/50 represents a majority. A sample set of evaluation criteria is provided in Table 6.

Table 6 Sample Evaluation Criteria

RFP CRITERIA	POINTS AVAILABLE
Part A: Technical Proposal	50
System Management and Supervision <i>(Organization chart, description and resumes for key management positions)</i>	5
Operations and Service Delivery <i>(Plans for operations, customer service, technology, fare collection and security)</i>	15
Facilities and Maintenance Plan <i>(Garage, standby vehicle, vehicle maintenance plan)</i>	10
Performance Management , Cost Management & Reporting <i>(Billing, accounting and cost controls; performance tracking and reporting)</i>	5
Staffing Training, Health and Safety and Regulatory Compliance <i>(Human resources management, System Safety and Training Plan, regulatory compliance)</i>	5
Past Experience and References	10
Innovation <i>(Proposed innovative services not stipulated in the RFP but deemed to be added value)</i>	5
Minimum 35 points required for evaluation of Part B Costs	
Part B: Price Proposal	50
The Proponent's total combined Proposal costs for the first 3 years	50
Total Score	100

Procurement Documents

Procurement documents will include the following:

- ▶ RFP document issued by the Municipality of East Hants to procure an operating company; and
- ▶ Draft transit contract(s) and associated schedules between the Municipality of East Hants and the Operating Company. The final transit contract will be negotiated with the operating company selected to deliver the service.

A vehicle lease agreement is also used in some municipalities to specify the terms and conditions surrounding operator's use of the bus(es) owned by the Municipality. In other municipalities, these terms and conditions are included in the core transit contract.

4.3 RFP and Contract Contents

The RFP and contract should address the following issues at a minimum:

- ▶ Scope and description of transit service;
- ▶ Operating company responsibilities and requirements;
- ▶ Municipal responsibilities;

- ▶ Performance monitoring and reporting requirements;
- ▶ Payment terms, conditions and alterations;
- ▶ Operator insurance liability and conformance to applicable law;
- ▶ Dispute resolution and termination processes.

Sample operating company and municipal responsibilities are provided below. Performance monitoring and reporting recommendations are also provided.

Recommended Operating Company Responsibilities

A clear assignment of responsibilities between the contracting parties is important. The RFP and contract should clearly identify the responsibilities of the operating company and of the municipality. With an Operate-Maintain (OM) contract model, the following types of contractor responsibilities are recommended, with specifics provided as an example. The details of each type of responsibility (e.g. reporting frequencies, response times, etc.) should be established by East Hants as part of the development of the RFP and draft contract.

▶ Operation and management

- ▶ Operate and oversee conventional fixed route and “flag stop” bus service according to the route and schedule identified in the RFP
- ▶ Provide a local supervisor responsible for the system who can be reached during the transit operating hours and make decisions
- ▶ Provide qualified drivers, maintenance staff and operations staff to operate the system
- ▶ Develop driver schedules and vehicle assignments
- ▶ Report all accidents or service disruptions immediately to the Municipality, insurance agent and police as appropriate

▶ Vehicles

- ▶ Provide insurance for the Municipality’s transit vehicle and transit service to the levels prescribed in the contract
- ▶ Fuel vehicles as per the contract terms
- ▶ Provide a standby vehicle that can deliver service in the event that the Municipal vehicle is unavailable during service hours. *(Optional: The Municipality may choose to pay the Contractor for each hour of service provided by the standby vehicle. This will limit the risk for the Contractor associated with provision of a standby vehicle.)*

▶ Technology

- ▶ Supply two-way radios or other equivalent communication technologies for communication between bus and a base station
- ▶ Supply GPS, AVL or other system to track vehicle location

▶ Fare collection

- ▶ Be familiar with fares and ensure that all passengers pay an appropriate fare
- ▶ Verify monthly passes and associated photo identification
- ▶ Deliver locked fare box canister with fares to the Municipal Office daily, or as specified in the contract
- ▶ **Maintenance and cleaning**
 - ▶ Keep monthly maintenance records on file that can be made available at the Municipality's request
 - ▶ Clean buses inside at the end of each day of service; wash the outside of buses at least twice per week
 - ▶ Plan maintenance to minimize the use of the standby vehicle
 - ▶ Maintain buses to peak efficiency in accordance with the manufacturer's recommendations
 - ▶ Pay for all maintenance activities including but not limited to: replacement and repair of engine and transmission items caused by normal wear; lights; brakes; tires; upholstery; windows; mirrors etc.
 - ▶ *Recommended exception: The Municipality should pay for any vehicle refurbishments (e.g. engine refurbishment) required to keep the vehicles in operation. This will limit disputes with the contractor and enable the Municipality to operate the transit vehicles for their full useful life.*
 - ▶ Participate in annual vehicle inspections, or on an as needed basis
 - ▶ Return vehicles in a repaired, serviced and maintained condition upon termination of the contract (and potentially supply a Certificate of Fitness).
- ▶ **Facilities and infrastructure**
 - ▶ Provide a storage facility or area where the transit vehicle will be stored year-round
 - ▶ *Optional: The Municipality may ask the contractor to provide an administration office within East Hants that can be accessed by the public and used for items such as lost and found. However, this is not recommended due to the additional cost and possibility that this would limit the number of potential service providers.*
- ▶ **Licensing and training**
 - ▶ Ensure all drivers have received all necessary licensing and training under provincial and federal legislation, regulation, standards and codes for the vehicles they are operating
 - ▶ Ensure all drivers have received training in customer service and in East Hants transit service provision
- ▶ **Finance and contract administration**
 - ▶ Keep accounting and operating records and provide monthly billings and reports that indicate: the vehicles operated, the hours of service, the distance travelled, the litres of fuel consumed and the average cost per litre during the month
 - ▶ Use a reliable and efficient accounting and invoicing system to deliver timely and accurate billing
- ▶ **Service planning, system management and performance monitoring**

- ▶ Take manual passenger counts during each shift, and provide detailed information on ridership at the end of the month
 - ▶ Track on-time performance / schedule adherence and other key performance indicators
 - ▶ Participate in quarterly meetings to review performance, address issues and ensure the system is operating effectively
 - ▶ Provide quarterly or annual reports on key activities and indicators (e.g. on-time performance, service hours provided, training and maintenance activities conducted)
 - ▶ Establish annual operating agreements
 - ▶ Work with the Municipality to deliver the best possible service (e.g. provide recommendations regarding routes, stops and schedules)
- ▶ **Customer service, communications and marketing**
- ▶ Respond to questions or inquiries from the Municipality and customers (forwarded by the Municipality) within 24 or 48 hours
 - ▶ Document complaints or comments received directly from customers and share them with the Municipality
 - ▶ Offer a polite, courteous and professional service
 - ▶ Be familiar with the route and schedule and provide accurate information to help customers use the transit service
 - ▶ Dress in a uniform to be approved by the Municipality
 - ▶ Record all lost and found items; deliver the items and records to the Municipality (*it is recommended that the Municipality manage the lost and found so that the contractor is not required to provide an administration office*)
 - ▶ Contact the Municipality and/or local radio station immediately when the bus is experiencing delays (e.g. due to weather or abnormal events)
 - ▶ Display or distribute notices, advertising or information provided by the Municipality on the transit vehicle (and only distribute or display information approved by the Municipality)
- ▶ **Service changes and special events**
- ▶ Implement permanent or temporary service changes; provide conventional bus service on new routes and/or according to new schedules, provided enough notice from the Municipality, at the tendered hourly rate
 - ▶ Distribute surveys, honour special passes or perform customer rider counts at the request of the Municipality
- ▶ **Compliance with all applicable legislation and regulations**
- ▶ Comply with all applicable legislation and regulations. (*Section 4.4 further describes the regulatory requirements. The RFP and contract should list specific requirements and also include a blanket statement such as, “The Contractor shall comply with all legislation and regulations which may be applicable to the Services, including but not limited to the following...”*)

Recommended Municipal Responsibilities

The RFP and contract should also clearly identify the responsibilities of the municipality. It is recommended that municipal responsibilities include the following:

▶ **Operation and management**

- ▶ Work with the contractor to ensure efficient and effective daily operations
- ▶ Notify the contractor of any planned activities that could disrupt service (e.g. construction, special events, etc.)
- ▶ Establish traffic control by-laws, transit priority measures, etc. to support transit service

▶ **Vehicles**

- ▶ Provide the primary transit vehicle
- ▶ Obtain Motor Carrier License

▶ **Fare collection**

- ▶ Provide fare boxes
- ▶ Establish fares and issue tickets and monthly passes
- ▶ Process and deposit fares delivered by the contractor

▶ **Maintenance**

- ▶ Perform annual vehicle inspection
- ▶ Pay for vehicle refurbishment required to extend their useful life

▶ **Service planning, system management and performance monitoring**

- ▶ Prepare service plans (routes, schedules and stops)
- ▶ Participate in quarterly meetings to review performance, address issues and ensure the system is operating effectively
- ▶ Track key performance indicators (e.g. Revenue-Cost Ratio, boardings per hour)
- ▶ Report to Council on service plans and performance (ridership, KPIs, financial)
- ▶ Revise service plans in response to KPIs and customer and contractor feedback

▶ **Customer service, communications and marketing**

- ▶ Respond to customer questions and complaints; forward questions and complaints to the contractor when their input is needed for response
- ▶ Develop marketing and information materials, including schedules, route maps, website, social media accounts, etc.

▶ **Finance and contract administration**

- ▶ Review reported service hours and identify any issues or discrepancies
- ▶ Process monthly billings and pay contractor within an agreed-upon timeframe
- ▶ Establish annual operating agreements with the contractor

▶ **Facilities and infrastructure**

- ▶ Install, maintain and inspect bus stops and signs

- Provide a customer service facility where customers can obtain information, retrieve lost items, and purchase tickets and monthly passes

Table 7 summarizes the key responsibilities of the Municipality versus Operating Company.

Table 7 Assignment of Responsibility Chart

Function	Activity	Local government	Operating Company
1. Management	a. Management, supervision and delivery of system operations (maintenance/servicing of fleet vehicles, customer service, payroll, records and reports of operation, safety and environmental compliance)		X
	b. Accounting Controls, Reports, Analysis	X	X
	c. Service and Performance Tracking	X	X
2. Operations	a. Installation, maintenance and inspection of on-street facilities (bus stops, shelters, park-and-ride, etc)	X	
	b. Develop schedules to implement approved service plans		X
	c. Develop vehicle assignments to minimize fleet requirements		X
	d. Oversee and deliver day to day operations of approved transit service		X
	e. Operate specialized transit services		X
	f. Make necessary traffic control by-laws and transit priority measures	X	
	g. Install and replace rider information material	X	
	h. Comply with all applicable local government, provincial and federal regulations		X
	i. Develop, implement and maintain a System Safety & Training Plan		X
3. Vehicles & Facilities	a. Provide vehicles and fare boxes	X	
	b. Provide Operations Facility and fixtures (garage and maintenance equipment)		X
	c. Operate, maintain, service and clean local government owned/leased vehicles and related equipment in compliance with regulations		X
	d. Conduct regular maintenance inspections of vehicles and facilities		X
	e. Insure vehicles	TBD	X
4. Finance & Contract Administration	a. Approve and amend fares	X	
	b. Establish Annual Operating Agreement and budgets	X	X
	c. Provide financial services and reports	X	
5. Marketing	a. Prepare, provide and control approved marketing plans	X	
	b. Provide bus stop signs	X	
	c. Provide public timetables	X	
	d. Maintain a positive public profile and seek new riders	X	X
6. Service Planning	a. Prepare operational & strategic service plans with routes, schedules and budget	X	
	b. Review, amend or approve plans	X	
	c. Implement Service changes as per Service Specifications		X

Performance Monitoring and Reporting

The performance management framework reinforces desired outcomes for safe, reliable, customer-focused and accountable transit service. There are two components to the framework:

- ▶ **Contract Payment:** Review, assessment and approval of the monthly invoice from the Operating Company is the principal control by the Municipality to ensure contract compliance.
- ▶ **Key Performance Indicators:** The Operator can also be asked to report monthly, quarterly or annually on measurable key performance indicators (activity levels and performance results), with requirements that are appropriate to local conditions. The draft framework in Table 8 illustrates a monthly report with easily sourced data – Operating Company reporting and an Automated Vehicle Location (AVL) system accessible to the Operating Company and Municipality.

Table 8 Key Performance Indicators and Targets

Monthly Report		Month: _____	Year: _____		
#	Key Performance Indicator (KPI)	Requirement (definition of each requirement and adherence incentive and penalty amounts TBD)	Source	Data	Target Achieved (yes/no)
1.	Employee training	All employees to receive training as outlined in the transit contract –activity report (annual)	Operating Company		
2.	Service reliability	No revenue service bus shall depart early or more than XX min after scheduled departure time at terminal stops (percentage adherence)	AVL		
3.	Preventative Maintenance Inspections	The Operating Company shall complete the XXkm Preventive Maintenance Inspection (PMI) no more than 1,000kms before or after scheduled PMI interval	Operating Company		
4.	Interior Bus Cleanliness	Bus interiors to be cleaned before entering revenue service – activity report (attach)	Operating Company		
5.	Exterior Bus Cleanliness	Bus exteriors to be cleaned regularly (min. twice per week) – activity report (attach)	Operating Company		
6.	Reporting	All required reports submitted, as per transit contract reporting schedule	Operating Company		
Operating Company Representative _____ Name Signature Date					

4.4 Regulatory Requirements and Risk Management

Operating Company Regulatory Requirements

The Nova Scotia regulatory environment includes the following requirements for activities assigned to the Operating Company:

Insurance: The Nova Scotia *Public Passenger Motor Carrier Act Regulations* prescribes minimum insurance coverage. For vehicles 21 passengers or over, \$2,000,000 third party liability (inclusive limits) and \$3,000,000 passenger liability and property damage (inclusive limits) are required. The Nova Scotia Utility and Review Board requires completion of Form G – Insurance.

Note: these are minimum insurance requirements and higher coverage should be investigated as part of the municipality's risk management practice. The small municipalities included in the peer review generally required \$5 to \$8 million commercial general liability insurance, \$2 to \$5 million in automobile and non-owned automobile liability insurance and \$5,000 per passenger property damage insurance. Some municipalities also obtained insurance for the municipality, while others did not.

Vehicle Safety Inspection: The Motor Carrier Division, a division of the Department of Transportation and Infrastructure Renewal, administers a comprehensive safety inspection program for all public passenger vehicles. Inspections are required twice per year.

Worker Safety Legislation: The Occupational Health & Safety Division of the Ministry of Labour and Advanced Education, which administers the *Occupational Health & Safety Act*, and the Workers' Compensation Board (WCB) each have statutory mandates for safety.

- ▶ The Occupational Health & Safety concentrates its efforts on promoting safe and healthy workplaces, work practices, and safety standards protecting the general public. The department promotes an 'internal responsibility system' that acknowledges the responsibility of employers and employees for workplace health and safety. Its Compliance and Inspection Services staff conduct workplace inspections and investigations throughout provincially-regulated workplaces across Nova Scotia, including transportation. Relevant safety issues for transit include first aid, WHMIS, fall protection, general safety and violence in the workplace.
- ▶ The WCB vision is to keep Nova Scotians safe and secure from workplace injury. The agency sets the standard for workplace injury insurance by informing and inspiring Nova Scotians in the prevention of workplace injury. If injury occurs, WCB champions a timely return to safe and healthy work for those injured. WCB coverage is mandatory for the public transit industry.

Environmental Legislation: The Nova Scotia Department of the Environment administers the *Environment Act* which administers the care, management and control of substances that are harmful if released in the environment (diesel fuel, other fluids). Any release of a substance into the environment must be reported to the Department of the Environment, as per the *Environment Act*.

Liability and Risk Management

The previous section outlined the Nova Scotia regulatory requirements for licensing, protecting the safety of residents and workers, and protecting the environment. The Municipality has a responsibility as the owner of a contracted service to exercise appropriate contract oversight and due diligence to ensure safety and environmental protection provisions are upheld by the transit contractor. Due diligence objectives can be achieved with Operating Company reporting requirements in the transit contract (see Table 9) and follow-up contract management action.

Table 9 Regulatory Reporting Framework

Due Diligence Report or Document		Upon Occurrence	Monthly	Twice / year	Annual
a.	Written certification of insurance coverage (Nova Scotia Utility and Review Board requires Form G – Insurance)				X
b.	Motor carrier vehicle inspection reports			X	
c.	Workers Compensation Board clearance letter				X
d.	Occupational Health & Safety investigation reports and Orders	X			
e.	Joint Occupational Health and Safety Committee (JOHSC) minutes†		X		
f.	Written notification of passenger/worker/public/vehicle accidents and incidents	X			
g.	Environmental spill reports	X			

† or a Health and Safety Representative report if the Op Co has less than 20 employees.

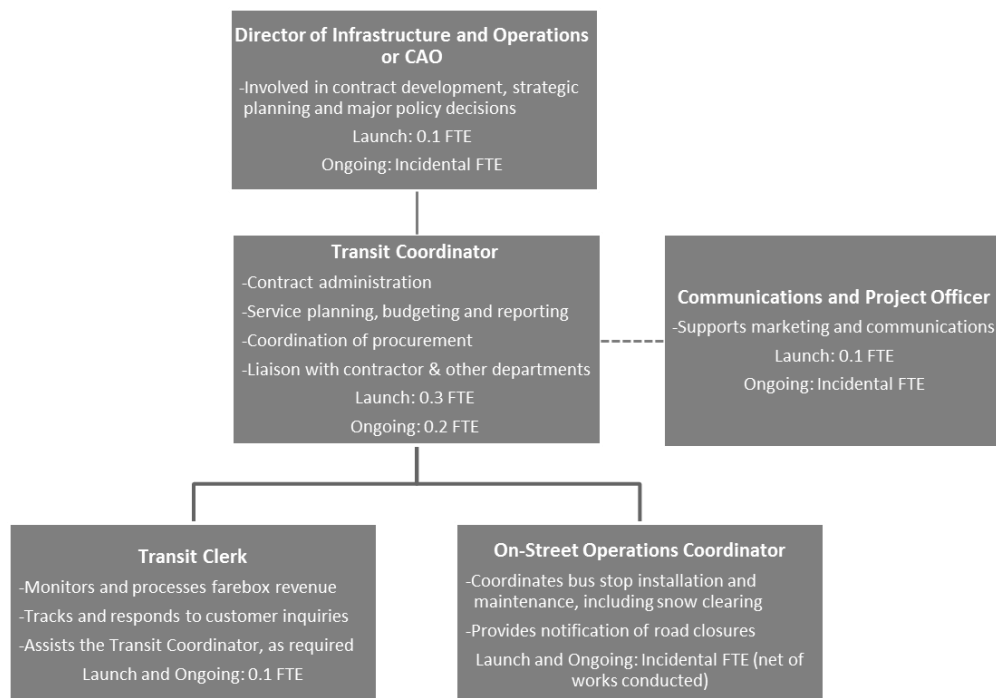
In addition to regulatory due diligence, the municipality can mitigate liability and risk by ensuring Operating Company compliance with its System Safety & Training Plan (SSTP) and stipulating higher insurance coverage than the regulatory minimums. Contract compliance can be monitored on an annual basis.

5.0 MUNICIPAL ORGANIZATION AND STAFFING

Municipal transit management has dual roles: day-to-day transit service operations and contract administration. The transit service operations role requires open communications (phone, email, in-person) between the designated contacts for each party on an on-going basis. Contract administration includes oversight of contract compliance and payment.

The municipal staffing requirement and supervisory structure is modest with the contract structure described in section 4. The contract management focus of the function can be incorporated in existing positions within the Infrastructure and Operations Department or within the Chief Administrator Office (Transit Coordinator and Transit Clerk positions described in Figure 9). The On-Street Operations Coordinator role is typically incorporated in an existing position within Infrastructure and Operations. The Transit Coordinator can work with the Communications and Project Officer on marketing and communications, discussed further in section 7.

Figure 9 Municipal Organization and Staffing



Estimates of full time equivalent (FTE) staff requirements are provided for launch-related activities (implementation planning, procurement and launch) and for on-going operations (starting approximately three months after launch).

A joint transit management committee comprised of the municipal Transit Coordinator and contractor Supervisor is also recommended. This committee can meet monthly or quarterly to address operational and contractual issues.

6.0 POTENTIAL SERVICE PROVIDERS AND PARTNERS

6.1 Potential Service Providers

The success of the recommended delivery model – contracting transit service to a third party organization – depends on the availability of appropriate service providers in the East Hants area. MMM Group therefore conducted research to identify potential service providers in the area, and contacted select providers to gauge their interest in operating an East Hants transit service. These activities indicate that there are a sufficient number of potential service providers in the East Hants area, and a Request for Proposal would likely yield several responses.

Several likely potential service providers are identified below:

- ▶ **Maritime Bus.** Maritime Bus is an inter-city passenger and parcel service in the Maritimes. It operates 5 trips per day between Truro and Halifax airport. This service stops in Elmsdale at the Superstore (as a “flag” stop rather than a regular stop). MMM Group spoke with Mike Cassidy of Maritime Bus. He expressed an interest in reviewing an RFP for an East Hants transit service if and when one goes out.
- ▶ **Stock Transportation.** Stock Transportation operates school bus services in the East Hants area and across Canada, transporting over 90,000 students daily. MMM Group spoke with a representative of Stock Transportation who indicated that stock would definitely respond to an RFP for an East Hants transit service.
- ▶ **K&A Taxi Ltd.** K&A Taxi is a locally owned and operated taxi company based in Elmsdale. Because of their existing work in East Hants, they would be well positioned for a transit contract. MMM Group spoke with a representative of K&A who indicated that they would also be interested in exploring the potential of a contract to operate an East Hants transit service.
- ▶ **East Hants Community Rider.** This is a non-profit charitable service with an annual budget of \$100,000 in 2015. They have two small accessible vans and one car, with 3 paid and 2 to 8 volunteer drivers depending on the time of year (most volunteers are elderly and choose not to drive in winter). In a conversation with MMM, the service manager, Saran Jarvie (902-883-4716) indicated that the organization would be interested in providing a fixed transit service if properly funded.

Other potential service providers include local tour companies, charter bus rental services, shuttle operators, taxi companies and school bus operators. A list of these other potential service providers is included in Table 10. It is recommended that East Hants contact these companies before it releases the Request for Proposal for the transit services contract. Notifying these companies of the Request for Proposal would significantly increase the likelihood of these companies submitting a proposal. With a more competitive procurement process, East Hants is more likely to obtain a high quality service at a competitive price.

Table 10 Other Potential Service Providers

Other Potential Service Providers	
Ambassatours Gray Line www.ambassatours.com 902-423-6242 2631 King St, Halifax, NS	PEI Express Shuttle 902-462-8177 Dartmouth, Halifax, NS www.peishuttle.com
Molega Tours www.molegatours.ca 902-866-0965 45 Beamish Road, Mt Uniacke	A Sunshine Share-A-Cab http://www.ashareacab.com/en/contact_us.html 902-429-5555 Halifax, NS
Blue Diamond Tours www.bluediamondtours.com (902) 444-6883 207 – 4 Caxton Close, Halifax, NS	Airporter Inc 902-873-2091 Halifax, Waverley, NS B0N 2S0
Coach Atlantic Group http://coachatlanticgroup.com/main/	Hot Shots Limousine & Tours 902-209-1413 11 Pettipas Dr, Dartmouth, NS
Your Cab Van Tours and Charters http://www.yourcab.ca/ 902-209-3355 22 Rachael Ave, Whites Lake, NS	Donnie's Taxi 902-798-5456 98 Centennial Dr, Windsor
Taymac Tours www.taymactours.com 902-422-4861 53 Silver Terrace, Bedford, NS	Chignecto-Central Regional School Board Operational Services Department http://www.ccrsb.ca/content/operational-services 902-897-8930 60 Lorne Street, Truro, NS

MMM Group also spoke with representatives of Halifax Transit and Kings Transit, neither of whom expressed a strong interest in operating a transit service in East Hants. Halifax Transit's current strategic direction precludes them from operating services outside of their municipal boundaries. Furthermore, the fact that Halifax Transit staff are unionized would complicate the logistics of operating outside of the service area.

MMM Group also inquired about the possibility of extending the MetroX airport transit service to the Irving Big Stop at the municipal boundary. The representative responded that there have been several requests to extend this particular service, but did not indicate that this was in Halifax Transit's short term plans.

6.2 Potential Partners

Partnering for an Effective Fixed Route Transit Service

The success of small and rural transit systems can often be increased through effective partnership-building and integration with other local and regional transportation services. MMM Group explored several opportunities to build partnerships around the proposed transit service.

- ▶ **Integration of schedules and stops with MetroX 320.** As discussed in *Section 1 Service Plan*, the East Hants transit schedule will be designed to facilitate connections with MetroX320. The schedule proposed in *Section 1* should achieve this. However, the Municipality will need to revisit this schedule before launching its service and on an ongoing basis to ensure that the MetroX schedule has not changed. Ideally, the Municipality's partnership with Halifax Transit will enable the Municipality to receive advance warning of any MetroX service changes so that it can adjust its schedule accordingly. The Municipality will undoubtedly also receive feedback from its riders if there are challenges connecting with MetroX.
- ▶ **Park-and-ride partnerships.** If there is a need for additional park-and-ride lots beyond the lot located at adjacent to the East Hants municipal office, the Municipality could develop structured agreements with community organizations (churches, small business, etc.) for facilities at strategic locations. However, for the initial service launch, this will not be a priority; this is the type of initiative that can be developed in year 2 or 3 in response to rider feedback.

Partnering to Provide Transportation Options in East Hants

The Municipality can go beyond the establishment of a fixed route transit service to provide transportation options in East Hants. The following two other low-cost activities are recommended:

1. Partnership with a ridesharing organization; and
2. Joint marketing of a "family of services".

Partnership with a Ridesharing Organization

Ridesharing services can assist local businesses and residents who are outside of the initial service area or for whom the transit service is not convenient. As part of its efforts to provide transportation options to local residents and businesses, the Municipality of East Hants could therefore develop a partnership with one or more existing ridesharing organizations. As part of the partnership, the Municipality and the ridesharing organization could work together to promote the ridesharing services to local businesses that are not well served by the fixed route transit. The following organizations have been identified as potential partners:

- ▶ Maritime Rideshare offers a website that organizes and coordinates ridesharing in the Maritimes. <http://www.maritimerideshare.com/>
- ▶ Green Rider Ltd. is a commuter van service in business since 1981. It organizes groups of commuters who live along a common route in rural Nova Scotia and have similar work or school hours within the Halifax Regional Municipality. It currently operates within East Hants. <http://www.greenrider.ca/>
- ▶ SmartTrip is a HRM program that helps employers and employees get to and from work. East Hants could work with SmartTrip to initiate an airport TDM program that would include employees living in East Hants. <http://www.halifax.ca/smarttrip/>

Joint Marketing of a “Family of Services”

The Municipality of East Hants can work with Community Rider and a potential new ridesharing partner to promote these three services to residents and businesses. The Municipality of East Hants is already a partner of the East Hants Community Rider program (mentioned earlier as a potential service provider). About 12.5 percent of Community Rider funds come from the Municipality of East Hants. Furthermore, the Municipality of East Hants is helping Community Rider seek resident feedback by advertising its online survey.

The three organizations can work together to develop websites and marketing materials that convey the range of alternative transportation options in East Hants: fixed route transit, ridesharing and dial-a-ride services. The on-the-ground staff operating the three services can also help their customers understand the options that are available to them. It will be particularly valuable for Community Rider to refer its customers to the Municipality’s fixed route transit service; this will help to increase conventional transit ridership and save the Community Rider’s scarce resources for the passengers who need this specialized transit service most.

7.0 MARKETING AND COMMUNICATION

7.1 Launch Marketing

Before and after the launch of the service, East Hants will need to conduct significant marketing and community outreach to ensure that residents are aware of the service. In addition to raising awareness, these marketing activities will establish a positive brand and image for East Hants. Marketing materials should convey that transit can benefit a variety of users – commuters of all income levels, as well as seniors and students. Finally, these activities will provide residents with all of the information they need to use the service. A dedicated email address (e.g. transit@easthants.ca) and phone number should also be established to answer residents’ questions about the new transit service.

Table 11 presents the recommended launch-related marketing activities. Marketing efforts should begin two to three months in advance of the launch and continue for three to four months after the launch. East Hants may also want to consider a “launch event” shortly after the launch date to generate excitement, potentially waiving fares for riders on the given day.

Table 11 Recommended Launch-Related Marketing

Material/Activity	Purpose	Content	Distribution Media
Printed posters	<ul style="list-style-type: none"> ▶ Raise awareness ▶ Establish brand and image ▶ Provide high-level information regarding the route and schedule 	<ul style="list-style-type: none"> ▶ Route map (high-level) ▶ Schedule and hours of service (high-level) ▶ Launch date ▶ Website and contact information 	Post at the following locations: <ul style="list-style-type: none"> ▶ Government facilities (Municipal Hall, library, Sportsplex, etc.) ▶ Other facilities (airport, grocery stores, major employers, local businesses, seniors homes, schools, etc.) ▶ Community events
Printed brochures/handouts	<ul style="list-style-type: none"> ▶ Raise awareness ▶ Establish brand and image ▶ Provide detailed information regarding the route, schedule and fares 	<ul style="list-style-type: none"> ▶ Route map (detailed) ▶ Schedule and hours of service (detailed) ▶ Launch date ▶ Fares and fare media ▶ Where to purchase tickets and passes ▶ Website and contact information 	Distribute at the following locations: <ul style="list-style-type: none"> ▶ Government facilities (Municipal Hall, library, Sportsplex, etc.) ▶ Other facilities (airport, grocery stores, major employers, local businesses, seniors homes, schools, etc.) ▶ Community events ▶ Distribute through Community Rider and transportation partners ▶ Include in mailings (e.g. water bills or property tax bills)

Material/Activity	Purpose	Content	Distribution Media
Website	<ul style="list-style-type: none"> ▶ Raise awareness ▶ Establish brand and image ▶ Provide detailed information re. route, schedule and fares ▶ Provide service alerts (e.g. delays, route changes, etc.) ▶ Solicit community sponsors* 	<ul style="list-style-type: none"> ▶ Route map (detailed) ▶ Schedule and hours of service (detailed) ▶ Launch date ▶ Fares and fare media ▶ Where to purchase tickets and passes ▶ FAQs ▶ Service updates ▶ Contact information 	Website to be included in all marketing materials
Booth at community events	<ul style="list-style-type: none"> ▶ Raise awareness ▶ Establish brand and image ▶ Provide detailed information re. route, schedule and fares ▶ Answer questions from residents ▶ Solicit community sponsors* 	<ul style="list-style-type: none"> ▶ Posters ▶ Brochures/handouts ▶ Potential distribution of one free ticket to interested residents 	Community events of all types
Social media	<ul style="list-style-type: none"> ▶ Raise awareness ▶ Establish brand and image ▶ Generate discussion ▶ Answer questions from residents ▶ Provide service alerts (e.g. delays, route changes, etc.) - near real-time 	<ul style="list-style-type: none"> ▶ Route map (high-level) ▶ Schedule and hours of service (high-level) ▶ Launch date ▶ Website and contact information 	<ul style="list-style-type: none"> ▶ Twitter ▶ Facebook
Advertisements and news stories	<ul style="list-style-type: none"> ▶ Raise awareness ▶ Establish brand and image ▶ Provide high-level information regarding the route and schedule ▶ Provide background info re. history, delivery model, etc. (stories only) 	<ul style="list-style-type: none"> ▶ Route map (high-level) ▶ Schedule and hours of service (high-level) ▶ Launch date ▶ Website and contact information 	<ul style="list-style-type: none"> ▶ Local radio ▶ Local newspapers
Transit email address and phone number	<ul style="list-style-type: none"> ▶ Answer questions from residents 	As required	Contact information to be included in all materials

* Community sponsorship is further discussed in section 8, *Financial Plan*

In advance of the launch date, East Hants will also need to design and print tickets and monthly passes. East Hants should also design and print decals for the transit vehicle so that it can be easily recognized.

The Transit Coordinator should work with the Municipality's Communications and Project Officer to develop and implement the launch-related marketing materials and activities. Either the Transit Coordinator or the Communications and Project Officer can lead the effort, depending on workload. In

most of the municipalities interviewed as part of the peer review (see Appendix), the Transit Coordinator plans and manages the marketing and communications activities with support from the Communications staff. These staffing arrangements would also apply to ongoing marketing and communication.

7.2 Ongoing Marketing and Communication

Once the service is well-established, East Hants will be able to scale back the initial marketing activities. Ongoing marketing and communications efforts will service multiple purposes:

- ▶ Communication regarding service changes;
- ▶ Responses to customer inquiries; and
- ▶ Recruitment of new riders.

Communication Regarding Service Changes

Ongoing efforts will focus on keeping riders informed regarding changes to schedules or routes, and providing timely service alerts when routes are experiencing delays. The primary tools for ongoing communication with rider are as follows:

- ▶ Information regarding planned route, schedule and/or fare changes should be posted on the East Hants transit website, in printed material on buses, and on social media platforms;
- ▶ Unplanned delays and service changes should be posted on the website and on social media platforms; and
- ▶ Alerts regarding service delays can be phoned into the local radio station by the contractor and posted on appropriate social media platforms.

Responding to Customer Inquiries

East Hants staff will monitor the transit email address and phone number on an ongoing basis. East Hants should develop a customer service policy of acknowledging all questions and inquiries within 24 business hours. When responses require contractor input, East Hants staff can liaise with the contractor and solicit the required information from them (the contractor's response period should be specified in the contract). East Hants staff can then share the appropriate information with the customer.

Recruitment of New Riders

Efforts to recruit new riders should be continued at a lesser scale after the service is well-established. The launch-related marketing activities that are deemed most successful at attracting riders should be continued, with a particular focus on recruitment in the late spring and early fall of each year.

Note: Based on experiences in peer transit systems, advertising is not recommended at the outset of the service. This is further discussed in section 8.3, *Fares and Revenues*.

8.0 FINANCIAL PLAN

8.1 Capital Costs and Funding

Capital costs of approximately \$135,000 are anticipated in year 1, assuming a \$150,000 new vehicle is purchased and \$25,000 of funding is received from the Provincial Public Transit Assistance Program. Capital costs associated with fare boxes and bus stops are also anticipated in year 1. In year 2, capital costs may include two transit shelters. Capital costs are discussed below and summarized in the Three-Year Financial Plan.

Vehicles

It is recommended that East Hants purchase one bus and require that the contractor provide a second spare bus that will be on stand-by at all times. A low-floor, 19- to 24-passenger cut-away bus is recommended if funding permits.

Costs for low-floor, cut-away 20 or 21-seat buses are in the range of \$140,000 to \$175,000, depending on the choice of a gas or diesel engine, and the interior outfitting selected. Crestline Coach is one manufacturer of these buses. They provide a choice of Ford or Chevrolet buses and currently recommend the less expensive gas engines. These buses can operate for five to seven years (400,000 to 450,000 km) before they need to be replaced. The corresponding price for similar buses that are not low-floor is \$100,000. Fully accessible buses of this type (with access ramps) can be purchased for under \$200,000.

East Hants may also wish to investigate the used vehicle market. However, vehicles of this type are not commonly available on the used market.

In the Three-Year Financial Plan, the capital cost of purchasing a vehicle is estimated as \$150,000. Provincial funding of \$25,000 from the Public Transit Assistance Program is also assumed.

Bus Stops

It is recommended that East Hants install bus stop signs at the three key, fixed stop locations described in the previous sections. The signs need to have an appropriate design and size to be clearly visible to both customers and drivers. The estimated capital cost of each bus stop is \$500, for a total cost of \$1,500.

Furthermore, bus stop area improvements are recommended for the Superstore/NSLC stop. A sidewalk waiting area should be constructed, at an estimated cost of \$8,000 for a curb and concrete sidewalk (with a curb ramp for mobility devices and strollers). East Hants may also wish to construct a bus bay at this location, at an estimated cost of \$15,000. This is not recommended for Year 1 and is therefore not included in the overall Financial Plan.

For the Sportsplex stop, East Hants should confirm that the bus can use the existing bus bay or an adjacent location and develop an MOU to this effect. Similarly, for the Airport stop, East Hants should

confirm that the bus can use the existing Halifax Transit bus bay or an immediately adjacent location and develop an MOU to this effect.

Table 12 summarizes the estimated capital costs of the bus stop signs and bus stop area improvements, including the potential bus bay at the Superstore/NSLC stop.

Table 12 Capital Costs Associated with Bus Stops

Item Description	Estimated Quantity	Unit	Unit Cost	Estimated Cost
Bus Bay (Superstore/NSLC)	120	m ²	\$130.00	\$15,600
Curb (Superstore/NSLC)	66	m	\$55.00	\$3,630
1.8m Concrete Sidewalk (Superstore/NSLC)	66	m	\$60.00	\$3,960
Bus Stop Sign	3	Each	\$500.00	\$1,500
Misc.	1	LS	\$1,310	\$1,310
Total				\$26,000

Bus Shelters

Passenger shelters should be considered at the Superstore/NSLC stop and at the Sportsplex stop for the second year of service, as these are likely to be the busiest areas outside of the Airport. It is not expected that shelters will be necessary in the Airport area, as the stop at the terminal has sufficient nearby inside places to wait.

The cost of these two shelters (\$10,000 to \$15,000 each) has not been included in the Three-Year Financial Plan. However, these shelters may be purchased by East Hants in year 2 or 3, potentially with community sponsorship.

Fare Boxes

It is recommended that East Hants purchase a manual fare box for the transit vehicle it owns. Manual fare boxes (rather than electronic registering fare boxes) can be purchased for approximately \$1,000 from vendors such as Coach & Equipment Manufacturing. Brands include “Main” fare box, a division of Euclid, and Diamond Manufacturing. For the vehicle on stand-by, the contractor should be asked either to provide a fare box or to propose another fare collection arrangement.

Automated Vehicle Location

For the first contract term, a basic Automated Vehicle Location (AVL) system should be provided by the contractor. Models used by the trucking industry are relatively inexpensive (estimated at \$1,000) and will allow East Hants and the contractor to monitor exactly what service was operated and when. This system is included in the estimated operating costs for service delivery.

Provincial Funding for Vehicle Purchase

The Public Transit Assistance Program (PTAP) is a new provincial funding program for fixed-route transit services. It was initiated in the 2014/2015 budget year. Funding criteria and eligibility information is included in Table 13.

As noted in the table, municipalities cannot apply for PTAP funding until they can provide assurance that the transit service will operate. This means that East Hants would need to finalize and execute a contract with an operating company before applying for PTAP funding. To implement the service in July 2016 as illustrated in the Implementation Plan (section 9), East Hants would need to purchase the transit vehicle before receiving PTAP funding. However, conversations with the Province in advance of purchasing the vehicle could confirm the likelihood of receiving funding.

Table 13 Public Transit Assistance Program Funding

Eligibility	Fixed-route transit, capital only (asset purchases, capital leases) Note: Applications cannot be submitted until municipalities can provide complete assurance that the transit service will operate in the given year.
Funding	\$2,900,000 for Year 1 of the program (2014/2015), divided between 5 transit systems: <ol style="list-style-type: none"> 1. Halifax Transit (\$2,000,000) 2. Transit Cape Breton 3. Kings Transit 4. Strait Area Transit (SAT) 5. Antigonish Community Transit (ACT) <p>The allocation of funding to the 4 smaller systems was not available but it was reported that SAT and ACT received funding in the order of \$25,000 - \$50,000</p> <p>Funding allocation for 2015/16 has not been announced. Applications can be submitted at any time, and funding is generally provided in the first quarter of their fiscal year (between April and June or July).</p>
Funding Allocation Criteria	Transit ridership and population served (within 1 km of a bus stop). Staff indicated that the ridership portion of the funding allocation for a new transit service like East Hants would most likely be based upon a ridership estimate.
Administration	Minimum paperwork, application by letter to the Minister Funding may be used for immediate capital expenses or applied to a capital reserve for acquisition or replacement of capital assets in the future

Gas Tax Funding for Vehicle Purchase

The Federal Gas Tax program is eligible for funding transit capital expenditures, including vehicles, bus stops and shelters. The Municipality of East Hants should consider allocating some of its gas tax money to fund transit capital costs.

8.2 Operating Costs

Total operating costs of \$259,000 to \$269,000 are anticipated in years 1, 2 and 3 of service delivery. The breakdown of these costs is described below and presented in section 8.4, *Three-Year Financial Plan*.

Service Delivery

Hourly operating costs for contracted service delivery were estimated based on operating costs for four of the five small municipalities with whom key informant interviews were conducted. Yellowknife was not included in the estimate because of its Northern location and OMV contracting model (vehicles provided by the contractor). Table 14 presents the total operating cost per service hour for these municipalities, and the “operations only” costs per revenue-service hour.

Table 14 Operating Costs in Other Jurisdictions

Municipality	Delivery Model	Operations	Administration	Fuel, Vehicle Maintenance, Plant Maintenance	Total	Service Hours	Cost per Hour (Operations)	Cost per Hour (Total)
Cobourg, ON	OM; contractor does shelter & stop installation & maintenance	\$566,000	\$4,000	\$14,000	\$584,000	8,840	\$64	\$68
Niagara-on-the-Lake, ON	OMV	\$368,000	\$32,000	-	\$400,000	4,468	\$52	\$55
Yellowknife, NT	OMV	\$897,000	-	-	\$897,000	9,064	\$99*	\$99*
Wasaga Beach, ON	OM; fuel & garage provided by Town	\$417,000	\$5,000	\$111,000	\$533,000	10,340	\$40	\$52
Leamington, ON	OM	\$189,000	\$13,000	\$4,000	\$206,000	3,610	\$52	\$57
Average							\$52	\$58

*Excluded from average

Based on this analysis, a conservative cost of \$60 per hour of contracted service delivery was estimated for East Hants in the first year. A 2% rate of inflation was applied for the second and third years.

Staffing Costs

Section 5 presents the recommended staffing plan for the Municipality of East Hants. Approximately 0.3 FTE will be required to manage the service on an ongoing basis. Additional staff time will be required during the first-year of operation, approximately twice the number of staff hours (or 0.6 FTE). This includes significant effort on the part of the Communications and Project Officer to develop marketing and communication materials. The estimated salary of \$65,000 per year accounts for the more senior Transit Coordinator position, the more junior Transit Clerk position and the Communications position. Again, a 2% rate of inflation was applied to salaries for the second and third years.

It is also recommended that East Hants seek external support for the preparation of the Request for Proposal and contract documents; the suggested budget of \$10,500 is based on 2 weeks (75) hours of external support at a rate of \$140 per hour.

Marketing Costs

In most transit systems, marketing costs account for approximately 2% of total operating costs. The ongoing marketing and communication costs in years 1, 2 and 3 (\$5,000 per year) are estimated based on this rule of thumb.

However, in the first year of service, launch-related activities will require significant additional investment – estimated at an additional \$10,000, or 4% of operating costs. This will cover the costs of designing and printing posters, brochures, decals and transit tickets and passes. (In small municipalities, transit tickets and passes are generally designed in-house and printed by an external company, with minimal security features.) This additional budget will also cover the costs of advertising with local media outlets, setting up booths at community events and any other launch-related activities or promotions.

Vehicle Refurbishment

The contractor will be responsible for all preventative maintenance and vehicle repairs. The Municipality will be required to cover the costs of major refurbishments to ensure that the vehicles last as long as possible. No annual maintenance costs linked to refurbishment are anticipated in the first three years of service. However, in the later years of service, there may be significant vehicle refurbishment costs.

Bus Stop and Infrastructure Maintenance

Annual bus stop maintenance costs of \$500 per year are estimated for the bus stop at the Superstore/NLSC. This includes snow clearing and the occasional replacement of bus stop signs. The bus stops at the Sportsplex and Airport are already being maintained therefore no additional maintenance costs are anticipated.

The \$500 annual maintenance cost was estimated based on estimates that the new stop at the Superstore/NLSC would require 15 minutes of additional maintenance while crews are already in the area, 40 times per year, at a cost of \$40 per hour.

Given the type and weight of the recommended vehicle (medium-duty Class 6, GWVR of approximately 19,000 to 25,000 lbs), there should not be significant increased wear and tear on the Municipality's roads.

Capital Reserve Contribution

Given the estimated 5 to 7-year lifespan of the vehicle, it is recommended that East Hants allocate \$25,000 (one sixth of the vehicle cost) to a capital reserve fund in years 2, 3 and thereafter. This will enable East Hants to replace the vehicle at the end of its lifespan.

8.3 Fares and Revenue

Recommended Fares

Based on the peer review of key performance indicators (Table A-1), a cash fare of \$3.00 is recommended for all riders and destinations. The following discounts are recommended for other fare classes and fare media:

- ▶ 15% discount for adult tickets, as compared to cash fares;
- ▶ 15% discount for senior and student tickets, relative to adult tickets;
- ▶ 40% discount for child tickets, relative to adult tickets; and
- ▶ 20% discount for monthly passes relative to ticket prices for all fare classes, based on 35 rides per month (approximately 8 rides per week).

The recommended fares for all fare classes and fare media are illustrated in Table 15. The recommended discounts are aligned with industry standards and with discounts in other small transit systems, as demonstrated in Table 16.

Table 15 Recommended Fares

Rider	Eligibility	Cash Fare	Tickets (10)	Monthly Pass
Adult	n/a	\$3.00	\$2.55	\$70.00
Senior	65+	\$3.00	\$2.15	\$60.00
Student	14 to 19 with valid high school ID	\$3.00	\$2.15	\$60.00
Child	6 to 13 (children 0 to 5 ride free)	\$3.00	\$1.50	\$40.00

Table 16 Recommended Discounts Compared to Averages in Other Canadian Transit Systems

Discount	Canada	Population <50,000	Recommended East Hants	Notes
Adult Tickets as % of Adult Cash Fare	83%	82%	85%	Consistent with average
Student and Senior Ticket as % of Adult Ticket Price	79%	74%	85%	Slightly above average; higher fares not expected to influence ridership
Child Ticket as % of Adult Ticket Price	74%	71%	60%	Below average; encourages parents to use transit, little influence on RC ratio
Monthly Pass as % of Ticket Price (35 Rides Per Month)	90%	82%	80%	Consistent with average in small municipalities

Ridership and Revenue Projections

Ridership projections were developed based on observed ridership levels in other peer transit systems. As discussed in section 2 and Appendix A, East Hants can expect 6 to 8 trips per revenue-service hour in the first three years of transit service. With the scheduled 3,392 annual service hours (section 3.4), year 1 ridership is projected to be approximately 20,000. Year 2 ridership is projected to be 24,000, increasing to 27,000 in year 3.

Fare revenue projections were developed based on the ridership within each fare class. The proportion of adults, seniors and students was estimated based on ridership data from Leamington, Yellowknife and Niagara-on-the-Lake. The use of monthly passes, tickets and cash fares varies significantly from place to place; as a conservative estimate, each fare media was assumed to account for one-third of trips. Table 17 illustrated projected ridership and fare revenue, along with average fares and trips per capita.

Table 17 Ridership and Fare Revenue Projections

Ridership and Fare Revenue	Year 1	Year 2	Year 3
Revenue service hours	3,392	3,392	3,392
Trips per revenue service hour	6	7	8
Total trips	20,352	23,744	27,136
Adult trips	40%	40%	40%
Senior trips	30%	30%	30%
Student trips	30%	30%	30%
Monthly passes (35 trips)	33%	33%	33%
Tickets	33%	33%	33%
Cash fares	33%	33%	33%
Revenue - Adults	\$20,500	\$23,900	\$27,300
Revenue - Seniors	\$14,100	\$16,400	\$18,800
Revenue - Students	\$14,100	\$16,400	\$18,800
Total Fare Revenue	\$48,700	\$56,700	\$64,900
Average fare	\$2.39	\$2.39	\$2.39
Trips per capita	2.3	2.7	3.1

Other Sources of Revenue

Advertising and sponsorship were considered as additional sources of revenue to offset operating costs. Recommendations regarding these two potential sources of revenue are as follows:

- ▶ **Advertising.** Based on experiences in peer transit systems, advertising is not recommended at the outset of the service. With only one bus and no transit shelters, there are limited locations where advertisements could be installed. Furthermore, other municipalities report that there is limited demand for advertising space on transit vehicles. Finally, resources are required to manage advertising on transit vehicles. Advertising opportunities must be promoted, advertising agreements developed, advertisements printed on sturdy media, and advertisements installed on transit vehicles.
- ▶ **Community and corporate sponsorship.** It is recommended that East Hants solicit sponsorship from local business and community organizations. In other municipalities, service clubs and community organizations have made financial donations to local transit systems. Local businesses have also made financial or in-kind donations (e.g. printing decals for the exterior of transit vehicles). Municipalities have recognized these sponsors by including their logos on the website, on marketing materials and on the exterior of transit vehicles. Sponsors receive visibility and are recognized for their contribution to the community, while the Municipality receives additional funding and support.

Potential revenues from advertising and sponsorship are not included in the Three-Year Financial Plan.

8.4 Three-Year Financial Plan

The three-year financial plan is summarized in Tables 18, 19 and 20, incorporating the estimates and assumptions described in sections 8.1, 8.2 and 8.3. Table 18 identifies the total capital and operating costs. Table 19 identifies the net capital and operating costs, considering anticipated fare revenues and funding. Table 20 presents the key performance indicators associated with these costs and revenues. The spreadsheet with the data and assumptions has also been shared with the Municipality of East Hants.

Table 18 Year 1 to 3 Total Costs

Total Costs	Year 1	Year 2	Year 3
Capital Costs			
Vehicles (1)	\$150,000	-	-
Fare Boxes (1)	\$1,000	-	-
Bus Stop Signs (7)	\$3,500	-	-
Sidewalk and Curb at Superstore	\$8,000	-	-
Total Capital Costs	\$162,500	-	-
Operating Costs			
<i>Contracted service delivery</i>			
Operating Hours	3,392	3,392	3,392
Hourly Cost	\$60	\$61	\$62
Total: Contracted Services	\$203,500	\$207,600	\$211,700
<i>Staffing costs</i>			
FTE	0.6	0.3	0.3
Salaries	\$65,000	\$66,000	\$67,000
Internal Staffing Costs	\$39,000	\$19,800	\$20,100
External Support	\$10,500		
Total: Staffing	\$49,500	\$19,800	\$20,100
<i>Other operating costs</i>			
Launch marketing	\$10,000	-	-
On-going marketing	\$5,000	\$5,000	\$5,000
Vehicle refurbishment	\$0	\$0	\$0
Stop/shelter maintenance	\$500	\$500	\$500
Capital Reserve Contribution	-	\$25,000	\$25,000
Total: Other Operating	\$15,500	\$30,500	\$30,500
Total Operating Costs	\$268,500	\$257,900	\$262,300

Table 19 Year 1 to 3 Net Costs

Net Costs	Year 1	Year 2	Year 3
Total Capital Costs	\$162,500	-	-
PTAP Funding	-\$25,000	-	-
Net Capital Costs	\$137,500	\$0	\$0
Total Operating Costs	\$268,500	\$257,900	\$262,300
Fare Revenue	-\$48,700	-\$56,700	-\$64,900
Net Operating Costs	\$219,800	\$201,200	\$197,400

Table 20 Year 1 to 3 Key Performance Indicators

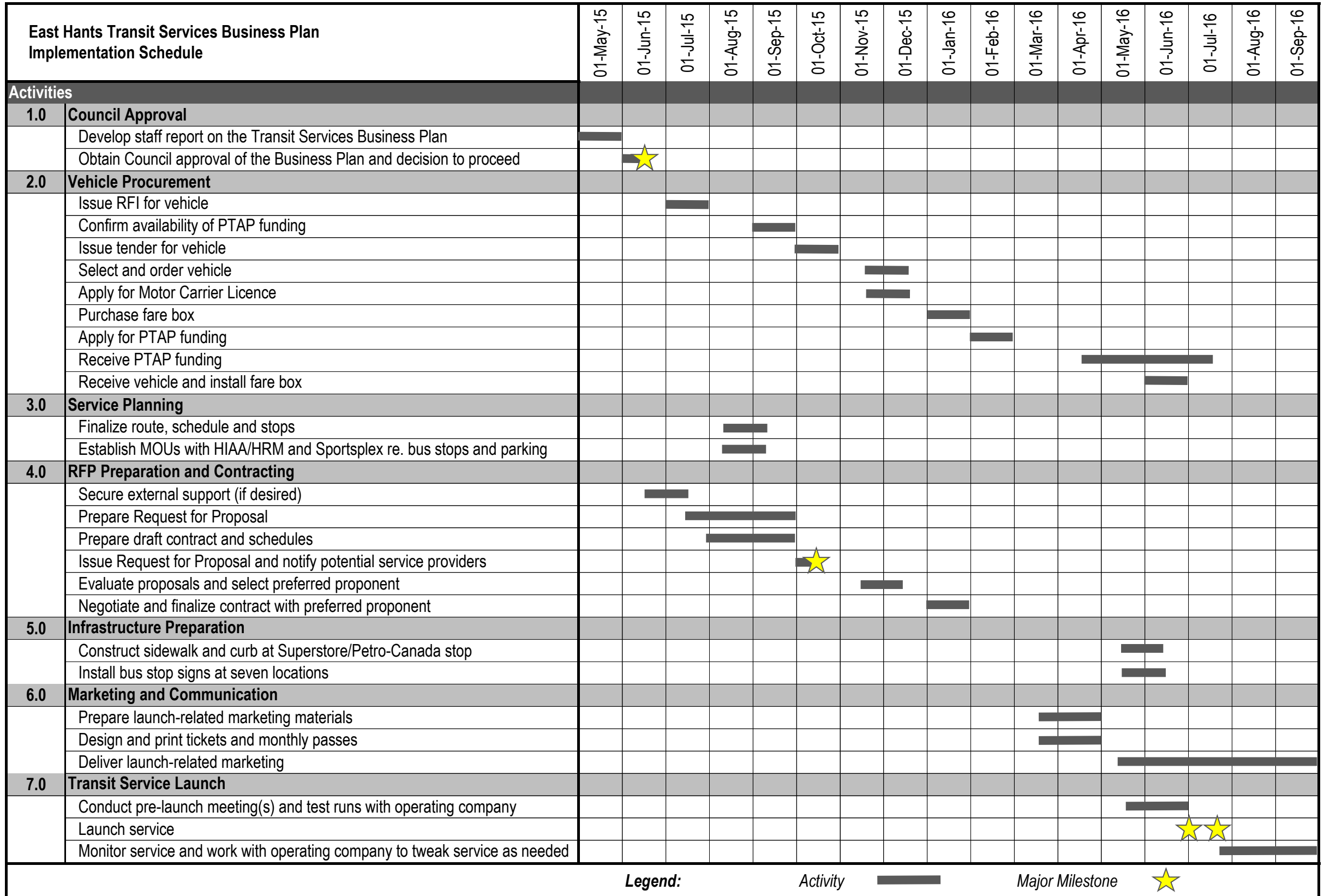
Performance Indicators	Year 1	Year 2	Year 3
Operating Costs per Service Hour	\$79	\$76	\$77
Cost Recovery Ratio	18%	22%	25%
Net Cost per Passenger	\$10.80	\$8.47	\$7.27
Passengers per Capita	2.3	2.7	3.1
Average fare	\$2.39	\$2.39	\$2.39

9.0 IMPLEMENTATION PLAN

Figure 10 on the next page illustrates the key activities and schedule for implementation of the East Hants transit service. The target launch date is late June or July 2016. Important elements of this schedule are as follows:

- ▶ It is recommended that East Hants negotiate and finalize the contract with the operating company in January of 2016. This will provide the operating company with several months to hire staff and prepare for service delivery in advance of the launch date.
- ▶ East Hants cannot apply for Public Transportation Assistance Program (PTAP) funding before the contract with the operating company is finalized. Finalizing the contract in January will allow them to apply for PTAP funding in February. The Province plans to award PTAP funding in the first quarter of their fiscal year, in April, May or June of 2016.
- ▶ Manufacturers have indicated that 19- to 24-seat, low floor cut-away transit vehicles are generally delivered six months after they are ordered. The schedule illustrates receipt of the vehicle in June of 2016, providing two to four weeks for vehicle testing, driver training and decal application. If East Hants would like to receive the vehicle before June 2016, they can tender and order the vehicle earlier than illustrated in the schedule.

Figure 10 Implementation Schedule



MMM Group conducted a review of transit systems in peer municipalities for several purposes. First, a peer review of key performance indicators helped to review and validate the recommendations and forecasts of the Corridor Feasibility Study. Based on the peer review of key performance indicators, five municipalities were selected for further review of implementation considerations, drawing on telephone conversations with representatives in these jurisdictions. Finally, the third part of the peer review was intended to provide East Hants with an understanding of other models of transit services that are used in different jurisdictions. The results of the peer review are presented on the pages that follow.

PEER REVIEW OF KEY PERFORMANCE INDICATORS

As part of the service plan review, MMM Group conducted a high-level review of peer transit systems in Canada. The peer review compares key transit system characteristics and performance indicators for existing transit services with the recommendations and forecasts of the *Corridor Feasibility Study*. Transit systems were selected primarily based on their size. The summary of key performance indicators is included as Table A-1. Key findings are as follows:

- ▶ On average, very small transit systems (service area population of 20,000 or under) achieve 8 boardings per hour. This supports a reduction in the forecasted trips per revenue-hour from the original 12 to a revised estimate of 6 to 8.
- ▶ Most very small transit systems (service area population of 20,000 or under) provide 0.3 to 0.6 revenue hours per capita. A transit service from Lantz to the Airport (excluding the northern part of the Corridor) would put East Hants in this range.
- ▶ The cash fares and monthly passes of \$3.25 and \$95.00, respectively, are above norms for small transit systems in Canada. This suggests that the recommended cash fares and monthly pass costs should be reconsidered as part of the Business Plan.

Table 21 Comparison of Service Levels and Key Performance Indicators in Peer Communities

Location	Service Area Pop.	Service Area Size (km ²)	Rev. Service Hours	No. of Fixed Routes	No. of Vehicles	Rev. Hours Per Cap.	Trips	Trips per Cap.	Trips Per Rev. Hour	R-to-C Ratio	Operator	Staff	Cash Fare	Monthly Pass	Notes
East Hants – Revised	8,727	29	3,150	1	1	0.36	19,000-25,000	2.2 - 2.9	6 to 8	TBD	-	-	-	-	-
Loyalist Township, ON	7,228	3	8,000*	1	-	1.11	73,814	10.2	9	31%	Kingston Transit	-	\$2.75	\$72.00	To/from downtown Kingston
Niagara-on-the-Lake, ON	9,961	15	4,468	3	4	0.45	8,724	0.9	2	65%	Niagara Classic Transportation	1	\$3.00	None	Introduced in 2012
Cobourg, ON	10,741	13	8,840	3	5	0.82	103,080	9.6	12	21%	Coach Canada	-	\$2.00	\$60.00	Two local routes, one shuttle to Port Hope
Deseronto, ON	13,974	464	5,636	2	4	0.40	15,357	1.1	3	45%	Municipal	1 FT, 5 PT	\$3.50-\$12.00	\$55.00-\$205.00	Inter- and intra-city (Picton, Belleville, etc.)
Miramichi, NB	16,000	180	9,486*	3	5	0.59	65,800	4.1	7	57%	Municipal	6 FT, 3 PT	\$3.00	\$72.00	Numerous corporate supporters
Wasaga Beach, ON	17,537	60	10,340	3	3	0.59	77,130	4.4	7	19%	Sinton-Landmark	0 to 1	\$2.00	None; \$120.00 for Wasaga + Collingwood	Contractor Georgian Coach Lines until Aug. 2014
Yellowknife, NT	19,752	105	9,064	5	8	0.46	165,226	8.4	18	33%	First Canada	7 FT, 1 PT	\$3.00	\$75.00	Two weekday routes, one weekend, two express
Comer Brook, NL	19,886	148	5,610*	2	5	0.28	68,527	3.4	12	-	Murphy's Brothers Ltd (private)	-	\$2.50	\$70.00	Private operator
Leamington, ON	20,000	12	3,610	1	2	0.18	19,200	1.0	5	13%	Switzer-Carty Transportation (school bus)	1*	\$2.00	None	Previous contractor: C.A. Bailey (charter)
Leduc, AB	27,241	37	3,384	1	3	0.12	53,827	2.0	16	25%	Edmonton Transit	1	\$5.00	\$75.00	Commuter service to Edmonton
Spruce Grove, AB	29,526	32	4,774	1	7	0.16	82,653	2.8	17	39%	Edmonton Transit	-	\$6.00	\$130.00	Commuter service to Edmonton
Cowichan Valley Commuter	38,500	-	4,702	17	-	0.12	79,807	2.1	17	45%	BC Transit	-	\$2.00 local; \$8.00 commuter	\$48.00 local; \$192.00 commuter	Local and commuter
Kings Transit, NS	42,540	360	16,185	9	14	0.38	406,000	9.5	25	42%	Transit Authority	37 FT	\$3.50	\$90.00	Serves students and Wolfville, large centre
Airdrie, AB	49,560	33	19,725	7	14	0.40	142,769	2.9	7	47%	First Canada	14 FT, 11 PT	\$2.00 local; \$8.00 commuter	\$60.00 local; \$195.00 commuter	Local and commuter to Calgary
Casselman, ON	15,000	650	4,800	5	5	0.32	111,972	7.5	23	61%	417 Bus Line	0 to 1	\$15.00	\$255.00	Commuter to Ottawa, fare \$250 / month
Hut's Transit, Yarmouth, NS	6,800	11	2,295	1 or 2	2	0.34	9,200	1.4	4	-	Private operator	1 FT, 3 PT	\$2.75	None	Service terminated in 2014, new service now being studied

* Estimated

KEY INFORMANT INTERVIEWS

Based on the peer review of key performance indicators, five municipalities were selected for further review of implementation considerations, drawing on telephone conversations with representatives in these jurisdictions. The telephone interviews focused on the municipalities' experiences contracting transit services and managing contracted transit services. The five municipalities were selected based on their size and their contracted transit services. The following six municipalities responded to the interview request and were interviewed between March 5 and March 18, 2015:

1. Antigonish, NS;
2. Niagara-on-the-Lake, ON;
3. Cobourg, ON;
4. Wasaga Beach, ON;
5. Leamington, ON; and
6. Yellowknife, NT.

The results of these interviews are summarized below and inform the recommendations around contracting, managing contracted services, and marketing and communications in the body of the report.

Yellowknife Transit

First Canada operates Yellowknife's transit service and has been the contractor for many years. Key points from the interview with Yellowknife Transit are as follows:

- ▶ **Operations model:** First Canada owns the transit vehicles and is responsible for all vehicle facilities and maintenance, as well as service operations. Yellowknife recently negotiated for the purchase of newer low-floor buses, which led to an increase in hourly rates.
- ▶ **Payment model:** First Canada is paid hourly, based on the total number of service hours provided in the month. There is also an adjustment to the hourly rate each month based on a monthly gas cost average. If there are service disruptions that are outside the contractor's control (e.g. extreme weather), the contractor still receives payment. If there are service disruptions that are within the contractor's control (e.g. mechanical breakdowns), they don't receive payment.
- ▶ **Municipal staffing:** A Municipal Engineer within the Public Works and Engineering department is responsible for developing schedules and routes. An Administrative Assistant handles day-to-day questions from the public about the transit service; complaints are shared with the Municipal Engineer. The City's maintenance staff install and maintain the bus stops and shelters. The shelters include transit schedules. The maintenance staff also replace these schedules when they are updated. The Director of Public Works and Engineering was involved in finalizing the contract terms and conditions.
- ▶ **Relationship with the contractor and customer service:** The City handles all customer questions and complaints, and discusses complaints with the contractor. The contract specifies that First Canada

has to respond to customer inquiries and complaints with a certain timeframe (e.g. 24 hours for complaints, 48 hours for inquiries). Quarterly meetings with the contractor are also used to review any transit service-related issues. Yellowknife emphasized the importance of developing a strong communication plan and a good relationship with the contractor.

- ▶ **Cleanliness and contractor performance.** Yellowknife has never had problems with vehicle cleanliness. Standards are specified in the contract terms, and if the contractor does not meet these standards they will need to fix the issue. The public is very vocal and would let the City know if the buses were not clean. The contract also requires annual vehicle inspections.
- ▶ **Advertising revenue:** Yellowknife receives approximately \$10,000 per year from advertising on transit vehicles. As part of the contract, the City handles the advertising contracts and First Canada installs the advertisements on Sundays when no transit service is provided.
- ▶ **Marketing and communications:** The Municipal Engineer works with the City's Communications staff to develop posters and brochures, and the Communications team posts information on the City Facebook and Twitter accounts. The social media accounts are a very useful tool for sharing information (e.g. if buses are running late or there is a breakdown).
- ▶ **Technology.** Yellowknife will be implementing an AVL system in the next couple of months. This will help the City keep track of when buses are out of service. It will also enable the public to see where the buses are. A web-based tool will be used at the outset, and eventually an app will be developed.
- ▶ **Ridership.** Ridership has been gradually increasing. High school students are a significant percentage of the riders. The City therefore tries to make the schedules work for high school students.

Cobourg Transit

Cobourg Transit provides two fixed transit routes plus a shuttle to the nearby municipality of Port Hope. Key points from the interview with the City of Cobourg are as follows:

- ▶ **Delivery model.** Cobourg owns the buses and the contractor (Century Transportation) is responsible for operation and maintenance. Century Transportation houses the buses in their garage in Port Hope. They are in year 6 of a 5-year contract with 5-year extension, or 10-year contract.
- ▶ **Municipal staff.** The Manager of Engineering Services and one other staff within the department are responsible for transit (estimated 0.5 FTE in total). A Communications staff person also supports the transit system.
- ▶ **Accessibility.** Many of Cobourg Transit's riders are seniors and young mothers. Accessibility is therefore very important. They have accessible buses and recommend choosing accessible stops. Under the Accessibility for Ontarians with Disabilities Act, bus drivers are also required to announce all stops.
- ▶ **Performance monitoring.** The contract includes targets but no monetary incentives for achieving them. There are rarely issues, though sometimes the City receives complaints about drivers.

- ▶ **Marketing and communications.** The City is responsible for all marketing and responds to customer inquiries. The Communications staff member has recently started to tweet (use Twitter) and post on Facebook when the bus is running late. The younger riders greatly appreciate this service.

Niagara-on-the-Lake Transit

Niagara-on-the-Lake launched its transit service in April 2012 in response to the growing need for affordable intra- and inter-municipal transportation for seniors. The transit service serves three of the five hamlets, the core area and the Glendale area. Niagara-on-the-Lake's service connects with Niagara Transit's regional transit service in Glendale. Niagara-on-the-Lake also operates a free tourist-focused shuttle between Fort George and Niagara-on-the-Lake. One contractor delivers both services under a single contract. Key points from the interview with Niagara-on-the-Lake Transit are as follows:

- ▶ **Delivery model.** The contractor owns, operates and maintains all of the vehicles. The contractor receives payment based on hours of service delivery.
- ▶ **Contractor relationship.** The Town received three proposals in response to its RFP and initially awarded the contract to a local limousine company, Niagara Classic. The original contract was executed under Niagara Patient Transfer's insurance, so when Niagara Classic went out of business Niagara Patient Transfer took on all of the vehicles and drivers. Both operators provided great customer service and communicated well with the Town.
- ▶ **Municipal staff roles.** An Engineering Technologist within the Public Works Department manages all aspects of the transit service, including scheduling, run-cutting, communication, agreements with partners and contract management. The Directors of Corporate Service and Public Works were very involved when the service was initially launched. Now, they are only involved when major policy issues arise. Front-line staff help answer customer inquiries.
- ▶ **Agreement with Niagara College.** Niagara-on-the-Lake has an agreement with Niagara College whereby they accept Niagara College students on their transit service and Niagara College accepts general transit riders on their service to Niagara Falls and St. Catharines for a \$3 fare.
- ▶ **Customer inquiries.** The original contract called for the contractor to have a call centre for inquiries and complaints. However, the Town wanted to have a feel for how the system was launching and has taken all incoming calls since the launch. This worked well at the beginning, as the Town found out what was working well and what was not. Now, it has become a burden so the contractor will be taking over that responsibility as per the contract. During the off-season, they receive two or three calls per day. During the peak season, they receive about twelve calls per day.
- ▶ **Fares.** Niagara-on-the-Lake is currently using cash fares only. There are no fare discounts or fare cards. The bus drivers track the number of people who board.
- ▶ **Funding.** The transit system is funded through a variety of sources: paid on-street parking, tour bus parking at Fort George and an Ontario Gas Tax Grant. The net cost to taxpayers is only \$60,000 per year for the transit and shuttle system.

- ▶ **Promotion and marketing.** Over half of riders are students. Seniors are also a major user group, but the Town has not yet done outreach to seniors or familiarization programs. One of their next strategic goals is to diversify the ridership more.

Wasaga Beach Transit

The Town of Wasaga Beach established a transit system in 2008 when a small company suggested the idea to the CAO. They saw an opportunity to meet the needs of an aging community with lots of seniors, to help them get to Walmart and other local destinations. Council supported the idea and a sole source contract was established for a pilot of the transit service, with the company who had suggested it. This sole source contract lasted from 2008 to 2014, and the operator owned the vehicle. In 2014, the Town went through a competitive RFP process to establish a new contract.

- ▶ **Procurement process.** Wasaga Beach and the adjacent municipality of Collingwood used a joint procurement process for three transit services: Wasaga Beach Transit, Collingwood Transit, and an inter-municipal Wasaga-Collingwood link. Contractors could bid on one or more of the services. The Town received five bids and awarded all three contracts to Sinton Landmark, a local company that provides school transportation. Significant effort went into the development of the RFP. The Town looked at RFPs from a number of larger municipalities (e.g. Toronto, York Region, several British Columbia models).
- ▶ **Delivery model.** The Town owns the vehicles and the contractor operates, maintains and insures the vehicles. They established a five-year contract with a two-year option to extend. It is helpful to have one operator for the three transit systems; the drivers are in direct radio communication and can notify each other of delays that affect transfers between systems. Payment is based on service hours, with hourly rates that are adjusted when service levels increase or decrease dramatically.
- ▶ **Municipal staff.** The service was originally implemented under the CAO, but responsibility for transit was recently transferred to the Director of Public Works. A Project Coordinator deals with day-to-day issues and is the point of contact for the contractor (2-5% FTE). The Director of Public Works deals with policy and larger issues.
- ▶ **Vehicle storage and fuel.** The Town supplies the contractor with a transit garage (they use the fire hall). Originally, vehicles were parked outside at the Public Works garage, but there were challenges with keeping them outside. The Town recently built a new fire hall so is now able to park them indoors, which is very convenient in the morning for the contractor and for riders. The Town also supplies the fuel, since they get bulk delivery, and the contractor uses the fuelling station at Public Works.
- ▶ **Ridership.** Ridership has increased every year and currently averages 7,000 per month.
- ▶ **Customer service.** The Town receives all customer inquiries so that they are aware of the issues. If necessary, they will engage the contractor to investigate an issue and respond to the Town, who conveys this response to the customer.
- ▶ **Infrastructure and technology.** The Town is installing its first three transit shelters this spring. They are also investigating the feasibility of implementing a “where’s my bus” type app.

- ▶ **Communication with the contractor.** The Town meets with the contractor regularly (quarterly or semi-annually) to review progress and discuss issues. They review key indicators – operational and safety performance, schedule adherence, incidents or accidents, maintenance performance, customer satisfaction performance, etc. The contractor also organizes monthly meetings with its drivers, and the Town will sit in one of these meetings once a year or twice a year. The first year of the contract will end in August, and they haven't had any problems so far.
- ▶ **Vehicles, maintenance and insurance.** The Town owns 20-passenger buses that can accommodate 2 wheelchair passengers. They replace these buses every 7 years. The contractor conducts preventative maintenance according to the preventative maintenance plan in their proposal. Larger repairs are the responsibility of the Town. The contractor holds \$8 million general liability, \$2 million standard non-owned automobile insurance, and \$5,000 per passenger of damaged goods insurance.
- ▶ **Fares and fare media.** A design firm prepared the transit pass and system map, and the Town sent it off to a printing company. Passes include the rider's name and must be accompanied by photo ID. The Town hole punches the month and the year on the pass. There are a few holograms as security features but they are not highly secure. The Town is now starting to look at smart card technology. The Town also has an arrangement with the County responsible for Ontario Works (social service). The County purchases monthly passes from some Ontario Works recipients instead of paying for their taxis when they are travelling to and from work-related activities.
- ▶ **Marketing and communications.** The Town has found that the system markets itself. Once people become aware of it, ridership grows. The Town has started to use Twitter to notify the public of delays, especially in wintertime. In addition, the operator calls the local radio station with information regarding delays.

Leamington Transit

Leamington Transit was originally established as a private venture by a local bus company in the early 1980s, and was taken over by the Municipality of Leamington in 1985. The transit service consists of a single, one-hour route. Key points from the interview with Leamington are as follows:

- ▶ **Vehicles.** Leamington recently purchased two 19- or 20-passenger cut-away vehicles. The vehicles are low-floor and fully accessible, with a ramp and overhead lighting (compliant with Ontario's accessibility legislation). The vehicles cost under \$200,000 each. Manufacturers that responded to the tender included Overland Custom Coach and Glaval Bus (Titan LF model). The operator generally alternates use of the two vehicles. Prior to receiving these new buses, Leamington temporarily rented one bus from the operating company.
- ▶ **Delivery model.** The service is operated by the local, family-owned bus company that initially established the service in the early 1980's. The contractor is responsible for operations and maintenance, and also provides fuel, a garage and an administration office that administers lost and found. The contractor was recently purchased by a larger company, Switzer-Carly Transportation, but this has not affected service delivery. The current ten-year contract with the operating company will be redone in 2015.

- ▶ **Payment model.** Payment is based on the contractor's hourly rate. On an annual basis, the contractor can ask for a reconsideration of the hourly rate to reflect fuel costs and fuel use. The maximum change in rates is capped at 20%.
- ▶ **Maintenance.** Under the current contract, the contractor is responsible for all maintenance. However, the Municipality has paid for a few major refurbishments. Leamington is considering whether this arrangement will be revised in the next contract.
- ▶ **Service plan.** The Municipality revised its route and schedule in 2012 and received very positive feedback on the modifications. Service hours were increased to 7am to 7pm (previously 9am to 5pm) and a two-way route replaced the previous loop. These changes also led to a ridership increase.
- ▶ **Municipal staff.** An Engineering Technologist within the Engineering Department is responsible for management of the transit service. The Engineering Technologist spends approximately 20% of their time on the transit service. This includes marketing and communication activities.
- ▶ **Performance monitoring.** Performance monitoring is very informal. The bus is very visible, and every once in a while, the Engineering Technologist will ride the bus. If there are problems, the Municipality will receive complaints from riders. The municipality has a very good relationship with the contractor.
- ▶ **Fare collection.** The two transit vehicles have manual fare boxes in the transit vehicles. The contractor processes the fares, reports them to the municipality and deducts them from the invoice at end of month. This illustrates a high degree of trust between the municipality and contractor.
- ▶ **Marketing and communications.** The Municipality posts delays on the webpage and municipal Facebook and Twitter accounts. Service cancellations or delays are also announced on the radio; the contractor notifies the Municipality and the Municipality organizes the radio announcement. The Municipality posts transit-related updates on the "news" section of the municipal website, and riders can subscribe to receive these updates automatically.
- ▶ **Customer service.** The Municipality receives customer inquiries and shares them with the contractor as needed. The contractor has seven days to deal with complaints and address issues.
- ▶ **Bus stops and shelters.** All of the bus stops feature an "infopost" with the route, schedule, bus stops and an icon to illustrate their current location. The Municipality also has shelters at 10 locations. Some shelters were initially purchased and installed by a local service club in the 1980s; others were purchased by an advertising company and then sold to the Municipality at a nominal price when advertising revenue was not what the company expected.
- ▶ **Political support.** The politicians are generally very supportive of the transit service. They see it as an important community asset and service, particularly given Leamington's interest in marketing itself as a retirement area.

Antigonish Community Transit

Antigonish Community Transit Society (ACTS) is a non-profit with a mission to provide a green, sustainable, multifaceted, community based transit strategy that provides accessible, efficient, reliable and safe travel for all residents and visitors in Antigonish town and county. Starting in 2010, ACTS conducted a feasibility study and developed a business plan for a "flex-route" transit system in Antigonish. ACTS is

currently conducting a pilot project from September 2014 to the end of March, 2015. Key points from the interview with ACTS are as follows:

- ▶ **Service model.** With the “flex-route” transit model, the transit system has fixed routes but can deviate from the route to pick up people who pre-book. In addition, the system uses a combination of fixed stops and flag-based stops. A Town route operates every day, and different County routes operate on different days of the week. On County routes, two round-trips are operated from Antigonish per day. The Town loop runs seven trips per day.
- ▶ **Delivery model.** ACTS operates the service. The ACTS Project Manager is responsible for all aspects of the service (e.g. route planning and scheduling, marketing and sponsorships, customer service, etc.). The drivers are community members with a class 4 license who get paid \$13 per hour.
- ▶ **Funding.** ACTS has historically received \$26,000 per year from both the Town and the County, however they must re-apply for the funding each year. ACTS also received a grant for the pilot from NS Moves and received ATAP funding for the purchase of vehicles. ACTS will also be eligible for CTAP funding in the final year of the NS Moves grant.
- ▶ **Vehicles and technology.** ACTS purchased two 14 to 16-passenger vehicles from Girardin in Drummondville, one new and one used. The rural transportation associations were of great assistance in the search for these vehicles. ACTS considered fare boxes but decided not to go with them because of the price. Instead have a low-key version using two-way tickets (like 50/50 tickets); the driver collects the cash and tickets and puts them into a lock-box. They are stored in a locked box overnight and in the morning the project manager counts the change and the ticket stubs. Drivers also mark down when and where people get on and off along the route.
- ▶ **Ridership.** Ridership has been low relative to expectations from the community consultation and research. Ridership started out around 80 trips per week (as many people tried riding the bus for the novelty), then dropped after launch, and has gradually risen back to 80 trips per week. Riders are mostly seniors and low-income residents. ACTS is hoping to diversify ridership by tailoring schedules more to commuters. Students are also not riding the bus as often as expected based on consultation.
- ▶ **Community sponsors.** ACTS has received support from a number of community sponsors. Several service clubs, local non-profits and businesses have provided financial or in-kind donations. A local business (Admiral Auto Glass) donated all of the decals for the bus. ACTS puts the logos of these community sponsors on the bus. Total sponsorships were just under \$1,000 this year, and they are hoping to increase this next year once it is no longer a “pilot” project.
- ▶ **Next steps.** ACTS has funding to continue the service until at least the end of the year – and hopes to continue it beyond this. The eventual goal is to hand-off the service to the Town and County.

OTHER TRANSIT MODELS

Finally, the third part of the peer review was intended to provide East Hants with an understanding of other models of transit services that are used in different jurisdictions. Flexible transit services were not explored in the original Corridor Feasibility Study and may be of interest to the Municipality of East Hants at some point in the future. Their flexibility has established them as a viable option for communities that desire a transportation system but lack the population and density for a large, fixed-route system. This section provides a few examples of other transit system models, including taxi-bus systems.

Société des transports de Rimouski, QC

Service type: Fixed-route bus and taxi-bus

Population: 50,912

Rimouski is often considered the archetypal Canadian taxi-bus system. Implemented in 1993, it owes its existence to the increasing economic unfeasibility of the contemporary transit system. The City was unwilling to increase its subsidies to maintain transit service at an acceptable level; subsidies greater than \$400,000 per year would be required to provide adequate service. As a result, the City was forced to seek out an alternative – a public-private partnership with local taxi operators. At present, Rimouski has both a taxi-bus and fixed-route bus system that complements each other. An important aspect of the system is the TRAXIBUS software used to manage trip organization and vehicle dispatches.

Taxi-bus service is provided by a cooperative of all local taxi drivers and managed by a non-profit organization established by the City of Rimouski. Thus, the City manages reservations and then forwards the data to the taxi company, which determines when and where taxis should be dispatched. Users must be registered with the City and must phone to make a reservation at least 1 hour prior to their trip. Pickups and drop-offs occur at designated stops.

Rimouski has two types of taxi-buses. The standard taxi-bus travels along fixed routes but is demand-responsive; that is, trips only occur if a reservation has been made. Taxi-bus-plus, in contrast, has no fixed route. Passengers can travel across zones and routes without having to transfer. A third system, INTER-taxi-bus, implemented by the regional government, serves an even larger area and connects with the Société des transports de Rimouski. The taxi-buses shares two terminal transfer points with regular bus service (transfer is included in the fare). Thus, the taxi-buses serve as a feeder system, bringing people from surrounding communities to the fixed-route system. All regional residents are permitted to register and use the taxi-bus system, though prices can vary for residents depending on several factors. Regular fares range from \$3.50 for taxi-bus to \$5 for taxi-bus plus.

Strait Area Transit (Richmond County, Port Hawkesbury, Town of Mulgrave)

Service type: Fixed route and taxi-bus

Population: Approximately 13,000

SAT began operating in 2008 as a non-profit charitable volunteer organization providing a combination of fixed route and door-to-door services that is uncommon in Nova Scotia. It continued to operate through most of 2013, but ceased operations by November. It served the Town of Port Hawkesbury, as well as Inverness and Richmond Counties on Cape Breton Island. The fleet consisted of four vans and two buses. Paid staff included a general manager, an administrator / dispatcher, and bus drivers. The operators estimated about 35% of the fares were seniors, with the balance consisting of community college students, some commuters, and clients of community service organizations including persons with mental challenges. Increasing operating costs such as insurance and fuel (50% increase since Strait Area Transit started operating) were the biggest challenge. They purchased accessible vehicles through ATAP so the province would pay for 50% of the cost, but the vehicles were more expensive to operate than non-accessible ones and became a drain on financial resources. They were relying in part on targeted wage subsidies from Employment Insurance, Department of Community Services and East NovaAbility; the subsidies were short-term, and ran their course. The population served was about 32,300. Ridership by the end of 2011 was about 1,400 passengers per month, up from 300 in 2009. The fixed route service was abandoned in March 2013 due to the cost of operation. They lost half their ridership as a result.

By 2014 Strait Area Transit had re-introduced two new fixed routes – Whycocomagh to Port Hawkesbury to Inverness (circular routes). Dial-a ride continues for \$5 one way within the service area boundaries.

Taxi-bus Thetford Mines, QC

Service type: Taxi-bus

Population: 25,709

Since 2008, the City of Thetford Mines has provided a taxi-bus service to all residents. As with other implementations, users must perform an initial registration to use the taxi-buses. Reservations are also required; users must phone at least one hour in advance of their desired departure time. Pickup and drop-off occur at designated stops only. In 2012, taxi-buses in Thetford Mines exceeded expectations by completing a total of 43,903 trips when estimates had projected only 34,000.

The City pays for its taxi-bus system through a combination of user fares, government subsidies and revenue raised through general taxation. In 2012, \$237,127 in funding came from the City itself, \$112,610 from Transport Québec and \$156,619 from fares. User fares are \$4.25 per trip with no special provisions for groups other than children less than 5 years old, who travel for free. Alternatively, an unlimited monthly pass can be purchased for \$100. Service is offered every day of the weekend except Sunday.

Taxi-bus Victoriaville, QC

Service type: Taxi-bus

Population: 46,354

Since 2000, Victoriaville residents have enjoyed a municipal taxi-bus service. Like other services, it requires registration in order to use the service and users must make a reservation at least 1 hour prior to

their trip. Pickup and drop-off must occur at designated stops. Fares are set at \$4 flat rate with the option of a \$100 monthly pass. Victoriaville is unique, given its size, in offering Sunday service as well as extensive Saturday service and typical weekday service.

Town of Peace River, Alberta

Service type: Subsidized passes for private taxis

Population: 6,729

In 2005, the Town of Peace River implemented a fixed route public transit system. It consisted of one bus doing a single route forming a circuit around the town. It was discontinued in 2011 due to high costs. However, while the transit system was still in operation, the Town decided to supplement the single bus with subsidized taxi passes. Individuals purchase passes from the Town which are then used with regular taxis. The cost of a trip using this method is one taxi pass plus \$2.50 or \$5 depending on the distance traveled. Honouring the taxi passes is a decision made by the taxi companies. The passes are only available to certain groups: students, low income individuals/families, seniors and individuals with physical or mental disabilities. Users are permitted to buy 40 tickets every 4 weeks at a cost of \$30. As of 2013, the taxi subsidies are costing the Town \$146,109 and bringing in revenues of \$14,098 though ridership is growing. The taxis are privately owned, run and organized, completely independent of the municipality.